

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 June 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)

<u>Delaware</u> (State or other jurisdiction of incorporation or organization)	<u>41-6009975</u> (I.R.S. Employer Identification No.)
<u>1099 Ameriprise Financial Center Minneapolis Minnesota</u> (Address of principal executive offices)	<u>55474</u> (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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
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.

<u>Class</u>	<u>Outstanding at August 6, 2024</u>
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.

FORM 10-Q

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AMERIPRISE CERTIFICATE COMPANY
PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(in thousands)			
Investment income	\$ 192,326	\$ 159,703	\$ 393,522	\$ 289,612
Investment expenses	14,512	13,177	27,247	25,286
Net investment income before provision for certificate reserves and income taxes	177,814	146,526	366,275	264,326
Net provision for certificate reserves	143,388	109,380	296,618	192,313
Net investment income before income taxes	34,426	37,146	69,657	72,013
Income tax expense	7,719	9,385	15,638	18,236
Net investment income, after-tax	26,707	27,761	54,019	53,777
Net realized gain (loss) on investments before income taxes	(4,015)	(274)	(4,559)	(909)
Income tax expense (benefit)	(844)	(58)	(958)	(191)
Net realized gain (loss) on investments, after-tax	(3,171)	(216)	(3,601)	(718)
Net income	<u>\$ 23,536</u>	<u>\$ 27,545</u>	<u>\$ 50,418</u>	<u>\$ 53,059</u>

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(in thousands)			
Net income	\$ 23,536	\$ 27,545	\$ 50,418	\$ 53,059
Other comprehensive income (loss), net of tax:				
Net unrealized gains (losses) on securities:				
Net unrealized gains (losses) on securities arising during the period	(3,590)	(28,648)	994	(7,287)
Reclassification of net (gains) losses on securities included in net income	2,846	(9)	2,777	257
Total other comprehensive income (loss), net of tax	(744)	(28,657)	3,771	(7,030)
Total comprehensive income (loss)	<u>\$ 22,792</u>	<u>\$ (1,112)</u>	<u>\$ 54,189</u>	<u>\$ 46,029</u>

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	June 30, 2024	December 31, 2023
	(in thousands, except share data)	
Assets		
Qualified Assets		
Cash and cash equivalents	\$ 825,728	\$ 913,063
Investments in unaffiliated issuers (allowance for credit losses: 2024, \$5,052; 2023, \$1,333)	12,419,830	13,220,339
Receivables	43,432	57,822
Derivative assets	18,916	17,255
Total qualified assets	13,307,906	14,208,479
Deferred taxes, net	24,498	19,600
Taxes receivable from parent	—	3,367
Due from related party	47	17,907
Total assets	<u>\$ 13,332,451</u>	<u>\$ 14,249,353</u>
Liabilities and Shareholder's Equity		
Liabilities		
Certificate reserves	\$ 12,526,280	\$ 13,470,674
Due to related party	6,807	8,092
Taxes payable to parent	20,824	122
Payables to brokers, dealers and clearing organizations	51,904	6,150
Derivative liabilities	13,969	11,496
Other liabilities	61,120	63,461
Total liabilities	<u>12,680,904</u>	<u>13,559,995</u>
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	107,196	148,778
Accumulated other comprehensive income (loss), net of tax	(69,316)	(73,087)
Total shareholder's equity	<u>651,547</u>	<u>689,358</u>
Total liabilities and shareholder's equity	<u>\$ 13,332,451</u>	<u>\$ 14,249,353</u>

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 April 1, 2024	150,000	\$ 1,500	\$ 612,167	\$ 17,856	\$ 15	\$ 120,789	\$ (68,572)	\$ 683,755
Net income	—	—	—	—	—	23,536	—	23,536
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(744)	(744)
Transfers between appropriated and unappropriated, net	—	—	—	(8,802)	—	8,802	—	—
Dividend to parent	—	—	—	—	—	(55,000)	—	(55,000)
Balance at June 30, 2024	150,000	\$ 1,500	\$ 612,167	\$ 9,054	\$ 15	\$ 98,127	\$ (69,316)	\$ 651,547
Balance at April 1, 2023	150,000	\$ 1,500	\$ 558,667	\$ 19,951	\$ 15	\$ 52,209	\$ (93,718)	\$ 538,624
Net income	—	—	—	—	—	27,545	—	27,545
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(28,657)	(28,657)
Transfers between appropriated and unappropriated, net	—	—	—	(3,793)	—	3,793	—	—
Capital contribution from parent	—	—	26,000	—	—	—	—	26,000
Balance at June 30, 2023	150,000	\$ 1,500	\$ 584,667	\$ 16,158	\$ 15	\$ 83,547	\$ (122,375)	\$ 563,512
Balance at January 1, 2024	150,000	\$ 1,500	\$ 612,167	\$ 27,031	\$ 15	\$ 121,732	\$ (73,087)	\$ 689,358
Net income	—	—	—	—	—	50,418	—	50,418
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	3,771	3,771
Transfers between appropriated and unappropriated, net	—	—	—	(17,977)	—	17,977	—	—
Dividend to parent	—	—	—	—	—	(92,000)	—	(92,000)
Balance at June 30, 2024	150,000	\$ 1,500	\$ 612,167	\$ 9,054	\$ 15	\$ 98,127	\$ (69,316)	\$ 651,547
Balance at January 1, 2023	150,000	\$ 1,500	\$ 481,667	\$ 15,960	\$ 15	\$ 30,686	\$ (115,345)	\$ 414,483
Net income	—	—	—	—	—	53,059	—	53,059
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(7,030)	(7,030)
Transfers between appropriated and unappropriated, net	—	—	—	198	—	(198)	—	—
Capital contribution from parent	—	—	103,000	—	—	—	—	103,000
Balance at June 30, 2023	150,000	\$ 1,500	\$ 584,667	\$ 16,158	\$ 15	\$ 83,547	\$ (122,375)	\$ 563,512

See Notes to Consolidated Financial Statements.

AMERIPRISE CERTIFICATE COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
	(in thousands)	
Cash Flows from Operating Activities		
Net income	\$ 50,418	\$ 53,059
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Amortization of premiums, accretion of discounts, net	(83,683)	(60,839)
Deferred income tax expense (benefit)	(6,087)	(474)
Net realized (gain) loss on Available-for-Sale securities	(656)	326
Other net realized (gain) loss	137	583
Provision for credit losses	5,078	(1)
Changes in operating assets and liabilities:		
Dividends and interest receivable	72,654	33,589
Certificate reserves, net	(1,013)	13,175
Taxes payable to/receivable from parent, net	24,069	(3,805)
Derivatives, net of collateral	872	(400)
Other liabilities	(3,466)	10,960
Other receivables	(78)	(426)
Other, net	(3,329)	(2,331)
Net cash provided by (used in) operating activities	<u>54,916</u>	<u>43,416</u>
Cash Flows from Investing Activities		
Available-for-Sale securities:		
Sales	—	111,727
Maturities, redemptions, calls and other	4,790,940	2,724,660
Purchases	(3,929,874)	(5,748,558)
Syndicated loans and commercial mortgage loans:		
Sales, maturities and repayments	19,181	21,956
Purchases and fundings	(8,071)	(1,976)
Certificate loans, net	12	25
Net cash provided by (used in) investing activities	<u>872,188</u>	<u>(2,892,166)</u>
Cash Flows from Financing Activities		
Payments from certificate holders and other additions	2,868,648	6,395,156
Certificate maturities and cash surrenders	(3,791,087)	(3,641,718)
Capital contribution from parent	—	103,000
Dividend to parent	(92,000)	—
Net cash provided by (used in) financing activities	<u>(1,014,439)</u>	<u>2,856,438</u>
Net increase (decrease) in cash and cash equivalents	(87,335)	7,688
Cash and cash equivalents at beginning of period	913,063	1,180,868
Cash and cash equivalents at end of period	<u>\$ 825,728</u>	<u>\$ 1,188,556</u>
Supplemental disclosures:		
Income taxes paid (received), net	\$ (2,471)	\$ 21,780
Interest paid	300,400	182,832

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:

	June 30, 2024	December 31, 2023
	(in thousands)	
Available-for-Sale securities: Fixed maturities, at fair value (allowance for credit losses: 2024, \$4,171; 2023, nil; amortized cost: 2024, \$12,345,172; 2023, \$13,135,364)	\$ 12,247,635	\$ 13,037,037
Commercial mortgage loans and syndicated loans, at cost (allowance for credit losses: 2024, \$881; 2023, \$1,333; fair value: 2024, \$169,325; 2023, \$178,850)	172,173	183,268
Certificate loans — secured by certificate reserves, at cost, which approximates fair value	22	34
Total	<u>\$ 12,419,830</u>	<u>\$ 13,220,339</u>

AMERIPRISE CERTIFICATE COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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

Description of Securities	June 30, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
	(in thousands)				
Corporate debt securities	\$ 1,258,506	\$ 506	\$ (3,542)	\$ —	\$ 1,255,470
Residential mortgage backed securities	4,537,789	15,378	(99,707)	—	4,453,460
Commercial mortgage backed securities	1,678,351	6,213	(18,671)	(4,171)	1,661,722
Asset backed securities	2,109,142	7,428	(953)	—	2,115,617
State and municipal obligations	1,250	—	(55)	—	1,195
U.S. government and agency obligations	2,760,134	192	(155)	—	2,760,171
Total	<u>\$ 12,345,172</u>	<u>\$ 29,717</u>	<u>\$ (123,083)</u>	<u>\$ (4,171)</u>	<u>\$ 12,247,635</u>

Description of Securities	December 31, 2023			
	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	<u>\$ 13,135,364</u>	<u>\$ 36,406</u>	<u>\$ (134,733)</u>	<u>\$ 13,037,037</u>

As of June 30, 2024 and December 31, 2023, accrued interest of \$39.5 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 June 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 June 30, 2024 and December 31, 2023, \$11.0 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:

Ratings	June 30, 2024			December 31, 2023		
	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value
	(in thousands, except percentages)					
AAA	\$ 7,158,530	\$ 7,102,320	58 %	\$ 6,497,442	\$ 6,432,988	49 %
AA	3,713,370	3,676,147	30	4,667,593	4,633,823	36
A	478,644	475,331	4	458,233	457,526	3
BBB	989,318	988,738	8	1,506,666	1,507,511	12
Below investment grade	5,310	5,099	—	5,430	5,189	—
Total fixed maturities	<u>\$ 12,345,172</u>	<u>\$ 12,247,635</u>	<u>100 %</u>	<u>\$ 13,135,364</u>	<u>\$ 13,037,037</u>	<u>100 %</u>

As of June 30, 2024 and December 31, 2023, approximately 97% and 85% of securities rated AA were GNMA, FNMA and FHLMC mortgage backed securities, respectively. As of June 30, 2024, ACC had nine issuers with holdings totaling \$717.7 million that individually were between 10% and 15% 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 June 30, 2024 and December 31, 2023.

AMERIPRISE CERTIFICATE COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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:

Description of Securities	June 30, 2024								
	Less than 12 Months			12 Months or More			Total		
	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	40	\$ 468,243	\$ (1,255)	38	\$ 620,822	\$ (2,287)	78	\$1,089,065	\$ (3,542)
Residential mortgage backed securities	28	936,596	(4,988)	247	1,907,948	(94,719)	275	2,844,544	(99,707)
Commercial mortgage backed securities	6	175,283	(434)	52	780,377	(18,237)	58	955,660	(18,671)
Asset backed securities	13	286,313	(366)	29	252,943	(587)	42	539,256	(953)
State and municipal obligations	—	—	—	2	1,195	(55)	2	1,195	(55)
U.S. government and agency obligations	16	1,780,810	(155)	1	56	—	17	1,780,866	(155)
Total	103	\$3,647,245	\$ (7,198)	369	\$3,563,341	\$(115,885)	472	\$7,210,586	\$(123,083)

Description of Securities	December 31, 2023								
	Less than 12 Months			12 Months or More			Total		
	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 six months ended June 30, 2024 is primarily attributable to the impact of tighter credit spreads partially offset by the impact of higher interest rates. As of June 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 both June 30, 2024 and December 31, 2023, approximately 97% of the total of Available-for-Sale securities with gross unrealized losses were considered investment grade.

The Company established an allowance for credit losses of \$4.2 million related to one commercial mortgage backed security with a recent downgrade during the three and six months ended June 30, 2024. There were no amounts recognized in the allowance for credit losses on Available-for-Sale securities during the three and six months ended June 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 April 1, 2024	\$ (92,388)	\$ 23,816	\$ (68,572)
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	(4,580)	990	(3,590)
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	3,602	(756)	2,846
Balance at June 30, 2024	<u>\$ (93,366)</u>	<u>\$ 24,050</u>	<u>\$ (69,316)</u>
Balance at April 1, 2023	\$ (125,616)	\$ 31,898	\$ (93,718)
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	(37,727)	9,079	(28,648)
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	(11)	2	(9)
Balance at June 30, 2023	<u>\$ (163,354)</u>	<u>\$ 40,979</u>	<u>\$ (122,375)</u>
Balance at January 1, 2024	\$ (98,326)	\$ 25,239	\$ (73,087)
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	1,445	(451)	994
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	3,515	(738)	2,777
Balance at June 30, 2024	<u>\$ (93,366)</u>	<u>\$ 24,050</u>	<u>\$ (69,316)</u>
Balance at January 1, 2023	\$ (154,094)	\$ 38,749	\$ (115,345)
Net unrealized gains (losses) on securities arising during the period ⁽¹⁾	(9,586)	2,299	(7,287)
Reclassification of net (gains) losses on securities included in net income ⁽²⁾	326	(69)	257
Balance at June 30, 2023	<u>\$ (163,354)</u>	<u>\$ 40,979</u>	<u>\$ (122,375)</u>

⁽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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(in thousands)			
Gross realized investment gains	\$ 569	\$ 64	\$ 662	\$ 199
Gross realized investment losses	—	(53)	(6)	(525)
Credit (losses)	(4,171)	—	(4,171)	—
Total	<u>\$ (3,602)</u>	<u>\$ 11</u>	<u>\$ (3,515)</u>	<u>\$ (326)</u>

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

	Amortized Cost	Fair Value
	(in thousands)	
Due within one year	\$ 3,778,611	\$ 3,775,760
Due after one year through five years	241,279	241,076
	4,019,890	4,016,836
Residential mortgage backed securities	4,537,789	4,453,460
Commercial mortgage backed securities	1,678,351	1,661,722
Asset backed securities	2,109,142	2,115,617
Total	<u>\$ 12,345,172</u>	<u>\$ 12,247,635</u>

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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	907
Write-offs	(1,359)
Balance at June 30, 2024	<u>\$ 881</u>
Balance at January 1, 2023	\$ 1,472
Provisions	(1)
Balance at June 30, 2023	<u>\$ 1,471</u>

As of June 30, 2024 and December 31, 2023, accrued interest on commercial loans was \$956 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 June 30, 2024 and 2023, ACC purchased \$3.8 million and nil, respectively, of syndicated loans, and sold \$3.2 million and \$2.4 million, respectively, of syndicated loans. During the six months ended June 30, 2024 and 2023, ACC purchased \$4.2 million and \$0.4 million, respectively, of syndicated loans, and sold \$3.3 million and \$3.2 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 June 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 June 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 June 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:

	June 30, 2024						
	2024	2023	2022	2021	2020	Prior	Total
Loan-to-Value Ratio	(in thousands)						
> 100%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,121	\$ 3,121
80% - 100%	—	—	—	—	—	—	—
60% - 80%	2,592	4,000	5,379	—	—	5,894	17,865
40% - 60%	—	—	—	1,648	3,922	10,856	16,426
< 40%	2,900	3,660	1,404	8,055	3,000	42,455	61,474
Total	<u>\$ 5,492</u>	<u>\$ 7,660</u>	<u>\$ 6,783</u>	<u>\$ 9,703</u>	<u>\$ 6,922</u>	<u>\$ 62,326</u>	<u>\$ 98,886</u>

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	<u>\$ 7,675</u>	<u>\$ 6,900</u>	<u>\$ 10,221</u>	<u>\$ 6,969</u>	<u>\$ 13,719</u>	<u>\$ 51,465</u>	<u>\$ 96,949</u>

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 six months ended June 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	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	(in thousands)			
East North Central	\$ 7,770	\$ 8,226	8 %	8 %
East South Central	5,293	5,514	5	6
Middle Atlantic	15,009	15,466	15	16
Mountain	8,563	8,756	9	9
New England	6,188	6,308	6	7
Pacific	31,780	30,024	32	31
South Atlantic	12,770	13,023	13	13
West North Central	2,982	3,403	3	4
West South Central	8,531	6,229	9	6
Total	<u>\$ 98,886</u>	<u>\$ 96,949</u>	<u>100 %</u>	<u>100 %</u>

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

	Loans		Percentage	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	(in thousands)			
Apartments	\$ 30,064	\$ 31,125	30 %	32 %
Industrial	25,524	23,596	26	24
Mixed use	9,861	10,126	10	11
Office	10,936	11,336	11	12
Retail	13,840	14,574	14	15
Other	8,661	6,192	9	6
Total	<u>\$ 98,886</u>	<u>\$ 96,949</u>	<u>100 %</u>	<u>100 %</u>

Syndicated Loans

The investment in syndicated loans as of June 30, 2024 and December 31, 2023 was \$74.2 million and \$87.7 million, respectively. ACC's syndicated loan portfolio is diversified across industries and issuers. Syndicated loans past due as of June 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 six months ended June 30, 2024, write-offs of syndicated loans were \$1.4 million.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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

Internal Risk Rating	June 30, 2024						
	2024	2023	2022	2021	2020	Prior	Total
	(in thousands)						
Risk 5	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Risk 4	2	114	—	—	—	1,920	2,036
Risk 3	123	957	—	4,561	657	2,953	9,251
Risk 2	20,548	9,997	—	3,902	993	4,731	40,171
Risk 1	6,383	8,351	—	3,117	1,419	3,440	22,710
Total	<u>\$ 27,056</u>	<u>\$ 19,419</u>	<u>\$ —</u>	<u>\$ 11,580</u>	<u>\$ 3,069</u>	<u>\$ 13,044</u>	<u>\$ 74,168</u>

Internal Risk Rating	December 31, 2023						
	2023	2022	2021	2020	2019	Prior	Total
	(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	<u>\$ 30,978</u>	<u>\$ 5,390</u>	<u>\$ 19,591</u>	<u>\$ 8,029</u>	<u>\$ 11,952</u>	<u>\$ 11,712</u>	<u>\$ 87,652</u>

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 six months ended June 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.

AMERIPRISE CERTIFICATE COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Assets				
Cash equivalents	\$ —	\$ 804,768	\$ —	\$ 804,768
Available-for-Sale securities:				
Corporate debt securities	—	1,243,472	11,998	1,255,470
Residential mortgage backed securities	—	4,453,460	—	4,453,460
Commercial mortgage backed securities	—	1,661,722	—	1,661,722
Asset backed securities	—	2,115,617	—	2,115,617
State and municipal obligations	—	1,195	—	1,195
U.S. government and agency obligations	2,760,171	—	—	2,760,171
Total Available-for-Sale securities	2,760,171	9,475,466	11,998	12,247,635
Equity derivative contracts	—	18,916	—	18,916
Total assets at fair value	\$ 2,760,171	\$ 10,299,150	\$ 11,998	\$ 13,071,319
Liabilities				
Stock market certificate embedded derivatives	\$ —	\$ 8,807	\$ —	\$ 8,807
Equity derivative contracts	16	13,953	—	13,969
Total liabilities at fair value	\$ 16	\$ 22,760	\$ —	\$ 22,776
	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

AMERIPRISE CERTIFICATE COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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 April 1, 2024	\$ 17,891	\$ 17,891
Total gains (losses) included in:		
Net income	95	95 ⁽¹⁾
Other comprehensive income (loss)	12	12
Settlements	(6,000)	(6,000)
Balance at June 30, 2024	<u>\$ 11,998</u>	<u>\$ 11,998</u>
Changes in unrealized gains (losses) in net income relating to assets held at June 30, 2024	\$ 86	\$ 86
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at June 30, 2024	\$ (18)	\$ (18)

	Available-for-Sale Securities		
	Corporate Debt Securities	Asset Backed Securities	Total
	(in thousands)		
Balance at April 1, 2023	\$ 14,751	\$ 3,815	\$ 18,566
Total gains (losses) included in:			
Net income	51	67	118 ⁽¹⁾
Other comprehensive income (loss)	(31)	(33)	(64)
Settlements	<u>\$ (1,368)</u>	<u>\$ (1,550)</u>	<u>(2,918)</u>
Balance at June 30, 2023	<u>\$ 13,403</u>	<u>\$ 2,299</u>	<u>\$ 15,702</u>
Changes in unrealized gains (losses) in net income relating to assets held at June 30, 2023	\$ 51	\$ 67	\$ 118
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at June 30, 2023	\$ (31)	\$ (33)	\$ (64)

	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	192	192 ⁽¹⁾
Other comprehensive income (loss)	(48)	(48)
Settlements	(6,000)	(6,000)
Balance at June 30, 2024	<u>\$ 11,998</u>	<u>\$ 11,998</u>
Changes in unrealized gains (losses) in net income relating to assets held at June 30, 2024	\$ 171	\$ 171 ⁽¹⁾
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at June 30, 2024	\$ (109)	\$ (109)

AMERIPRISE CERTIFICATE COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

	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	77	88	165 ⁽¹⁾
Other comprehensive income (loss)	8	(30)	(22)
Purchases	5,033	—	5,033
Settlements	(1,368)	(2,650)	(4,018)
Balance at June 30, 2023	<u>\$ 13,403</u>	<u>\$ 2,299</u>	<u>\$ 15,702</u>

Changes in unrealized gains (losses) in net income relating to assets held at June 30, 2023	\$ 77	\$ 88	\$ 165 ⁽¹⁾
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at June 30, 2023	\$ 8	\$ (30)	\$ (22)

⁽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:

June 30, 2024					
	Fair Value (in thousands)	Valuation Technique	Unobservable Input	Range	Weighted Average
Corporate debt securities (private placements)	\$ 11,995	Discounted cash flow	Yield/spread to U.S. Treasuries	1.2%	1.2%

December 31, 2023					
	Fair Value (in thousands)	Valuation Technique	Unobservable Input	Range	Weighted Average
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.

AMERIPRISE CERTIFICATE COMPANY**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)****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

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 June 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 June 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.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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:

	June 30, 2024					
	Carrying Value	Fair Value				Total
		Level 1	Level 2	Level 3		
	(in thousands)					
Financial Assets						
Syndicated loans	\$ 73,725	\$ —	\$ 69,619	\$ 3,999	\$ 73,618	
Commercial mortgage loans	98,448	—	—	95,707	95,707	
Certificate loans	22	—	22	—	22	
Financial Liabilities						
Certificate reserves	\$ 12,517,473	\$ —	\$ —	\$ 12,465,763	\$ 12,465,763	
	December 31, 2023					
	Carrying Value	Fair Value				Total
		Level 1	Level 2	Level 3		
	(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:

	June 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	\$ 18,916	\$ —	\$ 18,916	\$ (13,953)	\$ (4,947)	\$ 16
Total	<u>\$ 18,916</u>	<u>\$ —</u>	<u>\$ 18,916</u>	<u>\$ (13,953)</u>	<u>\$ (4,947)</u>	<u>\$ 16</u>
	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	<u>\$ 17,255</u>	<u>\$ —</u>	<u>\$ 17,255</u>	<u>\$ (11,480)</u>	<u>\$ (4,903)</u>	<u>\$ 872</u>

⁽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.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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

	June 30, 2024					
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities 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	\$ 13,953	\$ —	\$ 13,953	\$ (13,953)	\$ —	\$ —
Exchange-traded	16	—	16	—	—	16
Total	<u>\$ 13,969</u>	<u>\$ —</u>	<u>\$ 13,969</u>	<u>\$ (13,953)</u>	<u>\$ —</u>	<u>\$ 16</u>
	December 31, 2023					
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities 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	\$ 11,480	\$ —	\$ 11,480	\$ (11,480)	\$ —	\$ —
Exchange-traded	16	—	16	—	—	16
Total	<u>\$ 11,496</u>	<u>\$ —</u>	<u>\$ 11,496</u>	<u>\$ (11,480)</u>	<u>\$ —</u>	<u>\$ 16</u>

⁽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:

	June 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⁾	\$ 184,103	\$ 18,916	\$ 13,969	\$ 219,404	\$ 17,255	\$ 11,496
Embedded derivatives						
Stock market certificates ⁽²⁾	N/A	—	8,807	N/A	—	9,300
Total derivatives	\$ 184,103	\$ 18,916	\$ 22,776	\$ 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.

AMERIPRISE CERTIFICATE COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

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

As of June 30, 2024 and December 31, 2023, investment securities with a fair value of \$406 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 June 30,		Six Months Ended June 30,	
		2024	2023	2024	2023
		(in thousands)			
Equity contracts					
Stock market certificates	Net provision for certificate reserves	\$ 526	\$ 1,805	\$ 1,797	\$ 2,765
Stock market certificates embedded derivatives	Net provision for certificate reserves	(453)	(1,853)	(1,650)	(3,783)
Total		\$ 73	\$ (48)	\$ 147	\$ (1,018)

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 six months ended June 30, 2024. ACC received cash contributions of \$26.0 million and \$103.0 million from Ameriprise Financial during the three and six months ended June 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 \$55.0 million and \$92.0 million, during the three and six months ended June 30, 2024, respectively. ACC did not pay any dividends to Ameriprise Financial during the three and six months ended June 30, 2023, respectively.

AMERIPRISE CERTIFICATE COMPANY**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)**

ACC did not return any contributed capital to Ameriprise Financial during the three and six months ended June 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 six months ended June 30, 2024.

10. Income Taxes

ACC's effective tax rate was 22.6% and 25.3% for the three months ended June 30, 2024 and 2023, respectively. ACC's effective tax rate was 22.6% and 25.4% for the six months ended June 30, 2024 and 2023, respectively.

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

The effective tax rate for the three and six months ended June 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 six months ended June 30, 2024 compared to the three and six months ended June 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 June 30, 2024 and December 31, 2023.

As of June 30, 2024 and December 31, 2023, ACC had \$4.7 million and \$5.5 million, respectively, of gross unrecognized tax benefits. If recognized, approximately \$3.8 million and \$4.4 million, net of federal tax benefits, of unrecognized tax benefits as of June 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 will not decrease in the next 12 months.

ACC recognizes interest and penalties related to unrecognized tax benefits as a component of the income tax provision. ACC recognized a net decrease of \$104 thousand and \$64 thousand in interest and penalties for the three and six months ended June 30, 2024, respectively. ACC recognized a net increase of \$78 thousand and \$144 thousand in interest and penalties for the three and six months ended June 30, 2023, respectively. As of June 30, 2024 and December 31, 2023, ACC had a payable of \$963 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.

AMERIPRISE CERTIFICATE COMPANY**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.

Current 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 Six Months Ended June 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 \$2.6 million, or 5%, for the six months ended June 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 increased \$0.5 billion from the prior year period to \$12.5 billion. After a period of strong growth during a rising interest rate environment, ACC has experienced net outflows during the six months ended June 30, 2024.

Investment income increased \$103.9 million, or 36%, for the six months ended June 30, 2024 compared to the prior year period reflecting an increase in the average invested asset yield, driven by an increase in short-term interest rates, and higher average investment balances.

Investment expenses increased \$2.0 million, or 8%, for the six months ended June 30, 2024 compared to the prior year period primarily due to volume-driven increases in distribution expenses.

Net provision for certificate reserves increased \$104.3 million, or 54%, for the six months ended June 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 \$3.7 million for the six months ended June 30, 2024 compared to the prior year period primarily due to an allowance for credit losses of \$4.2 million related to a commercial mortgage backed security with a recent downgrade.

ACC's effective tax rate was 22.6% for the six months ended June 30, 2024 compared to 25.4% for the prior year period. The decrease in the effective tax rate for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was primarily the

AMERIPRISE CERTIFICATE COMPANY

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 June 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 second 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.
10(a) *	Amended and Restated Federal Income Tax Sharing Agreement between or among Ameriprise Financial, Inc. and certain subsidiaries, including Ameriprise Certificate Company, effective January 1, 2023.
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 James R. Hill pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32 *	Certification of Abu M. Arif and James R. Hill 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: August 6, 2024

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

Date: August 6, 2024

By: /s/ James R. Hill
James R. Hill
Chief Financial Officer

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: August 6, 2024

By: /s/ Abu M. Arif

Abu M. Arif
Chief Executive Officer

CERTIFICATION

I, James R. Hill, 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: August 6, 2024

By: /s/ James R. Hill

James R. Hill
Chief Financial Officer

**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 June 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 James R. Hill, 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: August 6, 2024

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

Date: August 6, 2024

By: /s/ James R. Hill
James R. Hill
Chief Financial Officer

AMENDED AND RESTATED FEDERAL INCOME TAX SHARING AGREEMENT

Effective, as of January 1, 2023, for tax years beginning after 2022, this Federal Income Tax Sharing Agreement (“Agreement”) between Ameriprise Financial, Inc. (“Ameriprise” and/or “Parent”) and certain affiliated entities replaces all prior Federal Income Tax Sharing Agreements between or among Ameriprise Financial, Inc. (“Ameriprise” and/or “Parent”) and its subsidiaries listed on the attached Schedule A. Collectively, Ameriprise and its subsidiaries listed on Schedule A are the “Parties” to this Agreement.

The Parties file a consolidated Federal income tax return, as provided in Sections 1501 through 1504, which includes all taxable income, deduction, gain, or loss of a Party that is a disregarded LLC (as defined below). Each party to this Agreement is either a “member” (as defined in Treasury Reg. Section 1.1502-1(b)) of the federal consolidated filing group (the “Consolidated Group”) or is a Disregarded LLC owned by a member of the Consolidated Group. Ameriprise, as the parent corporation of the Consolidated Group, is required under the Code and Treasury Regulations to pay any taxes owed as the result of filing the consolidated return. This Agreement requires the Parties to allocate the Regular Income Tax (as defined below) liability of the Consolidated Group among the Parties and settle intercompany balances of amounts payable and receivable pursuant to this Agreement.

NOW THEREFORE, the Parties agree as follows:

1. Additional definitions.
 - i. Code: the Internal Revenue Code of 1986, as amended.
 - ii. Corporate Alternative Minimum Tax (or “CAMT”): The alternative minimum tax incurred by the Consolidated Group for the taxable year pursuant to Code § 55, if any.
 - iii. Current Tax: the federal income tax incurred by the Consolidated Group for the taxable year pursuant to the Code, including both Regular Income Tax and Corporate Alternative Minimum Tax.
 - iv. Deferred Tax: deferred federal income tax as determined under GAAP.
 - v. Disregarded LLC: a single-member limited liability company (“LLC”) disregarded as a separate legal entity from its owner pursuant to Treasury Regulation § 301.7701-3(a).
 - vi. GAAP: United States Generally Accepted Accounting Principles.
 - vii. New York member: any Party licensed as an insurance company in the State of New York.

- viii. Regular Income Tax: the regular federal income tax incurred by the Consolidated Group for the taxable year pursuant to Code § 11, if any, excluding any Corporate Alternative minimum Tax, if any.
- ix. Stock Buyback Excise Tax: the federal excise tax, if any, on repurchases of Ameriprise Financial stock, pursuant to Code § 4501.
- x. Tax Benefits: tax credits, tax credit carryforwards and carrybacks, tax losses, and tax loss carryforwards and carrybacks.

2. Agent of the Consolidated Group.

i. *Agency Relationship.* Parent, as the common parent of the Consolidated Group, shall act as the sole agent of the Consolidated Group, and shall act for each member of the Consolidated Group and any successor of the Consolidated Group with respect to all matters relating to the tax liability for the Consolidated Group under the rules set forth in Section 1.1502-77 of the Treasury Regulations.

ii. *Bank Member of the Consolidated Group.* An agency relationship exists between Ameriprise Bank, FSB, member of the Consolidated Group, (“Bank”) and Parent with respect to tax refunds. Parent is an agent for the Bank with respect to all matters related to consolidated tax returns and refund claims, and nothing in this agreement shall be construed to alter or modify this agency relationship. If the Parent receives a tax refund attributable to income earned, taxes paid, or losses incurred by the Bank from a taxing authority, these funds are obtained as agent for the Bank. Any tax refund attributable to income earned, taxes paid, or losses incurred by the Bank is the property of and owned by the Bank, and must be held in trust by Parent for the benefit of the Bank. Parent must forward promptly the amounts held in trust to the Bank. Nothing in this agreement is intended to be or should be construed to provide the Parent with an ownership interest in a tax refund that is attributable to income earned, taxes paid, or losses incurred by the Bank. The Parent hereby agrees that this tax sharing agreement does not give it an ownership interest in a tax refund generated by the tax attributes of the Bank. The Bank must obtain no less than its stand-alone refund amount from Parent on or before the date the Bank would have filed its own return if it had filed on a separate entity basis, and must receive such refund promptly.

3. Allocation of Regular Income Tax Liability to Parties.

A. *General Rule for Allocation of Regular Income Tax Among Members of the Consolidated Group.* The Parties have elected to use the “percentage method” of tax allocation described in Treasury Regulation Sections 1.1552-1(a)(2)(ii) and 1.1502-33(d)(3).

i. A Party’s portion of the Regular Income Tax liability of the Consolidated Group shall be an amount equal to the Regular Income Tax liability of the Consolidated Group,

multiplied by a fraction, the numerator of which is the separate return Regular Income Tax liability of the Party, and the denominator of which is the sum of the separate return Regular Income Tax liabilities of all Parties. If the separate return Regular Income Tax liability of a Party is not greater than zero, then for purposes of this paragraph, such Party's separate return Regular Income Tax liability shall be zero.

ii. A Party's Regular Income Tax allocation is increased by 100% of the excess, if any, of the Party's separate return Regular Income Tax liability over the Party's Regular Income Tax allocation determined under the preceding paragraph 3.A.i. This amount represents the Party's marginal benefit from filing a consolidated return, where the Party's proportionate share of the Consolidated Group's Regular Income Tax liability is reduced by use of another Party's Tax Benefits.

iii. The separate return Regular Income Tax liability of a Party is its Regular Income Tax liability computed as if it has filed a separate return for the year except that—

1) Gains and losses on intercompany transactions shall be taken into account as if a consolidated return had been filed for the year;

2) Transactions with respect to stock, bonds, or other obligations of Parties shall be reflected as if a consolidated return had been filed for the year;

3) Excess losses (as defined in Treasury Regulation Section 1.1502-19) shall be included in income as if a consolidated return had been filed for the year;

4) the computation of the depreciation deduction (Code Section 167), property shall not lose its character as new property as a result of a transfer from one Party to another Party during the year;

5) A dividend distributed by one Party to another Party during the year shall not be taken into account in computing the deductions for dividends received and paid;

6) Basis shall be determined under Treasury Regulation Sections 1.1502-31 and 1.1502-32, and earnings and profits shall be determined under Treasury Regulation Sections 1.1502-33, and 1.1502-1(a)(2)(ii) as if a consolidated return had been filed for the year; and

7) Treasury Regulation Section 1.1502-3(f)(2) shall apply as if a consolidated return had been filed for the year.

B. Tax Benefits and Compensation for Use of Tax Benefits.

i. Payment from Parent to Party for Use of Party's Tax Benefits. The Parent shall pay a Party for any tax benefits that the Party generates, to the extent that the Consolidated Group uses those benefits to reduce its tax liability. A minimum tax credit (pursuant to Code §53) attributable to CAMT paid by Ameriprise shall be retained by Ameriprise. If multiple Parties generate tax benefits, and the Consolidated Group uses some or all of those tax benefits

to reduce its tax liability, Parent shall allocate payments for Tax Benefits among the Parties that generated the Tax Benefits in a manner that reasonably reflects the absorption of the Tax Benefits, consistent with Treasury Regulation Section 1.1502-33(d). Once a Party is paid for its tax benefits it cannot use such tax benefits in calculating its separate return tax liability. If a Bank's loss or credit is used to reduce the consolidated group's overall tax liability, the Bank must reflect the tax benefit of the loss or credit in the current portion of its applicable income taxes in the period the loss or credit is incurred, and Parent must compensate the Bank for the use of its loss or credit at the time that it is used.

ii. Payment from Party to Parent for use of Another Party's Tax Benefits. As described in paragraph 3.A.ii. above, a Party's tax allocation is increased to the extent that the Party would have paid more tax if it had filed a separate federal income tax return.

iii. Unused Tax Benefits. If a Party's Tax Benefits are not used to reduce the Consolidated Group's tax liability on the consolidated return, the Party shall retain the Tax Benefits for possible future use.

C. *Limited Liability Companies.* Parent and certain Parties own 100% of the membership interests in several Disregarded LLCs. Beginning in December 2019, Federal Accounting Standards Board ("FASB") topic 740-10-30-27A provides that solely for purposes of GAAP the parent of a consolidated group is not required to allocate any consolidated current and deferred federal income tax expense to legal entities that are not subject to tax, such as Disregarded LLCs, however, the parent may elect to allocate the consolidated amount of current and deferred tax expense to legal entities that are both not subject to tax and disregarded by the taxing authority (for example, Disregarded LLCs). Parent shall allocate taxes (including current and deferred taxes) to Disregarded LLCs by treating the Disregarded LLC as though it were a separate member of the Consolidated Group for purposes of this Paragraph 3, with the exception of Disregarded LLCs signing Schedule C, which shall not be allocated current or deferred tax, in which case the Disregarded LLC's single owner Member shall determine its separate return tax liability by including the taxable income or loss of the LLC into its own taxable income.

D. *New York Member Limitations.* Any Party licensed as an insurance company in the State of New York will be considered a "New York member". New York members are subject to additional limitations on the allocation of tax among members of the Consolidated Group, as described in this paragraph and *New York State Department of Financial Services Insurance Circular Letter No. 33 (1979)*, paragraph 3, method (B).

i. The tax charge to the New York member shall not be more than it would have paid if it had filed on a separate return basis. The New York member shall be "paid" for any foreign tax credits, investments credits, losses or any loss carry over (collectively herein referred to as credits) generated by it, to the extent actually used in the consolidated return. Payment shall be equal to the "savings" generated by its credits. All payments shall be recorded on the New York member's books as contributed surplus.

ii. Once an insurer is "paid" for its credits it cannot use such credits in

the calculation of its tax liability under the separate return basis. Any of the New York member's credits which are not used in the consolidated return and for which it has not been paid shall be retained by the New York member for possible future use.

iii. If the amount paid by any New York member to Ameriprise for federal income taxes is greater than the actual payment made by Ameriprise to the Internal Revenue Service, the difference shall be placed by Ameriprise in an escrow account established under an escrow agreement substantially in the form attached hereto as Schedule B, consisting of assets eligible as an investment for the New York member. The escrow account shall be established and maintained by Ameriprise in an amount equal to the excess of the amount paid by the New York member to Ameriprise for federal income taxes over the actual payment made by Ameriprise to the Internal Revenue Service. Assets may be released to Ameriprise from the escrow account at such time as the permissible period for loss carrybacks has elapsed.

E. *Current and Deferred Tax.* Allocation of tax, pursuant to this Paragraph 3, shall apply to both Current Tax and Deferred Tax. This Agreement expressly prohibits the payment or other transfer of deferred taxes by any Bank to any other Party, and prohibits the payment or other transfer of deferred taxes by any other Party to another Party to the extent such payment is prohibited by any statute, regulation, or administrative ruling of the FDIC or any other governmental authority that has regulatory oversight of a Party.

F. *Corporate Alternative Minimum Tax.* Any Corporate Alternative Minimum Tax incurred by the Consolidated Group for the taxable year shall be paid by and allocated to Ameriprise Financial, Inc., and shall not be allocated to any subsidiaries.

G. *Examples.* For examples demonstrating the allocation of tax among Parties, see the attached Exhibit A.

4. Payment and Settlement of Intercompany Tax Obligations. Any obligation of a Party as determined under this Agreement owed to another Party shall be paid by the Party owing such amount within thirty (30) days of the payment of any tax due to the U.S. Treasury (including estimated taxes or taxes owed in the event of a redetermination of taxes as determined in Paragraph 5) or within thirty (30) days of any tax refund actually received from the U.S. Treasury. Parties are permitted to settle intercompany tax obligations more frequently, at their discretion. In the event that the amount of any obligation owed by one Party to another Party results from a calculation error made by the common parent, such Party shall be liable for any underpayment resulting from such error but shall not be liable for any interest on such underpayment (or any penalties imposed by the Internal Revenue Service) that may apply. Any payment due from a Bank must not exceed the current tax expense or reasonably calculated estimated tax expense of the Bank on a separate entity basis, and must not be paid any earlier than when the Bank would have been obligated to pay the taxing authority had it filed as a separate entity. If, on the basis of payments previously made during the year for estimated tax owed, a Bank would have been entitled to a refund if it had filed on a separate entity basis, Parent must repay such excess in an amount equal to the refund the Bank would have been entitled to receive, had it filed a separate return.

5. Redetermination of Tax. If the taxes owed by the Consolidated Group or any Party are redetermined by: (1) the Internal Revenue Service pursuant to a federal income tax audit, (2) by the filing of an amended return, (3) by a court ruling, or (4) otherwise, the amount of tax owed by each Party shall be recalculated and re-allocated under Paragraph 3, and the difference, if any, between the previously allocated amounts and the re-allocated amount shall be settled in accordance with paragraph 4. Interest on these subsequent adjustments shall be paid at the same rate that is either paid to the Internal Revenue Service in the event of additional tax owed or is paid by the Internal Revenue Service to the Consolidated Group or Party of the Consolidated Group. For purposes of determining interest, netting of payments and refunds shall be made to the extent allowed under the Code.

6. Amending This Agreement. This Agreement may be amended from time to time by agreement in writing executed by the Parties to this Agreement that at such time are affected by the amendment.

7. Terminating This Agreement. This Agreement shall remain in force unless any one of the three following conditions is met:

A. All of the parties to this Agreement that constitute the members of the Consolidated Group at such time agree in writing to the termination of this Agreement;

B. Membership in the Consolidated Group ceases or terminates for any reason, or a Disregarded LLC ceases to be owned by any member of the Consolidated group, in which case this Agreement terminates solely with respect to the Party or Parties leaving the Consolidated Group; or

C. The Consolidated Group fails to file a consolidated return for a taxable year.

Notwithstanding the termination of this Agreement, its provisions shall remain in effect for any period of time during the tax year in which termination occurs for which the income of the terminating party must be included in the consolidated return, and this Agreement will remain in effect in any prior period for which the terminating Party is a member of the Consolidated Group.

8. Consistency with Law and Regulations. The Parties shall interpret the Agreement in a manner consistent with all applicable law and regulations. Notwithstanding anything in this Agreement to the contrary, no party hereto shall be obligated to perform any of its obligations under this Agreement to the extent that such performance would violate any provision of law or regulation applicable to such party as in effect from time to time, including without limitation, New York State Department of Financial Services Insurance Circular Letter No. 33 (1979).

9. Admittance of New Parties to This Agreement.

A. *Admittance by Operation of Law.* Any company that is not currently a member of the Consolidated Group, but becomes a member of the Consolidated Group or becomes a Disregarded LLC that is owned by a member of the Consolidated Group at a later date by

operation of the Code or Treasury Regulations, and that is required to file as a member of the Consolidated Group or that is a Disregarded LLC owned by a member of the Consolidated Group, shall automatically become a Party to this Agreement.

B. *Admittance by Consent.* If the preceding paragraph (9.A.) does not apply, any direct or indirect subsidiary or other entity controlled directly or indirectly by Ameriprise may become a Party hereto effective as of the date specified in writing by the adopting subsidiary or other entity, with the consent of Ameriprise (as evidenced in writing by action of the Board of Directors or any officer of Ameriprise). Any subsidiary or other entity adopting this Agreement shall be bound by the provisions of this Agreement in effect at the time of adoption, and any subsequent amendment thereto.

C. *Coordination with the State Income Tax Sharing Agreement.* The State Income Tax Sharing Agreement between the Parties is documented in a separate agreement. Any member admitted to this Agreement is also simultaneously admitted to the State Income Tax Sharing Agreement.

10. Assignment of This Agreement. This Agreement shall not be assignable by any party, without the prior written consent of the other parties affected by such assignment.

11. Tax Returns and Supporting Documents. Notwithstanding termination of the Agreement, all material relating to a consolidated federal income tax return filed by Parent shall be made available to any Party to this Agreement during regular business hours. This material includes, but is not limited to, tax returns, supporting schedules, workpapers, correspondence and other documents relating to the consolidated federal income tax return, and any consolidated, combined, or unitary group state or local returns, to the extent retained pursuant to record retention policies. This obligation will survive any termination of the Agreement.

12. Arbitration of Controversies. Any controversy arising under this Agreement shall be settled by arbitration in Minneapolis, Minnesota. All controversies shall be settled in accordance with the American Arbitration Association rules then in effect, and any award rendered thereon shall be enforceable in any court of competent jurisdiction.

13. Scope of This Agreement.

A. This Agreement sets forth the entire understanding of the parties and supersedes any prior agreement on the subject matter hereof, except that the Federal Income Tax Sharing Agreement dated December 1, 2010 shall remain in effect with respect to RiverSource Life Insurance Company and RiverSource Life Insurance Co. of New York, unless this Agreement is approved by the applicable state insurance commissioners, at which time RiverSource Life Insurance Company and RiverSource Life Insurance Co. of New York may sign this agreement and become a Party to this Agreement.

B. *State Income Tax Sharing Agreement.* The Parties have also adopted a State Income Tax Sharing Agreement, which is documented in a separate agreement, and is not incorporated into this Agreement except as otherwise provided in this Agreement.

C. *Partnerships.* Ameriprise and its subsidiaries own controlling interests in several entities which are treated as partnerships for Federal income tax purposes. Those partnerships are not taxed as separate legal entities, and therefore, are not Parties to this Agreement, unless specifically listed in Schedule A or otherwise admitted to this Agreement as provided in paragraph 9. LLCs that have more than one member, and have not elected taxation as a corporation for Federal income tax purposes, are treated as partnerships for federal income tax purposes, do not file a consolidate federal income tax return with Parent, and therefore, are not members of the Consolidated Group and are not Parties to this agreement.

14. **IN WITNESS WHEREOF**, the Parties hereto execute this Agreement as of the day and year first above written.

Advisory Capital Strategies Group Inc.,

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

American Enterprise Investment Services, Inc.,

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Advisor Capital, LLC,

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Advisor Financing, LLC

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Bank, FSB

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Captive Insurance Company,

/s/ Anna Welle

Signature

Anna Welle: Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Certificate Company,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Financial, Inc.,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Financial Services, LLC,

FEDERAL INCOME TAX SHARING AGREEMENT

/s/ Michael Pelzel
Signature

Mike Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Holdings, Inc.,

/s/ Michael Pelzel
Signature

Mike Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Ameriprise Trust Company,

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

AMPF Holding LLC,

/s/ Michael Pelzel
Signature

Michael Pelzel: Senior Vice President Corporate Tax, and Director

AMPF Property Corporation,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Columbia Cent CLO Advisers, LLC (108)

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Columbia Management Investment Advisers, LLC (36),

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Columbia Management Investment Distributors, Inc,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Columbia Management Investment Services Corp.,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Columbia Wanger Asset Management, LLC

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Emerging Global Advisors, LLC

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

GA Legacy, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Investment Professionals, Inc.

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Investors Syndicate Development Corporation,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

J. & W. Seligman & Co., Incorporated,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Lionstone BBP Limited Partner, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource CDO Seed Investments, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource Distributors, Inc.,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource Life Insurance Company,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource Life Insurance Co. of New York,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource NY REO, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource REO 1, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource Tax Advantaged Investments, Inc.,

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Seligman Partners, LLC

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

Exhibit A:

Examples of Tax Allocation under Paragraph 3

The following examples demonstrate the allocation of tax under Paragraph 3. Assume that companies A, B, (and later, C) and Parent (collectively, the “Group”) file a consolidated federal income tax return. A and B are 100% subsidiaries of Parent. Parent is a holding company with no income, deductions, or credits. The federal income tax rate is always 21%.

	1 – Group Income			2 - Group Loss		
	A	B	Group	A	B	Group
Income/(Loss)	400	100	500	-400	200	-200
(NOL Carryforward / Carryback)	0	0	0	0	0	0
Net Income / (loss)	400	100	500	-400	200	-200
Tax Rate	21%	21%	21%	21%	21%	21%
Tentative Tax	84	21	105	0	42	0
(Tax Credits)	0	0	0	0	0	0
Tax - Separate Return / Group	84	21	105	0	42	0
Tax - Allocated - Par. 2.A.i.	84	21		0	0	
Tax - Allocated - Par. 2.A.ii.	0	0		0	42	
Tax - Allocated – Total	84	21		0	42	
Loss used by Group	0	0		-200	0	
(Payment from Parent for Loss)	0	0	0	-42	0	-42
(Payment from Parent for Credit)	0	0	0	0	0	0
NOL Carryforward	0	0	0	-200	0	-200

Example 1 – Group Income. A has income of \$400, B has income of \$100, and the Group has combined net income of \$500. The Group’s tax liability is \$105 (\$500 * .21). If A and B filed separate income tax returns, A would have a tax liability of \$84, and B would have a tax liability of \$21. Under paragraph 3.A.i., \$84 of the Group’s \$105 tax liability is allocated to A ($\$105 * \$84 / (\$84 + \$21)$), and the remaining \$21 is allocated to B ($\$105 * \$21 / (\$84 + \$21)$).

Example 2 – Group Loss. A has a \$400 loss (-\$400), B has income of \$200, and the Group has a combined net operating loss of \$200 (-\$200). The Group has no tax liability and a \$200 NOL carryforward. If A and B filed separate income tax returns, A would have a no tax liability and a \$400 NOL carryforward, and B would have a tax liability of \$42 ($\$200 * .21$). Under paragraph 3.A.i., neither A nor B is allocated any Group tax liability because the Group has no tax liability to allocate. Under paragraph 3.A.ii., B pays \$42 (\$42 separate return liability - \$0) to Parent because the Group saved \$42 in tax by using \$200 of A’s \$400 loss to offset B’s \$200 of income. Under Paragraph 3.B.ii., Parent pays \$42 to A as compensation for \$200 of A’s losses, which the Group used to offset B’s \$200 of income. The remaining \$200 of losses are allocated to A for use as a NOL carryforward.

	3 - Credits				4 - Multiple Losses			
	A	B	Group		A	B	C	Group
Income/(Loss)	400	200	600		0	100	-400	-300
(NOL Carryforward / Carryback)	-	-	0		-100	-	-	-100
Net Income / (loss)	400	200	600		-100	100	-400	-400
Tax Rate	21%	21%	21%		21%	21%	21%	21%
Tentative Tax	84	42	126		0	21	0	0
(Tax Credits)	0	-50	-50		0	0	0	0
Tax - Separate Return / Group	84	0	76		0	21	0	0
Tax - Allocated - Par. 2.A.i.	76	0			0	0	0	
Tax - Allocated - Par. 2.A.ii.	8	0			0	21	0	
Tax - Allocated - Total	84	0			0	21	0	
Loss used by Group	0	0			-20		-80	
(Payment from Parent for Loss)	0	0	0		4.2	0	16.8	21
(Payment from Parent for Credit)	0	-8	-8		0	0	0	0
NOL Carryforward	0	0	0		-80	0	-320	-400

Example 3 – Credits. A has \$400 of income, B has \$200 of income, and the Group has net income of \$600. B generates \$50 of tax credits. The Group tax liability is \$76 ($[\$600 * .21] - \50). If A and B filed separate income tax returns, A would have a \$84 tax liability, and B would have no tax liability and \$8 of unused tax credits to carry forward. Under paragraph 3.A.i., A is allocated all of the \$76 Group tax liability ($\$76 * \$76 / [\$76 + 0]$), and B is allocated \$0. Under paragraph 3.A.ii., A pays an additional \$8 ($\84 separate return liability - $\$76$ of tax allocated under 2.A.i.) to Parent because A saved \$8 in tax by using \$8 of B's \$50 credit. Under Paragraph 3.B.ii., Parent pays \$8 to B as compensation for \$8 of B's tax credit, which the Group used to offset \$8 of A's tax. The Group uses all of B's credits, and B has no remaining credits to carry forward.

Example 4 – Multiple Losses. A has a \$100 loss, B has a \$100 of income, C has a \$400 loss, and the Group has a \$400 NOL. If A, B, and C filed separate income tax returns, A would have no tax liability and a \$100 NOL carryforward, B would have a \$21 tax liability, and C would have no tax liability and a \$400 NOL carryforward. Under paragraph 3.A.i., the Group has no tax liability to allocate. Under paragraph 3.A.ii., B pays \$21 of tax ($\21 separate return liability - $\$0$ of tax allocated under 3.A.i.) to Parent because B saved \$21 in tax by using \$100 of A and C's \$500 combined loss. Under Paragraph 3.B.ii., Parent must allocate and pay \$21 among A and C ($\$100 * .21$) because the Group used \$100 of their losses to offset B's \$100 of income. Parent allocates the \$21 between A and C proportionate with their respective shares of the loss, $1/5^{\text{th}}$ to A and $4/5^{\text{th}}$ to C. Parent pays \$4.20 to A as compensation for \$20 of A's \$100 loss, which the Group partially used to offset B's income, and Parent pays \$16.80 to C as compensation for \$80 of C's \$400 loss, which the Group partially used to offset B's income. A has \$80 of remaining losses to carry forward ($\$100 - \20), and C has \$320 of remaining losses to carry forward ($\$400 - \80). The Group has a \$400 NOL carryforward.

Schedule A:

Ameriprise Financial, Inc. subsidiaries joining in the Federal Income Tax Sharing Agreement

Subsidiary name (and general ledger number)

Advisory Capital Strategies Group Inc. (61),
American Enterprise Investment Services, Inc. (52),
Ameriprise Advisor Capital, LLC (50),
Ameriprise Advisor Financing 2, LLC (751),
Ameriprise Bank, FSB (670)
Ameriprise Captive Insurance Company (676),
Ameriprise Certificate Company (2),
Ameriprise Financial Services, LLC (15),
Ameriprise Holdings, Inc. (678),
Ameriprise Trust Company (79),
AMPF Holding LLC (802),
AMPF Property Corporation (801),
Columbia Cent CLO Advisers, LLC (108)
Columbia Management Investment Advisers, LLC (36),
Columbia Management Investment Distributors, Inc. (700),
Columbia Management Investment Services Corp. (20),
Columbia Wanger Asset Management, LLC (710),
Emerging Global Advisers, LLC (93),
GA Legacy, LLC (715),
Investment Professionals, Inc.
Investors Syndicate Development Corp. (30),
J. & W. Seligman & Co., Incorporated (706),
Lionstone BBP Limited Partner, LLC (721),
RiverSource CDO Seed Investments, LLC (109),
RiverSource Distributors, Inc. (13),
RiverSource Life Insurance Company (10),*
RiverSource Life Insurance Co. of New York (11),*
RiverSource NY REO, LLC (680),
RiverSource REO 1, LLC (679),
RiverSource Tax Advantaged Investments, Inc. (210),
Seligman Partners, LLC (710).

* RiverSource Life Insurance Company and RiverSource Life Insurance Co. of New York will not become Parties to the Agreement unless and until the conditions described in Paragraph 13.A are satisfied.

Schedule B:

Escrow Agreement for New York Members

This is an **ESCROW AGREEMENT**, dated June 27, 2024 among Ameriprise Financial, Inc. (“Ameriprise”), RiverSource Life Insurance Co. of New York (“RSLICNY”), and _____ as Escrow Agent (collectively, the “Parties”).

RSLICNY is a life insurance company doing business in the State of New York. Ameriprise is required by New York State law to establish and maintain a special account consisting of assets eligible as an investment for a New York life insurer in an amount equal to the excess of the amount paid by RSLICNY to Ameriprise for federal income taxes over the actual tax payment made by Ameriprise. Escrow assets may be released to Ameriprise from the special account at such time as the permissible period for loss carrybacks has expired. Ameriprise desires to deposit securities with the Escrow Agent for such purpose.

In consideration of the mutual agreements and other valuable considerations and the provisions herein contained, it is hereby agreed by and among the Parties that Ameriprise shall establish and maintain a special account with the Escrow Agent pursuant to the following conditions:

1. Securities placed in the special account shall be held by the Escrow Agent, its successors or assigns, in trust, exclusively for the benefit of RSLICNY and free of any lien or other claim of the Escrow Agent or any judgment, creditor, or other claimant of Ameriprise.
2. Except as hereinafter provided, no securities in this account or any principal cash account held pursuant to this Escrow Agreement shall be released by the Escrow Agent except (i) upon receipt of a written request of RSLICNY and Ameriprise, and (ii) upon substitution of other securities satisfying the provisions of this Escrow Agreement.
3. Upon maturity of any security held hereunder, the Escrow Agent may surrender the same for payment and hold the proceeds thereof in a principal cash account that is to be maintained as part of this account in accordance with this Escrow Agreement. The principal cash account shall be invested pursuant to the instructions of Ameriprise.
4. Unless and until the Escrow Agent is notified to the contrary by RSLICNY and Ameriprise, all income collected on or received from the securities held hereunder is to be paid to or upon the order of Ameriprise.
5. The Escrow Agent shall be accountable to RSLICNY and Ameriprise, as their interests may appear, for the safekeeping of the securities and cash reserves held by it hereunder.

6. The Escrow Agent shall send advices with respect to all security and principal cash transactions, within ten (10) days after said transactions take place, to RSLICNY and Ameriprise.

7. On or before March 1 of each year, RSLICNY shall advise the Escrow Agent and Ameriprise if the permissible period for use of any tax loss as a carryback has expired and shall authorize the Escrow Agent to release to Ameriprise, from the special account, such amounts as were deposited in the special account with respect to such tax loss.

8. The Escrow Agent may cancel this Escrow Agreement, effective not less than thirty (30) days after delivery of notice thereof to RSLICNY and Ameriprise, and RSLICNY or Ameriprise may cancel this Escrow Agreement at any time without assigning any reason therefore, effective upon delivery of notice thereof to the Escrow Agent and the other Parties; provided no cancellation by any party shall be effective until either (a) a new escrow agreement is executed by Ameriprise with another escrow agent and approved by RSLICNY, and the securities and cash principal in the special account are transferred to the newly designated escrow agent in accordance with written instructions from Ameriprise approved by RSLICNY, or (b) a letter of credit, acceptable to the New York State Department of Financial Services, is delivered to RSLICNY in substitution for the foregoing special account.

9. Any successor in interest of the Escrow Agent, or receiver, liquidator, or other public officer appointed to administer the affairs of the Escrow Agent, shall succeed to all the obligations assumed hereunder by the Escrow Agent.

10. This Escrow Agreement shall be construed and enforced in accordance with the laws of the State of New York.

11. All notices and other communications which shall be or may be given hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed to the Parties at their respective addresses.

12. Any controversy arising under this Escrow Agreement shall be settled by arbitration in New York City in accordance with the American Arbitration Association rules then in effect, and any award rendered thereon shall be enforceable in any court of competent jurisdiction.

13. This Escrow Agreement sets forth the entire understanding of the Parties and supersedes any prior agreement on the subject matter hereof and may not be changed or terminated by an agreement in writing signed by the Parties.

The Parties hereto execute this Escrow Agreement as of the day and year first above written.

Ameriprise Financial, Inc.

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

RiverSource Life Insurance Co. of New York

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President - Corporate Tax, and Assistant Treasurer

[Name of Escrow Agent]

Signature

Name - Title

Schedule C: Disregarded LLCs That are not Allocated Current or Deferred Tax Pursuant to the Agreement

Pursuant to paragraph 3.C of the Agreement, Parent will allocate current and deferred tax to Disregarded LLCs, except for those LLCs signing this Schedule C, which will not be allocated tax, effective as-of the date noted below for each Disregarded LLC. Member LLCs that have elected taxation as a corporation for Federal income tax purposes under Treasury Regulation §301.7701-3 are not Disregarded LLCs and will be allocated current and deferred federal income tax.

Ameriprise Financial Services, LLC,

effective as-of: January 9, 2020

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

AMPF Holding LLC,

effective as-of: July 2, 2020

/s/ Michael Pelzel

Signature

Michael Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

Ameriprise Advisor Capital, LLC,

effective as-of: January 1, 2020

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

Ameriprise Advisor Financing, LLC,

effective as-of: January 1, 2020

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

Seligman Partners, LLC,

effective as-of: January 1, 2020

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

RiverSource REO 1, LLC,

effective as-of: January 1, 2020

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer

RiverSource NY REO, LLC,

effective as-of: January 1, 2020

/s/ Michael Pelzel

Signature

Mike Pelzel: Senior Vice President – Corporate Tax, and Assistant Treasurer