UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended September 30, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from______________________to______________________

Commission File No. 811-00002

AMERIPRISE CERTIFICATE COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**41-6009975**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1099 Ameriprise Financial Center	**Minneapolis**	**Minnesota**	**55474**
(Address of principal executive offices)			(Zip Code)

Registrant's telephone number, including area code: **(612) 671-3131**

Former name, former address and former fiscal year, if changed since last report: Not Applicable

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock (par value $10 per share)	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐ Accelerated Filer ☐ Non-accelerated Filer ☒ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 1, 2024
Common Stock (par value $10 per share)	150,000 shares

THE REGISTRANT MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTIONS H(1)(a) AND (b) OF FORM 10-Q AND IS THEREFORE FILING THIS FORM WITH THE REDUCED DISCLOSURE FORMAT.

AMERIPRISE CERTIFICATE COMPANY

FORM 10-Q

INDEX

AMERIPRISE CERTIFICATE COMPANY

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Investment income	$ 184,465	$ 177,903	$ 577,987	$ 467,515
Investment expenses	14,065	14,048	41,312	39,334
Net investment income before provision for certificate reserves and income taxes	170,400	163,855	536,675	428,181
Net provision for certificate reserves	133,662	126,660	430,280	318,973
Net investment income before income taxes	36,738	37,195	106,395	109,208
Income tax expense	7,084	9,356	22,722	27,592
Net investment income, after-tax	29,654	27,839	83,673	81,616
Net realized gain (loss) on investments before income taxes	553	144	(4,006)	(765)
Income tax expense (benefit)	117	30	(841)	(161)
Net realized gain (loss) on investments, after-tax	436	114	(3,165)	(604)
Net income	$ 30,090	$ 27,953	$ 80,508	$ 81,012

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in thousands)			
Net income	$ 30,090	$ 27,953	$ 80,508	$ 81,012
Other comprehensive income (loss), net of tax:				
Net unrealized gains (losses) on securities:				
Net unrealized gains (losses) on securities arising during the period	54,372	(23,064)	55,366	(30,351)
Reclassification of net (gains) losses on securities included in net income	(351)	(40)	2,426	217
Total other comprehensive income (loss), net of tax	54,021	(23,104)	57,792	(30,134)
Total comprehensive income (loss)	$ 84,111	$ 4,849	$ 138,300	$ 50,878

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2024	December 31, 2023
	(in thousands, except share data)	
Assets		
Qualified Assets		
Cash and cash equivalents	$ 889,252	$ 913,063
Investments in unaffiliated issuers (allowance for credit losses: 2024, $4,515; 2023, $1,333)	12,010,371	13,220,339
Receivables	44,626	57,822
Derivative assets	17,757	17,255
Total qualified assets	12,962,006	14,208,479
Deferred taxes, net	6,552	19,600
Taxes receivable from parent	2,151	3,367
Due from related party	1	17,907
Other assets	44	—
Total assets	$ 12,970,754	$ 14,249,353
Liabilities and Shareholder’s Equity		
Liabilities		
Certificate reserves	$ 11,998,108	$ 13,470,674
Due to related party	12,901	8,092
Taxes payable to parent	2,144	122
Payables to brokers, dealers and clearing organizations	213,919	6,150
Derivative liabilities	13,333	11,496
Other liabilities	57,691	63,461
Total liabilities	12,298,096	13,559,995
Shareholder’s Equity		
Common shares ($10 par value, 150,000 shares authorized and issued)	1,500	1,500
Additional paid-in capital	612,167	612,167
Retained earnings	74,286	148,778
Accumulated other comprehensive income (loss), net of tax	(15,295)	(73,087)
Total shareholder’s equity	672,658	689,358
Total liabilities and shareholder’s equity	$ 12,970,754	$ 14,249,353

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY

CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY (UNAUDITED)

				Retained Earnings				
	Number of Outstanding Shares	Common Shares	Additional Paid-In Capital	Appropriated for Pre-Declared Additional Credits and Interest	Appropriated for Additional Interest on Advance Payments	Un-appropriated	Accumulated Other Comprehensive Income (Loss), Net of Tax	Total
				(in thousands, except share data)				
Balance at July 1, 2024	150,000	$ 1,500	$ 612,167	$ 9,054	$ 15	$ 98,127	$ (69,316)	$ 651,547
Net income	—	—	—	—	—	30,090	—	30,090
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	54,021	54,021
Transfers between appropriated and unappropriated, net	—	—	—	(3,870)	—	3,870	—	—
Dividend to parent	—	—	—	—	—	(63,000)	—	(63,000)
Balance at September 30, 2024	150,000	$ 1,500	$ 612,167	$ 5,184	$ 15	$ 69,087	$ (15,295)	$ 672,658
Balance at July 1, 2023	150,000	$ 1,500	$ 584,667	$ 16,158	$ 15	$ 83,547	$ (122,375)	$ 563,512
Net income	—	—	—	—	—	27,953	—	27,953
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(23,104)	(23,104)
Transfers between appropriated and unappropriated, net	—	—	—	454	—	(454)	—	—
Balance at September 30, 2023	150,000	$ 1,500	$ 584,667	$ 16,612	$ 15	$ 111,046	$ (145,479)	$ 568,361
Balance at January 1, 2024	150,000	$ 1,500	$ 612,167	$ 27,031	$ 15	$ 121,732	$ (73,087)	$ 689,358
Net income	—	—	—	—	—	80,508	—	80,508
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	57,792	57,792
Transfers between appropriated and unappropriated, net	—	—	—	(21,847)	—	21,847	—	—
Dividend to parent	—	—	—	—	—	(155,000)	—	(155,000)
Balance at September 30, 2024	150,000	$ 1,500	$ 612,167	$ 5,184	$ 15	$ 69,087	$ (15,295)	$ 672,658
Balance at January 1, 2023	150,000	$ 1,500	$ 481,667	$ 15,960	$ 15	$ 30,686	$ (115,345)	$ 414,483
Net income	—	—	—	—	—	81,012	—	81,012
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(30,134)	(30,134)
Transfers between appropriated and unappropriated, net	—	—	—	652	—	(652)	—	—
Capital contribution from parent	—	—	103,000	—	—	—	—	103,000
Balance at September 30, 2023	150,000	$ 1,500	$ 584,667	$ 16,612	$ 15	$ 111,046	$ (145,479)	$ 568,361

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended September 30, 2024	2023
	(in thousands)	
Cash Flows from Operating Activities		
Net income	$ 80,508	$ 81,012
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Amortization of premiums, accretion of discounts, net	(123,089)	(97,388)
Deferred income tax expense (benefit)	(5,173)	2,090
Net realized (gain) loss on Available-for-Sale securities	(653)	275
Other net realized (gain) loss	118	580
Provision for credit losses	4,541	(90)
Changes in operating assets and liabilities:		
Dividends and interest receivable	109,219	32,917
Certificate reserves, net	(2,292)	15,408
Taxes payable to/receivable from parent, net	3,238	(5,792)
Derivatives, net of collateral	835	244
Other liabilities	(5,380)	13,862
Other receivables	174	(208)
Payables to brokers, dealers and clearing organizations	99,986	—
Other, net	(3,230)	(1,874)
Net cash provided by (used in) operating activities	158,802	41,036
Cash Flows from Investing Activities		
Available-for-Sale securities:		
Sales	—	112,023
Maturities, redemptions, calls and other	7,118,592	3,836,466
Purchases	(5,723,873)	(7,450,787)
Syndicated loans and commercial mortgage loans:		
Sales, maturities and repayments	30,701	37,701
Purchases and fundings	(8,738)	(11,330)
Certificate loans, net	4	36
Net cash provided by (used in) investing activities	1,416,686	(3,475,891)
Cash Flows from Financing Activities		
Payments from certificate holders and other additions	3,900,747	8,571,751
Certificate maturities and cash surrenders	(5,345,046)	(5,279,115)
Capital contribution from parent	—	103,000
Dividend to parent	(155,000)	—
Net cash provided by (used in) financing activities	(1,599,299)	3,395,636
Net increase (decrease) in cash and cash equivalents	(23,811)	(39,219)
Cash and cash equivalents at beginning of period	913,063	1,180,868
Cash and cash equivalents at end of period	$ 889,252	$ 1,141,649
Supplemental disclosures:		
Income taxes paid (received), net	$ 26,068	$ 29,956
Interest paid	436,307	307,029

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

Nature of Business

Ameriprise Certificate Company ("ACC") is a wholly owned subsidiary of Ameriprise Financial, Inc. ("Ameriprise Financial" or the "Parent"). ACC is registered as an investment company under the Investment Company Act of 1940. ACC uses the consolidation method of accounting for its wholly owned subsidiary, Investors Syndicate Development Corp.

The interim financial information in this report has not been audited. In the opinion of management, all adjustments necessary for a fair presentation of the consolidated results of operations and financial position for the interim periods have been made. All adjustments made were of a normal recurring nature.

The accompanying Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Results of operations reported for interim periods are not necessarily indicative of results for the entire year. These Consolidated Financial Statements and Notes should be read in conjunction with the Consolidated Financial Statements and Notes in the Annual Report on Form 10-K of ACC for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 22, 2024 ("2023 10-K").

ACC evaluated events or transactions that occurred after the balance sheet date for potential recognition or disclosure through the date the financial statements were issued. No subsequent events or transactions requiring recognition or disclosure were identified.

2. Recent Accounting Pronouncements

Future Adoption of New Accounting Standards

Segment Reporting – Improvements to Reportable Segment Disclosures

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Improvements to Reportable Segment Disclosures*, updating reportable segment disclosure requirements in accordance with Topic 280, *Segment Reporting* ("Topic 280"), primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss and contain other disclosure requirements. The amendments also expand Topic 280 disclosures to public entities with one reportable segment. The amendments are effective for annual periods beginning after December 15, 2023, and interim periods beginning after December 15, 2024. Early adoption is permitted. The Company is assessing changes to the segment-related disclosures resulting from the standard. The adoption of the standard will not have an impact on the Company's consolidated results of operations and financial condition as the standard is disclosure-related only.

Income Taxes – Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*, updating the accounting standards related to income tax disclosures, primarily focused on the disaggregation of income taxes paid and the rate reconciliation table. The standard is to be applied prospectively with an option for retrospective application and is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is assessing changes to the income tax-related disclosures resulting from the standard. The adoption of the standard will not have an impact on the Company's consolidated results of operations and financial condition as the standard is disclosure-related only.

3. Investments

Investments in unaffiliated issuers were as follows:

	September 30, 2024	December 31, 2023
	(in thousands)	
Available-for-Sale securities: Fixed maturities, at fair value (allowance for credit losses: 2024, $3,724; 2023, nil; amortized cost: 2024, $11,875,938; 2023, $13,135,364)	$ 11,849,901	$ 13,037,037
Commercial mortgage loans and syndicated loans, at cost (allowance for credit losses: 2024, $791; 2023, $1,333; fair value: 2024, $159,910; 2023, $178,850)	160,440	183,268
Certificate loans — secured by certificate reserves, at cost, which approximates fair value	30	34
Total	$ 12,010,371	$ 13,220,339

Available-for-Sale securities distributed by type were as follows:

	September 30, 2024				
Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
			(in thousands)		
Corporate debt securities	$ 1,118,035	$ 3,070	$ (302)	$ —	$ 1,120,803
Residential mortgage backed securities	4,667,550	33,710	(62,476)	—	4,638,784
Commercial mortgage backed securities	1,580,827	6,321	(16,576)	(3,724)	1,566,848
Asset backed securities	1,826,675	11,030	(86)	—	1,837,619
State and municipal obligations	1,250	—	(31)	—	1,219
U.S. government and agency obligations	2,681,601	3,028	(1)	—	2,684,628
Total	$ 11,875,938	$ 57,159	$ (79,472)	$ (3,724)	$ 11,849,901

	December 31, 2023			
Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
Corporate debt securities	$ 1,722,491	$ 3,100	$ (4,586)	$ 1,721,005
Residential mortgage backed securities	4,217,845	18,865	(101,830)	4,134,880
Commercial mortgage backed securities	1,913,637	4,708	(25,900)	1,892,445
Asset backed securities	2,640,240	8,575	(1,701)	2,647,114
State and municipal obligations	1,250	—	(67)	1,183
U.S. government and agency obligations	2,639,901	1,158	(649)	2,640,410
Total	$ 13,135,364	$ 36,406	$ (134,733)	$ 13,037,037

As of September 30, 2024 and December 31, 2023, accrued interest of $40.8 million and $47.4 million, respectively, is excluded from the amortized cost basis of Available-for-Sale securities in the tables above and is recorded in Receivables.

As of both September 30, 2024 and December 31, 2023, fixed maturity securities comprised approximately 92% of ACC's total investments. Rating agency designations are based on the availability of ratings from Nationally Recognized Statistical Rating Organizations ("NRSROs"), including Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services ("S&P"), and Fitch Ratings Ltd. ("Fitch"). ACC uses the median of available ratings from Moody's, S&P and Fitch, or if fewer than three ratings are available, the lower rating is used. When ratings from Moody's, S&P and Fitch are unavailable, as is the case for many private placement securities, ACC may utilize ratings from other NRSROs or rate the securities internally. As of September 30, 2024 and December 31, 2023, $11.2 million and $16.9 million, respectively, worth of securities were internally rated by Columbia Management Investment Advisers, LLC ("CMIA"), an affiliate of ACC.

A summary of fixed maturity securities by rating was as follows:

	September 30, 2024			December 31, 2023		
Ratings	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value
			(in thousands, except percentages)			
AAA	$ 6,958,002	$ 6,948,306	59 %	$ 6,497,442	$ 6,432,988	49 %
AA	3,602,746	3,588,145	30	4,667,593	4,633,823	36
A	338,769	337,296	3	458,233	457,526	3
BBB	962,475	966,058	8	1,506,666	1,507,511	12
Below investment grade	13,946	10,096	—	5,430	5,189	—
Total fixed maturities	$ 11,875,938	$ 11,849,901	100 %	$ 13,135,364	$ 13,037,037	100 %

As of September 30, 2024 and December 31, 2023, approximately 95% and 85% of securities rated AA were GNMA, FNMA and FHLMC mortgage backed securities, respectively. As of September 30, 2024, ACC had eight issuers with holdings totaling $648.4 million that individually were between 10% and 14% of total shareholder's equity. As of December 31, 2023, ACC had nine issuers with holdings totaling $774.2 million that individually were between 10% and 19% of total shareholder's equity. There were no other holdings of any other issuer greater than 10% of total shareholder's equity as of September 30, 2024 and December 31, 2023.

The following tables summarize the fair value and gross unrealized losses on Available-for-Sale securities, aggregated by major investment type and the length of time that individual securities have been in a continuous unrealized loss position:

	September 30, 2024								
	Less than 12 Months			12 Months or More			Total		
Description of Securities	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
	(in thousands, except number of securities)								
Corporate debt securities	4	$ 34,618	$ (3)	18	$ 327,023	$ (299)	22	$ 361,641	$ (302)
Residential mortgage backed securities	5	120,285	(65)	249	2,200,949	(62,411)	254	2,321,234	(62,476)
Commercial mortgage backed securities	4	83,326	(154)	48	666,741	(16,422)	52	750,067	(16,576)
Asset backed securities	—	—	—	4	8,434	(86)	4	8,434	(86)
State and municipal obligations	—	—	—	2	1,219	(31)	2	1,219	(31)
U.S. government and agency obligations	1	58,096	(1)	—	—	—	1	58,096	(1)
Total	14	$ 296,325	$ (223)	321	$3,204,366	$ (79,249)	335	$3,500,691	$ (79,472)

	December 31, 2023								
	Less than 12 Months			12 Months or More			Total		
Description of Securities	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
	(in thousands, except number of securities)								
Corporate debt securities	56	$ 865,152	$ (2,433)	28	$ 342,354	$ (2,153)	84	$1,207,506	$ (4,586)
Residential mortgage backed securities	24	1,195,734	(9,911)	255	1,516,870	(91,919)	279	2,712,604	(101,830)
Commercial mortgage backed securities	11	325,203	(3,515)	59	781,839	(22,385)	70	1,107,042	(25,900)
Asset backed securities	39	640,049	(1,002)	26	320,391	(699)	65	960,440	(1,701)
State and municipal obligations	—	—	—	2	1,183	(67)	2	1,183	(67)
U.S. government and agency obligations	10	954,302	(648)	1	55	(1)	11	954,357	(649)
Total	140	$3,980,440	$ (17,509)	371	$2,962,692	$(117,224)	511	$6,943,132	$(134,733)

As part of ACC's ongoing monitoring process, management determined that the decrease in gross unrealized losses on its Available-for-Sale securities for which an allowance for credit losses has not been recognized during the nine months ended September 30, 2024 is primarily attributable to the impact of lower interest rates. As of September 30, 2024, ACC did not recognize these unrealized losses in earnings because it was determined that such losses were due to non-credit factors. ACC does not intend to sell these securities and does not believe that it is more likely than not that ACC will be required to sell these securities before the anticipated recovery of the remaining amortized cost basis. As of September 30, 2024 and December 31, 2023, approximately 96% and 97%, respectively, of the total of Available-for-Sale securities with gross unrealized losses were considered investment grade.

During the three months ended June 30, 2024, the Company established an allowance for credit losses of $4.2 million related to one commercial mortgage backed security with a recent downgrade. As of September 30, 2024, the allowance for this security was reduced to $3.7 million. There were no amounts recognized in the allowance for credit losses on Available-for-Sale securities during the three and nine months ended September 30, 2023.

The change in net unrealized gains (losses) on securities in other comprehensive income (loss) ("OCI"), includes two components, net of tax: (i) unrealized gains (losses) that arose from changes in the fair value of securities that were held during the period and (ii) (gains) losses that were previously unrealized, but have been recognized in current period net income due to sales of Available-for-Sale securities and due to the reclassification of noncredit losses to credit losses.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

The following table presents rollforwards of the net unrealized gains (losses) on Available-for-Sale securities included in accumulated other comprehensive income (loss) ("AOCI"):

	Net Unrealized Gains (Losses) on Securities	Deferred Income Tax	Accumulated Other Comprehensive Income (Loss) Related to Net Unrealized Gains (Losses) on Securities
		(in thousands)	
Balance at July 1, 2024	$ (93,366)	$ 24,050	$ (69,316)
Net unrealized gains (losses) on securities arising during the period [1]	71,497	(17,125)	54,372
Reclassification of net (gains) losses on securities included in net income [2]	(444)	93	(351)
Balance at September 30, 2024	$ (22,313)	$ 7,018	$ (15,295)
Balance at July 1, 2023	$ (163,354)	$ 40,979	$ (122,375)
Net unrealized gains (losses) on securities arising during the period [1]	(30,373)	7,309	(23,064)
Reclassification of net (gains) losses on securities included in net income [2]	(51)	11	(40)
Balance at September 30, 2023	$ (193,778)	$ 48,299	$ (145,479)
Balance at January 1, 2024	$ (98,326)	$ 25,239	$ (73,087)
Net unrealized gains (losses) on securities arising during the period [1]	72,942	(17,576)	55,366
Reclassification of net (gains) losses on securities included in net income [2]	3,071	(645)	2,426
Balance at September 30, 2024	$ (22,313)	$ 7,018	$ (15,295)
Balance at January 1, 2023	$ (154,094)	$ 38,749	$ (115,345)
Net unrealized gains (losses) on securities arising during the period [1]	(39,959)	9,608	(30,351)
Reclassification of net (gains) losses on securities included in net income [2]	275	(58)	217
Balance at September 30, 2023	$ (193,778)	$ 48,299	$ (145,479)

[1] Net unrealized gains (losses) on securities arising during the period include impairments on Available-for-Sale securities related to factors other than credit that were recognized in OCI during the period.

[2] Reclassification amounts are reported in Net realized gain (loss) on investments before income taxes.

Net realized gains and losses on Available-for-Sale securities, determined using the specific identification method, recognized in Net realized gain (loss) on investments before income taxes were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
			(in thousands)	
Gross realized investment gains	$ —	$ 51	$ 662	$ 250
Gross realized investment losses	(3)	—	(9)	(525)
Credit (losses)	447	—	(3,724)	—
Total	$ 444	$ 51	$ (3,071)	$ (275)

Available-for-Sale securities by contractual maturity as of September 30, 2024 were as follows:

	Amortized Cost	Fair Value
	(in thousands)	
Due within one year	$ 3,654,436	$ 3,658,822
Due after one year through five years	146,450	147,828
	3,800,886	3,806,650
Residential mortgage backed securities	4,667,550	4,638,784
Commercial mortgage backed securities	1,580,827	1,566,848
Asset backed securities	1,826,675	1,837,619
Total	$ 11,875,938	$ 11,849,901

Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. Residential mortgage backed securities, commercial mortgage backed securities and asset backed securities are not due at a single maturity date. As such, these securities were not included in the maturities distribution.

4. Financing Receivables

Financing receivables are comprised of commercial loans and certificate loans.

Allowance for Credit Losses

The following tables present a rollforward of the allowance for credit losses:

	Commercial Loans (in thousands)
Balance at January 1, 2024	$ 1,333
Provisions	817
Write-offs	(1,359)
Balance at September 30, 2024	$ 791
Balance at January 1, 2023	$ 1,472
Provisions	(90)
Balance at September 30, 2023	$ 1,382

As of September 30, 2024 and December 31, 2023, accrued interest on commercial loans was $879 thousand and $1.2 million, respectively, and is recorded in Receivables and excluded from the amortized cost basis of commercial loans.

Purchases and Sales

During the three months ended September 30, 2024 and 2023, ACC purchased nil and $19.6 million, respectively, of syndicated loans, and sold $0.7 million and $0.4 million, respectively, of syndicated loans. During the nine months ended September 30, 2024 and 2023, ACC purchased $4.2 million and $20.0 million, respectively, of syndicated loans, and sold $4.0 million and $3.6 million, respectively, of syndicated loans.

ACC has not acquired any loans with deteriorated credit quality as of the acquisition date.

Credit Quality Information

Nonperforming loans were nil and $1.1 million as of September 30, 2024 and December 31, 2023, respectively. All other loans were considered to be performing.

Commercial Loans

Commercial Mortgage Loans

ACC reviews the credit worthiness of the borrower and the performance of the underlying properties in order to determine the risk of loss on commercial mortgage loans. Loan-to-value ratio is the primary credit quality indicator included in this review.

Based on this review, the commercial mortgage loans are assigned an internal risk rating, which management updates when credit risk changes. There were no commercial mortgage loans which management has assigned its highest risk rating as of both September 30, 2024 and December 31, 2023. Loans with the highest risk rating represent distressed loans which ACC has identified as impaired or expects to become delinquent or enter into foreclosure within the next six months. There were no commercial mortgage loans past due as of both September 30, 2024 and December 31, 2023.

The tables below present the amortized cost basis of commercial mortgage loans by year of origination and loan-to-value ratio:

	September 30, 2024						
	2024	2023	2022	2021	2020	Prior	Total
Loan-to-Value Ratio				(in thousands)			
> 100%	$ —	$ —	$ —	$ —	$ —	$ —	$ —
80% - 100%	—	—	—	—	—	3,108	3,108
60% - 80%	2,584	4,000	5,358	—	—	5,770	17,712
40% - 60%	—	—	—	1,634	3,898	10,792	16,324
< 40%	2,891	3,652	1,366	7,807	3,000	41,204	59,920
Total	$ 5,475	$ 7,652	$ 6,724	$ 9,441	$ 6,898	$ 60,874	$ 97,064

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

	December 31, 2023						
	2023	2022	2021	2020	2019	Prior	Total
Loan-to-Value Ratio	(in thousands)						
> 100%	$ —	$ —	$ —	$ —	$ —	$ 3,146	$ 3,146
80% - 100%	—	5,420	—	—	—	—	5,420
60% - 80%	4,000	—	—	—	—	4,000	8,000
40% - 60%	1,075	—	3,948	3,969	5,000	5,117	19,109
< 40%	2,600	1,480	6,273	3,000	8,719	39,202	61,274
Total	$ 7,675	$ 6,900	$ 10,221	$ 6,969	$ 13,719	$ 51,465	$ 96,949

Loan-to-value ratio is based on income and expense data provided by borrowers at least annually and long-term capitalization rate assumptions based on property type. For the nine months ended September 30, 2024, write-offs of commercial mortgage loans were not material.

In addition, ACC reviews the concentrations of credit risk by region and property type. Concentrations of credit risk of commercial mortgage loans by U.S. region were as follows:

	Loans		Percentage	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(in thousands)			
East North Central	$ 7,539	$ 8,226	8 %	8 %
East South Central	5,181	5,514	5	6
Middle Atlantic	14,776	15,466	15	16
Mountain	8,465	8,756	9	9
New England	6,127	6,308	6	7
Pacific	31,192	30,024	32	31
South Atlantic	12,642	13,023	13	13
West North Central	2,767	3,403	3	4
West South Central	8,375	6,229	9	6
Total	$ 97,064	$ 96,949	100 %	100 %

Concentrations of credit risk of commercial mortgage loans by property type were as follows:

	Loans		Percentage	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(in thousands)			
Apartments	$ 29,524	$ 31,125	30 %	32 %
Industrial	25,022	23,596	26	24
Mixed use	9,727	10,126	10	11
Office	10,734	11,336	11	12
Retail	13,466	14,574	14	15
Other	8,591	6,192	9	6
Total	$ 97,064	$ 96,949	100 %	100 %

Syndicated Loans

The investment in syndicated loans as of September 30, 2024 and December 31, 2023 was $64.2 million and $87.7 million, respectively. ACC’s syndicated loan portfolio is diversified across industries and issuers. Syndicated loans past due as of September 30, 2024 and December 31, 2023 were nil and $1.1 million, respectively. ACC assigns an internal risk rating to each syndicated loan in its portfolio ranging from 1 through 5, with 5 reflecting the lowest quality. For the nine months ended September 30, 2024, write-offs of syndicated loans were $1.4 million.

The tables below present the amortized cost basis of syndicated loans by origination year and internal risk rating:

	September 30, 2024						
	2024	2023	2022	2021	2020	Prior	Total
Internal Risk Rating	(in thousands)						
Risk 5	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Risk 4	—	129	—	—	—	1,917	2,046
Risk 3	124	943	—	4,550	642	2,152	8,411
Risk 2	21,770	5,317	—	2,014	443	3,612	33,156
Risk 1	10,048	6,229	—	1,309	1,390	1,578	20,554
Total	$ 31,942	$ 12,618	$ —	$ 7,873	$ 2,475	$ 9,259	$ 64,167

	December 31, 2023						
	2023	2022	2021	2020	2019	Prior	Total
Internal Risk Rating	(in thousands)						
Risk 5	$ —	$ 1,131	$ —	$ —	$ —	$ —	$ 1,131
Risk 4	111	—	—	1,199	1,925	—	3,235
Risk 3	1,963	—	5,050	2,460	1,207	8,106	18,786
Risk 2	20,347	1,998	8,437	2,377	4,658	1,981	39,798
Risk 1	8,557	2,261	6,104	1,993	4,162	1,625	24,702
Total	$ 30,978	$ 5,390	$ 19,591	$ 8,029	$ 11,952	$ 11,712	$ 87,652

Certificate Loans

Certificate loans do not exceed the cash surrender value at origination. As there is minimal risk of loss related to certificate loans, ACC does not record an allowance for credit losses.

Modifications with Borrowers Experiencing Financial Difficulty

Modifications of financing receivables with borrowers experiencing financial difficulty by ACC were not material for the three and nine months ended September 30, 2024 and 2023.

5. Fair Values of Assets and Liabilities

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; that is, an exit price. The exit price assumes the asset or liability is not exchanged subject to a forced liquidation or distressed sale.

Valuation Hierarchy

ACC categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by ACC's valuation techniques. A level is assigned to each fair value measurement based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of the fair value hierarchy are defined as follows:

Level 1 Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2 Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities.

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The following tables present the balances of assets and liabilities measured at fair value on a recurring basis:

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Cash equivalents	$ —	$ 868,878	$ —	$ 868,878
Available-for-Sale securities:				
Corporate debt securities	—	1,108,612	12,191	1,120,803
Residential mortgage backed securities	—	4,638,784	—	4,638,784
Commercial mortgage backed securities	—	1,566,848	—	1,566,848
Asset backed securities	—	1,837,619	—	1,837,619
State and municipal obligations	—	1,219	—	1,219
U.S. government and agency obligations	2,684,628	—	—	2,684,628
Total Available-for-Sale securities	2,684,628	9,153,082	12,191	11,849,901
Equity derivative contracts	15	17,742	—	17,757
Total assets at fair value	$ 2,684,643	$ 10,039,702	$ 12,191	$ 12,736,536
Liabilities				
Stock market certificate embedded derivatives	$ —	$ 8,219	$ —	$ 8,219
Equity derivative contracts	—	13,333	—	13,333
Total liabilities at fair value	$ —	$ 21,552	$ —	$ 21,552

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Cash equivalents	$ —	$ 894,121	$ —	$ 894,121
Available-for-Sale securities:				
Corporate debt securities	—	1,703,151	17,854	1,721,005
Residential mortgage backed securities	—	4,134,880	—	4,134,880
Commercial mortgage backed securities	—	1,892,445	—	1,892,445
Asset backed securities	—	2,647,114	—	2,647,114
State and municipal obligations	—	1,183	—	1,183
U.S. government and agency obligations	2,640,410	—	—	2,640,410
Total Available-for-Sale securities	2,640,410	10,378,773	17,854	13,037,037
Equity derivative contracts	—	17,255	—	17,255
Total assets at fair value	$ 2,640,410	$ 11,290,149	$ 17,854	$ 13,948,413
Liabilities				
Stock market certificate embedded derivatives	$ —	$ 9,300	$ —	$ 9,300
Equity derivative contracts	16	11,480	—	11,496
Total liabilities at fair value	$ 16	$ 20,780	$ —	$ 20,796

The following tables provide a summary of changes in Level 3 assets measured at fair value on a recurring basis:

	Available-for-Sale Securities		
	Corporate Debt Securities	Total	
	(in thousands)		
Balance at July 1, 2024	$ 11,998	$ 11,998	
Total gains (losses) included in:			
Net income	87	87	(1)
Other comprehensive income (loss)	106	106	
Balance at September 30, 2024	$ 12,191	$ 12,191	
Changes in unrealized gains (losses) in net income relating to assets held at September 30, 2024	$ 87	$ 87	(1)
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2024	$ 106	$ 106	

	Available-for-Sale Securities			
	Corporate Debt Securities	Asset Backed Securities	Total	
		(in thousands)		
Balance at July 1, 2023	$ 13,403	$ 2,299	$ 15,702	
Total gains (losses) included in:				
Net income	73	32	105	(1)
Other comprehensive income (loss)	62	(16)	46	
Purchases	4,683	—	4,683	
Settlements	—	(750)	(750)	
Balance at September 30, 2023	$ 18,221	$ 1,565	$ 19,786	
Changes in unrealized gains (losses) in net income relating to assets held at September 30, 2023	$ 73	$ 32	$ 105	(1)
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2023	$ 62	$ (16)	$ 46	

	Available-for-Sale Securities		
	Corporate Debt Securities	Total	
	(in thousands)		
Balance at January 1, 2024	$ 17,854	$ 17,854	
Total gains (losses) included in:			
Net income	279	279	(1)
Other comprehensive income (loss)	58	58	
Settlements	(6,000)	(6,000)	
Balance at September 30, 2024	$ 12,191	$ 12,191	
Changes in unrealized gains (losses) in net income relating to assets held at September 30, 2024	$ 258	$ 258	(1)
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2024	$ (3)	$ (3)	

	Available-for-Sale Securities			
	Corporate Debt Securities	Asset Backed Securities	Total	
	(in thousands)			
Balance at January 1, 2023	$ 9,653	$ 4,891	$ 14,544	
Total gains (losses) included in:				
Net income	150	120	270	(1)
Other comprehensive income (loss)	70	(46)	24	
Purchases	9,716	—	9,716	
Settlements	(1,368)	(3,400)	(4,768)	
Balance at September 30, 2023	$ 18,221	$ 1,565	$ 19,786	
Changes in unrealized gains (losses) in net income relating to assets held at September 30, 2023	$ 150	$ 120	$ 270	(1)
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2023	$ 70	$ (46)	$ 24	

(1) Included in Investment income.

Securities transferred from Level 3 primarily represent securities with fair values that are now obtained from a third-party pricing service with observable inputs. Securities transferred to Level 3 represent securities with fair values that are now based on a single non-binding broker quote.

The following tables provide a summary of the significant unobservable inputs used in the fair value measurements developed by ACC or reasonably available to ACC of Level 3 assets:

	September 30, 2024				
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
	(in thousands)				
Corporate debt securities (private placements)	$ 12,188	Discounted cash flow	Yield/spread to U.S. Treasuries	1.1%	1.1%

	December 31, 2023				
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average
	(in thousands)				
Corporate debt securities (private placements)	$ 17,851	Discounted cash flow	Yield/spread to U.S. Treasuries	1.0% - 1.1%	1.0%

The weighted average for the yield/spread to U.S. Treasuries for corporate debt securities (private placements) is weighted based on the security's market value as a percentage of the aggregate market value of the securities.

Level 3 measurements not included in the tables above are obtained from non-binding broker quotes where unobservable inputs utilized in the fair value calculation are not reasonably available to ACC.

Uncertainty of Fair Value Measurements

Significant increases (decreases) in the yield/spread to U.S. Treasuries used in the fair value measurement of Level 3 corporate debt securities in isolation would have resulted in a significantly lower (higher) fair value measurement.

Determination of Fair Value

ACC uses valuation techniques consistent with the market and income approaches to measure the fair value of its assets and liabilities. ACC's market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. ACC's income approach uses valuation techniques to convert future projected cash flows to a single discounted present value amount. When applying either approach, ACC maximizes the use of observable inputs and minimizes the use of unobservable inputs.

The following is a description of the valuation techniques used to measure fair value and the general classification of these instruments pursuant to the fair value hierarchy.

Assets

Cash Equivalents

Cash equivalents include time deposits and other highly liquid investments with original or remaining maturities at the time of purchase of 90 days or less. ACC's cash equivalents are classified as Level 2 and measured at amortized cost, which is a reasonable estimate of fair value because of the short time between the purchase of the instrument and its expected realization.

Available-for-Sale Securities

When available, the fair value of securities is based on quoted prices in active markets. If quoted prices are not available, fair values are obtained from third-party pricing services, non-binding broker quotes, or other model-based valuation techniques.

Level 1 securities include U.S. Treasuries.

Level 2 securities include corporate bonds, residential mortgage backed securities, commercial mortgage backed securities, asset backed securities, and state and municipal obligations. The fair value of these Level 2 securities is based on a market approach with prices obtained from third-party pricing services. Observable inputs used to value these securities can include, but are not limited to, reported trades, benchmark yields, issuer spreads and non-binding broker quotes.

Level 3 securities include certain corporate bonds and asset backed securities with fair value typically based on a single non-binding broker quote. The underlying inputs used for some of the non-binding broker quotes are not readily available to ACC. ACC's privately placed corporate bonds are typically based on a single non-binding broker quote.

Management is responsible for the fair values recorded on the financial statements. Prices received from third-party pricing services are subjected to exception reporting that identifies investments with significant daily price movements as well as no movements. ACC reviews the exception reporting and resolves the exceptions through reaffirmation of the price or recording an appropriate fair value estimate. ACC also performs subsequent transaction testing. ACC performs annual due diligence of third-party pricing services. ACC's due diligence procedures include assessing the vendor's valuation qualifications, control environment, analysis of asset-class specific valuation methodologies, and understanding of sources of market observable assumptions and unobservable assumptions, if any, employed in the valuation methodology. ACC also considers the results of its exception reporting controls and any resulting price challenges that arise.

Derivatives

Derivatives that are measured using quoted prices in active markets, such as derivatives that are exchange-traded, are classified as Level 1 measurements. The variation margin on futures contracts is also classified as Level 1. The fair value of derivatives that are traded in less active over-the-counter ("OTC") markets is generally measured using pricing models with market observable inputs such as interest rates and equity index levels. These measurements are classified as Level 2 within the fair value hierarchy and include options. The counterparties' nonperformance risk associated with uncollateralized derivative assets was immaterial as of both September 30, 2024 and December 31, 2023. See Note 6 and Note 7 for further information on the credit risk of derivative instruments and related collateral.

Liabilities

Stock Market Certificate Embedded Derivatives

ACC uses Black-Scholes models to determine the fair value of the embedded derivative liability associated with the provisions of its stock market certificates ("SMC"). The inputs to these calculations are primarily market observable and include interest rates, volatilities and equity index levels. As a result, these measurements are classified as Level 2.

Derivatives

Derivatives that are measured using quoted prices in active markets, such as derivatives that are exchange-traded, are classified as Level 1 measurements. The variation margin on futures contracts is classified as Level 1. The fair value of derivatives that are traded in less active OTC markets is generally measured using pricing models with market observable inputs such as interest rates and equity index levels. These measurements are classified as Level 2 within the fair value hierarchy and include options. The Company's nonperformance risk associated with uncollateralized derivative liabilities was immaterial as of both September 30, 2024 and December 31, 2023. See Note 6 and Note 7 for further information on the credit risk of derivative instruments and related collateral.

Fair Value on a Nonrecurring Basis

During the reporting periods, there were no material assets or liabilities measured at fair value on a nonrecurring basis.

Assets and Liabilities Not Reported at Fair Value

The following tables provide the carrying value and the estimated fair value of financial instruments that are not reported at fair value:

	September 30, 2024				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
			(in thousands)		
Financial Assets					
Syndicated loans	$ 63,750	$ —	$ 62,569	$ 1,159	$ 63,728
Commercial mortgage loans	96,690	—	—	96,182	96,182
Certificate loans	30	—	30	—	30
Financial Liabilities					
Certificate reserves	$ 11,989,889	$ —	$ —	$ 11,973,580	$ 11,973,580

	December 31, 2023				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
			(in thousands)		
Financial Assets					
Syndicated loans	$ 86,697	$ —	$ 80,832	$ 4,899	$ 85,731
Commercial mortgage loans	96,571	—	—	93,119	93,119
Certificate loans	34	—	34	—	34
Financial Liabilities					
Certificate reserves	$ 13,461,374	$ —	$ —	$ 13,420,205	$ 13,420,205

See Note 4 for additional information on syndicated, commercial mortgage and certificate loans. Certificate reserves represent customer deposits for fixed rate certificates and SMC.

6. Offsetting Assets and Liabilities

Certain derivative instruments are eligible for offset in the Consolidated Balance Sheets. ACC’s derivative instruments are subject to master netting and collateral arrangements and qualify for offset. A master netting arrangement with a counterparty creates a right of offset for amounts due to and from that same counterparty that is enforceable in the event of a default or bankruptcy. ACC’s policy is to recognize amounts subject to master netting arrangements on a gross basis in the Consolidated Balance Sheets.

The following tables present the gross and net information about ACC’s assets subject to master netting arrangements:

	September 30, 2024					
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets		Net Amount
				Financial Instruments [(1)]	Cash Collateral	
			(in thousands)			
Derivatives:						
OTC	$ 17,742	$ —	$ 17,742	$ (13,333)	$ (4,323)	$ 86
Exchange-traded	15	—	15	—	—	15
Total	$ 17,757	$ —	$ 17,757	$ (13,333)	$ (4,323)	$ 101

	December 31, 2023					
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets		Net Amount
				Financial Instruments [(1)]	Cash Collateral	
			(in thousands)			
Derivatives:						
OTC	$ 17,255	$ —	$ 17,255	$ (11,480)	$ (4,903)	$ 872
Total	$ 17,255	$ —	$ 17,255	$ (11,480)	$ (4,903)	$ 872

[(1)] Represents the amount of assets that could be offset by liabilities with the same counterparty under master netting or similar arrangements that management elects not to offset on the Consolidated Balance Sheets.

The following tables present the gross and net information about ACC's liabilities subject to master netting agreements:

	September 30, 2024					
				Gross Amounts Not Offset in the Consolidated Balance Sheets		
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments [1]	Cash Collateral	Net Amount
	(in thousands)					
Derivatives:						
OTC	$ 13,333	$ —	$ 13,333	$ (13,333)	$ —	$ —
Total	$ 13,333	$ —	$ 13,333	$ (13,333)	$ —	$ —

	December 31, 2023					
				Gross Amounts Not Offset in the Consolidated Balance Sheets		
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments [1]	Cash Collateral	Net Amount
	(in thousands)					
Derivatives:						
OTC	$ 11,480	$ —	$ 11,480	$ (11,480)	$ —	$ —
Exchange-traded	16	—	16	—	—	16
Total	$ 11,496	$ —	$ 11,496	$ (11,480)	$ —	$ 16

[1] Represents the amount of liabilities that could be offset by assets with the same counterparty under master netting or similar arrangements that management elects not to offset on the Consolidated Balance Sheets.

In the tables above, the amount of assets or liabilities presented are offset first by financial instruments that have the right of offset under master netting or similar arrangements, then any remaining amount is reduced by the amount of cash collateral. The actual collateral may be greater than amounts presented in the tables.

When the fair value of collateral accepted by ACC is less than the amount due to ACC, there is a risk of loss if the counterparty fails to perform or provide additional collateral. To mitigate this risk, ACC monitors collateral values regularly and requires additional collateral when necessary. When the value of collateral pledged by ACC declines, it may be required to post additional collateral.

Freestanding derivative instruments are reflected in Derivative assets and Derivative liabilities. Cash collateral accepted by ACC is reflected in Other liabilities. See Note 7 for additional disclosures related to ACC's derivative instruments.

7. Derivatives and Hedging Activities

Derivative instruments enable ACC to manage its exposure to various market risks. The value of such instruments is derived from an underlying variable or multiple variables, including equity and interest rate indices or prices. ACC primarily enters into derivative agreements for risk management purposes related to ACC's products.

ACC uses derivatives as economic hedges of equity risk related to SMC. ACC does not designate any derivatives for hedge accounting. The following table presents the notional value and the gross fair value of derivative instruments, including embedded derivatives:

	September 30, 2024			December 31, 2023		
		Gross Fair Value			Gross Fair Value	
	Notional	Assets	Liabilities	Notional	Assets	Liabilities
	(in thousands)					
Derivatives not designated as hedging instruments						
Equity contracts [1]	$ 165,457	$ 17,757	$ 13,333	$ 219,404	$ 17,255	$ 11,496
Embedded derivatives						
Stock market certificates [2]	N/A	—	8,219	N/A	—	9,300
Total derivatives	$ 165,457	$ 17,757	$ 21,552	$ 219,404	$ 17,255	$ 20,796

N/A Not applicable

[1] The gross fair value of equity contracts is included in Derivative assets and Derivative liabilities.

[2] The gross fair value of SMC embedded derivatives is included in Certificate reserves.

See Note 5 for additional information regarding ACC's fair value measurement of derivative instruments.

Index

As of September 30, 2024 and December 31, 2023, investment securities with a fair value of $395 thousand and $446 thousand, respectively, were pledged to meet contractual obligations under derivative contracts.

The following table presents a summary of the impact of derivatives not designated as hedging instruments, including embedded derivatives, on the Consolidated Statements of Operations:

Derivatives not designated as hedging instruments	Location of Gain (Loss) on Derivatives Recognized in Income	Amount of Gain (Loss) on Derivatives Recognized in Income			
		Three Months Ended September 30,		Nine Months Ended September 30,	
		2024	2023	2024	2023
		(in thousands)			
Equity contracts					
Stock market certificates	Net provision for certificate reserves	$ 558	$ (760)	$ 2,355	$ 2,005
Stock market certificates embedded derivatives	Net provision for certificate reserves	(423)	865	(2,073)	(2,918)
Total		$ 135	$ 105	$ 282	$ (913)

Ameriprise SMC offer a return based upon the relative change in a major stock market index between the beginning and end of the certificate's term. The SMC product contains an embedded derivative. The equity based return of the certificate must be separated from the host contract and accounted for as a derivative instrument. As a result of fluctuations in equity markets and the corresponding changes in value of the embedded derivative, the amount of expenses incurred by ACC related to the SMC product will positively or negatively impact reported earnings. As a means of hedging its obligations under the provisions for these certificates, ACC purchases and writes call options on the S&P 500® Index. ACC views this strategy as a prudent management of equity market sensitivity, such that earnings are not exposed to undue risk presented by changes in equity market levels. ACC also purchases futures on the S&P 500® Index to economically hedge its obligations. The futures are marked-to-market daily and exchange traded, exposing ACC to minimal counterparty risk.

Credit Risk

Credit risk associated with ACC's derivatives is the risk that a derivative counterparty will not perform in accordance with the terms of the applicable derivative contract. To mitigate such risk, ACC has established guidelines and oversight of credit risk through a comprehensive enterprise risk management program that includes members of senior management. Key components of this program are to require preapproval of counterparties and the use of master netting and collateral arrangements whenever practical. See Note 6 for additional information on ACC's credit exposure related to derivative assets.

8. Contingencies

The level of regulatory activity and inquiry in the financial services industry remains elevated. From time to time, ACC receives requests for information from, and/or has been subject to examination by, both the SEC and the Minnesota Department of Commerce concerning its business activities and practices.

ACC may in the normal course of business be a party to legal, regulatory or arbitration proceedings concerning matters arising in connection with the conduct of its business activities. The outcome of any such proceeding cannot be predicted with any certainty. ACC believes that it is not a party to, nor are any of its properties the subject of, any pending legal, regulatory or arbitration proceedings that are reasonably likely to have a material adverse effect on ACC's results of operations, financial condition or liquidity. Notwithstanding the foregoing, it is possible that the outcome of any such legal, arbitration or regulatory proceedings could have a material impact on ACC's results of operations, financial condition or liquidity in any particular reporting period as the proceedings are resolved.

9. Shareholder's Equity

ACC did not receive cash contributions from Ameriprise Financial during the three and nine months ended September 30, 2024. ACC received cash contributions of nil and $103.0 million from Ameriprise Financial during the three and nine months ended September 30, 2023, respectively. ACC received these contributions to maintain compliance with capital requirements and these contributions were outside of the Capital Support Agreement between Ameriprise Financial and ACC. See additional discussion on the Capital Support Agreement in ACC's 2023 10-K.

ACC paid dividends to Ameriprise Financial of $63.0 million and $155.0 million, during the three and nine months ended September 30, 2024, respectively. ACC did not pay any dividends to Ameriprise Financial during the three and nine months ended September 30, 2023, respectively.

ACC did not return any contributed capital to Ameriprise Financial during the three and nine months ended September 30, 2024 and 2023, respectively. ACC continued to maintain compliance with the capital requirements of the SEC and the Minnesota Department of Commerce during the three and nine months ended September 30, 2024.

10. Income Taxes

ACC's effective tax rate was 19.3% and 25.1% for the three months ended September 30, 2024 and 2023, respectively. ACC's effective tax rate was 21.4% and 25.3% for the nine months ended September 30, 2024 and 2023, respectively.

The effective tax rate for the three months ended September 30, 2024 was lower than the statutory rate primarily as a result of a decrease in unrecognized tax benefits, partially offset by state income taxes, net of federal benefit. The effective tax rate for the nine months ended September 30, 2024 was higher than the statutory rate primarily as a result of an increase in state income taxes, net of federal benefit, partially offset by unrecognized tax benefits.

The effective tax rate for the three and nine months ended September 30, 2023 was higher than the statutory rate primarily as a result of state income taxes, net of federal benefit.

The lower effective tax rate for the three and nine months ended September 30, 2024 compared to the three and nine months ended September 30, 2023 was primarily the result of a decrease in unrecognized tax benefits.

ACC is required to establish a valuation allowance for any portion of its deferred tax assets that management believes will not be realized. Significant judgment is required in determining if a valuation allowance should be established and the amount of such allowance if required. Factors used in making this determination include estimates relating to the performance of the business. Consideration is given to, among other things in making this determination: (i) future taxable income exclusive of reversing temporary differences and carryforwards; (ii) future reversals of existing taxable temporary differences; (iii) taxable income in prior carryback years; and (iv) tax planning strategies. Based on analysis of ACC's tax position, management believes it is more likely than not that ACC's results of future operations and implementation of tax planning strategies will generate sufficient taxable income to enable ACC to utilize all of the deferred tax assets. Accordingly, no valuation allowance for deferred tax assets has been established as of both September 30, 2024 and December 31, 2023.

As of September 30, 2024 and December 31, 2023, ACC had $3.4 million and $5.5 million, respectively, of gross unrecognized tax benefits. If recognized, approximately $2.7 million and $4.4 million, net of federal tax benefits, of unrecognized tax benefits as of September 30, 2024 and December 31, 2023, respectively, would affect the effective tax rate.

It is reasonably possible that the total amount of unrecognized tax benefits will change in the next 12 months. ACC estimates that the total amount of gross unrecognized tax benefits may decrease by approximately $224 thousand in the next 12 months primarily due to state statutes of limitations expirations.

ACC recognizes interest and penalties related to unrecognized tax benefits as a component of the income tax provision. ACC recognized a net decrease of $455 thousand and $519 thousand in interest and penalties for the three and nine months ended September 30, 2024, respectively. ACC recognized a net increase of $89 thousand and $233 thousand in interest and penalties for the three and nine months ended September 30, 2023, respectively. As of September 30, 2024 and December 31, 2023, ACC had a payable of $509 thousand and $1.0 million, respectively, related to accrued interest and penalties.

ACC files income tax returns as part of its inclusion in the consolidated federal income tax return of Ameriprise Financial in the U.S. federal jurisdiction and various state jurisdictions. The Internal Revenue Service ("IRS") is currently auditing Ameriprise Financial's U.S. income tax returns for 2019 and 2020. The state income tax returns of Ameriprise Financial or its subsidiaries, including ACC, are currently under examination by various jurisdictions for years ranging from 2017 through 2021.

ITEM 2. MANAGEMENT'S NARRATIVE ANALYSIS

The following information should be read in conjunction with Ameriprise Certificate Company's ("ACC's") Consolidated Financial Statements and Notes presented in Part I, Item 1. The following discussion may contain forward-looking statements that reflect ACC's plans, estimates and beliefs. Actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below under "Forward-Looking Statements." ACC believes it is useful to read its management's narrative analysis in conjunction with its Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 22, 2024 ("2023 10-K"), as well as its quarterly reports on Form 10-Q and any current reports on Form 8-K.

ACC is a wholly owned subsidiary of Ameriprise Financial, Inc. ("Ameriprise Financial"). ACC is registered as an investment company under the Investment Company Act of 1940 and is in the business of issuing face-amount investment certificates. Face-amount investment certificates issued by ACC entitle the certificate owner to receive at maturity a stated amount of money and interest or credits declared from time to time by ACC, at its discretion. The certificates issued by ACC are not insured by any government agency. ACC's certificates are sold primarily by Ameriprise Financial Services, LLC ("AFS"), an affiliate of ACC. AFS is registered as a broker-dealer in all 50 states, the District of Columbia and Puerto Rico. ACC's investment portfolio is managed by Columbia Management Investment Advisers, LLC ("CMIA"), a wholly owned subsidiary of Ameriprise Financial.

Management's narrative analysis of the results of operations is presented in lieu of Management's Discussion and Analysis of Financial Condition and Results of Operations, pursuant to General Instructions H(2)(a) of Form 10-Q.

Macroeconomic Environment

ACC operates its business in the broader context of the macroeconomic forces around it, including the global and U.S. economies, changes in interest and inflation rates, financial market volatility, fluctuations in foreign exchange rates, geopolitical strain, pandemics, the competitive environment, client and customer activities and preferences, and the various regulatory and legislative developments. Financial markets and macroeconomic conditions have had and will continue to have a significant impact on ACC's operating and performance results. ACC's success may be affected by the factors discussed in Item 1A, "Risk Factors" in ACC's 2023 10-K and other factors as discussed herein.

Significant Accounting Policies

ACC's significant accounting policies are discussed in detail in "Management's Narrative Analysis – Recent Accounting Pronouncements and Significant Accounting Policies" in ACC's 2023 10-K.

Recent Accounting Pronouncements

For information regarding recent accounting pronouncements and their expected impact on ACC's future results of operations or financial condition, see Note 2 to the Consolidated Financial Statements.

Results of Operations for the Nine Months Ended September 30, 2024 and 2023

ACC's net income is derived primarily from the after-tax yield on investments and realized investment gains (losses), less investment expenses and interest credited on certificate reserve liabilities. Net income trends occur largely due to changes in returns on ACC's investment portfolio, from realization of investment gains (losses) and from changes in interest credited to certificate products. ACC follows U.S. generally accepted accounting principles ("GAAP").

Net income decreased $0.5 million, or 1%, for the nine months ended September 30, 2024 compared to the prior year period primarily due to higher net provision for certificate reserves along with higher net realized losses on investments, partially offset by higher investment income and lower income taxes. Client deposits decreased $0.6 billion from the prior year period to $12.0 billion. After a period of strong growth during a rising interest rate environment, ACC has experienced net outflows during the nine months ended September 30, 2024.

Investment income increased $110.5 million, or 24%, for the nine months ended September 30, 2024 compared to the prior year period reflecting an increase in the average invested asset yield, driven by higher average short-term interest rates, and higher average investment balances.

Investment expenses increased $2.0 million, or 5%, for the nine months ended September 30, 2024 compared to the prior year period primarily due to volume-driven increases in distribution expenses and investment advisory fees.

Net provision for certificate reserves increased $111.3 million, or 35%, for the nine months ended September 30, 2024 compared to the prior year period primarily due to higher average client crediting rates, as well as higher average certificate balances.

Net realized losses on investments before income taxes increased $3.2 million for the nine months ended September 30, 2024 compared to the prior year period primarily due to an allowance for credit losses related to a commercial mortgage backed security with a recent downgrade.

ACC's effective tax rate was 21.4% for the nine months ended September 30, 2024 compared to 25.3% for the prior year period. The decrease in the effective tax rate for the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023 was primarily the result of a decrease in unrecognized tax benefits. See Note 10 to our Consolidated Financial Statements for additional discussion on income taxes.

Fair Value Measurements

ACC reports certain assets and liabilities at fair value; specifically, derivatives, embedded derivatives, and most investments and cash equivalents. Fair value assumes the exchange of assets or liabilities occurs in orderly transactions and is not the result of a forced liquidation or distressed sale. ACC includes actual market prices, or observable inputs, in its fair value measurements to the extent available. Broker quotes are obtained when quotes from pricing services are not available. ACC validates prices obtained from third parties through a variety of means such as: price variance analysis, subsequent sales testing, stale price review, price comparison across pricing vendors and due diligence reviews of vendors. See Note 5 to the Consolidated Financial Statements for additional information regarding ACC's fair value measurements.

Forward-Looking Statements

This report contains forward-looking statements that reflect management's plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statements. The words "believe," "expect," "anticipate," "optimistic," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," "forecast," "on track," "project," "continue," "able to remain," "resume," "deliver," "develop," "evolve," "drive," "enable," "flexibility," "scenario," "case", "appear", "expand" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from such statements. Forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. ACC undertakes no obligation to update or revise any forward-looking statements.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

ACC maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") designed to provide reasonable assurance that the information required to be reported in the Exchange Act filings is recorded, processed, summarized and reported within the time periods specified in and pursuant to U.S. Securities and Exchange Commission ("SEC") regulations, including controls and procedures designed to ensure that this information is accumulated and communicated to ACC's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding the required disclosure. It should be noted that, because of inherent limitations, ACC's disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the disclosure controls and procedures are met.

ACC's management, under the supervision and with the participation of its principal executive officer and principal financial officer, evaluated the effectiveness of ACC's disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, ACC's principal executive officer and principal financial officer have concluded that ACC's disclosure controls and procedures were effective at a reasonable level of assurance as of September 30, 2024.

Changes in Internal Control over Financial Reporting

There have not been any changes in ACC's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the third fiscal quarter of the year to which this report relates that have materially affected, or are reasonably likely to materially affect, ACC's internal control over financial reporting.

AMERIPRISE CERTIFICATE COMPANY

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 8 to the Consolidated Financial Statements in Part I, Item 1 is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes in the risk factors provided in Part I, Item 1A of ACC's 2023 10-K.

ITEM 6. EXHIBITS

The following exhibits are filed as part of this Quarterly Report:

Exhibit	Description
3(a)	Amended and Restated Certificate of Incorporation of American Express Certificate Company, dated August 1, 2005, filed electronically on or about March 10, 2006 as Exhibit 3(a) to Registrant's Form 10-K is incorporated by reference.
3(b)	By-Laws of Ameriprise Certificate Company, filed electronically on or about November 5, 2010 as Exhibit 3(b) to Registrant's Form 10-Q, are incorporated herein by reference.
31.1*	Certification of Abu M. Arif pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Thomas Nickerson pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32*	Certification of Abu M. Arif and Thomas Nickerson pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

** Filed electronically herewithin.*

AMERIPRISE CERTIFICATE COMPANY

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIPRISE CERTIFICATE COMPANY
(Registrant)

Date:	November 1, 2024	By:	/s/ Abu M. Arif
			Abu M. Arif
			Chief Executive Officer
Date:	November 1, 2024	By:	/s/ Thomas Nickerson
			Thomas Nickerson
			Chief Financial Officer

Exhibit 31.1

CERTIFICATION

I, Abu M. Arif, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ameriprise Certificate Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2024

By: /s/ Abu M. Arif
Abu M. Arif
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Thomas Nickerson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ameriprise Certificate Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2024

By: /s/ Thomas Nickerson
Thomas Nickerson
Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Ameriprise Certificate Company (the “Company”) for the quarterly period ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Abu M. Arif, as Chief Executive Officer of the Company, and Thomas Nickerson, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2024	By: /s/ Abu M. Arif Abu M. Arif Chief Executive Officer
Date: November 1, 2024	By: /s/ Thomas Nickerson Thomas Nickerson Chief Financial Officer