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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2024

☐ **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. 001-34042

MAIDEN HOLDINGS, LTD.

(Exact name of registrant as specified in its charter)

Bermuda	98-0570192
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
94 Pitts Bay Road Pembroke Bermuda	HM08
(Address of principal executive offices)	(Zip Code)

(441) 298-4900
(Registrant's telephone number, including area code)

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

Title of Each Class	Trading symbol(s)	Name of Each Exchange on Which Registered
Common Shares, par value $0.01 per share	MHLD	NASDAQ Capital Market

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post 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 Securities Exchange Act).

Yes ☐ No ☒

As of May 4, 2024, 100,209,450 common shares were outstanding. 143,625,719 common shares, par value $0.01 per share, were outstanding when the ownership by our affiliate Maiden Reinsurance Ltd. of 43,416,269 common shares were included. These affiliated shares are treated as treasury shares and are not included in the computation of consolidated book value and earnings per common share.

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars, except share and per share data)

ASSETS	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Investments:		
Fixed maturities, available-for-sale, at fair value *(Amortized cost: 2024 - $266,368; 2023 - $258,536)*	$ 259,451	$ 250,601
Equity securities, at fair value *(Cost: 2024 - $43,439; 2023 - $43,439)*	44,428	45,299
Equity method investments	82,159	80,929
Other investments *(Allowance for expected credit losses: 2024 - $1,023; 2023 - $1,023)*	200,388	182,811
Total investments	586,426	559,640
Cash and cash equivalents	20,721	35,412
Restricted cash and cash equivalents	9,449	7,266
Accrued investment income	3,927	4,532
Reinsurance balances receivable, net (includes $7,882 and $9,201 from related parties in 2024 and 2023, respectively. *Allowance for expected credit losses: 2024 - $145; 2023 - $187)*	11,552	12,450
Reinsurance recoverable on unpaid losses *(Allowance for expected credit losses: 2024 - $2,438; 2023 - $3,240)*	569,346	564,331
Loan to related party	167,975	167,975
Deferred commission and other acquisition expenses (includes $15,144 and $16,605 from related parties in 2024 and 2023, respectively)	15,990	17,566
Funds withheld receivable (includes $61,016 and $128,451 from related parties in 2024 and 2023, respectively. *Allowance for expected credit losses: 2024 - $18; 2023 - $19)*	77,089	143,985
Other assets	6,496	5,777
Total assets	$ 1,468,971	$ 1,518,934
LIABILITIES		
Reserve for loss and loss adjustment expenses (includes $700,127 and $752,991 from related parties in 2024 and 2023, respectively)	$ 813,879	$ 867,433
Unearned premiums (includes $40,655 and $44,577 from related parties in 2024 and 2023, respectively)	42,108	46,260
Deferred gain on retroactive reinsurance	78,222	73,240
Accrued expenses and other liabilities (includes $15,347 and $10,781 from related parties in 2024 and 2023, respectively)	30,766	28,244
Senior notes - principal amount	262,361	262,361
Less: unamortized debt issuance costs	7,725	7,764
Senior notes, net	254,636	254,597
Total liabilities	1,219,611	1,269,774
Commitments and Contingencies		
EQUITY		
Common shares ($0.01 par value; 2024: 150,134,586 and 2023: 149,732,355 shares issued; 2024: 100,393,538 and 2023: 100,472,120 shares outstanding)	1,501	1,497
Additional paid-in capital	886,432	886,072
Accumulated other comprehensive loss	(32,191)	(31,469)
Accumulated deficit	(485,486)	(486,945)
Treasury shares, at cost (2024: 49,741,048 shares and 2023: 49,260,235 shares)	(120,896)	(119,995)
Total shareholders' equity	249,360	249,160
Total liabilities and equity	$ 1,468,971	$ 1,518,934

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(in thousands of U.S. dollars, except per share data)

	For the Three Months Ended March 31,	
	2024	**2023**
Revenues		
Gross premiums written	$ 8,323	$ 836
Net premiums written	$ 8,314	$ 760
Change in unearned premiums	4,094	8,242
Net premiums earned	12,408	9,002
Other insurance revenue (expense), net	46	(59)
Net investment income	7,700	9,545
Net realized and unrealized investment gains	8,750	1,005
Total revenues	28,904	19,493
Expenses		
Net loss and loss adjustment expenses	11,625	9,815
Commission and other acquisition expenses	5,593	4,235
General and administrative expenses	8,060	10,108
Interest and amortization expenses	4,815	3,824
Foreign exchange and other (gains) losses	(2,053)	2,816
Total expenses	28,040	30,798
Income (loss) before income taxes and interest in income (loss) of equity method investments	864	(11,305)
Less: income tax expense (benefit)	11	(28)
Interest in income (loss) of equity method investments	606	(51)
Net income (loss)	$ 1,459	$ (11,328)
Basic and diluted earnings (loss) per share available (attributable) to common shareholders	$ 0.01	$ (0.11)
Weighted average number of common shares - basic and diluted	100,457,125	101,552,364

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(in thousands of U.S. dollars)

	For the Three Months Ended March 31,	
	2024	**2023**
Net income (loss)	$ 1,459	$ (11,328)
Other comprehensive (loss) income		
Net unrealized holdings gains on AFS securities arising during period	1,018	1,936
Foreign currency translation adjustment	(1,736)	568
Other comprehensive (loss) income, before tax	(718)	2,504
Income tax expense related to components of other comprehensive (loss) income	(4)	(30)
Other comprehensive (loss) income, after tax	(722)	2,474
Comprehensive income (loss)	$ 737	$ (8,854)

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
(in thousands of U.S. dollars)

	For the Three Months Ended March 31,	
	2024	2023
Common shares		
Beginning balance	$ 1,497	$ 1,492
Issuance of common shares from vesting of stock based compensation	4	4
Ending balance	1,501	1,496
Additional paid-in capital		
Beginning balance	886,072	884,259
Issuance of common shares from vesting of stock based compensation	(4)	(4)
Share-based compensation expense	364	777
Exchange of preference shares	—	93
Ending balance	886,432	885,125
Accumulated other comprehensive loss		
Beginning balance	(31,469)	(41,234)
Change in net unrealized investment gains	1,014	1,906
Foreign currency translation adjustment	(1,736)	568
Ending balance	(32,191)	(38,760)
Accumulated deficit		
Beginning balance	(486,945)	(442,863)
Opening allowance for expected credit losses	—	(5,513)
Net income (loss)	1,459	(11,328)
Ending balance	(485,486)	(459,704)
Treasury shares		
Beginning balance	(119,995)	(117,075)
Shares repurchased	(901)	(288)
Ending balance	(120,896)	(117,363)
Total shareholders' equity	$ 249,360	$ 270,794

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in thousands of U.S. dollars)

For the Three Months Ended March 31,	2024	2023
Cash flows from operating activities		
Net income (loss)	$ 1,459	$ (11,328)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation, amortization and share-based compensation	(479)	(579)
Interest in (income) loss of equity method investments	(606)	51
Net realized and unrealized investment gains	(8,750)	(1,005)
Change in allowance for expected credit losses	(842)	(32)
Foreign exchange and other (gains) losses	(2,053)	2,816
Changes in assets – (increase) decrease:		
Reinsurance balances receivable, net	673	269
Reinsurance recoverable on unpaid losses	692	906
Accrued investment income	573	(1,297)
Deferred commission and other acquisition expenses	1,539	2,967
Funds withheld receivable	14,325	958
Other assets	(707)	(362)
Changes in liabilities – increase (decrease):		
Reserve for loss and loss adjustment expenses	4,131	4,597
Unearned premiums	(4,088)	(8,242)
Accrued expenses and other liabilities	2,182	(10,066)
Net cash provided by (used in) operating activities	8,049	(20,347)
Cash flows from investing activities:		
Purchases of fixed maturities	(165,478)	(2,709)
Purchases of other investments	(8,204)	(8,552)
Purchases of equity method investments	(2,727)	(2,329)
Purchases of equity securities	—	(1,000)
Proceeds from sales of fixed maturities	23,835	954
Proceeds from maturities, paydowns and calls of fixed maturities	130,876	8,014
Proceeds from sale and redemption of other investments	466	10,318
Proceeds from sale and redemption of equity method investments	1,618	10,579
Others, net	(122)	(8)
Net cash (used in) provided by investing activities	(19,736)	15,267
Cash flows from financing activities:		
Repurchase of common shares	(673)	(288)
Net cash used in financing activities	(673)	(288)
Effect of exchange rate changes on foreign currency cash, restricted cash and equivalents	(148)	105
Net decrease in cash, restricted cash and cash equivalents	(12,508)	(5,263)
Cash, restricted cash and cash equivalents, beginning of period	42,678	46,624
Cash, restricted cash and cash equivalents, end of period	$ 30,170	$ 41,361
Reconciliation of cash and restricted cash reported within Condensed Consolidated Balance Sheets:		
Cash and cash equivalents, end of period	$ 20,721	$ 24,194
Restricted cash and cash equivalents, end of period	9,449	17,167
Total cash, restricted cash and cash equivalents, end of period	$ 30,170	$ 41,361

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of Maiden Holdings, Ltd. ("Parent Company" or "Maiden Holdings") and its subsidiaries (the "Company" or "Maiden"). They have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X as promulgated by the U.S. Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. All significant intercompany transactions and accounts have been eliminated.

These interim unaudited Condensed Consolidated Financial Statements reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim period and all such adjustments are of a normal recurring nature. The results of operations for the interim period are not necessarily indicative, if annualized, of those to be expected for the full year. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

These unaudited Condensed Consolidated Financial Statements, including these notes, should be read in conjunction with the Company's audited Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Certain prior year comparatives have been reclassified to conform to the current period presentation. The effect of these reclassifications had no impact on previously reported shareholders' equity or net income.

Maiden creates shareholder value by actively managing and allocating our assets and capital, including through ownership and management of businesses and assets primarily in the insurance and related financial services industries where we can leverage our deep knowledge of those markets.

In November 2020, the Company formed our indirect wholly owned subsidiary Genesis Legacy Solutions ("GLS") which specialized in providing a full range of legacy services to small insurance entities, particularly those in run-off or with blocks of reserves that are no longer core to those companies' operations, working with clients to develop and implement finality solutions including acquiring entire companies. The Company believed the formation of GLS was highly complementary to its overall longer-term strategy. However, a combination of factors, including market conditions in the sector GLS focuses on, resulted in an inability for GLS to gain sufficient scale to achieve its objectives or earn a profit, and GLS results did not reach the objectives the Company expected it to over time. Having completed the capital commitment made to GLS in 2020, the Company has determined to not commit any additional capital to new opportunities and to run-off the existing accounts underwritten by GLS. The Company does not presently underwrite prospective reinsurance risks.

Short-term income protection business is written on a primary basis by our wholly owned subsidiaries Maiden Life Försäkrings AB ("Maiden LF") and Maiden General Försäkrings AB ("Maiden GF") in the Scandinavian and Northern European markets. Our wholly owned subsidiary, Maiden Global Holdings Ltd. (“Maiden Global”) is a licensed intermediary in the United Kingdom. Maiden Global had previously operated internationally by providing branded auto and credit life insurance products through insurer partners, particularly those in Europe and other global markets ("IIS business"). These products also produced reinsurance programs which were underwritten by our wholly owned subsidiary Maiden Reinsurance Ltd. (“Maiden Reinsurance”). Since 2023, the Company has been evaluating the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of our target return on capital levels. On May 3, 2024, Maiden LF and Maiden GF entered into a renewal rights transaction with AmTrust Nordic AB ("AmTrust Nordic"), a Swedish unit of AmTrust Financial Services, Inc. ("AmTrust") which is expected to cover the majority of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries. The Company anticipates entering into additional renewal rights agreements with other AmTrust entities for certain business written by Maiden GF and Maiden LF in the United Kingdom and Ireland. Please see *"Note 14. Subsequent Events"* for further details on this transaction.

The Company also has various historic reinsurance programs underwritten by Maiden Reinsurance which are in run-off, including the liabilities associated with AmTrust reinsurance agreements which were terminated in 2019 as discussed in *"Note 10. Related Party Transactions"*. In addition, the Company has a retroactive reinsurance agreement and a commutation agreement that further reduces its exposure and limits the potential volatility related to AmTrust liabilities, which are discussed in "*Note 8. Reinsurance*". Please also see the Company's audited Consolidated Financial Statements, and related notes thereto, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for further details.

2. Significant Accounting Policies

There have been no material changes to the significant accounting policies as described in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, except for the following:

Recently Adopted Accounting Standards

Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions

In June 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-03 "*Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions"* an amendment of Fair Value Measurement (Topic 820). The amendments in this ASU require the Company to provide disclosures for equity securities subject to contractual sale restrictions under 820-10-50-6B including the fair value of equity securities subject to contractual sale restrictions reflected in the balance sheet; the nature and remaining duration of the restrictions; and any circumstances that could cause a lapse in the restrictions. The amendments in this Update are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. The Company adopted this Update on January 1, 2024.

Certain of the Company's equity securities are subject to restrictions on redemptions and sales that are determined by the governing documents, which could limit our ability to liquidate those investments. These restrictions may include lock-ups, redemption gates, restricted share classes, restrictions on the frequency of redemption and notice periods as described in "*Note 4. (b) Investments"*. The Company has assessed the required disclosures for equity securities that may be subject to contractual sales restrictions. These amendments have expanded the disclosures made in *"Note 4. Investments"* however the adoption of this standard did not impact the Company’s consolidated balance sheets, results of operations or statement of cash flows.

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information

The Company currently has two reportable segments: Diversified Reinsurance and AmTrust Reinsurance. Our Diversified Reinsurance segment consists of a portfolio of predominantly property and casualty reinsurance business focusing on regional and specialty property and casualty insurance companies located primarily in Europe. This segment also includes transactions entered into by GLS as described in "*Note 1. Basis of Presentation.* Our AmTrust Reinsurance segment includes all business ceded to Maiden Reinsurance by AmTrust, primarily the quota share reinsurance agreement (“AmTrust Quota Share”) between Maiden Reinsurance and AmTrust’s wholly owned subsidiary, AmTrust International Insurance, Ltd. (“AII”) and the European hospital liability quota share reinsurance contract ("European Hospital Liability Quota Share") with AmTrust’s wholly owned subsidiaries, AmTrust Europe Limited ("AEL") and AmTrust International Underwriters DAC ("AIU DAC"), which are both in run-off effective January 1, 2019. Please refer to *"Note 10. Related Party Transactions"* for additional information regarding the AmTrust Reinsurance segment.

The Company evaluates segment performance based on segment profit separately from the results of our investment portfolio. General and administrative expenses are allocated to the segments on an actual basis except salaries and benefits where management’s judgment is applied; however, general corporate expenses are not allocated to the segments. In determining total assets by reportable segment, the Company identifies those assets that are attributable to a particular segment such as reinsurance balances receivable, reinsurance recoverable on unpaid losses, deferred commission and other acquisition expenses, funds withheld receivable, loan to related party and restricted cash and investments. All remaining assets are allocated to Corporate.

The following tables summarize the underwriting results of our reportable segments and the reconciliation of our reportable segments' underwriting results to consolidated net income (loss) for the three months ended March 31, 2024 and 2023, respectively:

For the Three Months Ended March 31, 2024	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 8,828	$ (505)	$ 8,323
Net premiums written	$ 8,819	$ (505)	$ 8,314
Net premiums earned	$ 8,991	$ 3,417	$ 12,408
Other insurance revenue	46	—	46
Net loss and LAE	(2,924)	(8,701)	(11,625)
Commission and other acquisition expenses	(4,295)	(1,298)	(5,593)
General and administrative expenses	(2,090)	(670)	(2,760)
Underwriting loss	$ (272)	$ (7,252)	(7,524)
Reconciliation to net income			
Net investment income and net realized and unrealized investment gains			16,450
Interest and amortization expenses			(4,815)
Foreign exchange and other gains, net			2,053
Other general and administrative expenses			(5,300)
Income tax expense			(11)
Interest in income of equity method investments			606
Net income			$ 1,459

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

For the Three Months Ended March 31, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 6,849	$ (6,013)	$ 836
Net premiums written	$ 6,773	$ (6,013)	$ 760
Net premiums earned	$ 7,471	$ 1,531	$ 9,002
Other insurance expense	(59)	—	(59)
Net loss and LAE	(3,156)	(6,659)	(9,815)
Commission and other acquisition expenses	(3,656)	(579)	(4,235)
General and administrative expenses	(2,589)	(557)	(3,146)
Underwriting loss	$ (1,989)	$ (6,264)	(8,253)
Reconciliation to net loss			
Net investment income and net realized and unrealized investment gains			10,550
Interest and amortization expenses			(3,824)
Foreign exchange and other losses, net			(2,816)
Other general and administrative expenses			(6,962)
Income tax benefit			28
Interest in loss from equity method investments			(51)
Net loss			$ (11,328)

The following tables summarize the financial position of the Company's reportable segments including a reconciliation to the Company's consolidated total assets at March 31, 2024 and December 31, 2023:

March 31, 2024	Diversified Reinsurance	AmTrust Reinsurance	Total
Reinsurance balances receivable, net	$ 3,530	$ 7,882	$ 11,412
Reinsurance recoverable on unpaid losses	5,472	520,780	526,252
Deferred commission and other acquisition expenses	846	15,144	15,990
Loan to related party	—	167,975	167,975
Restricted cash and cash equivalents and investments	70,556	156,202	226,758
Funds withheld receivable	16,073	61,016	77,089
Other assets	582	—	582
Total assets - reportable segments	97,059	928,999	1,026,058
Corporate assets	—	—	442,913
Total Assets	$ 97,059	$ 928,999	$ 1,468,971

December 31, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Reinsurance balances receivable, net	$ 3,108	$ 9,201	$ 12,309
Reinsurance recoverable on unpaid losses	5,692	515,463	521,155
Deferred commission and other acquisition expenses	961	16,605	17,566
Loan to related party	—	167,975	167,975
Restricted cash and cash equivalents and investments	67,211	152,663	219,874
Funds withheld receivable	15,534	128,451	143,985
Other assets	685	—	685
Total assets - reportable segments	93,191	990,358	1,083,549
Corporate assets	—	—	435,385
Total Assets	$ 93,191	$ 990,358	$ 1,518,934

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

The following tables set forth financial information relating to net premiums written by major line of business and reportable segment for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023
Net premiums written	**Total**	**Total**
Diversified Reinsurance		
International	$ 8,819	$ 6,773
Total Diversified Reinsurance	8,819	6,773
AmTrust Reinsurance		
Small Commercial Business	(492)	(83)
Specialty Program	(15)	156
Specialty Risk and Extended Warranty	2	(6,086)
Total AmTrust Reinsurance	(505)	(6,013)
Total Net Premiums Written	$ 8,314	$ 760

The following tables set forth financial information for net premiums earned by major line of business and reportable segment for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023
Net premiums earned	**Total**	**Total**
Diversified Reinsurance		
International	$ 8,991	$ 7,471
Total Diversified Reinsurance	8,991	7,471
AmTrust Reinsurance		
Small Commercial Business	(492)	(83)
Specialty Program	(15)	156
Specialty Risk and Extended Warranty	3,924	1,458
Total AmTrust Reinsurance	3,417	1,531
Total Net Premiums Earned	$ 12,408	$ 9,002

(in thousands of U.S. dollars, except share and per share data)

4. Investments

The Company holds: (i) available-for-sale ("AFS") portfolios of fixed maturity and equity securities, carried at fair value; (ii) other investments, of which certain investments are carried at fair value and investments in direct lending entities are carried at cost less impairment; (iii) equity method investments; and (iv) funds held - directly managed.

a) Fixed Maturities

The amortized cost, gross unrealized gains and losses, and fair value of fixed maturities at March 31, 2024 and December 31, 2023 are as follows:

March 31, 2024	Original or amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. treasury bonds	$ 66,447	$ —	$ (3)	$ 66,444
U.S. agency bonds – mortgage-backed	29,221	—	(3,603)	25,618
Non-U.S. government bonds	42,029	6	(462)	41,573
Collateralized loan obligations	63,960	—	(765)	63,195
Corporate bonds	64,711	—	(2,090)	62,621
Total fixed maturity investments	$ 266,368	$ 6	$ (6,923)	$ 259,451

December 31, 2023	Original or amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. treasury bonds	$ 55,046	$ 8	$ (2)	$ 55,052
U.S. agency bonds – mortgage-backed	29,918	—	(3,267)	26,651
Non-U.S. government bonds	21,219	—	(468)	20,751
Collateralized loan obligations	80,591	—	(1,788)	78,803
Corporate bonds	71,762	—	(2,418)	69,344
Total fixed maturity investments	$ 258,536	$ 8	$ (7,943)	$ 250,601

The Company separately presents the accrued interest receivable balance on its AFS fixed maturity investments on the Condensed Consolidated Balance Sheets under accrued investment income. The amount of accrued interest receivable on AFS securities was $1,370 at March 31, 2024 (December 31, 2023 - $1,418). The Company has elected the practical expedient to exclude accrued interest from both the fair value and the amortized cost basis of the AFS fixed maturity securities for the purposes of identifying and measuring any impairments under the allowance for expected credit losses standard adopted on January 1, 2023. Write-offs of accrued interest receivable balances are recognized in net investment gains and losses in the period in which they are deemed uncollectible. There was no write-off recognized on the accrued interest receivable during the three months ended March 31, 2024 and 2023.

The contractual maturities of our fixed maturities are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

March 31, 2024	Amortized cost	Fair value
Due in one year or less	$ 139,186	$ 138,553
Due after one year through five years	30,458	28,973
Due after five years through ten years	3,543	3,112
	173,187	170,638
U.S. agency bonds – mortgage-backed	29,221	25,618
Collateralized loan obligations	63,960	63,195
Total fixed maturity investments	$ 266,368	$ 259,451

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

The following tables summarize fixed maturities in an unrealized loss position and the aggregate fair value and gross unrealized loss by length of time the security has continuously been in an unrealized loss position:

	Less than 12 Months		12 Months or More		Total	
March 31, 2024	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
U.S. treasury bonds	$ 46,011	$ (3)	$ —	$ —	$ 46,011	$ (3)
U.S. agency bonds – mortgage-backed	—	—	25,618	(3,603)	25,618	(3,603)
Non-U.S. government bonds	10,700	(9)	10,109	(453)	20,809	(462)
Collateralized loan obligations	—	—	63,195	(765)	63,195	(765)
Corporate bonds	—	—	62,621	(2,090)	62,621	(2,090)
Total temporarily impaired fixed maturities	$ 56,711	$ (12)	$ 161,543	$ (6,911)	$ 218,254	$ (6,923)

At March 31, 2024, there were 57 securities in an unrealized loss position with a fair value of $218,254 and unrealized losses of $6,923. Of these securities in an unrealized loss position, there were 52 securities in our portfolio that have been in an unrealized loss position for twelve months or greater with a fair value of $161,543 and unrealized losses of $6,911.

	Less than 12 Months		12 Months or More		Total	
December 31, 2023	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
U.S. treasury bonds	$ 518	$ (2)	$ —	$ —	$ 518	$ (2)
U.S. agency bonds – mortgage-backed	—	—	26,651	(3,267)	26,651	(3,267)
Non-U.S. government bonds	8,217	(1)	10,343	(467)	18,560	(468)
Collateralized loan obligations	—	—	78,803	(1,788)	78,803	(1,788)
Corporate bonds	—	—	69,344	(2,418)	69,344	(2,418)
Total temporarily impaired fixed maturities	$ 8,735	$ (3)	$ 185,141	$ (7,940)	$ 193,876	$ (7,943)

At December 31, 2023, there were 59 securities in an unrealized loss position with a fair value of $193,876 and unrealized losses of $7,943. Of these securities in an unrealized loss position, there were 56 securities in our portfolio that have been in an unrealized loss position for twelve months or greater with a fair value of $185,141 and unrealized losses of $7,940.

Allowance for Expected Credit Losses & Non-Credit Related Impairment Costs

The Company evaluates AFS securities for impairment when fair value is below amortized cost on a quarterly basis. If the Company intends to sell or will be required to sell the security before its anticipated recovery, the full amount of the impairment loss is charged to net income (loss) and included in net investment gains (losses). If the Company does not intend to sell or will not be required to sell the security before its anticipated recovery, an allowance for expected credit losses is established and the portion of the loss relating to credit factors is recorded in net income (loss). The non-credit impairment amount of the loss (which could be related to interest rates and/or market conditions) is recognized in other comprehensive income.

To estimate the allowance for expected credit losses for most of the AFS securities, the Company analyzes projected cash flows which are primarily driven by assumptions regarding loss severity, probability of default and projected recovery rates. The Company's determination of default and loss severity rates are based on credit rating, credit analysis and macroeconomic forecasts. Unrealized losses on securities issued or backed, either explicitly or implicitly by the U.S. government are not analyzed for credit losses. The Company has concluded that any possibility of a credit loss on these securities is highly unlikely due to the explicit U.S. government guarantee related to certain securities (e.g., Government National Mortgage Association issuances) and the implicit guarantee related to other securities that has been validated by past actions (e.g., U.S. government bailout of Federal National Mortgage Association and Federal Home Loan Mortgage Corporation during the 2008 credit crisis). Although these securities are not analyzed for credit losses, they are evaluated for impairment based on the Company's intention to sell and likely requirement to sell.

Based on the Company's analysis at March 31, 2024 and 2023, respectively, the unrealized losses on the Company’s AFS fixed maturity securities were due to non-credit factors and were expected to be recovered as the related securities approach maturity. At March 31, 2024, the Company did not intend to sell the securities in an unrealized loss position and it is more likely than not that the Company will not be required to sell these securities before the anticipated recovery of their amortized costs. Therefore, there was no allowance recorded for expected credit losses on AFS securities for the three months ended March 31, 2024 and 2023.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

The following tables summarize the credit ratings of our fixed maturities as at March 31, 2024 and December 31, 2023:

March 31, 2024	Amortized cost	Fair value	% of Total fair value
U.S. treasury bonds	$ 66,447	$ 66,444	25.6 %
U.S. agency bonds – mortgage-backed	29,221	25,618	9.9 %
AAA	74,228	73,452	28.3 %
AA+, AA, AA-	29,096	28,582	11.0 %
A+, A, A-	33,836	32,588	12.6 %
BBB+, BBB, BBB-	28,145	27,453	10.6 %
BB+ or lower	5,395	5,314	2.0 %
Total fixed maturities (1)	$ 266,368	$ 259,451	100.0 %

December 31, 2023	Amortized cost	Fair value	% of Total fair value
U.S. treasury bonds	$ 55,046	$ 55,052	22.0 %
U.S. agency bonds – mortgage-backed	29,918	26,651	10.6 %
AAA	84,455	82,703	33.0 %
AA+, AA, AA-	18,952	18,372	7.3 %
A+, A, A-	33,060	31,810	12.7 %
BBB+, BBB, BBB-	31,585	30,631	12.2 %
BB+ or lower	5,520	5,382	2.2 %
Total fixed maturities(1)	$ 258,536	$ 250,601	100.0 %

(1) Ratings above are based on Standard & Poor's ("S&P"), or equivalent, ratings.

b) Other Investments, Equity Securities and Equity Method Investments

Certain of the Company's other investments and equity method investments are subject to restrictions on redemptions and sales that are determined by the governing documents, which could limit our ability to liquidate those investments. These restrictions may include lock-ups, redemption gates, restricted share classes, restrictions on the frequency of redemption and notice periods. A gate is the ability to deny or delay a redemption request. Certain other investments and equity method investments may not have any restrictions governing their sale, but there is no active market and no guarantee that we will be able to execute a sale in a timely manner. In addition, even if certain other investments and equity method investments are not eligible for redemption or sales are restricted, the Company may still receive income distributions from those investments.

Other investments

The table shows the composition of the Company's other investments as of March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Carrying value	% of Total	Carrying value	% of Total
Private equity funds	$ 53,757	26.8 %	$ 47,383	25.9 %
Private credit investments	29,220	14.6 %	27,806	15.2 %
Privately held equity investments	44,768	22.3 %	38,617	21.1 %
Total other investments at fair value	127,745	63.7 %	113,806	62.2 %
Investments in direct lending entities (at cost)	72,643	36.3 %	69,005	37.8 %
Total other investments	$ 200,388	100.0 %	$ 182,811	100.0 %

The Company's collateralized investments in direct lending entities of $72,643 at March 31, 2024 (December 31, 2023 - $69,005) are carried at cost less an allowance for expected credit losses, with any indication of credit loss recognized in net income when determined. An allowance for expected credit losses of $1,023 was reported on the investments in direct lending entities as at March 31, 2024 and December 31, 2023. Please see *"Note 5(d). Fair Value Measurements"* for additional information regarding this investment.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

Equity Securities

Equity securities include publicly traded equity investments in common stocks and privately held equity investments in common and preferred stocks. The Company's publicly traded equity investments in common stocks trade on major exchanges. The Company's privately held equity investments in common and preferred stocks are direct investments in companies that the Company believes offer attractive risk adjusted returns or offer other strategic advantages. Each investment may have its own unique terms and conditions and there may be restrictions on disposals. There is no active market for these investments.

The following table provides the cost and fair values of the equity securities held at March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Cost	Fair Value	Cost	Fair Value
Privately held common stocks	$ 34,549	$ 34,400	$ 34,549	$ 35,272
Privately held preferred stocks	8,800	9,946	8,800	9,946
Publicly traded equity investments in common stocks	90	82	90	81
Total equity securities	$ 43,439	$ 44,428	$ 43,439	$ 45,299

With the exception of the publicly traded equity investments in common stocks presented in the table above, all of the privately held securities held at March 31, 2024 are subject to contractual sale restrictions. Each of these investments are subject to agreements that restrict the transfer, sale, and indemnification of these privately held investments indefinitely. The Company must hold these shares indefinitely unless the investee's shares are registered with the SEC and qualified by state authorities, or until an exemption from such registration and qualification requirements may become available.

	Fair Value	Remaining duration of restrictions	Nature of contractual sale restrictions	Circumstances that could cause a lapse in restrictions
Privately held common stocks	$ 34,400	Indefinite	The Purchaser must hold the restricted shares indefinitely	Registration of securities with the SEC or if exemption is available
Privately held preferred stocks	9,946	Indefinite	The Purchaser must hold the restricted shares indefinitely	Registration of securities with the SEC or if exemption is available
Total equity securities subject to contractual sale restrictions	$ 44,346			

Equity Method Investments

The equity method investments currently include real estate investments and other investments. The table below shows the carrying value of the Company's equity method investments as of March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Carrying Value	% of Total	Carrying Value	% of Total
Real estate investments	$ 52,614	64.0 %	$ 49,897	61.7 %
Other investments	29,545	36.0 %	31,032	38.3 %
Total equity method investments	$ 82,159	100.0 %	$ 80,929	100.0 %

The equity method investments above include limited partnerships which are variable interests issued by variable interest entities ("VIEs"). The Company does not have the power to direct the activities that are most significant to the economic performance of these VIEs, therefore, the Company is not the primary beneficiary of these VIEs. The Company is deemed to have limited influence over the operating and financial policies of the investee and accordingly, these investments are reported under the equity method of accounting. In applying the equity method of accounting, the investments are initially recorded at cost and are subsequently adjusted based on the Company's proportionate share of the investee's net income or loss. Generally, the maximum exposure to loss on these interests is limited to the amount of commitment made by the Company as more fully described in *"Note 11 - Commitments, Contingencies and Guarantees"* in these condensed consolidated financial statements.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

c) Net Investment Income

Net investment income was derived from the following sources for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31, 2024	2023
Fixed maturities	$ 2,440	$ 2,418
Income on funds withheld	901	3,335
Interest income from loan to related party	3,070	2,698
Cash and cash equivalents	1,381	1,193
	7,792	9,644
Investment expenses	(92)	(99)
Net investment income	$ 7,700	$ 9,545

d) Net Realized and Unrealized Investment Gains (Losses)

Realized gains or losses on the sale of investments are determined on the basis of the first in first out cost method. The following tables show the net realized and unrealized investment gains (losses) included in the Condensed Consolidated Statements of Income for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31, 2024	Gross gains	Gross losses	Net
Fixed maturities	$ —	$ (218)	$ (218)
Equity securities	146	(1,017)	(871)
Other investments	11,324	(1,485)	9,839
Net realized and unrealized investment gains (losses)	$ 11,470	$ (2,720)	$ 8,750

For the Three Months Ended March 31, 2023	Gross gains	Gross losses	Net
Equity securities	$ 1,024	$ (378)	$ 646
Other investments	1,641	(1,282)	359
Net realized and unrealized investment gains (losses)	$ 2,665	$ (1,660)	$ 1,005

Realized and unrealized gains and losses from equity securities detailed above include both sales and distributions of equity securities and unrealized gains and losses coming from fair value changes. Unrealized (losses) gains recognized for equity securities still held at reporting date for the three months ended March 31, 2024 and 2023, respectively, included:

	For the Three Months Ended March 31, 2024	2023
Net (losses) gains recognized for equity securities	$ (871)	$ 646
Net gains recognized for equity securities divested	—	(176)
Unrealized (losses) gains recognized for equity securities still held at reporting date	$ (871)	$ 470

Proceeds from sales of fixed maturity investments were $23,835 for the three months ended March 31, 2024 (2023 - $954). Net unrealized losses included in accumulated other comprehensive income ("AOCI") were as follows at March 31, 2024 and December 31, 2023, respectively:

	March 31, 2024	December 31, 2023
Net unrealized losses on fixed maturity investments	$ (6,917)	$ (7,935)
Deferred income tax	147	151
Net unrealized losses, net of deferred income tax	$ (6,770)	$ (7,784)
Change, net of deferred income tax	$ 1,014	$ 7,884

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

e) Restricted Cash and Cash Equivalents and Investments

The Company is required to provide collateral for its reinsurance liabilities under various reinsurance agreements and utilizes trust accounts to collateralize business with reinsurance counterparties. The assets in trust as collateral are primarily cash and highly rated fixed maturities. The fair values of restricted assets at March 31, 2024 and December 31, 2023 are:

	March 31, 2024	December 31, 2023
Restricted cash – third party agreements	$ 5,643	$ 6,019
Restricted cash – related party agreements	3,806	1,247
Total restricted cash	9,449	7,266
Restricted investments – in trust for third party agreements at fair value (amortized cost: 2024 – $67,490; 2023 – $63,299)	64,913	61,192
Restricted investments – in trust for related party agreements at fair value (amortized cost: 2024 – $155,319; 2023 – $155,546)	152,396	151,416
Total restricted investments	217,309	212,608
Total restricted cash and investments	$ 226,758	$ 219,874

5. Fair Value of Financial Instruments

(a) Fair Values of Financial Instruments

Fair Value Measurements — Accounting Standards Codification Topic 820, *"Fair Value Measurements and Disclosures"* ("ASC 820") defines fair value as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between open market participants at the measurement date. Additionally, ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the reliability of inputs:

- *Level 1* — Valuations based on unadjusted quoted market prices for identical assets or liabilities that we have the ability to access. Because valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Examples of assets and liabilities utilizing Level 1 inputs include: U.S. Treasury bonds; and publicly traded equity securities;
- *Level 2* — Valuations based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, or valuations based on models where the significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severity, etc.) or can be corroborated by observable market data. Examples of assets and liabilities utilizing Level 2 inputs include: U.S. government-sponsored agency securities; non-U.S. government and supranational obligations; commercial mortgage-backed securities ("CMBS"); collateralized loan obligations ("CLO"); corporate and municipal bonds; and
- *Level 3* — Valuations based on models where significant inputs are not observable. The unobservable inputs reflect our own assumptions about assumptions that market participants would use developed on the basis of the best information available in the particular circumstances. Examples of assets and liabilities utilizing Level 3 inputs include: an investment in preference shares of a start-up insurance producer.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, for example, the type of financial instrument, whether the financial instrument is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires significantly more judgment. Accordingly, the degree of judgment exercised by management in determining fair value is greatest for instruments categorized in the Level 3 hierarchy.

The Company uses prices and inputs that are current as at the measurement date. In periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified between hierarchy levels.

For investments that have quoted market prices in active markets, the Company uses the quoted market prices as fair value and includes these in the Level 1 hierarchy. The Company receives the quoted market prices from a third party nationally recognized provider ("the Pricing Service"). When quoted market prices are unavailable, the Company utilizes the Pricing Service to determine an estimate of fair value. The fair value estimates are included in the Level 2 hierarchy. The Company will challenge any prices for its investments which are considered not to be representative of fair value.

If quoted market prices and an estimate from the Pricing Service are unavailable, the Company produces an estimate of fair value based on dealer quotations for recent activity in positions with the same or similar characteristics to that being valued. The Company determines whether the fair value estimate is in the Level 2 or Level 3 hierarchy depending on the level of observable inputs available when estimating the fair value. The Company bases its estimates of fair values for assets on the bid price as it represents what a third party market participant would be willing to pay in an orderly transaction.

ASC 825, *"Disclosure About Fair Value of Financial Instruments"*, requires all entities to disclose the fair value of their financial instruments for assets and liabilities recognized and not recognized in the balance sheet, for which it is practicable to estimate fair value. The following describes the valuation techniques used by the Company to determine the fair value of financial instruments that are measured at fair value on a recurring basis held at March 31, 2024 and December 31, 2023.

U.S. government and U.S. agency bonds — Bonds issued by the U.S. Treasury, the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal National Mortgage Association and the Federal Farm Credit Banks Funding Corporation. The fair values of U.S. treasury bonds are based on quoted market prices in active markets, and are included in the Level 1 fair value hierarchy. We believe the market for U.S. treasury bonds is an actively traded market given the high level of daily trading volume. The fair values of U.S. agency bonds are determined using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads for these securities are observable market inputs, the fair values of U.S. agency bonds are included in the Level 2 fair value hierarchy.

Non-U.S. government bonds — These securities are generally priced by independent pricing services. The Pricing Service may use current market trades for securities with similar quality, maturity and coupon. If no such trades are available, the Pricing Service typically uses analytical models which may incorporate spreads, interest rate data and market/sector news. As the significant inputs used to price non-U.S. government bonds are observable market inputs, the fair values of non-U.S. government bonds are included in the Level 2 fair value hierarchy.

5. Fair Value of Financial Instruments (continued)

Collateralized loan obligations ("CLO") - These asset backed securities are originated by a variety of financial institutions that on acquisition are rated BBB-/Baa3 or higher. These securities are priced by independent pricing services and brokers. The pricing provider applies dealer quotes and other available trade information, prepayment speeds, yield curves and credit spreads to the valuation. As the significant inputs used to price the CLO are observable market inputs, the fair values are included in the Level 2 fair value hierarchy.

Commercial mortgage-backed securities ("CMBS") - These asset backed securities are originated by a variety of financial institutions that on acquisition are rated BBB-/Baa3 or higher. These securities are priced by independent pricing services and brokers. The pricing provider applies dealer quotes and other available trade information, prepayment speeds, yield curves and credit spreads to the valuation. As the significant inputs used to price the CMBS are observable market inputs, the fair values are included in the Level 2 fair value hierarchy.

Corporate and municipal bonds — Bonds issued by corporations, U.S. state and municipality entities or agencies that on acquisition are rated BBB-/Baa3 or higher. These securities are generally priced by independent pricing services. The credit spreads are sourced from broker/dealers, trade prices and new issue market. Where pricing is unavailable from pricing services, custodian pricing or non-binding quotes are obtained from broker-dealers to estimate fair values. As significant inputs used to price corporate and municipal bonds are observable market inputs, fair values are included in the Level 2 fair value hierarchy.

Equity securities - Equity securities include publicly traded common and preferred stocks, and privately held common and preferred stocks. The fair value of publicly traded common and preferred stocks is primarily priced by pricing services, reflecting the closing price quoted for the final trading day of the period. These investments are carried at fair value using observable market pricing data and is included in the Level 1 fair value hierarchy. Any unrealized gains or losses on the investment is recorded in net income in the reporting period in which it occurs. The privately held common and preferred stocks are valued using significant inputs that are unobservable where there is little or no market activity. Unadjusted third party pricing sources or management's assumptions and internal valuation models may be used to determine the fair values, therefore, these investments are classified as Level 3 in the fair value hierarchy.

Other investments — Includes unquoted investments comprised of the following types of investments:

- Privately held investments: These are direct equity investments in common and preferred shares of privately held entities. The fair values are estimated using quarterly financial statements and/or recent private market transactions and thus are included under Level 3 of the fair value hierarchy due to unobservable market data used for valuation.
- Private credit investments: These are privately held equity investments in common stock of entities that lend money valued using the most recently available or quarterly net asset value ("NAV") statements as provided by the external fund manager or third-party administrator and therefore measured using the NAV as a practical expedient.
- Private equity funds: These are comprised of private equity funds, private equity co-investments with sponsoring entities and investments in real estate limited partnerships and joint ventures. The fair value is estimated based on the most recently available NAV as advised by the external fund manager or third-party administrator. The fair values are therefore measured using the NAV as a practical expedient.

Derivative Instruments - The Company entered into a reinsurance contract that is accounted for as a derivative. This reinsurance contract provides indemnification to an insured or cedant as a result of a change in a variable as opposed to an identifiable insurable event. The Company considers this contract to be part of its underwriting operations. This derivative is initially valued at cost which approximates fair value. In subsequent measurement periods, the fair value of this derivative is determined using internally developed discounted cash flow models using appropriate discount rates. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of this derivative. The fair value changes in underwriting-related derivative instruments is included within other insurance revenue (expense), net.

The derivative liability on retroactive reinsurance is presented as part of accrued expenses and other liabilities. A significant increase (decrease) in this input in isolation may result in a significantly lower (higher) fair value measurement for the derivative contract. As the significant inputs used to price these derivatives are unobservable, the fair values of these contracts are classified as Level 3 in the fair value hierarchy.

(b) Fair Value Hierarchy

The Company's estimates of fair value for financial assets and financial liabilities are based on the framework established in ASC 820. The framework is based on the inputs used in valuation and gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuation methodology whenever available. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active trading markets and the lowest priority to unobservable inputs that reflect significant market assumptions.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

At March 31, 2024 and December 31, 2023, the Company classified its financial instruments measured at fair value on a recurring basis in the following valuation hierarchy:

March 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV Practical Expedient	Total Fair Value
Fixed maturities					
U.S. treasury bonds	$ 66,444	$ —	$ —	$ —	$ 66,444
U.S. agency bonds – mortgage-backed	—	25,618	—	—	25,618
Non-U.S. government bonds	—	41,573	—	—	41,573
Collateralized loan obligations	—	63,195	—	—	63,195
Corporate bonds	—	57,307	5,314	—	62,621
Equity securities	82	—	18,333	26,013	44,428
Other investments	—	—	34,347	93,398	127,745
Total investments	$ 66,526	$ 187,693	$ 57,994	$ 119,411	$ 431,624
As a percentage of total assets	4.5%	12.8%	3.9%	8.1%	29.3%
Underwriting-related derivative liability	$ —	$ —	$ 3,984	$ —	$ 3,984

December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV Practical Expedient	Total Fair Value
Fixed maturities					
U.S. treasury bonds	$ 55,052	$ —	$ —	$ —	$ 55,052
U.S. agency bonds – mortgage-backed	—	26,651	—	—	26,651
Non-U.S. government bonds	—	20,751	—	—	20,751
Collateralized loan obligations	—	78,803	—	—	78,803
Corporate bonds	—	63,962	5,382	—	69,344
Equity securities	81	—	19,351	25,867	45,299
Other investments	—	—	27,750	86,056	113,806
Total investments	$ 55,133	$ 190,167	$ 52,483	$ 111,923	$ 409,706
As a percentage of total assets	3.6%	12.5%	3.5%	7.4%	27.0%
Underwriting-related derivative liability	$ —	$ —	$ 3,984	$ —	$ 3,984

The Company utilizes the Pricing Service to assist in determining the fair value of its investments; however, management is ultimately responsible for all fair values presented in the Company's consolidated financial statements. This includes responsibility for monitoring the fair value process, ensuring objective and reliable valuation practices, and pricing of assets and liabilities and use of pricing sources. The Company analyzes and reviews the information and prices received from the Pricing Service to ensure that the prices provided represent a reasonable estimate of fair value.

The Pricing Service was utilized to estimate fair value measurements for 98.0% and 97.9% of our fixed maturities at March 31, 2024 and December 31, 2023, respectively. The Pricing Service utilizes market quotations for fixed maturity securities that have quoted market prices in active markets. Since fixed maturities other than U.S. treasury bonds generally do not trade actively on a daily basis, the Pricing Service prepares estimates of fair value measurements using relevant market data, benchmark curves, sector groupings and matrix pricing and these have been classified as Level 2 within the fair value hierarchy.

At March 31, 2024 and December 31, 2023, approximately 2.0% and 2.1%, respectively, of our fixed maturities were valued using the market approach. At March 31, 2024, one security or $5,314 (December 31, 2023 - one security or $5,382) of our fixed maturity investment portfolio classified as Level 3 in the FMV hierarchy table was priced using a quotation from a broker and/or custodian as opposed to the Pricing Service due to lack of information available. At March 31, 2024 and December 31, 2023, the Company has not adjusted any pricing provided to it based on the review performed by its investment managers. There were no transfers to or from Level 3 during the three months ended March 31, 2024 and 2023.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

(c) Level 3 Financial Instruments

At March 31, 2024, the Company holds Level 3 financial instruments which consist of corporate bonds, private credit funds and privately held investments of $57,994 (December 31, 2023 - $52,483) and an underwriting-related derivative liability of $3,984 (December 31, 2023 - $3,984) on a reinsurance contract written by GLS which is included in accrued expenses and other liabilities.

The fair value of privately held equity securities are estimated using quarterly unaudited capital or financial statements provided by the investee or recent private market transactions, where applicable. Any changes to the financial information provided by the investee could result in a significantly higher or lower valuation at the reporting date. The fair value of underwriting-related derivative instruments is determined using a discounted cash flow model in which the Company examines current market conditions, historical results as well as contract specific information that may impact future cash flows in order to assess the reasonableness of inputs used in the valuation model. Due to significant unobservable inputs in these valuations, the Company classifies the fair values as Level 3 within the fair value hierarchy.

The following table provides a summary of quantitative information regarding the significant unobservable inputs used in determining the fair value of other investments measured at fair value on a recurring basis under the Level 3 classification at March 31, 2024:

	Fair Value	Valuation Technique	Unobservable Inputs	Range		
Privately held equity securities - common shares	$ 39,749	Quarterly financial statements	Price/book ratios of comparable public companies			
Privately held equity securities - preferred shares	11,331	Quarterly financial statements	Privately calculated enterprise valuations			
Other investments - Private credit funds	1,600	Quarterly financial statements	Price/book ratios of comparable public companies			
Corporate bonds	5,314	Non-binding broker dealer quotation				
Total Level 3 investments	$ 57,994					
Underwriting-related derivative liability	$ 3,984	Discounted cash flows	Duration matched discount rates	5.0%	to	6.0%

The following table shows the reconciliation of beginning and ending balances for investments measured at fair value on a recurring basis using Level 3 inputs for the three months ended March 31, 2024 and 2023. The Company includes any related interest and dividend income in net investment income and are excluded from the reconciliation in the table below:

	For the Three Months Ended March 31, 2024	2023
Balance - beginning of period	$ 52,483	$ 18,806
Net realized and unrealized gains recognized in the statement of income	5,511	1,392
Purchases	—	1,000
Total Level 3 investments - end of period	$ 57,994	$ 21,198

(d) Financial Instruments Disclosed, But Not Carried, at Fair Value

The fair value of financial instruments accounting guidance also applies to financial instruments disclosed, but not carried, at fair value, except for certain financial instruments related to insurance contracts.

At March 31, 2024, the carrying values of cash equivalents (including restricted amounts), accrued investment income, reinsurance balances receivable, loan to related party, and certain other assets and liabilities approximate fair values due to their inherent short duration. As these financial instruments are not actively traded, the fair values of these financial instruments are classified as Level 2 in the fair value hierarchy.

The investments made by direct lending entities are carried at cost less an allowance for expected credit losses, with any indication of credit loss recognized in net income when determined. The net carrying value of these investments approximates their fair value at the reporting date. The fair value estimates of these investments are not based on observable market data and therefore are classified as Level 3 in the fair value hierarchy.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

The fair values of the Company's outstanding Senior Notes (as defined in *"Note 7. Long-Term Debt"*) are based on indicative market pricing obtained from a third-party pricing service which uses observable market inputs, and therefore the fair values of these liabilities are classified as Level 2 in the fair value hierarchy.

The following table presents the respective carrying value and fair value for the Senior Notes as at March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Notes - MHLA – 6.625%	$ 110,000	$ 73,392	$ 110,000	$ 73,744
Senior Notes - MHNC – 7.75%	152,361	111,772	152,361	115,855
Total Senior Notes	$ 262,361	$ 185,164	$ 262,361	$ 189,599

(in thousands of U.S. dollars, except share and per share data)

6. Shareholders' Equity

a) Common Shares

On May 3, 2023 at its Annual General Meeting of Shareholders, the Company's common shareholders approved the increase in the authorized share capital of the Company from $1,500 divided into 150,000,000 shares of par value $0.01 each, to $2,000 divided into 200,000,000 shares of par value $0.01 each.

At March 31, 2024, the aggregate authorized share capital of the Company is 200,000,000 shares from which 150,134,586 common shares were issued, of which 100,393,538 common shares are outstanding, and 49,741,048 shares are treasury shares (please see *Note 6. (b) Treasury Shares* below for additional information).

The remaining 49,865,414 shares are undesignated at March 31, 2024. At March 31, 2024, 2,036,848 common shares will be issued and outstanding upon vesting of restricted shares, and 4,204,356 common shares remaining are reserved for issuance under the 2019 Omnibus Incentive Plan.

b) Treasury Shares

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100,000 of the Company's common shares from time to time at market prices. During the three months ended March 31, 2024, Maiden Reinsurance repurchased 352,111 common shares at an average price per share of $1.91 under the Company's share repurchase plan (2023 - none). The Company's remaining authorization is $70,942 for common share repurchases at March 31, 2024 (December 31, 2023 - $71,615).

During the three months ended March 31, 2024, the Company also repurchased 128,702 common shares (2023 - 128,156) at an average price per share of $1.77 (2023 - $2.25) from employees, which represent tax withholding in respect of tax obligations on the vesting of both non-performance-based and discretionary performance-based restricted shares.

Treasury shares include 43,231,034 common shares owned by Maiden Reinsurance consisting of 41,439,348 shares issued as part of the exchange for preference shares held ("Exchange") and 1,791,686 shares directly purchased on the open market by Maiden Reinsurance which are not treated as outstanding common shares on the Condensed Consolidated Balance Sheet at March 31, 2024. Please see further information on the Exchange and related preference share repurchases in the Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024.

The table below includes the total number of treasury shares outstanding at March 31, 2024 and December 31, 2023, respectively:

	March 31, 2024	December 31, 2023
Number of shares held by Maiden Reinsurance treated as treasury shares	43,231,034	42,878,923
Number of treasury shares due to common share repurchases by Maiden Holdings	6,510,014	6,381,312
Total number of treasury shares at the end of the reporting period	49,741,048	49,260,235

c) AOCI

The following tables set forth financial information regarding the changes in the balances of each component of AOCI:

For the Three Months Ended March 31, 2024	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (7,784)	$ (23,685)	$ (31,469)
Other comprehensive income (loss) before reclassifications	1,014	(1,736)	(722)
Ending balance, Maiden shareholders	$ (6,770)	$ (25,421)	$ (32,191)

For the Three Months Ended March 31, 2023	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (15,668)	$ (25,566)	$ (41,234)
Other comprehensive income before reclassifications	1,906	568	2,474
Ending balance, Maiden shareholders	$ (13,762)	$ (24,998)	$ (38,760)

(in thousands of U.S. dollars, except share and per share data)

7. Long-Term Debt

Senior Notes

At March 31, 2024 and December 31, 2023, Maiden Holdings had outstanding publicly-traded senior notes which were issued in 2016 ("2016 Senior Notes") and its wholly owned subsidiary, Maiden Holdings North America, Ltd. ("Maiden NA") had outstanding publicly-traded senior notes which were issued in 2013 ("2013 Senior Notes") (collectively "Senior Notes"). The 2013 Senior Notes issued by Maiden NA are fully and unconditionally guaranteed by Maiden Holdings. The Senior Notes are unsecured and unsubordinated obligations of the Company.

The following tables detail the issuances of Senior Notes outstanding at March 31, 2024 and December 31, 2023:

March 31, 2024	2016 Senior Notes	2013 Senior Notes	Total
Principal amount	$ 110,000	$ 152,361	$ 262,361
Less: unamortized issuance costs	3,329	4,396	7,725
Carrying value	$ 106,671	$ 147,965	$ 254,636

December 31, 2023	2016 Senior Notes	2013 Senior Notes	Total
Principal amount	$ 110,000	$ 152,361	$ 262,361
Less: unamortized issuance costs	3,345	4,419	7,764
Carrying value	$ 106,655	$ 147,942	$ 254,597

Other details:		
Original debt issuance costs pertaining to remaining outstanding principal amount	$ 3,715	$ 5,049
Maturity date	June 14, 2046	December 1, 2043
Earliest redeemable date (for cash)	June 14, 2021	December 1, 2018
Coupon rate	6.625 %	7.75 %
Effective interest rate	7.07 %	8.04 %

Total interest and amortization expense incurred on the Senior Notes for the three months ended March 31, 2024 was $4,815 (2023 - $3,824), of which $1,342 was accrued as interest payable at both March 31, 2024 and December 31, 2023, respectively. The issuance costs related to the Senior Notes were capitalized and are amortized over the effective life of the Senior Notes using the effective interest method of amortization.

Under the terms of the 2013 Senior Notes, the 2013 Senior Notes can be redeemed, in whole or in part, at Maiden NA's option at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. Maiden NA is required to give at least thirty days and not more than sixty days notice prior to the redemption date.

Under the terms of the 2016 Senior Notes, the 2016 Senior Notes can be redeemed, in whole or in part, at Maiden Holdings' option at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. Maiden Holdings is required to give at least thirty days and not more than sixty days notice prior to the redemption date.

On May 3, 2023, the Company's Board of Directors approved the repurchase, including the repurchase by Maiden Reinsurance in accordance with its investment guidelines, of up to $100,000 of the Company's Senior Notes from time to time at market prices in open market purchases or as may be privately negotiated. The Company has a remaining authorization of $99,905 for Senior Notes repurchases at March 31, 2024.

(in thousands of U.S. dollars, except share and per share data)

8. Reinsurance

The Company uses reinsurance and retrocessional agreements ("ceded reinsurance") to mitigate volatility, reduce its exposure to certain risks and provide capital support. Ceded reinsurance provides for the recovery of a portion of loss and LAE under certain circumstances without relieving the Company of its obligations to the policyholders. The Company remains liable to the extent that any of its reinsurers or retrocessionaires fails to meet their obligations. Loss and LAE incurred and premiums earned are reported after deduction for ceded reinsurance. In the event that one or more of our reinsurers or retrocessionaires are unable to meet their obligations under these agreements, the Company would not realize the full value of the reinsurance recoverable balances.

The effect of ceded reinsurance on net premiums written and earned and on net loss and LAE for the three months ended March 31, 2024 and 2023 was as follows:

For the Three Months Ended March 31,	2024	2023
Premiums written		
Direct	$ 8,831	$ 6,859
Assumed	(508)	(6,022)
Ceded	(9)	(77)
Net	$ 8,314	$ 760
Premiums earned		
Direct	$ 8,546	$ 6,862
Assumed	3,865	2,217
Ceded	(3)	(77)
Net	$ 12,408	$ 9,002
Loss and LAE		
Gross loss and LAE	$ 12,375	$ 9,796
Loss and LAE ceded	(750)	19
Net	$ 11,625	$ 9,815

The Company's reinsurance recoverable on unpaid losses balance as at March 31, 2024 was $569,346 (December 31, 2023 - $564,331) presented in the Condensed Consolidated Balance Sheets. As of March 31, 2024, the total allowance for expected credit losses on the Company's reinsurance recoverable balance was $2,438. The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses on reinsurance recoverable for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,	
	2024	2023
Allowance for expected credit losses on reinsurance recoverable, beginning of period	$ 3,240	4,277
Decrease in allowance for expected credit losses on reinsurance recoverable where credit losses were previously recognized	(802)	(23)
Allowance for expected credit losses on reinsurance recoverable, end of period	$ 2,438	4,254

On December 27, 2018, Cavello Bay Reinsurance Limited ("Cavello") and Maiden Reinsurance entered into a retrocession agreement pursuant to which certain assets and liabilities associated with the U.S. treaty reinsurance business held by Maiden Reinsurance were 100.0% retroceded to Cavello in exchange for a ceding commission. The reinsurance recoverable on unpaid losses due from Cavello under this retrocession agreement was $43,094 at March 31, 2024 (December 31, 2023 - $43,176). The recoverable due from Cavello is net of an allowance for expected credit losses of $2,284 as at March 31, 2024 (December 31, 2023 - $2,769).

On July 31, 2019, Maiden Reinsurance and Cavello entered into a Loss Portfolio Transfer and Adverse Development Cover Agreement ("LPT/ADC Agreement") pursuant to which Cavello assumed the loss reserves as of December 31, 2018 associated with the AmTrust Quota Share in excess of a $2,178,535 retention up to $600,000, in exchange for a retrocession premium of $445,000. The $2,178,535 retention is subject to adjustment for paid losses subsequent to December 31, 2018. The LPT/ADC Agreement provides Maiden Reinsurance with $155,000 in adverse development cover over its carried AmTrust Quota Share loss reserves at December 31, 2018. The LPT/ADC Agreement meets the criteria for risk transfer and is thus accounted for as retroactive reinsurance. Cumulative ceded losses exceeding $445,000 are recognized as a deferred gain liability and amortized into income over the settlement period of the ceded reserves in proportion to cumulative losses collected over the estimated ultimate reinsurance recoverable. The amount of the deferral is recalculated each period based on loss payments and updated estimates.

8. Reinsurance (continued)

Consequently, cumulative adverse development subsequent to December 31, 2018 may result in significant losses from operations until periods when the deferred gain is recognized as a benefit to earnings. As of March 31, 2024, the reinsurance recoverable on unpaid losses under the LPT/ADC Agreement was $520,780 while the deferred gain liability under the LPT/ADC Agreement was $75,916 (December 31, 2023 - $515,463 and $70,916, respectively). The recoverable due under the LPT/ADC Agreement is net of an allowance for expected credit losses of $136 as at March 31, 2024 (December 31, 2023 - $453). Amortization of the deferred gain will not occur until paid losses have exceeded the minimum retention under the LPT/ADC Agreement, which is estimated to be before the end of 2024.

Cavello provided collateral in the form of a letter of credit in the amount of $445,000 to AmTrust under the LPT/ADC Agreement. Cavello is subject to additional collateral funding requirements as explained in *"Note 10. Related Party Transactions"*. As of March 31, 2024, the amount of collateral required was $473,144 (December 31, 2023 - $490,070). Under the terms of the LPT/ADC Agreement, the covered losses associated with the Commutation and Release Agreement with AmTrust are eligible to be covered but recoverable only when such losses are paid or settled by AII or its affiliates, provided such losses and other related amounts shall not exceed $312,786. Cavello's parent company, Enstar, has credit ratings of BBB+ from both Standard & Poor's and Fitch Ratings at March 31, 2024.

(in thousands of U.S. dollars, except share and per share data)

9. Reserve for Loss and Loss Adjustment Expenses

The Company uses both historical experience and industry-wide loss development factors to provide a reasonable basis for estimating future losses. In the future, certain events may be beyond the control of management, such as changes in law, judicial interpretations of law, and rates of inflation, which may favorably or unfavorably impact the ultimate settlement of the Company's loss and LAE reserves.

The anticipated effect of inflation is implicitly considered when estimating liabilities for loss and LAE. While anticipated changes in claim costs due to inflation are considered in estimating the ultimate claim costs, changes in the average severity of claims are caused by a number of factors that vary with the individual type of policy written. Ultimate losses are projected based on historical trends adjusted for implemented changes in underwriting standards, claims handling, policy provisions, and general economic trends. Those anticipated trends are monitored based on actual development and are modified if necessary.

The reserving process begins with the collection and analysis of paid losses and incurred claims data for each of the Company's contracts. While reserves are mostly reviewed on a contract by contract basis, paid loss and incurred claims data is also aggregated into reserving segments. The segmental data is disaggregated by reserving class and further disaggregated by either accident year (i.e. the year in which the loss event occurred) or by underwriting year (i.e. the year in which the contract generating the premium and losses incepted). In cases where the Company uses underwriting year information, reserves are subsequently allocated to the respective accident year. The reserve for loss and LAE consists of:

	March 31, 2024	December 31, 2023
Reserve for reported loss and LAE	$ 487,112	$ 543,818
Reserve for losses incurred but not reported ("IBNR")	326,767	323,615
Reserve for loss and LAE	$ 813,879	$ 867,433

The following table represents a reconciliation of our beginning and ending gross and net loss and LAE reserves:

For the Three Months Ended March 31,	2024	2023
Gross loss and LAE reserves, January 1	$ 867,433	$ 1,131,408
Less: reinsurance recoverable on unpaid losses, January 1	564,331	556,116
Net loss and LAE reserves, January 1	303,102	575,292
Net incurred losses related to:		
Current year	5,062	6,159
Prior years	6,563	3,656
	11,625	9,815
Net paid losses related to:		
Current year	(125)	(75)
Prior years	(59,590)	(73,013)
	(59,715)	(73,088)
Change in deferred gain on retroactive reinsurance	(4,982)	(1,573)
GLS run-off business acquired or assumed	—	767
Opening allowance for expected credit loss on reinsurance recoverable on unpaid losses	—	4,286
Effect of foreign exchange rate movements	(5,497)	3,611
Net loss and LAE reserves, March 31	244,533	519,110
Reinsurance recoverable on unpaid losses, March 31	569,346	552,513
Gross loss and LAE reserves, March 31	$ 813,879	$ 1,071,623

Prior period development arises from changes to loss estimates recognized in the current year that relate to loss reserves established in previous calendar years. The favorable or unfavorable development reflects changes in management's best estimate of the ultimate losses under the relevant reinsurance policies after considerable review of changes in actuarial assessments. The Company recognized net adverse prior year loss development of $6,563 for the three months ended March 31, 2024 (2023 - adverse $3,656).

In the Diversified Reinsurance segment, there was favorable prior year loss development of $655 for the three months ended March 31, 2024 (2023 - adverse $757). Prior year loss development for the three months ended March 31, 2024 was driven by favorable development in GLS and other runoff business lines partly offset by adverse development in International business. Prior year adverse development for the three months ended March 31, 2023 was due to unfavorable reserve development in other runoff business and also included the recognition of expected credit losses on reinsurance recoverable on unpaid losses.

9. Reserve for Loss and Loss Adjustment Expenses (continued)

The table below shows prior year loss development for the AmTrust Reinsurance segment for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023
Prior Year Loss Development adverse (favorable)	($ in thousands)	
AmTrust Quota Share	$ 5,000	$ 3,448
AmTrust other runoff	(317)	(523)
European Hospital Liability Quota Share	2,535	(26)
Total AmTrust Reinsurance Prior Year Development	$ 7,218	$ 2,899

In the AmTrust Reinsurance segment, net adverse prior year loss development was $7,218 during the three months ended March 31, 2024 (2023 - adverse $2,899) as detailed in the table above.

Net adverse prior year loss development for the three months ended March 31, 2024 was primarily from the AmTrust Quota Share and European Hospital Liability. In the AmTrust Quota Share, U.S. Program business experienced additional adverse development from construction defect coverage for accident years 2015 to 2018 as new claims emergence was significantly greater than expected; this was partly offset by continued favorable development within Workers Compensation business for accident years 2014 to 2017. Net adverse loss development on European Hospital Liability Quota Share was primarily driven by emergence of loss data from adverse claim verdicts on older claims, resulting in strengthening of loss development tail on underwriting years 2011 to 2014.

Net adverse prior year loss development for the three months ended March 31, 2023 was driven by unfavorable movements in General Liability, Auto Liability and Specialty Risk & Extended Warranty partly offset by continued favorable development in Workers Compensation.

The increase in the deferred gain on retroactive reinsurance was $4,982 for the three months ended March 31, 2024 (2023 - $1,573 increase). This included an increase in the deferred gain liability and related reinsurance recoverable on unpaid losses under the LPT/ADC Agreement with Cavello of $5,000 for the three months ended March 31, 2024 (2023 - $1,573 increase) caused by adverse development on loss reserves covered under the LPT/ADC Agreement (2023 - adverse). The deferred gain on retroactive reinsurance under the LPT/ADC Agreement represents the cumulative adverse development for covered risks in the AmTrust Quota Share as of March 31, 2024 and December 31, 2023. Amortization of the deferred gain will not occur until paid losses have exceeded the minimum retention under the LPT/ADC Agreement, which is presently expected to be before the end of 2024.

10. Related Party Transactions

The Founding Shareholders of the Company were Michael Karfunkel, George Karfunkel and Barry Zyskind. Based on each individual's most recent public filing, Leah Karfunkel (wife of the late Michael Karfunkel), George Karfunkel and Barry Zyskind (the Company's non-executive chairman) each own or control less than 5.0% of the Company's outstanding common shares. Leah Karfunkel and George Karfunkel are directors of AmTrust, and Barry Zyskind is the chief executive officer and chairman of AmTrust. Leah Karfunkel, George Karfunkel and Barry Zyskind own or control approximately 55.2% of the ownership interests of Evergreen Parent, L.P., the ultimate parent of AmTrust. The following describes transactions that have transpired between the Company and AmTrust:

AmTrust Quota Share

Effective July 1, 2007, the Company and AmTrust entered into a master agreement, as amended ("Master Agreement"), by which they caused Maiden Reinsurance and AII to enter into the AmTrust Quota Share by which AII retroceded to Maiden Reinsurance an amount equal to 40% of the premium written by subsidiaries of AmTrust, net of the cost of unaffiliated inuring reinsurance and 40% of losses. The Master Agreement further provided that AII receive a ceding commission of 31% of ceded written premiums. On June 11, 2008, Maiden Reinsurance and AII amended the AmTrust Quota Share to add Retail Commercial Package Business to the Covered Business (as defined in the AmTrust Quota Share). AII receives a ceding commission of 34.375% on Retail Commercial Package Business. On July 1, 2016, the agreement was renewed through June 30, 2019. Effective July 1, 2018, the amount AEL ceded to Maiden Reinsurance was reduced to 20%.

Effective July 1, 2013, for the Specialty Program portion of Covered Business only, AII was responsible for ultimate net loss otherwise recoverable from Maiden Reinsurance to the extent that the loss ratio to Maiden Reinsurance, which shall be determined on an inception to date basis from July 1, 2007 through the date of calculation, is between 81.5% and 95% ("Loss Corridor"). Above and below the Loss Corridor, Maiden Reinsurance continued to reinsure losses at its proportional 40% share of the AmTrust Quota Share. Effective July 31, 2019, the Loss Corridor was amended such that the maximum amount covered is $40,500, the amount calculated by Maiden Reinsurance for the Loss Corridor coverage as of March 31, 2019. Any development above this maximum amount will be subject to the coverage of the LPT/ADC Agreement.

Effective January 1, 2019, Maiden Reinsurance and AII entered into a partial termination amendment ("Partial Termination Amendment") which amended the AmTrust Quota Share. The Partial Termination Amendment provided for the cut-off of the ongoing and unearned premium of AmTrust's Small Commercial Business and U.S. Specialty Risk and Extended Warranty ("Terminated Business") as of December 31, 2018. Under the Partial Termination Amendment, the ceding commission payable by Maiden Reinsurance for its remaining in-force business immediately prior to January 1, 2019 increased by five percentage points with respect to in-force remaining business (excluding Terminated Business) and related unearned premium as of January 1, 2019. Subsequently, on January 30, 2019, Maiden Reinsurance and AII agreed to terminate the remaining business subject to the AmTrust Quota Share on a run-off basis effective as of January 1, 2019.

Effective July 31, 2019, Maiden Reinsurance and AII entered into a Commutation and Release Agreement which provided for AII to assume all reserves ceded by AII to Maiden Reinsurance with respect to its proportional 40% share of the ultimate net loss under the AmTrust Quota Share related to the commuted business including: (a) all losses incurred in Accident Year 2017 and Accident Year 2018 under California workers' compensation policies and as defined in the AmTrust Quota Share ("Commuted California Business"); and (b) all losses incurred in Accident Year 2018 under New York workers' compensation policies ("Commuted New York Business"), and together with the Commuted California Business ("Commuted Business") in exchange for the release and full discharge of Maiden Reinsurance's obligations to AII with respect to the Commuted Business. The Commuted Business excludes any business classified by AII as Specialty Program or Specialty Risk business.

AII and Maiden Reinsurance also agreed that as of July 31, 2019, the AmTrust Quota Share was deemed amended as applicable so that the Commuted Business is no longer included as part of Covered Business under the AmTrust Quota Share.

On January 30, 2019, in connection with the termination of the reinsurance agreement described above, the Company and AmTrust entered into a second amendment to the Master Agreement between the parties, originally entered into on July 3, 2007, to remove the provisions requiring AmTrust to reinsure business with the Company. Please refer to "*Note 10. Related Party Transactions"* in the Annual Report on Form 10-K for the year ended December 31, 2023 for further details.

European Hospital Liability Quota Share

Effective April 1, 2011, Maiden Reinsurance entered into the European Hospital Liability Quota Share with AEL and AIU DAC. Pursuant to the terms of the European Hospital Liability Quota Share, Maiden Reinsurance assumed 40% of the premiums and losses related to policies classified as European Hospital Liability, including associated liability coverages and policies covering physician defense costs, written or renewed on or after April 1, 2011. The European Hospital Liability Quota Share also covers policies written or renewed on or before March 31, 2011, but only with respect to losses that occur, accrue or arise on or after April 1, 2011. The maximum limit of liability attaching shall be €5,000 (€10,000 effective January 1, 2012) or currency equivalent (on a 100% basis) per original claim for any one original policy. Maiden Reinsurance paid a ceding commission of 5% on contracts assumed under the European Hospital Liability Quota Share.

Effective July 1, 2016, the European Hospital Liability Quota Share was amended such that Maiden Reinsurance assumes from AEL 32.5% of the premiums and losses of all policies written or renewed on or after July 1, 2016 until June 30, 2017 and 20% of all policies written or renewed on or after July 1, 2017. Thereafter, on January 30, 2019, Maiden Reinsurance, AEL and AIU DAC agreed to terminate the European Hospital Liability Quota Share on a run-off basis effective as of January 1, 2019.

(in thousands of U.S. dollars, except share and per share data)

10. Related Party Transactions (continued)

Effective July 1, 2022, Maiden Reinsurance and AIU DAC entered into an agreement ("Commutation Agreement") which provided for AIU DAC to assume all reserves ceded by AIU DAC to Maiden Reinsurance with respect to AIU DAC’s French Medical Malpractice exposures for underwriting years 2012 through 2018 reinsured by Maiden Reinsurance under the European Hospital Liability Quota Share. In accordance with the Commutation Agreement, Maiden Reinsurance paid $31,291 (€29,401) to AIU DAC, which is the sum of net ceded reserves of $27,625 (€25,956) and an agreed exit cost of $3,666 (€3,444). As a result of the Commutation Agreement, Maiden Reinsurance reduced its exposure to AmTrust's Hospital Liability business, but still has exposure to Italian medical malpractice liabilities under the European Hospital Liability Quota Share.

The table below shows the effect of both of these quota share arrangements with AmTrust on the Company's Condensed Consolidated Income Statements for the three months ended March 31, 2024 and 2023, respectively:

	For the Three Months Ended March 31,	
	2024	2023
Gross and net premiums written	$ (505)	$ (6,013)
Net premiums earned	3,417	1,531
Net loss and LAE	(9,018)	(7,182)
Commission and other acquisition expenses	(1,298)	(579)

Collateral provided to AmTrust

a) AmTrust Quota Share

To provide AmTrust's U.S. insurance subsidiaries with credit for reinsurance on their statutory financial statements, AII, as the direct reinsurer of AmTrust's insurance subsidiaries, established trust accounts ("Trust Accounts") for their benefit. Maiden Reinsurance has provided appropriate collateral to secure its proportional share under the AmTrust Quota Share of AII's obligations to the AmTrust subsidiaries to whom AII is required to provide collateral which can include: (a) assets loaned by Maiden Reinsurance to AII for deposit into the Trust Accounts, pursuant to a loan agreement between those parties; (b) assets transferred by Maiden Reinsurance for deposit into the Trust Accounts; or (c) a letter of credit obtained by Maiden Reinsurance and delivered to an AmTrust subsidiary on AII's behalf. Maiden Reinsurance may provide any or a combination of these forms of collateral, provided that the aggregate value thereof equals Maiden Reinsurance's proportionate share of its obligations under the AmTrust Quota Share. The collateral requirements under the AmTrust Quota Share with AII was satisfied as follows:

- by lending funds of $167,975 at March 31, 2024 and December 31, 2023 pursuant to a loan agreement entered into between those parties. Advances under the loan are secured by promissory notes. This loan was assigned by AII to AmTrust effective December 31, 2014 and is carried at cost. There was no allowance for expected credit losses recognized on the loan at March 31, 2024 and December 31, 2023. Interest is payable at a rate equivalent to the Federal Funds Effective Rate ("Fed Funds") plus 200 basis points per annum. The interest income on the loan was $3,070 for the three months ended March 31, 2024 (2023 - $2,698) and the effective yield was 7.3% (2023 - 6.4%).
- on January 30, 2019, in connection with the termination of the reinsurance agreements described above, the Company and AmTrust amended the Loan Agreement between Maiden Reinsurance, AmTrust and AII, originally entered into on November 16, 2007, by extending the maturity date to January 1, 2025 and specifies that due to the termination of the AmTrust Quota Share, no further loans or advances may be made pursuant to the Loan Agreement.
- on January 11, 2019, the Company transferred $575,000 to AmTrust as a portion of the existing Trust Accounts used for collateral on the AmTrust Quota Share was converted to a funds withheld arrangement. The funds withheld receivable earns an annual interest rate of 3.5% for 2024, subject to annual adjustment (3.5% for 2023). At March 31, 2024, the funds withheld balance was $61,016 (December 31, 2023 - $128,451) and accrued interest was $844 (December 31, 2023 - $1,584). The interest income on the funds withheld receivable was $844 for the three months ended March 31, 2024 (2023 - $3,281). No allowance for expected credit losses was recognized for the fund withheld receivable from AmTrust and related accrued interest at March 31, 2024 and December 31, 2023.

Pursuant to the terms of the LPT/ADC Agreement, Maiden Reinsurance, Cavello and AmTrust and certain of its affiliated companies entered into a Master Collateral Agreement (“MCA”) to define and enable the operation of collateral provided under the AmTrust Quota Share. Under the MCA, Cavello provided letters of credit on behalf of Maiden Reinsurance to AmTrust in an amount representing Cavello’s obligations under the LPT/ADC Agreement. Because these letters of credit replaced other collateral previously provided directly by Maiden Reinsurance to AmTrust, the MCA coordinates the collateral protection that will be provided to AmTrust to ensure that no gaps in collateral funding occur by operation of the LPT/ADC Agreement and related MCA. As a result of entering into both the LPT/ADC Agreement and the MCA, certain post-termination endorsements (“PTEs”) to the AmTrust Quota Share between AII and Maiden Reinsurance were required.

10. Related Party Transactions (continued)

Effective July 31, 2019, the PTEs: i) enable the operation of both the LPT/ADC Agreement and MCA by making provision for certain forms of collateral, including letters of credit provided by Cavello on Maiden Reinsurance’s behalf, and further defines the permitted use and return of collateral; and ii) increase the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to 105% of its obligations, subject to a minimum excess funding requirement of $54,000, as may be mutually amended by the parties from time to time. Under certain defined conditions, Maiden Reinsurance may be required to increase this funding percentage to 110%.

Effective March 16, 2020, Maiden Reinsurance discontinued as a Bermuda company and completed its re-domestication to the State of Vermont. Bermuda is a Solvency II equivalent jurisdiction and the State of Vermont is not such a jurisdiction; therefore, the collateral provided under the respective agreements with AmTrust subsidiaries was strengthened to reflect the impact of the re-domestication concurrent with the date of Maiden Reinsurance’s re-domestication to Vermont. Maiden Reinsurance and AmTrust agreed to: 1) amend the AmTrust Quota Share pursuant to Post Termination Endorsement No. 2 effective March 16, 2020; and 2) amend the European Hospital Liability Quota Share pursuant to Post Termination Endorsement No. 1 effective March 16, 2020.

Pursuant to the terms of Post Termination Endorsement No. 2 to the AmTrust Quota Share, Maiden Reinsurance strengthened the collateral protection provided by Maiden Reinsurance to AII by increasing the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to 110% of its obligations, subject to a minimum excess funding requirement of $54,000, as may be mutually amended by the parties from time to time. Post Termination Endorsement No. 2 also sets forth conditions by which the funding percentage will be reduced and the sequence of how collateral will be utilized as obligations, as defined under the AmTrust Quota Share, are satisfied. Pursuant to the terms of Post Termination Endorsement No. 2, the funding percentage was reduced to 107.5% during the first quarter of 2023.

Pursuant to the terms of Post Termination Endorsement No. 1 to the European Hospital Liability Quota Share, Maiden Reinsurance strengthened the collateral protection provided by Maiden Reinsurance to AEL and AIU DAC by increasing the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to the greater of 120% of the Exposure (as defined therein) and the amount of security required to offset the increase in the Solvency Capital Requirement (“SCR”) that results from the changes in the SCR which arise out of Maiden Reinsurance's re-domestication as compared to the SCR calculation if Maiden Reinsurance had remained domesticated in a Solvency II equivalent jurisdiction with a solvency ratio above 100% and provided collateral equivalent to 100% of the Exposure.

b) European Hospital Liability Quota Share

Collateral has been provided to both AEL and AIU DAC under the European Hospital Liability Quota Share. For AEL, the amount of the collateral held in reinsurance trust accounts at March 31, 2024 was $151,199 (December 31, 2023 - $147,635) and the accrued interest was $953 (December 31, 2023 - $1,091).

Asset Management Agreement

Effective July 1, 2007, the Company entered into an asset management agreement with AII Insurance Management Limited ("AIIM"), a wholly owned subsidiary of AmTrust, pursuant to which AIIM agreed to provide investment management services to the Company. Effective January 1, 2018, AIIM provides investment management services for a quarterly fee of 0.02125% of the average value of the account. The agreement may be terminated upon 30 days written notice by either party. The Company recorded $57 of investment management fees for the three months ended March 31, 2024 (2023 - $73) under this agreement.

On September 9, 2020, Maiden Reinsurance, AmTrust and AIIM entered into a novation agreement, effective July 1, 2020, which provided for the novation of the asset management agreement, dated January 1, 2018 between Maiden Reinsurance and AIIM, and the release by Maiden Reinsurance of AIIM's obligations under the asset management agreement. The novation mandates that AmTrust is to be bound by the terms of the asset management agreement in place of AIIM and AmTrust agrees to perform any and all past, present and future obligations of AIIM under the asset management agreement.

On November 13, 2020, Maiden LF, Maiden GF, AmTrust and AIIM entered into a novation agreement, effective July 1, 2020, which provided for the novation of the asset management agreement, dated January 1, 2018 between Maiden LF, Maiden GF and AIIM, and the release by Maiden LF and Maiden GF of AIIM's obligations under the asset management agreement. The novation mandates that AmTrust is to be bound by the terms of the asset management agreement in place of AIIM and AmTrust agrees to perform any and all past, present and future obligations of AIIM under the asset management agreement.

(in thousands of U.S. dollars, except share and per share data)

11. Commitments, Contingencies and Guarantees

There are no material changes from the commitments, contingencies and concentrations previously disclosed in the Company's Form 10-K for the year ended December 31, 2023.

a) Concentrations of Credit Risk

At March 31, 2024 and December 31, 2023, the Company's assets where significant concentrations of credit risk may exist include investments, cash and cash equivalents, loan to related party, reinsurance balances receivable, reinsurance recoverable on paid and unpaid losses and funds withheld receivable. Please refer to "*Note 8. Reinsurance*" for additional information regarding the Company's credit risk exposure on its reinsurance counterparties including the impact of the LPT/ADC Agreement effective January 1, 2019. The Company requires its reinsurers to have adequate financial strength.

The Company evaluates the financial condition of its reinsurers and monitors its concentration of credit risk on an ongoing basis. Provisions are made for amounts that are considered potentially uncollectible. Reinsurance receivable and recoverable balances, loan to related party, and the funds withheld receivable are reviewed for expected credit losses on a quarterly basis and are presented net of an allowance for expected credit losses. Letters of credit are provided by its reinsurers for material amounts recoverable as discussed in "*Note 8. Reinsurance*".

The Company manages the concentration of credit risk in its investment portfolio through issuer and sector exposure limitations. The Company believes it bears minimal credit risk in its cash on deposit. The Company also monitors the credit risk related to the loan to related party, reinsurance balances receivable and funds withheld receivable, within which the largest balances are due from AmTrust. AmTrust has a financial strength/credit rating of A- (Excellent) from A.M. Best at March 31, 2024. To mitigate credit risk, the Company generally has a contractual right of offset thereby allowing claims to be settled net of any premiums or loan receivable. The Company believes these balances as at March 31, 2024 will be fully collectible.

b) Investment Commitments and Related Financial Guarantees

The Company had total unfunded commitments on alternative investments of $98,384 at March 31, 2024 (December 31, 2023 - $100,846) which included commitments for other investments, private equity securities and equity method investments. The table below shows the total unfunded commitments by type of investment as at March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Fair Value	% of Total	Fair Value	% of Total
Private equity funds	$ 53,215	54.1 %	$ 53,675	53.2 %
Private credit funds	11,302	11.5 %	11,361	11.3 %
Investments in direct lending entities	—	— %	595	0.6 %
Total unfunded commitments on other investments	$ 64,517	65.6 %	$ 65,631	65.1 %
Total unfunded commitments on equity securities	$ 14,735	15.0 %	$ 14,735	14.6 %
Total unfunded commitments on equity method investments	$ 19,132	19.4 %	$ 20,480	20.3 %
Total unfunded commitments on alternative investments	$ 98,384	100.0 %	$ 100,846	100.0 %

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future.

Any loss for which the Company could be liable would be contingent on the default of a loan by the real estate joint venture entity for which the Company provided a financial guarantee to a lender. While the Company has committed to aggregate limits as to the amount of guarantees it will provide as part of its limited partnerships, guarantees are only provided on an individual transaction basis and are subject to the terms and conditions of each transaction mutually agreed by the parties involved. The Company is not bound to such guarantees without its express authorization.

As discussed above, at March 31, 2024, guarantees of $69,733 (December 31, 2023 - $62,508) were provided to lenders by the Company on behalf of real estate joint ventures, however, the likelihood of the Company incurring any losses pertaining to project level financing guarantees was determined to be remote. Therefore, no liability has been accrued under ASC 450-20.

c) Operating Lease Commitments

The Company leases office spaces and equipment under various operating leases expiring in various years through 2025. The Company's leases are currently classified as operating leases and none of them have non-lease components. For operating leases that have a lease term of more than twelve months, and whose lease payments are above a certain threshold, the Company recognizes a lease liability and a right-of-use asset in the Condensed Consolidated Balance Sheets at the present value of the remaining lease payments until expiration.

(in thousands of U.S. dollars, except share and per share data)

11. Commitments, Contingencies and Guarantees (continued)

As the lease contracts generally do not provide an implicit discount rate, the Company used the weighted-average discount rate of 10%, representing its secured incremental borrowing rate, in calculating the present value of the lease liability. At March 31, 2024, the Company's future lease obligations of $167 (December 31, 2023 - $228) were calculated based on the present value of future annual rental commitments excluding taxes, insurance and other operating costs for non-cancellable operating leases discounted using its secured incremental borrowing rate. This amount has been recognized on the Condensed Consolidated Balance Sheet as a lease liability within accrued expenses and other liabilities with an equivalent amount for the right-of-use asset presented as part of other assets.

The Company has made an accounting policy election not to include renewal, termination, or purchase options that are not reasonably certain of exercise when determining the term of the borrowing. The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Company's weighted-average remaining lease term is approximately 1.0 year at March 31, 2024.

Under *Topic 842, Leases*, the Company continues to recognize the related leasing expense on a straight-line basis over the lease term on the Condensed Consolidated Statements of Income. The Company's total lease expense was $146 for three months ended March 31, 2024 (2023 - $120) recognized in general and administrative expenses consistent with the prior accounting treatment under *Topic 840.*

At March 31, 2024, the scheduled maturity of the Company's operating lease liabilities are expected to be as follows:

	March 31, 2024
2024	$ 137
2025	39
Discount for present value	(9)
Total discounted operating lease liabilities	$ 167

The Company has contracted to lease office space in New York City commencing in April 2024, which will create a significant right-of-use asset and a lease liability once certain leasehold improvements have been completed and the operating lease has commenced. The Company will occupy this space and capitalize the leased asset in the second quarter of 2024.

d) Legal Proceedings

Except as noted below, the Company is not a party to any material legal proceedings. From time to time, the Company is subject to routine legal proceedings, including arbitration, arising in the ordinary course of business. These legal proceedings generally relate to claims asserted by or against the Company in the ordinary course of insurance or reinsurance operations. Based on the Company's opinion, the eventual outcome of these legal proceedings is not expected to have a material adverse effect on its financial condition or results of operations.

In April 2009, the Company learned that Bentzion S. Turin, the former Chief Operating Officer, General Counsel and Secretary of Maiden Holdings and Maiden Reinsurance, sent a letter to the U.S. Department of Labor claiming that his employment with the Company was terminated in retaliation for corporate whistle-blowing in violation of the whistle-blower protection provisions of the Sarbanes-Oxley Act of 2002. Mr. Turin alleged that he was terminated for raising concerns regarding corporate governance with respect to the negotiation of the terms of the Trust Preferred Securities Offering. He seeks reinstatement as Chief Operating Officer, General Counsel and Secretary of Maiden Holdings and Maiden Reinsurance, back pay and legal fees incurred. On December 31, 2009, the U.S. Secretary of Labor found no reasonable cause for Mr. Turin’s claim and dismissed the complaint in its entirety. Mr. Turin objected to the Secretary's findings and requested a hearing before an administrative law judge in the U.S. Department of Labor. The Company moved to dismiss Mr. Turin's complaint, and its motion was granted by the Administrative Law Judge on June 30, 2011. On July 13, 2011, Mr. Turin filed a petition for review of the Administrative Law Judge's decision with the Administrative Review Board in the U.S. Department of Labor. On March 29, 2013, the Administrative Review Board reversed the dismissal of the complaint on procedural grounds, and remanded the case to the administrative law judge. The administrative hearing began in September 2014 and concluded in November 2018. On September 2, 2021, Administrative Law Judge Theresa C. Timlin of the U.S. Department of Labor issued a decision and order which denied Mr. Turin’s complaint in full. On September 16, 2021, Mr. Turin filed a petition for review of the Administrative Law Judge's decision with the Administrative Review Board in the U.S. Department of Labor. On June 29, 2023, the Administrative Review Board issued a decision and order which summarily affirmed the September 2, 2021 decision and order of the Administrative Law Judge. The decision and order of the Administrative Review Board became the final order of the Secretary of Labor on July 27, 2023. On July 28, 2023, Mr. Turin filed a petition for review of the final order of the Secretary of Labor in the United States Court of Appeals for the Second Circuit. The Secretary of Labor is the respondent before the Second Circuit and the Court granted the Company's petition to intervene in order to present its position to the Court.

A putative class action complaint was filed against Maiden Holdings, Arturo M. Raschbaum, Karen L. Schmitt, and John M. Marshaleck in the United States District Court for the District of New Jersey on February 11, 2019. On February 19, 2020, the Court appointed lead plaintiffs, and on May 1, 2020, lead plaintiffs filed an amended class action complaint (the “Amended Complaint”). The Amended Complaint asserts violations of Section 10(b) of the Exchange Act and Rule 10b-5 (and Section 20(a) for control person liability) arising in large part from allegations that Maiden failed to take adequate loss reserves in connection with reinsurance provided to AmTrust.

(in thousands of U.S. dollars, except share and per share data)

11. Commitments, Contingencies and Guarantees (continued)

Plaintiffs further claim that certain of Maiden Holdings' representations concerning its business, underwriting and financial statements were rendered false by the allegedly inadequate loss reserves, that these misrepresentations inflated the price of Maiden Holdings' common stock, and that when the truth about the misrepresentations was revealed, the Company's stock price fell, causing Plaintiffs to incur losses. On September 11, 2020, a motion to dismiss was filed on behalf of all Defendants. On August 6, 2021, the Court issued an order denying, in part, Defendants' motion to dismiss, ordering Plaintiffs to file a shorter amended complaint no later than August 20, 2021, and permitting discovery to proceed on a limited basis. On February 7, 2023, the District Court denied Plaintiffs' motion for reconsideration of the District Court's decision denying Plaintiffs' objection to the Magistrate Judge's December 2021 ruling on discovery. On May 26, 2023, the Company filed a Renewed Motion to Dismiss the Second Amended Complaint or, in the Alternative, for Summary Judgment, which has been fully briefed. On December 19, 2023, the U.S. District Court for the District of New Jersey granted summary judgment on plaintiffs' claim for securities fraud under Section 10(b) of the Securities Exchange Act to Maiden Holdings, Ltd. and individual defendants Arturo Raschbaum, Karen Schmitt, and John Marshalek. The Court held that the factual record failed to support, as a matter of law, plaintiffs' allegations that the defendants had made false statements regarding the Company's loss reserves. The Court also dismissed plaintiffs' claims that the individual defendants were liable as control persons under Section 20(a) of the Securities Exchange Act for any such alleged false statements. Plaintiffs have appealed to the United States Court of Appeals for the Third Circuit.

We believe the claims are without merit and we intend to vigorously defend ourselves. It is possible that additional lawsuits will be filed against the Company, its subsidiaries and its respective officers due to the diminution in value of our securities as a result of our operating results and financial condition. It is currently uncertain as to the effect of such litigation on our business, operating results and financial condition.

12. Earnings per Common Share

The following is a summary of the elements used in calculating basic and diluted earnings per common share:

	For the Three Months Ended March 31,	
	2024	2023
Numerator:		
Net income (loss)	$ 1,459	$ (11,328)
Amount allocated to participating common shareholders(1)	(17)	—
Net income (loss) available (attributable) to Maiden common shareholders	$ 1,442	$ (11,328)
Denominator:		
Weighted average number of common shares – basic	100,457,125	101,552,364
Dilutive share options and restricted share units(2)	—	—
Adjusted weighted average number of common shares – diluted(2)	100,457,125	101,552,364
Basic and diluted earnings (loss) per share available (attributable) to common shareholders	$ 0.01	$ (0.11)

(1) This represents the share in net income using the two-class method for holders of non-vested restricted shares issued to the Company's employees under the 2019 Omnibus Incentive Plan.

(2) Please refer to *"Note 6. Shareholders' Equity"* and *"Note 14. Share Compensation and Pension Plans"* in the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for the terms and conditions of securities that could potentially be dilutive in the future. There were no potentially dilutive securities for the three months ended March 31, 2024 (2023 - 0).

13. Income Taxes

The Company recognized an income tax expense of $11 for the three months ended March 31, 2024 compared to an income tax benefit of $28 for the same period in 2023. The effective tax rate on the Company's net income differs from the statutory rate of zero percent under Bermuda law due to tax on foreign operations, primarily the U.S. and Sweden.

A valuation allowance has been established against the net U.S. and International deferred tax assets which is primarily attributable to net operating losses and capital losses in the respective regions. At this time, the Company believes it is necessary to establish a valuation allowance against the U.S. and International net deferred tax assets as more evidence is needed regarding the utilization of these losses.

At March 31, 2024, the Company has available net operating loss carry-forwards of $334,019 (December 31, 2023 - $337,420) for income tax purposes. Approximately $182,801 (December 31, 2023 - $186,203) of the net operating loss ("NOL") carryforwards expire in various years beginning in 2029. As of March 31, 2024, approximately $151,218 or 45.3% of the Company's NOL carryforwards have no expiry date under the relevant U.S. tax law. At March 31, 2024, the Company also has a capital loss carry-forward of $14,058 (December 31, 2023 - $13,853) which will expire beginning in 2024.

14. Subsequent Events

Common Share Repurchases

Subsequent to the three months ended March 31, 2024 and through the period ended May 8, 2024, the Company repurchased 238,884 additional common shares at an average price per share of $2.16 under the Company's authorized common share repurchase plan pursuant to Rule 10b5-1(c)(1) under the Securities Exchange Act of 1934. The Company's remaining share repurchase authorization was $70,425 at May 8, 2024.

Renewal Rights Transaction - IIS Business

On May 3, 2024, Maiden LF and Maiden GF entered into a renewal rights transaction with AmTrust Nordic, a Swedish unit of AmTrust which is expected to cover the majority of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries. The Company anticipates entering into additional renewal rights agreements with other AmTrust entities for certain business written by Maiden GF and Maiden LF in the United Kingdom and Ireland.

Under these agreements, AmTrust Nordic in collaboration with existing Maiden LF and Maiden GF distribution partners, will offer renewals to select policyholders in exchange for a fee at standard market terms for business successfully renewed. AmTrust are expected to hire a limited number of related staff to support the transfer of the business.

These transactions are part of the Company's broader plan to divest its IIS businesses as a result of its recently concluded strategic review of the IIS business platform. The purpose of that review was to evaluate the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of the Company's target return on capital levels. As part of these conclusions, the Company expects to enter into additional transactions to either sell or wind-up Maiden GF and Maiden LF during 2024 and is actively evaluating potential transactions currently.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited Condensed Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q (this "Form 10-Q" or this "Report"). References in this Form 10-Q to the terms "we", "us", "our", "the Company", "Maiden" or other similar terms mean the consolidated operations of Maiden Holdings, Ltd. and its subsidiaries, unless the context requires otherwise. References in this Form 10-Q to the term "Maiden Holdings" means Maiden Holdings, Ltd. only. Certain reclassifications have been made for 2023 to conform to the 2024 presentation and have no impact on consolidated net income and total equity previously reported.

Note on Forward-Looking Statements

This Quarterly Report on Form 10-Q includes projections concerning financial information and statements concerning future economic performance and events, plans and objectives relating to management, operations, products and services, and assumptions underlying these projections and statements. These projections and statements are forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 and are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These projections and statements may address, among other things, our strategy for growth, product development, financial results and reserves. Our actual results and financial condition may differ, possibly materially, from these projections and statements and therefore you should not place undue reliance on them.

Factors that could cause our actual results and financial condition to differ, possibly materially, from those in the specific projections and statements are discussed throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations and in "Risk Factors" in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2023 that was filed with the U.S. Securities and Exchange Commission ("SEC") on March 12, 2024, however, these factors should not be construed as exhaustive. Forward-looking statements speak only as of the date they are made and we undertake no obligation to update or revise any forward-looking statement that may be made from time to time, whether as a result of new information, future developments or otherwise, except as required by law.

Overview

Maiden Holdings is a Bermuda-based holding company. We create shareholder value by actively managing and allocating our assets and capital, including through ownership and management of businesses and assets mostly in the insurance and related financial services industries where we can leverage our deep knowledge of those markets.

As discussed in the *“Legacy Underwriting”* section further below, we have fulfilled our capital commitment to Genesis Legacy Solutions ("GLS") and have determined we will not commit any further capital to GLS for new accounts and we presently do not anticipate any further contracts in the legacy management segment, as we no longer consider it part of our strategy to produce acceptable shareholder returns.

We are not currently underwriting reinsurance business on new prospective risks but have recently underwritten risks on a retroactive basis through GLS. We also have various historic reinsurance programs underwritten by Maiden Reinsurance Ltd. ("Maiden Reinsurance") which are in run-off, including the liabilities associated with AmTrust Financial Services, Inc. ("AmTrust") which we terminated in 2019 as discussed in "*Note 10. Related Party Agreements*" of the Notes to Condensed Consolidated Financial Statements in Part I Item 1. *"Financial Information"*. In addition, we have a Loss Portfolio Transfer and Adverse Development Cover Agreement ("LPT/ADC Agreement") with Cavello Bay Reinsurance Limited ("Cavello") and a commutation agreement that further reduces our exposure to and limits the potential volatility related to our AmTrust liabilities in run-off, as discussed in "*Note 8. Reinsurance*" of the Notes to Condensed Consolidated Financial Statements in Part I Item 1. *"Financial Information"*.

Short-term income protection business is presently written on a primary basis by our wholly owned subsidiaries Maiden Life Försäkrings AB ("Maiden LF") and Maiden General Försäkrings AB ("Maiden GF") in the Scandinavian and Northern European markets. Our wholly owned subsidiary, Maiden Global Holdings, Ltd. ("Maiden Global") is a licensed intermediary in the United Kingdom. Maiden Global had previously operated internationally by providing branded auto and credit life insurance products through insurer partners, particularly those in Europe and other global markets ("IIS business"). These products also produced reinsurance programs which were underwritten by our wholly owned subsidiary Maiden Reinsurance.

On May 3, 2024, Maiden LF and Maiden GF entered into a renewal rights transaction with AmTrust Nordic AB ("AmTrust Nordic") a Swedish unit of AmTrust which is expected to cover the majority of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries. The Company anticipates entering into additional renewal rights agreements with other AmTrust entities for certain business written by Maiden GF and Maiden LF in the United Kingdom and Ireland. Under these agreements, AmTrust Nordic in collaboration with existing Maiden LF and Maiden GF distribution partners, will offer renewals to select policyholders in exchange for a fee at standard market terms for business successfully renewed. AmTrust is expected to hire a limited number of related staff to support the transfer of the business.

These transactions are part of our broader plan to divest the IIS businesses as a result of our recently concluded strategic review of the IIS business platform. The purpose of that review was to evaluate the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of our target return on capital levels. As part of these conclusions, we expect to enter into additional transactions to either sell or wind-up Maiden GF and Maiden LF during 2024 and we are actively evaluating potential transactions currently.

Our business currently consists of two reportable segments: Diversified Reinsurance and AmTrust Reinsurance. Our Diversified Reinsurance segment consists of a portfolio of predominantly property and casualty reinsurance business focusing on regional and specialty property and casualty insurance companies located primarily in Europe. This segment also includes transactions entered into by GLS since November 2020. Our AmTrust Reinsurance segment includes all business ceded to Maiden Reinsurance by AmTrust, primarily the quota share reinsurance agreement (“AmTrust Quota Share”) between Maiden Reinsurance and AmTrust’s wholly owned subsidiary, AmTrust International Insurance, Ltd. (“AII”) and the European hospital liability quota share reinsurance contract ("European Hospital Liability Quota Share") with AmTrust’s wholly owned subsidiaries, AmTrust Europe Limited ("AEL") and AmTrust International Underwriters DAC ("AIU DAC"), both of which are in run-off effective as of January 1, 2019.

Please refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023 that was filed on March 12, 2024 for further information on recent developments within the Company.

Business Strategy

We continued to deploy our revised operating strategy during 2024 which leverages the significant assets and capital we retain. In addition to restoring operating profitability, our strategic focus centers on creating the greatest risk-adjusted shareholder returns in order to increase book value for our common shareholders, both near and long-term. In that respect, management’s focus is to increase the non-GAAP book value of the Company, which fully reflects the steps we have taken to protect our balance sheet, primarily through our LPT/ADC Agreement with Cavello, as this represents the ultimate economic value of Maiden.

We also believe that these areas of strategic focus will enhance our profitability through increased returns, which should also increase the likelihood of fully utilizing the significant net operating loss ("NOL") carryforwards as described further below which would increase both GAAP and non-GAAP book value and create additional common shareholder value. This strategy presently has two principal areas of focus:

- Asset management - investing in assets and asset classes in a prudent but expansive manner in order to maximize investment returns and is principally enabled by limiting the amount of insurance risk we assume in relation to the assets we hold and maintaining required regulatory capital at very strong levels to manage our aggregate risk profile; and

- Capital management - effectively managing the capital we hold on our balance sheet and when appropriate, repurchasing securities or returning capital to enhance common shareholder returns.

As our insurance liabilities run-off and these strategies potentially develop along timelines longer than initially anticipated, we may allocate capital to other insurance activities that produce more consistent levels of revenue and profit as we seek to create longer-term shareholder value.

As part of our ongoing strategic evaluation of both the insurance and reinsurance marketplace and the ability of both the fee-based, distribution and the reinsurance markets to increase our current income and improve our ability to utilize and recognize our deferred tax assets, we increasingly believe expansion of those strategies may be appropriate. We are actively exploring fee-based and distribution opportunities which are non-risk bearing and capital efficient and given ongoing changes in reinsurance markets, can be potentially complemented by limited and selective deployment of reinsurance capacity to supplement those activities and enhance returns to shareholders.

To date, we invested $12.7 million in insurance distribution platforms and these investments have achieved an internal rate of return of 21.7% and a multiple of capital of 1.53x on those investments.

Further, we have not engaged or pursued active reinsurance underwriting of new prospective risks as our assessment of the reinsurance marketplace along with our current operating profile has been that the risk-adjusted returns that may be produced via such underwriting are likely to be lower over the long-term than our cost of capital. However, as interest rates have increased and moved towards historically observed levels, risk-adjusted returns for active reinsurance underwriting of new prospective risks may become more attractive and while we have no immediate plans to resume such underwriting, we continue to evaluate if such a strategy, even on a limited basis, would produce suitable value for shareholders. While we do not expect to pursue such a strategy independently, such an approach could complement and enhance an approach to investing in and acquiring fee-based and distribution properties and strengthen those entities.

While our returns to date have not as yet achieved our objectives, we continue to believe the measures implemented in recent years have allowed us to more flexibly allocate capital to those activities most likely to produce the greatest returns for shareholders, and we are actively engaged in evaluating and deploying funds and adjusting our strategies as discussed herein.

The returns expected to be produced by each pillar of our strategy are primarily evaluated in relation to our cost of debt capital, which carries a weighted average effective interest rate of 7.6%. To the extent our experience or belief indicates we cannot exceed the cost of debt capital, we expect to refrain from activities in those areas, as evidenced in our decisions regarding legacy management.

Our ability to execute our asset and capital management initiatives is dependent on maintaining adequate levels of unrestricted liquidity and cash flows. Further, there can be no assurance that our insurance liabilities will run-off at levels that will permit further capital management activities, which we continually review as part of our strategy. Please refer to the *"Liquidity and Capital Resources"* section for further information on our asset and capital management activities.

Asset Management

As part of our expanded asset management activities, as noted we have evaluated and continue to consider investing in various initiatives in the insurance industry across a variety of segments which we believe will produce appropriate risk-adjusted returns while maintaining the option to consider underwriting activities in the future. We believe these expanded activities will produce a broad range of positive impacts on our financial condition, including current income, longer-term gains and in certain instances, fee income.

As of March 31, 2024, we have invested approximately $327.0 million into alternative investments which include equity securities, other investments and equity method investments in a wide variety of asset classes, and we believe these activities will exceed that benchmark cost of capital with adjustments as necessary if those returns do not emerge. Please refer to the *"Liquidity and Capital Resources"* section on "*Other Investments, Equity Investments and Equity Method Investments"* for further information on our alternative asset classes and a detailed discussion of their investment returns.

Recent development and trends in financial markets, particularly the rapid rise in interest rates and associated economic uncertainty as a result of those changes, indicate that it may take longer than expected to achieve those returns and we expect that to factor into future capital allocation decisions. In particular, as interest rates have risen to more historically observed levels, we have focused on investing in assets that produce higher levels of current income as opposed to longer-term gains, in order to increase returns to shareholders and increase the opportunity to recognize our deferred tax assets discussed below.

Capital Management

Our capital management strategy is significantly informed by the required capital needed to operate our business in a prudent manner and our ongoing analysis of our loss development trends. Trends in recent years have increased our confidence in our recorded ultimate losses for our insurance liabilities in run-off, however a prudent assessment dictates that the run-off portfolio still requires additional maturity to fully emerge, as evidenced by the adverse loss development we have experienced in 2023 and 2024. While there is no assurance that prior positive long-term loss development trends will resume, as our insurance liabilities further mature we remain confident that we can continue the prudent and disciplined repurchase of both our common shares and senior notes which are authorized for repurchase, which we believe provided the greatest risk-adjusted returns to our common shareholders.

Please refer to *"Notes to Consolidated Financial Statements - Note 6 — Shareholders' Equity"* under Item 8 *"Financial Statements and Supplementary Data"* of the Annual Report on Form 10-K for the year ended December 31, 2022 for further information on the common shares issued as part of the exchange for preference shares held by Maiden Reinsurance and other preference shareholders in 2022 ("Exchange"). Completion of the Exchange represented a significant milestone in our capital management plan and we continue to evaluate other capital management options that may be available to us, including repurchase of the Company's common shares and senior notes from time to time at market prices or as may be privately negotiated as approved by our Board in its respective authorizations. The Company expects to deploy its capital management strategy on a long-term and disciplined basis, balanced along with its other strategic initiatives.

We note that recognition of the deferred tax asset on our balance sheet is a leading priority for the Company to increase its GAAP and non-GAAP book value and we will balance these considerations against opportunities to repurchase shares at what we believe are appropriate prices as we pursue our capital management initiatives.

Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 6. Shareholders' Equity*" included under *Item 1. "Financial Statements"* of this Quarterly Report on Form 10-Q for further information on the recent repurchases made by Maiden Reinsurance during the first quarter of 2024. There can be no assurance that we will continue to pursue such capital management initiatives, or that they will provide appropriate risk-adjusted returns. As we revised our strategy in recent years, we continuously evaluate the effectiveness of those strategies in achieving its goals and have been and continue to be prepared to adjust those strategies as our performance dictates.

Legacy Underwriting

In November 2020, the Company formed GLS to specialize in providing a full range of legacy services to small insurance entities, particularly those in run-off or with blocks of reserves that are no longer core to those companies' operations, working with clients to develop and implement finality solutions including acquiring entire companies that enable our clients to meet their capital and risk management objectives.The goal of GLS was to acquire legacy liabilities and (re)insurance reserves from companies and provide retroactive reinsurance coverage for portfolios of (re)insurance business, primarily via loss portfolio transfer contracts ("LPT"). Additionally, GLS provided reinsurance contracts to other (re)insurers to mitigate some of their risk of future adverse development (an adverse development cover, or "ADC") on insurance risks relating to prior accident years.

We believed the formation of GLS was highly complementary to our overall longer-term strategy and would produce risk-adjusted returns in excess of our debt cost of capital. However, GLS did not achieve either the volume or profitability expected and we concluded that the outlook would not change materially. At the time we formed GLS, we committed a certain level of capital to support this business which we have since fulfilled. After carefully evaluating the performance of this platform, ongoing market conditions, the competitive landscape and a variety of other factors, we have concluded that we will not commit additional capital to new accounts in this segment and will be running off the small number of accounts we underwrote since the formation of GLS. We presently do not anticipate any further contracts in the legacy management segment, and we no longer consider it part of our strategy to produce acceptable shareholder returns.

At March 31, 2024, GLS and its subsidiaries hold insurance related liabilities of $24.3 million which mainly consisted of total reserves of $18.1 million, an underwriting-related derivative liability of $4.0 million, and net deferred gains on retroactive reinsurance of $2.3 million.

2024 Developments

During the first quarter of 2024, while our book value remained stable at $2.48 per common share at March 31, 2024, our non-GAAP book value increased by 1.6% to $3.24 per common share at March 31, 2024. We also made additional progress in the capital management pillar of our business strategy, repurchasing 352,111 common shares during the first quarter of 2024.

During the first quarter of 2024, our alternative investment portfolio increased by 5.8% and produced a positive net return of 3.4% on that portfolio during the first quarter of 2024 compared to 0.7% for the same period in 2023. The annualized return is now above our cost of capital despite numerous investments continuing to be carried at cost or net asset values that have yet to realize positive marks due to their only recent deployment. We believe our alternative investment portfolio remains well positioned to achieve its targeted longer-term returns. As interest rates have risen, we are increasingly focusing our investing activities on opportunities that will produce current income.

The run-off of our historic reinsurance programs produced an underwriting loss during the first quarter of 2024, and we experienced adverse prior year reserve development of $6.6 million which offset much of the positive progress made in our capital and asset management strategies. Of this adverse prior year development, $5.0 million or 76.2% of the total net adverse development for the three months ended March 31, 2024 was related to claims we expect to be covered by the LPT/ADC Agreement with Cavello and which will be recognized as future GAAP income when recovered from Cavello pursuant to both the agreement and GAAP accounting requirements.

Maiden Holdings North America ("Maiden NA")

We believe Maiden NA's investments, including its ownership of Maiden Reinsurance and its active asset management strategy, will create opportunities to utilize NOL carryforwards of $334.0 million at March 31, 2024. Approximately $182.8 million of these NOL carryforwards expire in various years beginning in 2029. As of March 31, 2024, $151.2 million or 45.3% of the Company's NOL carryforwards have no expiry date under the relevant U.S. tax law. The NOL carryforwards combined with additional net deferred tax assets ("DTA") primarily related to our insurance liabilities result in net U.S. DTA (before valuation allowance) of $117.3 million or $1.17 per common share at March 31, 2024.

Net U.S. DTA of $117.3 million is not presently recognized on the Company's condensed consolidated balance sheets as a full valuation allowance is carried against it. At this time, while positive evidence in support of reducing the valuation allowance is growing, the Company believes it is necessary to maintain a full valuation allowance against the net U.S. DTA as more evidence is needed regarding the utilization of these losses. As circumstances further develop, we will continuously evaluate the amount of the valuation allowance held against the net U.S. DTA.

For further details please see "*Note 13 — Income Taxes*" included under Item 8 "*Financial Statements and Supplementary Data*" of the Annual Report on Form 10–K for the year ended December 31, 2023. Taken together, we believe these measures should generate additional income for Maiden NA in a tax-efficient manner, while sharing in the improvement in profitability anticipated in Maiden Reinsurance as a result of the measures enacted as described above.

Three Months Ended March 31, 2024 and 2023 Financial Highlights

For the Three Months Ended March 31,	**2024**	**2023**	**Change**
Summary Consolidated Statement of Income Data (unaudited):	($ in thousands except per share data)		
Net income (loss)	$ 1,459	$ (11,328)	$ 12,787
Basic and diluted earnings (loss) per common share:			
Net income (loss) available (attributable) to common shareholders(2)	0.01	(0.11)	0.12
Gross premiums written	8,323	836	7,487
Net premiums earned	12,408	9,002	3,406
Underwriting loss(3)	(7,524)	(8,253)	729
Net investment results(13)	17,056	10,499	6,557
Non-GAAP measures:			
Non-GAAP operating loss(1)	(4,950)	(7,893)	2,943
Non-GAAP basic and diluted operating loss per common share(1)	(0.05)	(0.08)	0.03
Annualized non-GAAP operating return on average adjusted shareholders' equity(1)	(6.2)%	(9.9)%	3.7

	March 31, 2024	**December 31, 2023**	**Change**
Consolidated Financial Condition	($ in thousands except per share data)		
Total investments and cash and cash equivalents(4)	$ 616,596	$ 602,318	$ 14,278
Total assets	1,468,971	1,518,934	(49,963)
Reserve for loss and LAE	813,879	867,433	(53,554)
Senior notes - principal amount	262,361	262,361	—
Shareholders' equity	249,360	249,160	200
Total capital resources(5)	511,721	511,521	200
Ratio of debt to total capital resources(10)	51.3 %	51.3 %	—
Book Value calculations:			
Book value per common share(6)	$ 2.48	$ 2.48	$ —
Accumulated dividends per common share(12)	4.27	4.27	—
Book value per common share plus accumulated dividends	$ 6.75	$ 6.75	$ —
Change in book value per common share plus accumulated dividends	— %		
Diluted book value per common share(7)	$ 2.43	$ 2.46	$ (0.03)
Non-GAAP measures:			
Adjusted book value per common share(8)	$ 3.24	$ 3.19	$ 0.05
Adjusted shareholders' equity(9)	325,276	320,076	5,200
Adjusted total capital resources(9)	587,637	582,437	5,200
Ratio of debt to adjusted total capital resources(11)	44.6 %	45.0 %	(0.4)

(1) Non-GAAP operating loss, non-GAAP operating loss per common share, and annualized non-GAAP operating return on average common shareholders' equity are non-GAAP financial measures. See "*Key Financial Measures*" for additional information.
(2) Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 12. Earnings per Common Share*" for the calculation of basic and diluted income (loss) per common share.
(3) Underwriting income or loss is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities. See "*Key Financial Measures*" for additional information.
(4) Total investments and cash and cash equivalents includes both restricted and unrestricted.
(5) Total capital resources is the sum of the Company's principal amount of debt and shareholders' equity. See "*Key Financial Measures*" for additional information.
(6) Book value per common share is calculated using shareholders’ equity divided by the number of common shares outstanding. See "*Key Financial Measures*" for additional information.
(7) Diluted book value per common share is calculated by dividing shareholders' equity, adjusted for assumed proceeds from the exercise of dilutive options, by the number of outstanding common shares plus dilutive options and restricted shares (assuming exercise of all dilutive share based awards). See "*Key Financial Measures*" for additional information.
(8) Adjusted book value per common share is a non-GAAP measure that is calculated using shareholders' equity, adjusted by adding to shareholders' equity the unamortized deferred gain on retroactive reinsurance arising from the LPT/ADC Agreement, divided by the number of common shares outstanding. See "*Key Financial Measures*" for additional information.
(9) Adjusted shareholders' equity and adjusted total capital resources are calculated by adding to shareholders' equity the unamortized deferred gain on retroactive reinsurance arising from the LPT/ADC Agreement with Cavello relating to losses from the AmTrust Quota Share agreement. Under U.S. GAAP, the deferred gain shall be amortized over the estimated remaining settlement period. See "*Key Financial Measures*" for additional information.
(10) Ratio of debt to total capital resources is calculated using the total principal amount of debt divided by the sum of total capital resources.
(11) Ratio of debt to adjusted total capital resources is calculated using the total principal amount of debt divided by the sum of adjusted total capital resources.
(12) Accumulated dividends per common share includes the cumulative sum of dividends declared and paid in the past on the Company's issued common shares since inception.
(13) Net investment results include the sum of net investment income, net realized and unrealized gains (losses), and interest in income (loss) of equity method investments.

Key Financial Measures

In addition to our key financial measures presented in accordance with GAAP in the Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Income and Comprehensive Income, management uses certain non-GAAP financial measures to evaluate the Company's financial performance and the overall growth in value generated for the Company's common shareholders. Management believes that these measures, which may be defined differently by other companies, explain the Company's results to investors in a manner that allows for a more complete understanding of the underlying trends in the Company's business. The non-GAAP measures should not be viewed as a substitute for those determined in accordance with U.S. GAAP. The calculation of these key financial measures including the reconciliation of non-GAAP measures to the nearest GAAP measure and relevant discussions are found within *Item 2 - "Management's Discussion and Analysis of Financial Condition and Results of Operations"*. These non-GAAP financial measures are:

Non-GAAP operating earnings (loss) and non-GAAP diluted operating earnings (loss) per common share: Management believes that the use of non-GAAP operating earnings and non-GAAP diluted operating earnings per common share enables investors and other users of the Company's financial information to analyze its performance in a manner similar to how management analyzes performance. Management also believes that these measures generally follow industry practice therefore allowing the users of financial information to compare the Company's performance with its industry peer group, and that the equity analysts and certain rating agencies which follow the Company, and the insurance industry as a whole, generally exclude these items from their analyses for the same reasons. Non-GAAP operating earnings should not be viewed as a substitute for U.S. GAAP net income.

Non-GAAP operating earnings (loss) is an internal performance measure used by management as these measures focus on the underlying fundamentals of the Company's operations by excluding, on a recurring basis: (1) net realized investment gains (losses); (2) foreign exchange and other gains (losses); (3) the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under the LPT/ADC Agreement and related changes in amortization of the deferred gain liability; and (4) interest in income (loss) of equity method investments. We excluded net realized investment gains (losses), interest in income (loss) of equity method investments and foreign exchange and other gains (losses) as we believe these are influenced by market opportunities and other factors. We do not believe that ceded risks under the LPT/ADC Agreement are representative of our ongoing and future business which are different to retroactive reinsurance risks written by GLS that are representative of our ongoing and future business. We believe all of these amounts are substantially independent of our business and any potential future underwriting process, therefore including them would distort the analysis of underlying trends in our operations.

Underwriting income (loss) is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities. For purposes of these non-GAAP operating measures, the fee-generating business which is included in our Diversified Reinsurance segment, is considered part of the underwriting operations of the Company. Management believes that this measure is important in evaluating the underwriting performance of the Company and its segments. This measure is also a useful tool to measure the profitability of the Company separately from the investment results and is also a widely used performance indicator in the insurance industry. A reconciliation of the Company's underwriting results can be found in the Condensed Consolidated Financial Statements in the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 3. Segment Information*" included under *Item 1. "Financial Statements"* of this Quarterly Report on Form 10-Q.

The Company no longer presents certain non-GAAP measures such as combined ratio and its related components in this Quarterly Report on Form 10-Q for the three months ended March 31, 2024, as it believes that as the run-off of our reinsurance portfolios progresses, such ratios are increasingly not meaningful and of less value to readers as they evaluate the financial results of the Company, particularly compared to historical data.

While an important metric of success, underwriting income (loss) does not reflect all components of profitability, as it does not recognize the impact of investment income earned on premiums between the time premiums are received and the time loss payments are ultimately paid to clients. Because we do not manage our cash and investments by segment, investment income and interest expense are not allocated to the reportable segments. Certain general and administrative expenses are generally allocated to segments based on actual costs incurred.

Non-GAAP Operating Return on Average Adjusted Shareholders' Equity ("Non-GAAP Operating ROACE"): Management uses non-GAAP operating return on average adjusted shareholders' equity as a measure of profitability that focuses on the return to common shareholders. It is calculated using non-GAAP operating earnings (loss) available to common shareholders (as defined above) divided by average adjusted shareholders' equity.

Book Value per Common Share and Diluted Book Value per Common Share: Book value per common share and diluted book value per common share are non-GAAP measures. Management uses growth in both of these metrics as a prime measure of the value we are generating for our common shareholders, because management believes that growth in each metric ultimately results in growth in the Company's common share price. These metrics are impacted by the Company's net income and external factors, such as interest rates, which can drive changes in unrealized gains or losses on our fixed income investment portfolio, as well as common share repurchases.

Ratio of Debt to Total Capital Resources: Management uses this non-GAAP measure to monitor the financial leverage of the Company. This measure is calculated using the total principal amount of debt divided by the sum of total capital resources.

Non-GAAP underwriting income (loss) and Non-GAAP Net Loss and LAE: Management has further adjusted underwriting income (loss), as defined above, as well as reported net loss and LAE by excluding the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements such as the LPT/ADC Agreement. The losses are estimated to be fully recoverable from Cavello and management believes adjusting for this development shows the ultimate economic benefit of the LPT/ADC Agreement on our underwriting results.

We believe reflecting the economic benefit of this retroactive reinsurance agreement is helpful for understanding future trends in our operations.

Adjusted Total Shareholders' Equity, Adjusted Total Capital Resources, Ratio of Debt to Adjusted Total Capital Resources and Adjusted Book Value per Common Share: Management has adjusted GAAP shareholders' equity by adding to shareholders' equity the unamortized deferred gain on ceded retroactive reinsurance under the LPT/ADC Agreement to shareholders' equity. The deferred gain liability on retroactive reinsurance under the LPT/ADC Agreement represents loss reserves estimated to be fully recoverable from Cavello. The unamortized deferred gain on ceded retroactive reinsurance under the LPT/ADC Agreement includes the aggregate impact of: 1) cumulative increases to losses incurred prior to December 31, 2018 for which we have ceded the risk under the LPT/ADC Agreement; and 2) changes in estimated ultimate losses for certain workers' compensation reserves previously commuted by the Company to AmTrust which are subject to specific terms and conditions pursuant to the LPT/ADC Agreement.

As a result, by virtue of this adjustment, management has also adjusted Total Capital Resources and computed the Ratio of Debt to Adjusted Capital Resources and Adjusted Book Value per Common Share. We believe adjusting for this shows the ultimate economic benefit of the LPT/ADC Agreement and reflecting the economic benefit of this non-recurring retroactive reinsurance agreement is helpful to understand future trends in our operations, which will improve the Company's shareholders' equity over the settlement or contract periods, respectively.

Alternative investments is the total of the Company's holdings of equity securities, other investments and equity method investments as reported on the Company's Condensed Consolidated Balance Sheets.

Certain Operating Measures

Refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024, for a general discussion on "*Certain Operating Measures"* utilized by the Company.

Critical Accounting Policies and Estimates

The critical accounting policies and estimates should be read in conjunction with "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 2. Significant Accounting Policies*" included in this Form 10-Q and "*Notes to Consolidated Financial Statements Note 2. Significant Accounting Policies*" included within the audited Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024. There have been no material changes in the application of our critical accounting estimates subsequent to that report.

Results of Operations

The following table sets forth our selected unaudited Condensed Consolidated Statement of Income data for the three months ended March 31, 2024 and 2023:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Gross premiums written	$ 8,323	$ 836
Net premiums written	$ 8,314	$ 760
Net premiums earned	$ 12,408	$ 9,002
Other insurance revenue (expense), net	46	(59)
Net loss and LAE	(11,625)	(9,815)
Commission and other acquisition expenses	(5,593)	(4,235)
General and administrative expenses(1)	(2,760)	(3,146)
Underwriting loss (2)	(7,524)	(8,253)
Other general and administrative expenses(1)	(5,300)	(6,962)
Net investment income	7,700	9,545
Net realized and unrealized investment gains	8,750	1,005
Foreign exchange and other gains (losses)	2,053	(2,816)
Interest and amortization expenses	(4,815)	(3,824)
Income tax (expense) benefit	(11)	28
Interest in income (loss) of equity method investments	606	(51)
Net income (loss)	$ 1,459	$ (11,328)

(1) Underwriting related general and administrative expenses is a non-GAAP measure. Please refer to *"General and Administrative Expenses"* below for additional information related to these corporate expenses and the reconciliation to those presented in our unaudited Condensed Consolidated Statements of Income.
(2) Underwriting loss is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities.
(3) The Company no longer presents certain non-GAAP measures such as combined ratio and its related components in its results of operation, as it believes that as the run-off of its reinsurance portfolios progresses, such ratios are increasingly not meaningful and of less value to readers as they evaluate our financial results.

Net income (loss)

Net income for the three months ended March 31, 2024 was $1.5 million compared to net loss of $11.3 million for the same respective period in 2023. The increase in our financial results for the first quarter of 2024 compared to the first quarter of 2023 was primarily due to:

- total income from investment activities of $17.1 million for the three months ended March 31, 2024 compared to $10.5 million for the same period in 2023 which was comprised of:
  - realized and unrealized investment gains increased to $8.8 million for the three months ended March 31, 2024 compared to gains of $1.0 million for the same period in 2023;
  - interest in income of equity method investments of $0.6 million for the three months ended March 31, 2024 compared to an interest in loss of $0.1 million for the same period in 2023; and
  - net investment income decreased to $7.7 million for the three months ended March 31, 2024 compared to $9.5 million for the same period in 2023.
- an underwriting loss of $7.5 million for the three months ended March 31, 2024 compared to an underwriting loss of $8.3 million in the same period in 2023 largely due to:
  - adverse prior year loss development ("PPD") of $6.6 million in the first quarter of 2024 compared to adverse PPD of $3.7 million during the same period in 2023; and
  - on a current accident year basis, underwriting loss was $1.0 million for the three months ended March 31, 2024 compared to an underwriting loss of $4.6 million for the same period in 2023.
- corporate general and administrative expenses decreased to $5.3 million for the three months ended March 31, 2024 compared to $7.0 million for the same period in 2023; and
- foreign exchange and other gains increased to $2.1 million for the three months ended March 31, 2024, compared to foreign exchange and other losses of $2.8 million for the same period in 2023.

Net Premiums Written

The table below compares net premiums written by our reportable segments, reconciled to the total consolidated net premiums written for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023	Change in
($ in thousands)	Total	Total	$
Diversified Reinsurance	$ 8,819	$ 6,773	$ 2,046
AmTrust Reinsurance	(505)	(6,013)	5,508
Total	$ 8,314	$ 760	$ 7,554

Net premiums written for the three months ended March 31, 2024 increased to $8.3 million compared to net premiums written of $0.8 million for the same period in 2023:

- Premiums written in the Diversified Reinsurance segment increased by $2.0 million for the three months ended March 31, 2024 compared to the same period in 2023 due to growth in direct premiums for Credit Life programs written by Maiden LF and Maiden GF.
- Premiums written in the AmTrust Reinsurance segment increased by $5.5 million for the three months ended March 31, 2024 compared to the same period in 2023. The negative written premiums in the prior year period reflect cession adjustments of $6.1 million due to the cancellation of cases in one specific program within Specialty Risk and Extended Warranty for the three months ended March 31, 2023.

Please refer to the analysis below of our Diversified Reinsurance and AmTrust Reinsurance segments for further details.

Net Premiums Earned

Net premiums earned increased by $3.4 million for the three months ended March 31, 2024 compared to the same period in 2023. The table below compares net premiums earned by our reportable segments, reconciled to the total consolidated net premiums earned, for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023	Change in
($ in thousands)	Total	Total	$
Diversified Reinsurance	$ 8,991	$ 7,471	$ 1,520
AmTrust Quota Share Reinsurance	3,417	1,531	1,886
Total	$ 12,408	$ 9,002	$ 3,406

Net premiums earned in the Diversified Reinsurance segment for the three months ended March 31, 2024 increased by $1.5 million or 20.3% compared to the same period in 2023 mainly due to growth in Credit Life programs written by Maiden LF and Maiden GF. Please refer to the analysis of our Diversified Reinsurance segment for further discussion.

Net premiums earned in the AmTrust Reinsurance segment for the three months ended March 31, 2024 increased by $1.9 million compared to the same period in 2023 primarily due to negative earned premium adjustments made in 2023. Please refer to the analysis of our AmTrust Reinsurance segment for further discussion.

Other Insurance Revenue

All of our Other Insurance Revenue is produced by our Diversified Reinsurance segment. Please refer to the analysis below of our Diversified Reinsurance segment for further discussion.

Net Investment Income

Net investment income decreased by $1.8 million or 19.3% for the three months ended March 31, 2024 compared to the same period in 2023 largely due to lower interest income earned on our funds withheld balance with AmTrust, which decreased by $2.4 million due to a lower average balance of $94.7 million for the three months ended March 31, 2024 compared to an average balance of $384.2 million for the same period in 2023.

Annualized average book yields increased to 4.6% for the three months ended March 31, 2024 compared to 3.7% for the same period in 2023 due to the following factors:

- Floating rate investments comprise 43.2% of our fixed income investments as of March 31, 2024 which enabled the portfolio to respond to the higher interest rate environment more quickly;
- Loan to related party carried a higher weighted average interest rate on a balance of $168.0 million which increased to 7.3% for the three months ended March 31, 2024 compared to 6.4% for the same period in 2023; partly offset by:
- Funds withheld receivable earned an annual interest rate of 3.5% for the three months ended March 31, 2024 and 2023 however there was lower interest income on the funds withheld receivable of $0.9 million for the three months ended March 31, 2024 compared to $3.3 million for the same period in 2023 driven by a lower average funds held balance of $94.7 million.

Average aggregate fixed income assets at March 31, 2024 decreased by 39.0% compared to March 31, 2023 due to continued run-off of our reinsurance liabilities previously written on prospective risks primarily through the funds withheld receivable. For the three months ended March 31, 2024, we experienced positive operating cash flows due to excess collateral of $15.3 million released by AmTrust through the funds withheld receivable as we run-off our existing reinsurance liabilities in the AmTrust Reinsurance segment.

The following table details our average aggregate fixed income assets (at cost) and annualized investment book yield for the three months ended March 31, 2024 and 2023:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Average aggregate fixed income assets, at cost [1]	$ 577,388	$ 947,270
Annualized investment book yield	4.6 %	3.7 %

(1) Fixed income assets include available-for-sale ("AFS") securities, cash and restricted cash, funds withheld receivable, and loan to related party. These amounts are an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

Net Realized and Unrealized Investment Gains (Losses)

Net realized and unrealized investment gains of $8.8 million were recognized for the three months ended March 31, 2024 compared to net realized and unrealized investment gains of $1.0 million for the same period in 2023. Total net realized and unrealized investment gains for the three months ended March 31, 2024 and 2023 are summarized in the table below by investment category:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Net realized (losses) gains:		
Fixed income assets[1]	$ (218)	$ —
Other investments, including equity securities	—	176
Total net realized (losses) gains	(218)	176
Net unrealized gains:		
Other investments, including equity securities	8,968	829
Total net unrealized gains	8,968	829
Total net realized and unrealized investment gains	$ 8,750	$ 1,005

(1) Fixed income assets includes AFS securities as well as cash, restricted cash, funds withheld receivable, and loan to related party.

Total net realized and unrealized investment gains increased by $7.7 million for the three months ended March 31, 2024 compared to the same period in 2023 primarily due to unrealized gains in the private equity asset class of $7.9 million during the current year period.

Interest in Income (Loss) of Equity Method Investments

Total interest in income of equity method investments of $0.6 million were recognized for the three months ended March 31, 2024 compared to an interest in the loss of equity method investments of $0.1 million for the same period in 2023. Equity method investments consist of real estate investments of $52.6 million and other investments of $29.5 million as of March 31, 2024. Interest in income (loss) of equity method investments for the three months ended March 31, 2024 and 2023 is detailed by investment category in the following table:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Hedge fund investments	$ —	$ 167
Real estate investments	353	(218)
Other investments	253	—
Interest in income (loss) of equity method investments	$ 606	$ (51)

Net Loss and LAE

Net loss and LAE increased by $1.8 million for the first quarter of 2024 compared to the same period in 2023 driven by an increase in net premiums earned in the AmTrust Reinsurance segment. Net losses were impacted by net adverse prior year loss development of $6.6 million for the first quarter of 2024 compared to net adverse prior year loss development of $3.7 million for the same period in 2023. Excluding adverse development, the current year losses were $5.1 million for the first quarter of 2024 compared to $6.2 million for the first quarter of 2023.

The cessation of active reinsurance underwriting on prospective risks included the termination of the AmTrust Quota Share and European Hospital Liability Quota Share effective January 1, 2019. The segment net loss development is discussed in greater detail in the individual segment discussion and analysis and is primarily associated with run-off of unearned premium for terminated reinsurance contracts in the AmTrust Reinsurance and Diversified Reinsurance segments.

Commission and Other Acquisition Expenses

Commission and other acquisition expenses increased by $1.4 million or 32.1% for the three months ended March 31, 2024 compared to the same period in 2023. The movement was driven by lower earned premium adjustments in the AmTrust Reinsurance segment for the three months ended March 31, 2024 compared to the same period in 2023 which resulted in a corresponding increase in commission costs and brokerage fees. Please see further discussion in the individual segment analysis further below.

General and Administrative Expenses

General and administrative expenses include both segment and corporate expenses segregated for analytical purposes as a component of underwriting income. Total general and administrative expenses decreased by $2.0 million, or 20.3% for the three months ended March 31, 2024 compared to the same period in 2023. Corporate expenses decreased for the three months ended March 31, 2024 largely due to lower incentive compensation costs (including lower stock-based awards which were $0.4 million compared to $0.8 million for the same period in 2023).

General and administrative expenses for the three months ended March 31, 2024 and 2023 were comprised of:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
General and administrative expenses – segments	$ 2,760	$ 3,146
General and administrative expenses – corporate	5,300	6,962
Total general and administrative expenses	$ 8,060	$ 10,108

Interest and Amortization Expenses

Total interest and amortization expenses related to outstanding senior notes issued by Maiden Holdings in 2016 and Maiden NA in 2013 ("Senior Notes") were $4.8 million for the three months ended March 31, 2024 compared to $3.8 million for the same period in 2023. This included interest expense incurred on the Senior Notes for the three months ended March 31, 2024 and 2023 of $4.8 million, respectively. The issuance costs related to the Senior Notes were capitalized and are amortized over their effective life using the effective interest method of amortization. Due to a change in the amortization method for the 2013 Senior Notes in the prior year period, total amortization expenses were $39.0 thousand for the three months ended March 31, 2024 compared to amortization income of $1.0 million for the same period in 2023.

Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long Term Debt*" for further details on the Senior Notes. The weighted average effective interest rate for the Senior Notes was 7.6% for the three months ended March 31, 2024 and 2023, respectively.

Foreign Exchange and Other Gains (Losses)

Net foreign exchange and other gains of $2.1 million were realized during the three months ended March 31, 2024 compared to net foreign exchange and other losses of $2.8 million for the same period in 2023.

At March 31, 2024, net foreign exchange gains on a year-to-date basis were primarily driven by exposures to euro, British pound and other non-USD denominated net loss reserves and insurance related liabilities in excess of foreign currency assets. Our non-USD denominated liabilities at March 31, 2024 included net loss reserves of $268.2 million. Our foreign currency asset exposures at March 31, 2024 included $164.9 million of fixed maturity securities managed by our investment managers who have the discretion to hold foreign currency exposures as part of their total return strategy, $28.6 million of equity method real estate investments denominated in Canadian dollars, as well as $15.8 million of funds withheld receivable.

Net foreign exchange gains of $2.1 million in the first quarter of 2024 were largely attributable to the strengthening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in the British pound and euro during the period. Net foreign exchange losses of $2.0 million during the three months ended March 31, 2023 were attributable to the weakening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in the British pound and euro.

Underwriting Results by Reportable Segment

Diversified Reinsurance Segment

The underwriting results for our Diversified Reinsurance segment for the three months ended March 31, 2024 and 2023 were as follows:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
Gross premiums written	$ 8,828	$ 6,849
Net premiums written	$ 8,819	$ 6,773
Net premiums earned	$ 8,991	$ 7,471
Other insurance revenue (expense), net	46	(59)
Net loss and LAE	(2,924)	(3,156)
Commission and other acquisition expenses	(4,295)	(3,656)
General and administrative expenses	(2,090)	(2,589)
Underwriting loss	$ (272)	$ (1,989)

Underwriting loss by business unit is detailed in the table below for the Diversified Reinsurance segment for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
International	$ (655)	$ (180)
GLS	(88)	(1,064)
Other run-off lines	471	(745)
Underwriting loss	$ (272)	$ (1,989)

Underwriting results in the Diversified Reinsurance segment improved for the three months ended March 31, 2024 compared to the same respective period in 2023 primarily due to favorable prior year reserve development on GLS and other runoff lines as discussed further below under the net losses and LAE section.

Premiums **—** The growth in written and earned premium was the result of new Credit Life programs written by Maiden LF and Maiden GF in the three months ended March 31, 2024. As discussed in the *"Overview"* section, Maiden LF and Maiden GF entered into a renewal rights transaction with AmTrust Nordic on May 3, 2024 which is expected to cover the majority of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries.

Gross premiums written increased by $2.0 million or 28.9% for the three months ended March 31, 2024 compared to the same period in 2023.

Net premiums written increased by $2.0 million or 30.2% during the three months ended March 31, 2024, compared to the same period in 2023.

Net premiums earned increased by $1.5 million or 20.3% during the three months ended March 31, 2024 compared to the same period in 2023.

Other insurance revenue (expense), net **—** Other insurance revenue (expense), net includes fee related income generated from our GLS business, fair value changes in underwriting-related derivatives related to certain coverages on retroactive reinsurance contracts written by GLS, and fee income derived from our IIS business not directly associated with premium revenue assumed by the Company as specified in the table below.

Other insurance revenue (expense), net increased by $0.1 million for the three months ended March 31, 2024 compared to the same period in 2023 primarily due to fair value changes in non-hedged underwriting-related derivatives on GLS contracts. The table below shows other insurance revenue by source for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023	Change
		($ in thousands)	
International	$ —	$ 97	$ (97)
Changes in fair value of non-hedged underwriting-related derivatives	—	(212)	212
Other service fee income	46	56	(10)
Other insurance revenue (expense), net	$ 46	$ (59)	$ 105

Net Loss and LAE — Net loss and LAE decreased by $0.2 million for the three months ended March 31, 2024 compared to the same period in 2023 primarily due to favorable prior year loss development experienced in GLS and other run-off lines.

The net loss and LAE was impacted by net favorable prior year loss development of $0.7 million for the three months ended March 31, 2024 compared to adverse prior year development of $0.8 million for the same period in 2023. The net favorable prior year loss development for the three months ended March 31, 2024 was primarily from GLS and other runoff business lines. The net adverse development for the three months ended March 31, 2023 was due to unfavorable reserve development in other runoff business and also included the recognition of expected credit losses on reinsurance recoverable on unpaid losses.

Commission and Other Acquisition Expenses — Commission and other acquisition expenses increased by $0.6 million or 17.5% for the three months ended March 31, 2024 compared to the same period in 2023 due to growth in new Credit Life programs written by Maiden LF and GF.

General and Administrative Expenses — General and administrative expenses decreased by $0.5 million or 19.3% for the three months ended March 31, 2024 compared to the same period in 2023 largely due to lower staff incentive compensation.

AmTrust Reinsurance Segment

The AmTrust Reinsurance segment reported an underwriting loss of $7.3 million during the three months ended March 31, 2024 compared to an underwriting loss of $6.3 million for the same period in 2023. The underwriting results for the AmTrust Reinsurance segment for the three months ended March 31, 2024 and 2023 were as follows:

	For the Three Months Ended March 31,	
($ in thousands)	**2024**	**2023**
Gross premiums written	$ (505)	$ (6,013)
Net premiums written	$ (505)	$ (6,013)
Net premiums earned	$ 3,417	$ 1,531
Net loss and LAE	(8,701)	(6,659)
Commission and other acquisition expenses	(1,298)	(579)
General and administrative expenses	(670)	(557)
Underwriting loss	$ (7,252)	$ (6,264)

Premiums — The table below shows net premiums written by category for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	**2024**	**2023**	**Change in**
($ in thousands)	**Total**	**Total**	**$**
Net Premiums Written			
Small Commercial Business	$ (492)	$ (83)	$ (409)
Specialty Program	(15)	156	(171)
Specialty Risk and Extended Warranty	2	(6,086)	6,088
Total AmTrust Reinsurance	$ (505)	$ (6,013)	$ 5,508

The negative premiums for the three months ended March 31, 2024 and March 31, 2023 reflect the termination of the AmTrust Quota Share and the European Hospital Liability Quota Share as of January 1, 2019 which has resulted in no new business written under these contracts since 2018. The negative gross and net premiums written for the three months ended March 31, 2023 reflect cession adjustments of $6.1 million due to the cancellation of cases in a certain program within Specialty Risk and Extended Warranty.

Net premiums earned increased by $1.9 million for the three months ended March 31, 2024 compared to the same period in 2023 primarily due to lower negative premium adjustments during the first quarter of 2024. The table below provides detail on net premiums earned in the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	**2024**	**2023**	**Change in**
($ in thousands)	**Total**	**Total**	**$**
Net Premiums Earned			
Small Commercial Business	$ (492)	$ (83)	$ (409)
Specialty Program	(15)	156	(171)
Specialty Risk and Extended Warranty	3,924	1,458	2,466
Total AmTrust Reinsurance	$ 3,417	$ 1,531	$ 1,886

Net Loss and LAE — Net loss and LAE increased by $2.0 million for the three months ended March 31, 2024 compared to the same period in 2023 driven by higher adverse prior year loss development under the European Hospital Liability Quota Share for the three months ended March 31, 2024.

The table below shows prior year loss development for the AmTrust Reinsurance segment for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,	
	2024	2023
Prior Year Loss Development adverse (favorable)	($ in thousands)	
AmTrust Quota Share	$ 5,000	$ 3,448
AmTrust other runoff	(317)	(523)
European Hospital Liability Quota Share	2,535	(26)
Total AmTrust Reinsurance Prior Year Development	$ 7,218	$ 2,899

Net adverse prior year loss development was $7.2 million during the three months ended March 31, 2024 compared to net adverse development of $2.9 million for the same period in 2023.

Net adverse prior year loss development for the three months ended March 31, 2024 was primarily due to the AmTrust Quota Share contract, with European Hospital Liability also producing adverse loss development. In the AmTrust Quota Share, U.S. Program business experienced continuing adverse development from construction defect coverage for accident years 2015 to 2018 as new claims emergence was again far greater than expected; this was partly offset by continued favorable development within Workers Compensation business for accident years 2014 to 2017. Net adverse loss development on European Hospital Liability Quota Share was primarily driven by emergence of loss data from adverse claim verdicts on older claims, resulting in strengthening of loss development tail on underwriting years 2011 to 2014.

Net adverse prior year loss development for the three months ended March 31, 2023 was driven by unfavorable movements in General Liability, Auto Liability and Specialty Risk & Extended Warranty partly offset by continued favorable development in Workers Compensation.

As of March 31, 2024, the reinsurance recoverable on unpaid losses under the LPT/ADC Agreement was $520.8 million. The LPT/ADC Agreement provides Maiden Reinsurance with $155.0 million in adverse PPD cover over its carried AmTrust Quota Share loss reserves at December 31, 2018. The reinsurance recoverable includes the deferred gain liability under the LPT/ADC Agreement of $75.9 million. At March 31, 2024, there was $79.1 million remaining in available coverage under the LPT/ADC Agreement. Net adverse PPD of $7.2 million for the three months ended March 31, 2024 includes the $5.0 million recoverable under the LPT/ADC Agreement that is expected to be recognized as future GAAP income over time as recoveries are received subject to the provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules.

For the three months ended March 31, 2024 and 2023, respectively, $5.0 million and $1.6 million of the adverse PPD from the AmTrust Quota Share reported in the table above, respectively, are covered by the LPT/ADC Agreement. To the extent adverse loss development in European Hospital Liability continues, the European Hospital Liability Quota Share may have a more significant negative impact on our results than the AmTrust Quota Share, in particular once recoveries from the LPT/ADC Agreement commence and are recognized as GAAP income pursuant to the applicable GAAP accounting rules.

Commission and Other Acquisition Expenses — Commission and other acquisition expenses increased by $0.7 million for the three months ended March 31, 2024 compared to the same period in 2023 primarily due to higher earned premiums in Specialty Risk and Extended Warranty programs.

General and Administrative Expenses — General and administrative expenses increased by $0.1 million for the three months ended March 31, 2024 compared to the same period in 2023.

Liquidity and Capital Resources

Liquidity

Maiden Holdings is a holding company and transacts no business of its own. We therefore rely on cash flows in the form of dividends, advances, loans and other permitted distributions from our subsidiary companies to pay expenses and make dividend payments on our common shares. The jurisdictions in which our operating subsidiaries are licensed to write business impose regulations requiring companies to maintain or meet statutory solvency and liquidity requirements and also place restrictions on the declaration and payment of dividends and other distributions.

As of March 31, 2024, the Company had investable assets of $861.7 million compared to $914.3 million as of December 31, 2023. Investable assets include the combined total of our investments, cash and restricted cash including cash equivalents, loan to a related party and funds withheld receivable. Our investable assets decreased by $52.6 million during the three months ended March 31, 2024 due to the continued run-off of our reinsurance portfolio liabilities as claim payments were settled primarily from the funds withheld receivable, which decreased by $66.9 million in the three months ended March 31, 2024.

The regulatory and liquidity requirements of the Company's operating segments are discussed in *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* section included under Item 7 of our Annual Report on Form 10- K for the year ended December 31, 2023, that was filed with the SEC on March 12, 2024.

Maiden Reinsurance re-domesticated from Bermuda to Vermont on March 16, 2020. We continue to be actively engaged with the Vermont Department of Financial Regulation ("Vermont DFR") regarding Maiden Reinsurance's longer term business plan, including its investment policy, changes to which require prior regulatory approval as stipulated by Vermont law or the Vermont DFR for any active underwriting, capital management or other strategic initiatives. Maiden Reinsurance has received all necessary approvals required to date by the Vermont DFR, including its activities via GLS and its investment policy which includes: 1) the expansion of approved asset classes for investment reflecting not only Maiden Reinsurance's solvency position but the material reduction in required capital necessary to operate its business; and 2) the purchase of affiliated securities as demonstrated in previous preference share tender offers and the Exchange. The Investment Policy, as approved and as amended, maintains our established investment management and governance practices.

In 2023 and 2024, the Vermont DFR approved an annual dividend program to be paid by Maiden Reinsurance to Maiden NA, with notification to the Vermont DFR as dividends are paid. During the three months ended March 31, 2024, Maiden Reinsurance paid dividends of $6.3 million to Maiden NA (2023 - $6.3 million). During the three months ended March 31, 2024 and 2023, Maiden NA did not pay any dividends to Maiden Holdings.

We may experience continued volatility in our results of operations which could negatively impact our financial condition and create a reduction in the amount of available distribution or dividend capacity from our regulated reinsurance subsidiaries, which would also reduce liquidity. Further, we and our insurance subsidiaries may need additional capital to maintain compliance with regulatory capital requirements and/or be required to post additional collateral under existing reinsurance arrangements, which could reduce our liquidity.

Operating, investing and financing cash flows

Our sources of funds historically have consisted of premium receipts net of commissions and brokerage, investment income, net proceeds from capital raising activities, and proceeds from sales, maturities, pay downs and redemption of investments. Cash is currently used primarily to pay loss and LAE, ceded reinsurance premium, general and administrative expenses, and interest expense, with the remainder in excess of our operating requirements made available to our investment managers for investment in accordance with our investment policy as well as for capital management such as repurchasing our shares.

Our business has undergone significant changes since 2018. As previously noted, we engaged in a series of transactions that have materially reduced our balance sheet risk and transformed our operations. As a result of these transactions, we are not presently engaged in any active underwriting of new prospective reinsurance business thus our net premiums written will continue to be materially lower and investment income will become a significantly larger portion of our total revenues. We have not written any new retroactive risks through GLS since December 30, 2022, and this will be smaller in relation to the run-off of our prior reinsurance business. During the three months ended March 31, 2024, the release of $15.3 million excess collateral by AmTrust has caused positive operating cash flows as we run off the AmTrust Reinsurance segment reserves as shown in the cash flows table further below. We continue to expect a trend of negative investing cash flows to continue to reduce our asset base through 2024.

We expect to use funds from cash and investment portfolios, collected premiums on reinsurance contracts in force or being run-off, investment income and proceeds from investment sales and redemptions to meet our expected claims payments and operational expenses. Claim payments will be principally from the run-off of existing reserves for loss and LAE. A significant portion of those liabilities are collateralized and claim payments will be funded by using this collateral which should provide sufficient funding to fulfill those obligations.

The Company's management believes our current sources of liquidity are adequate to meet its cash requirements for the next twelve months as we generally expect operating cash flows to be sufficiently offset by investing cash flows. While we continue to expect our cash flows to be sufficient to meet our cash requirements and to operate our business, our ability to execute our asset and capital management initiatives are dependent on maintaining adequate levels of unrestricted liquidity and cash flows. Our expanded asset management strategy can be impacted by both investment specific and broader financial market conditions and may not produce the expected liquidity and cash flows these investments are designed to achieve, or the timing thereof may also be impacted by those factors.

At March 31, 2024, unrestricted cash, cash equivalents and fixed maturity investments were $62.9 million compared to $73.4 million held at December 31, 2023, an decrease of $10.5 million during the three months ended March 31, 2024.

This was primarily driven by $4.8 million for interest payments on the Senior Notes, $8.8 million of net purchases for alternative investments including equity method investments, $0.7 million for common share repurchases made under the Company's authorized repurchase plan and employee tax obligations on vesting of restricted shares as well as payments for general operating expenses of $8.1 million, partly offset by $15.3 million of collateral released by AmTrust through the funds withheld receivable during the three months ended March 31, 2024.

Please see the related discussion on investing and financing cash flows below. The table below summarizes our operating, investing and financing cash flows for the three months ended March 31, 2024 and 2023:

For the Three Months Ended March 31,	2024	2023
	($ in thousands)	
Operating activities	$ 8,049	$ (20,347)
Investing activities	(19,736)	15,267
Financing activities	(673)	(288)
Effect of exchange rate changes on foreign currency cash	(148)	105
Total decrease in cash, restricted cash and cash equivalents	$ (12,508)	$ (5,263)

Cash Flows provided by Operating Activities

Cash flows provided by operating activities for the three months ended March 31, 2024 was $8.0 million compared to cash flows used in operating activities of $20.3 million for the three months ended March 31, 2023. Operating cash flows were primarily driven by the release of $15.3 million excess collateral by AmTrust from the funds withheld receivable for the three months ended March 31, 2024 whereas the funds withheld receivable was primarily used for settlement of claim payments to AmTrust for the same period in 2023.

Cash Flows used in Investing Activities

Cash flows used in investing activities consist primarily of investment purchases net of proceeds from sales and maturities of investments. Net cash used in investing activities was $19.7 million for the three months ended March 31, 2024 compared to net cash provided by investing activities of $15.3 million for the same period in 2023.

For the three months ended March 31, 2024, the purchases of fixed maturity securities exceeded the proceeds from the sales, maturities and calls by $10.8 million compared to net proceeds of $6.3 million for the same period in 2023. The size of the fixed income investment portfolio will diminish as claims payments are made for the runoff of existing loss reserves for the terminated AmTrust Quota Share and the European Hospital Liability Quota Share contracts.

Cash flows used in investing activities included net purchases of $8.8 million for alternative investments including equity method investments during the three months ended March 31, 2024 compared to net proceeds from alternative investments of $9.0 million for the same period in 2023.

Cash Flows used in Financing Activities

Cash flows used in financing activities were $0.7 million for the three months ended March 31, 2024 compared to $0.3 million for the same period in 2023. During the three months ended March 31, 2024, the Company repurchased 352,111 common shares at an average price per share of $1.91 for a total of $0.7 million used under the Company's authorized common share repurchase plan.

No dividends on common shares were paid during the three months ended March 31, 2024 and 2023. Our Board of Directors have not declared any common share dividends since the third quarter of 2018.

Restrictions, Collateral and Specific Requirements

The Company's restrictions, collateral and specific requirements are discussed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023, that was filed with the SEC on March 12, 2024. Please also refer to "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) "Note 4.(e) Restricted Cash, Cash Equivalents and Investments*" included in this Form 10-Q for details of the fair values of restricted assets at March 31, 2024 and December 31, 2023.

At March 31, 2024 and December 31, 2023, restricted cash and cash equivalents and fixed maturity investments used as collateral were $226.8 million and $219.9 million, respectively. This collateral represents 78.3% and 75.0% of the fair value of total fixed maturity investments, cash, restricted cash and cash equivalents at March 31, 2024 and December 31, 2023, respectively.

Cash and Investments

Historically, the investment of our funds had generally been designed to ensure safety of principal while generating current income. Accordingly, our fixed income investment portfolio is invested in liquid, investment-grade fixed maturity securities which are all designated as AFS at March 31, 2024. Further, as our insurance liabilities continue to run-off and the required capital to operate our business for regulatory purposes decreases, we expanded Maiden Reinsurance's investment policy which has been approved by the Vermont DFR. Under this modified investment policy, we expanded the range of asset classes we invest in to enhance the income and total returns our investment portfolio produces. We categorize these investments as alternative investments which include "*Other Investments*", *"Equity Securities"*, and *"Equity Method Investments"* on our Condensed Consolidated Balance Sheets.

As of March 31, 2024 and December 31, 2023, our cash and investments consisted of:

	March 31, 2024	December 31, 2023
	($ in thousands)	
Fixed maturities, available-for-sale, at fair value	$ 259,451	$ 250,601
Equity securities, at fair value	44,428	45,299
Equity method investments	82,159	80,929
Other investments	200,388	182,811
Total investments	586,426	559,640
Cash and cash equivalents	20,721	35,412
Restricted cash and cash equivalents	9,449	7,266
Total Investments and Cash and Cash Equivalents	$ 616,596	$ 602,318

In addition to the discussion on Cash and Cash Equivalents and Fixed Maturities that follows herein, please see the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 4. Investments*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q for further discussion on our AFS fixed income securities.

Under this revised investment policy, we increased the amount of alternative investments held, and we expect to continue to increase the amounts invested therein. Under our investment policy, alternative investments could include, but are not limited to, privately held investments, private equities, private credit lending funds, fixed-income funds, hedge funds, equity funds, real estate (including joint ventures and limited partnerships) and other non-fixed-income investments.

For further details on our alternative investments, in addition to the discussion of the investments herein, please see "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 4(b). Other Investments, Equity Securities and Equity Method Investments"* included under Part I Item 1 "*Financial Information*" of this Form 10-Q.

Our investment performance is subject to a variety of risks, including risks related to general economic conditions, market volatility, interest rate fluctuations, foreign exchange risk, liquidity risk and credit and default risk. Interest rates are highly sensitive to many factors, including governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. An increase in interest rates could result in significant losses, realized or unrealized, in the value of our investment portfolio. A portion of our portfolio consists of alternative investments that subject us to restrictions on redemption, which may limit our ability to withdraw funds for some period of time after the initial investment. The values of, and returns on, such investments may also be more volatile.

We believe our other investments, equity securities and equity method investments portfolio provides diversification against our fixed-income investments and an opportunity for improved risk-adjusted return, however, the returns of these investments may be more volatile and we may experience significant unrealized gains or losses in any particular quarter or year. While we believe the returns produced by these investments will exceed our cost of capital, in particular our cost of debt capital, it is too soon to determine if the actual returns will achieve this objective and it may be an extended period of time before that determination can be made.

We may utilize and pay fees to various companies to provide investment advisory and/or management services related to these investments. These fees, which would be predominantly based upon the amount of assets under management, would be included in net investment income. In addition, costs associated with evaluating, analyzing and monitoring these investments may require additional expenditures than traditional marketable securities.

The substantial majority of our current and future investments are held by Maiden Reinsurance, whose investment policy was approved by the Vermont DFR. Prior to the Exchange, the Company cumulatively invested $176.4 million in preference shares of Maiden Holdings which have since been extinguished and exchanged for 41,439,348 common shares of the Company pursuant to the Exchange. As a result of the Exchange, there are no preference shares outstanding.

As of March 31, 2024, Maiden Reinsurance owns 30.1% of the Company's total outstanding common shares which is eliminated for accounting and financial reporting purposes on our condensed consolidated financial statements. The voting power of Maiden Reinsurance, with respect to its common shares, is capped at 9.5% pursuant to the bye-laws of the Company. Treasury shares include 43,231,034 common shares owned by Maiden Reinsurance consisting of 41,439,348 shares issued as part of the Exchange in 2022 and 1,791,686 common shares that were directly purchased on the open market by Maiden Reinsurance under the Company's authorized repurchase plan to date. The market value of our common shares held by Maiden Reinsurance due to the Exchange and common share repurchases was $97.3 million at March 31, 2024.

Cash & Cash Equivalents

At March 31, 2024, we consider the levels of cash and cash equivalents held to be within our targeted ranges. During periods when interest rates experience greater volatility, we have periodically maintained more cash and cash equivalents to better assess current market conditions and opportunities within our defined risk appetite, and may do so in future periods.

Fixed Maturity Investments

The average yield and average duration of our fixed maturities, by asset class, and our cash and cash equivalents (restricted and unrestricted) are as follows at March 31, 2024 and December 31, 2023:

March 31, 2024	Original or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Average yield(1)	Average duration(2)
	($ in thousands)					
U.S. treasury bonds	$ 66,447	$ —	$ (3)	$ 66,444	5.4 %	0.1
U.S. agency bonds – mortgage-backed	29,221	—	(3,603)	25,618	4.5 %	6.1
Non-U.S. government bonds	42,029	6	(462)	41,573	2.7 %	0.8
Collateralized loan obligations	63,960	—	(765)	63,195	5.0 %	0.3
Corporate bonds	64,711	—	(2,090)	62,621	1.6 %	1.6
Total fixed maturities	266,368	6	(6,923)	259,451	3.9 %	1.3
Cash and cash equivalents	30,170	—	—	30,170	0.9 %	0.0
Total	$ 296,538	$ 6	$ (6,923)	$ 289,621	3.6 %	1.1

December 31, 2023	Original or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Average yield(1)	Average duration(2)
	($ in thousands)					
U.S. treasury bonds	$ 55,046	$ 8	$ (2)	$ 55,052	5.4 %	0.1
U.S. agency bonds – mortgage-backed	29,918	—	(3,267)	26,651	4.6 %	6.1
Non-U.S. government bonds	21,219	—	(468)	20,751	1.9 %	1.1
Collateralized loan obligations	80,591	—	(1,788)	78,803	4.9 %	0.3
Corporate bonds	71,762	—	(2,418)	69,344	1.6 %	1.7
Total fixed maturities	258,536	8	(7,943)	250,601	3.8 %	1.3
Cash and cash equivalents	42,678	—	—	42,678	2.5 %	0.0
Total	$ 301,214	$ 8	$ (7,943)	$ 293,279	3.6 %	1.2

(1) Average yield is calculated by dividing annualized investment income for each sub-component of fixed maturity securities and cash and cash equivalents (including amortization of premium or discount) by amortized cost.
(2) Average duration in years.

During the three months ended March 31, 2024, the yield on the 10-year U.S. Treasury bond increased by 32 basis points to 4.20%. The 10-year U.S. Treasury rate is the key risk-free determinant in the fair value of many of the fixed maturity securities in our portfolio. The change in the market values of our fixed maturity portfolio during the three months ended March 31, 2024 generated net unrealized gains of $1.0 million which increased our book value per common share by $0.01 during the period. Current outlooks for global monetary policy indicate that quantitative tightening by central banks in the U.S. and globally appear likely to moderate in the near to intermediate term, although central banks have indicated that they maintain the option to either adopt a neutral stance or apply further tightening should data dictate such actions, particularly inflation and labor market data. Recent data suggest moderation in global monetary policy may be slower than anticipated. Our investment portfolios, in particular our fixed maturity portfolio, may be adversely impacted by unfavorable market conditions caused by these measures, which could cause continued volatility in our results of operations and negatively impact our financial condition.

Interest rate risk is the price sensitivity of a security to changes in interest rates. Credit spread risk is the price sensitivity of a security to changes in credit spreads. As noted, the fair value of our fixed maturity investments will fluctuate with changes in interest rates and credit spreads. We attempt to maintain adequate liquidity in our fixed maturity investments portfolio with a strategy designed to emphasize the preservation of our invested assets and provide sufficient liquidity for the prompt payment of claims and contract liabilities. Because we collateralize a significant portion of our insurance liabilities, unanticipated or large increases in interest rates could require us to utilize significant amounts of unrestricted cash and fixed maturity securities to provide additional collateral, which could impact our asset and capital management strategy described herein.

We also monitor the duration and structure of our investment portfolio as discussed below. As of March 31, 2024, the aggregate hypothetical change in fair value from an immediate 100 basis points increase in interest rates, assuming credit spreads remain constant, in our fixed maturity investments portfolio would decrease the fair value of that portfolio by $4.9 million. Actual shifts in interest rates may not change by the same magnitude across the maturity spectrum or on an individual security and, as a result, the impact on the fair value of our fixed maturity securities may be materially different from the resulting change in value described above.

To limit our exposure to unexpected interest rate increases which would reduce the value of our fixed income securities and reduce our shareholders' equity, we attempt to maintain the duration of our fixed maturity investment portfolio combined with our cash and cash equivalents, both restricted and unrestricted, within a reasonable range of the duration of our loss reserves. At March 31, 2024 and December 31, 2023, these respective durations in years were as follows:

	March 31, 2024	December 31, 2023
Fixed maturities and cash and cash equivalents	1.1	1.2
Reserve for loss and LAE - gross of LPT/ADC Agreement reserves	5.8	5.8
Reserve for loss and LAE - net of LPT/ADC Agreement reserves	1.6	1.6

During the three months ended March 31, 2024, the weighted average duration of our fixed maturity investment portfolio decreased by 0.1 years to 1.1 years while the duration for the gross reserve for loss and LAE remained at 5.8 years. The differential in duration between these assets and liabilities may fluctuate over time and in the case of fixed maturities, historically has been affected by factors such as market conditions, changes in asset mix and prepayment speeds in the case of both our U.S. agency mortgage-backed securities ("Agency MBS") and commercial mortgage-backed securities held. At March 31, 2024, the duration of our loss reserves net of the LPT/ADC Agreement was higher than the duration of our fixed maturity investment portfolio.

To limit our exposure to unexpected interest rate increases that could reduce the value of our fixed maturity securities and reduce our shareholders' equity, the Company holds floating rate securities whose fair values are less sensitive to interest rates. At March 31, 2024 and December 31, 2023, 43.2% and 40.8%, respectively, of our fixed income investments were comprised of floating rate securities which are detailed in the table below:

	March 31, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
Floating rate securities				
Collateralized loan obligations	$ 63,195	11.8 %	$ 78,803	13.0 %
Total floating rate AFS fixed maturities at fair value	63,195	11.8 %	78,803	13.0 %
Loan to related party	167,975	31.4 %	167,975	27.8 %
Total floating rate securities	$ 231,170	43.2 %	$ 246,778	40.8 %
Total fixed income investments at fair value [(1)]	$ 534,685		$ 605,239	

(1) Total fixed income investments at fair value include AFS fixed maturities, cash and restricted cash, funds withheld receivable, and loan to related party.

At March 31, 2024 and December 31, 2023, 100.0% of the Company's U.S. agency bond holdings are mortgage-backed. Total U.S. agency MBS comprise 9.9% of our fixed maturity investment portfolio at March 31, 2024. Given their relative size to our total investments, if faster prepayment patterns were to occur over an extended period of time, this could potentially limit the growth in our investment income in certain circumstances or reduce the total amount of investment income we earn. Additional details on our U.S. Agency MBS holdings at March 31, 2024 and December 31, 2023 were as follows:

	March 31, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
FNMA – fixed rate	$ 14,601	57.0 %	$ 15,164	56.9 %
FHLMC – fixed rate	8,718	34.0 %	9,099	34.1 %
GNMA – variable rate	2,299	9.0 %	2,388	9.0 %
Total U.S. Agency MBS	$ 25,618	100.0 %	$ 26,651	100.0 %

At March 31, 2024 and December 31, 2023, 98.0% and 97.8%, respectively, of our fixed maturity investments consisted of investment grade securities. We define a security as being below investment grade if it has an S&P credit rating of BB+ or equivalent, or less. Please see "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 4. Investments*" for additional information on the credit rating of our fixed income investment portfolio.

The security holdings by sector and financial strength rating of our corporate bond holdings at March 31, 2024 and December 31, 2023 were as follows:

	Ratings[1]					
March 31, 2024	**AAA**	**A+, A, A-**	**BBB+, BBB, BBB-**	**BB+ or lower**	**Fair Value**	**% of Corporate bonds portfolio**
Corporate bonds					*($ in thousands)*	
Basic Materials	— %	— %	8.3 %	— %	$ 5,172	8.3 %
Communications	— %	— %	4.5 %	— %	2,847	4.5 %
Consumer	— %	21.3 %	27.6 %	— %	30,607	48.9 %
Energy	— %	1.4 %	2.8 %	— %	2,582	4.2 %
Financial Institutions	2.4 %	22.5 %	0.7 %	8.5 %	21,413	34.1 %
Total	2.4 %	45.2 %	43.9 %	8.5 %	$ 62,621	100.0 %

	Ratings[1]					
December 31, 2023	**AAA**	**A+, A, A-**	**BBB+, BBB, BBB-**	**BB+ or lower**	**Fair Value**	**% of Corporate bonds portfolio**
Corporate bonds					($ in thousands)	
Basic Materials	— %	— %	7.6 %	— %	$ 5,273	7.6 %
Communications	— %	7.9 %	4.2 %	— %	8,392	12.1 %
Consumer	— %	15.8 %	29.2 %	— %	31,186	45.0 %
Energy	— %	1.2 %	2.6 %	— %	2,639	3.8 %
Financial Institutions	2.2 %	20.9 %	0.6 %	7.8 %	21,854	31.5 %
Total	2.2 %	45.8 %	44.2 %	7.8 %	$ 69,344	100.0 %

(1) Ratings as assigned by S&P, or equivalent

The table below includes the Company's ten largest corporate holdings at fair value and as a percentage of all fixed income securities held as at March 31, 2024. The Company's ten largest corporate holdings are 100.0% euro denominated, with 54.8% in the Consumer Sector and 29.7% in the Financial Institutions sector.

March 31, 2024	**Fair Value**	**% of Holdings**	**Rating[1]**
	($ in thousands)		
Anheuser-Busch INBEV SA, 2.875%, Due 9/25/2024	$ 10,736	4.1 %	A-
Chubb Ina Holdings Inc., 1.55%, Due 3/15/2028	6,551	2.5 %	A
Molson Coors Beverage Co., 1.25%, Due 7/15/2024	5,352	2.1 %	BBB
Utah Acquisition Sub Inc., 2.25%, Due 11/22/2024	5,333	2.1 %	BBB-
FBD Insurance PLC, 5.0%, Due 10/9/2028	5,314	2.1 %	NA
PPG Industries Inc., 0.875%, Due 11/3/2025	5,172	2.0 %	BBB+
Kellanova, 1.25%, Due 3/10/2025	4,215	1.6 %	BBB
BNP Paribas SA, 1.25%, Due 3/19/2025	3,460	1.3 %	A-
Vodafone Group PLC, 1.875%, Due 9/11/2025	2,847	1.1 %	BBB
McKesson Corp., 1.5% Due 11/17/2025	2,609	1.0 %	A-
Total	$ 51,589	19.9 %	

(1) Ratings as assigned by S&P, or equivalent

At March 31, 2024 and December 31, 2023, respectively, 100.0% of non-U.S. dollar denominated securities were invested in euro denominated bonds. The net decrease in non-USD denominated fixed maturities is largely due to sales and maturities of euro denominated corporate bonds during the three months ended March 31, 2024.

At March 31, 2024 and December 31, 2023, the Company's non-U.S. government issuers have a rating of A+ or higher by Fitch Ratings. The Company does not employ any credit default protection against any of the fixed maturities held in non-U.S. dollar denominated currencies at March 31, 2024 and December 31, 2023, respectively.

At March 31, 2024 and December 31, 2023, we held the following non-U.S. dollar denominated securities:

	March 31, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
Non-USD denominated collateralized loan obligations	$ 62,202	37.7 %	$ 77,816	46.8 %
Non-USD denominated corporate bonds	61,091	37.1 %	67,822	40.7 %
Non-U.S. government bonds	41,573	25.2 %	20,751	12.5 %
Total non-U.S. dollar denominated securities	$ 164,866	100.0 %	$ 166,389	100.0 %

For our non-U.S. dollar denominated corporate bonds, the following table summarizes the composition of the fair value of our fixed maturity investments at the dates indicated by ratings at March 31, 2024 and December 31, 2023:

Ratings[(1)]	March 31, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
A+, A, A-	$ 28,324	46.4 %	$ 31,810	46.9 %
BBB+, BBB, BBB-	27,453	44.9 %	30,630	45.2 %
BB+ or lower	5,314	8.7 %	5,382	7.9 %
Total non-U.S. dollar denominated corporate bonds	$ 61,091	100.0 %	$ 67,822	100.0 %

(1) Ratings as assigned by S&P, or equivalent

Other Investments, Equity Securities and Equity Method Investments

Our alternative investments are categorized as other investments, equity securities, and equity method investments as reported on our condensed consolidated balance sheets. These include private equity funds, private credit funds, investments in limited partnerships, as well as investments in direct lending entities and investments in technology-oriented insurance related businesses known as insurtechs. Private equity investments consist of direct investments in privately held entities, investments in private equity funds and private equity co-investments with sponsoring entities. Private credit investments consist of loans and other debt securities of privately held entities or investment sponsors. Our alternative investments as of March 31, 2024 and December 31, 2023 consisted of the following asset categories:

	March 31, 2024		December 31, 2023	
($ in thousands)	Carrying Value	% of Total	Carrying Value	% of Total
Privately held common stocks	$ 34,400	10.5 %	$ 35,272	11.4 %
Privately held preferred stocks	9,946	3.1 %	9,946	3.2 %
Publicly traded equity investments	82	— %	81	— %
Total equity securities	**$ 44,428**	**13.6 %**	**$ 45,299**	**14.6 %**
Real estate investments	$ 52,614	16.1 %	$ 49,897	16.1 %
Other equity method investments	29,545	9.0 %	31,032	10.1 %
Total equity method investments	**$ 82,159**	**25.1 %**	**$ 80,929**	**26.2 %**
Private equity funds	$ 53,757	16.5 %	$ 47,383	15.4 %
Private credit funds	29,220	8.9 %	27,806	9.0 %
Privately held equity investments	44,768	13.7 %	38,617	12.5 %
Investment in direct lending funds (at cost)	72,643	22.2 %	69,005	22.3 %
Total other investments	**$ 200,388**	**61.3 %**	**$ 182,811**	**59.2 %**
Total alternative investments	**$ 326,975**	**100.0 %**	**$ 309,039**	**100.0 %**

Our allocation to alternative investments increased to 53.0% of our total cash and investments as of March 31, 2024 compared to 51.3% as of December 31, 2023; and increased to 131.1% of our total shareholders' equity as of March 31, 2024 compared to 124.0% as of December 31, 2023.

In addition to the categories described above, we also evaluate our alternative investments by the following asset classes:

	March 31, 2024		December 31, 2023	
($ in thousands)	Carrying Value	% of Total	Carrying Value	% of Total
Private Equity	$ 92,106	28.2 %	$ 82,230	26.6 %
Private Credit	55,233	16.9 %	53,673	17.4 %
Alternatives	98,674	30.2 %	95,258	30.8 %
Venture Capital	22,543	6.9 %	21,220	6.9 %
Real Estate	58,419	17.8 %	56,658	18.3 %
Total alternative investments	**$ 326,975**	**100.0 %**	**$ 309,039**	**100.0 %**

For further details on these alternative investments, see "*Notes to Condensed Consolidated Financial Statements: Note 4(b) Other Investments, Equity Securities and Equity Method Investments"* included under Part I Item 1. *"Financial Information"* of this Report on Form 10-Q. Within these asset classes, our portfolio broadly consists of the following types of investments:

- Private Equity – this asset class consists of both fund investments with leading private equity sponsors and direct equity investments in private companies, sometimes in conjunction with our private equity fund sponsors. As of March 31, 2024, $24.3 million or 26.4% of investments in the private equity asset class consisted of investments in private equity funds and $67.8 million or 73.6% consisted of direct equity investments in private companies.

- Private Credit - this asset class consists of both fund investments with leading private credit sponsors and direct credit investments in private companies, sometimes in conjunction with our private credit fund sponsors. Private credit investments in both funds and on a direct basis will typically be secured lending arrangements with non-rated entities, often with additional protective provisions to enhance the security and returns of these investments. As of March 31, 2024, $51.5 million or 93.3% of investments in the private credit asset class consisted of investments in private credit funds and $3.7 million or 6.7% consisted of direct investments in debt securities of private companies.

- Alternatives – this asset class consists of structured financing arrangements which typically have incentive features to enhance the Company's returns. As part of these arrangements, the Company requires collateral or bankruptcy-remote structures to protect its investments. As of March 31, 2024, $97.2 million or 98.5% of investments in the alternatives asset class were direct investments and $1.5 million or 1.5% of the alternatives asset class were invested in funds. One investment in a collateralized direct lending entity of $72.6 million represents 73.6% of this asset class and is discussed further in *"Note 4 — Investments"* included in Part I Item 1. *"Financial Information"* in this Quarterly Report on Form 10-Q for the three months ended March 31, 2024.

- Venture Capital – this asset class consists of both fund investments with venture capital firms focused primarily on "insurtech" or "fintech" early-stage investments as well as direct investments in start-up companies in this sector, including equity investments in individual companies made in conjunction with our venture capital fund sponsors. As of March 31, 2024, $8.3 million or 36.9% of investments in the venture capital asset class consisted of investments in funds and $14.2 million or 63.1% consisted of direct equity investments in start-up companies. As of March 31, 2024, $13.2 million or 58.7% of our venture capital investments were invested in funds or companies that would be considered "insurtech" investments.

- Real Estate – this asset class consists of long-term equity investments in three real estate projects. Two are multi-family residential development projects near major urban centers where workforce housing demand continues to be strong. One investment is a minority stake as a limited partner with a leading property developer with a highly successful track record, where the Company will earn returns from both operating income from rentals and future sales of properties. As of March 31, 2024, the Company has $24.0 million invested in this project and expects investment returns to commence in earnest in 2026 and beyond. The second multi-family residential investment is a majority stake with general partner rights wherein the Company is providing the capital backing to an experience and successful developer in the subject market, while also taking minority equity stakes in individual projects. To date, this development project has secured five properties in attractive locations and is currently in the zoning and planning stages. As of March 31, 2024, the Company has $28.6 million invested in this project and has commenced earning limited amounts of fee income from this project. As part of its investment, the Company has also provided certain loan guarantees which are discussed in more detail in *Note 11 — Commitments, Contingencies and Guarantees* included in Part I Item 1. *"Financial Information"*. We expect fee and operating income and gains from future sales of properties to commence in earnest in 2027 and beyond. Finally, the Company has a minority equity stake in an iconic office building in a major city in the U.S., with an attractive and growing tenant roll. As of March 31, 2024, the Company has $5.8 million invested in this project and to date has earned preferred returns and received certain distributions. In addition to preferred returns, the Company expects to receive future distributions of operating income from this investment.

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future. For further details on these financial guarantees, please see "*Notes to Condensed Consolidated Financial Statements: Note 11 - Commitments, Contingencies and Guarantees"* included under Part I Item 1. *"Financial Information"* of this Report on Form 10-Q.

Investment Results

Our investment portfolio produced significantly higher returns included in earnings of $17.1 million during the three months ended March 31, 2024 compared to $10.5 million during the same period in 2023. Our investment returns increased 62.5% through a combination of higher yields on certain fixed income assets along with strengthening returns on our alternative investment portfolio, which increased by 5.8% during 2024 and produced a positive net return of 3.4% during 2024 compared to 0.7% in 2023. The following table summarizes our investment results for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
Net investment income:		
Fixed income investments[1]	$ 6,411	$ 8,451
Cash and restricted cash	174	306
Other investments, including equities	1,207	887
Investment expenses	(92)	(99)
Total net investment income	7,700	9,545
Net realized (losses) gains:		
Fixed income assets[1]	(218)	—
Other investments, including equities	—	176
Total net realized (losses) gains	(218)	176
Net unrealized gains:		
Other investments, including equities	8,968	829
Total net unrealized gains	8,968	829
Interest in income (loss) of equity method investments:		
Interest in income (loss) of equity method investments	606	(51)
Interest in income (loss) of equity method investments	606	(51)
Total investment return included in earnings (A)	$ 17,056	$ 10,499
Other comprehensive income:		
Unrealized gains on AFS fixed maturity securities and equity method investments excluding foreign exchange **(B)**	$ 1,018	$ 1,936
Total investment return = (A) + (B)	$ 18,074	$ 12,435
Annualized income from fixed income assets[2]	$ 26,340	$ 35,028
Average aggregate fixed income assets, at cost[2]	577,388	947,270
Annualized investment book yield	**4.6 %**	**3.7 %**
Average aggregate invested assets, at fair value[3]	$ 887,969	$ 1,200,336
Investment return included in net earnings	**1.9 %**	**0.9 %**
Total investment return	**2.0 %**	**1.0 %**

1. Fixed income investments include AFS securities as well as funds withheld receivable, and loan to related party.
2. Average aggregate fixed income assets include AFS portfolio, cash and restricted cash, funds withheld receivable, and loan to related party and is computed as an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.
3. Average aggregate invested assets include all investments (AFS and alternative investments), cash and restricted cash, loan to related party and funds withheld receivable and is computed as an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

The following table details total investment returns for our fixed income investments for the three months ended March 31, 2024 and 2023:

Fixed Income Investments[1]	**For the Three Months Ended March 31,**	
($ in thousands)	**2024**	**2023**
Gross investment income	$ 6,585	$ 8,757
Net realized losses	(218)	—
Change in AOCI [3]	1,018	1,936
Gross investment returns	$ 7,385	$ 10,693
Average invested assets, at fair value [4]	$ 569,962	$ 932,327
Gross Investment Returns	**1.3 %**	**1.1 %**
Less: Investment expenses	$ (4)	$ 73
Net investment returns	$ 7,389	$ 10,620
Net Investment Returns	**1.3 %**	**1.1 %**

Our average book yields increased to 1.3% for the three months ended March 31, 2024 compared to 1.1% in the same period in 2023 largely due to floating rate investments that comprised 43.2% of our fixed income investments at March 31, 2024 which enabled the portfolio to respond to the higher interest rate environment more quickly. The loan to related party carried a higher weighted average interest rate on a balance of $168.0 million which increased to 7.3% during the three months ended March 31, 2024 compared to 6.4% for the same period in 2023; which was partly offset by lower interest income on the funds withheld receivable from AmTrust which decreased due to a much lower average ending balance of $94.7 million during the three months ended March 31, 2024.

Please refer to "*Notes to Condensed Consolidated Financial Statements - Note 4 — Investments*" included under Part I, Item 1 "*Financial Information"* of this Quarterly Report on Form 10-Q for further detail on investment returns from fixed income investments held by the Company at March 31, 2024 and 2023.

The following table details total investment returns for our alternative investments for the three months ended March 31, 2024 and 2023, respectively:

Alternative Investments[2]	**For the Three Months Ended March 31,**	
($ in thousands)	**2024**	**2023**
Gross investment income	$ 1,813	$ 836
Net realized and unrealized gains	8,968	1,005
Gross investment returns	$ 10,781	$ 1,841
Average invested assets, at fair value [4]	$ 318,007	$ 268,009
Gross Investment Returns	**3.4 %**	**0.7 %**
Less: Investment expenses	$ 96	$ 26
Net investment returns	$ 10,685	$ 1,815
Net Investment Returns	**3.4 %**	**0.7 %**

1. Fixed income investments includes AFS securities as well as cash, restricted cash, funds withheld receivable, and loan to related party.
2. Alternative investments includes other investments, equity securities, and equity method investments.
3. Change in accumulated other comprehensive income ("AOCI") excludes unrealized foreign exchange gains and losses.
4. Average invested assets is the average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

The following table details total investment returns for alternative investments by asset class for the three months ended March 31, 2024:

March 31, 2024	Private Equity	Private Credit	Alternative Assets	Venture Capital	Real Estate	Total
	($ in thousands)					
Gross investment income	$ (1,092)	$ 903	$ 1,457	$ 5	$ 540	$ 1,813
Net realized and unrealized gains (losses)	7,858	1,423	(32)	674	(955)	8,968
Total Investment Return	$ 6,766	$ 2,326	$ 1,425	$ 679	$ (415)	$ 10,781
Average Investments	$ 87,168	$ 54,453	$ 96,966	$ 21,882	$ 57,539	$ 318,007
Gross Investment Returns	**7.8 %**	**4.3 %**	**1.5 %**	**3.1 %**	**(0.7)%**	**3.4 %**
Annualized Gross Returns	**31.0 %**	**17.1 %**	**5.9 %**	**12.4 %**	**(2.9)%**	**13.6 %**

The following table details total investment returns for alternative investments by asset class for the three months ended March 31, 2023:

March 31, 2023	Private Equity	Private Credit	Hedge Funds	Alternative Assets	Venture Capital	Real Estate	Total
	($ in thousands)						
Gross investment income	$ 109	$ 778	$ 167	$ —	$ —	$ (218)	$ 836
Net realized and unrealized gains (losses)	665	(462)	—	—	1,083	(281)	1,005
Total Investment Return	$ 774	$ 316	$ 167	$ —	$ 1,083	$ (499)	$ 1,841
Average Investments	$ 61,752	$ 48,230	$ 2,947	$ 84,751	$ 22,236	$ 48,094	$ 268,009
Gross Investment Returns	**1.3 %**	**0.7 %**	**5.7 %**	**— %**	**4.9 %**	**(1.0)%**	**0.7 %**
Annualized Gross Returns	**5.0 %**	**2.6 %**	**22.7 %**	**— %**	**19.5 %**	**(4.2)%**	**2.7 %**

During the three months ended March 31, 2024, our annualized gross and net investment returns exceeded our cost of debt capital, and on an inception to date basis through March 31, 2024, alternative investments have now produced an internal rate of return of 5.9% and a multiple on invested capital of 1.12. This includes investments, primarily in the Alternatives and Real Estate asset classes where we anticipate future returns to emerge but have not as yet recognized either returns or gains based on the development stage of certain investments, which constitute 38.3% of our total alternative assets as of March 31, 2024. Excluding the investments still carried at cost, the internal rate of return was 10.4% with a multiple on invested capital of 1.21. Total returns on alternative investments by asset class are discussed below in detail for the three months ended March 31, 2024:

- Private Equity – investment returns in this asset class reflect both dividends and distributions received as well as unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the three months ended March 31, 2024, private equity investments produced a total investment return of $6.8 million with fund investments earning $0.5 million while direct investments produced a total investment return of $6.3 million. Inception to date, private equity investments have produced an internal rate of return of 11.0% and a multiple on invested capital of 1.30, with fund investments producing an internal rate of return of 11.8% and a multiple on invested capital of 1.29, while direct investments have produced an internal rate of return of 10.4% and a multiple on invested capital of 1.31. No realized gains on private equity investments have been recognized through March 31, 2024.

- Private Credit – investment returns in this asset class reflect both distributions received as well as unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the three months ended March 31, 2024, private credit investments produced a total investment return of $2.3 million with fund investments earning $2.2 million while direct investments produced a total investment return of $0.1 million. Inception to date, private credit investments have produced an internal rate of return of 7.1% and a multiple on invested capital of 1.12, with fund investments producing an internal rate of return of 6.9% and a multiple on invested capital of 1.12, while direct investments have produced an internal rate of return of 10.9% and a multiple on invested capital of 1.11.

- Alternative Assets – investment returns in this asset class largely relate to equity method recognition of income from structured financing arrangements in real assets which utilize bankruptcy-remote structures to protect these investments. During the three months ended March 31, 2024, alternative investments produced a total investment return of $1.4 million. Inception to date, alternative direct investments on real assets have produced an internal rate of return of 38.3% and a multiple on invested capital of 1.41; in total, alternative fund investments have produced an internal rate of return of (9.1%) and a multiple on invested capital of 0.93. We have not recognized any returns (including contractual preferred returns) on other alternative investments as the underlying collateralized investment supporting this direct lending initiative continues to develop; these investments represent 73.6% of the alternative investment class at March 31, 2024. We expect to recognize our preferred returns and contingency gains as these investment develops further or if other collateral we have secured as part of our investment responds sooner, subject to certain conditions.

- Venture Capital – investment returns in this asset class primarily reflect unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the three months ended March 31, 2024, our venture capital investments produced a total return of $0.7 million entirely from our fund investments. Inception to date, venture capital investments have produced an internal rate of return of 8.9% and a multiple on invested capital of 1.21; venture capital fund investments have produced an internal rate of return of (11.7%) and a multiple on invested capital of 0.82, while direct venture capital investments have produced an internal rate of return of 14.1% and a multiple on invested capital of 1.45. Through March 31, 2024, we realized total gains of $4.8 million on the sale of the Company's stake in Betterview Marketplace, Inc. ("Betterview") in a cash and stock transaction with Nearmap US, Inc. ("Nearmap"). We now continue to hold shares in Nearmap after completion of this transaction. To date our investment in Betterview has produced an internal rate of return of 27.9% and a multiple on invested capital of 1.74.

- Real Estate – investment returns in this asset class include preferred returns and distributions (if any) from plan developers along with limited unrealized gains or losses to date as two of the projects remain in the development phase. As noted earlier, the Company does not expect significant investment returns from these attractive projects for the next several years. To date these investments have produced an internal rate of return of (2.4%) and a multiple on invested capital of 0.96.

As our returns in alternative investments continues to increase, we believe our alternative investment portfolio remains well positioned to achieve its targeted longer-term returns.

Other Balance Sheet Changes

The following table summarizes our other material balance sheet changes at March 31, 2024 and December 31, 2023:

($ in thousands)	March 31, 2024	December 31, 2023	Change in $	Change %
Deferred commission and other acquisition expenses	$ 15,990	$ 17,566	$ (1,576)	(9.0)%
Funds withheld receivable	77,089	143,985	(66,896)	(46.5)%
Reserve for loss and LAE	813,879	867,433	(53,554)	(6.2)%
Unearned premiums	42,108	46,260	(4,152)	(9.0)%
Deferred gain on retroactive reinsurance	78,222	73,240	4,982	6.8 %
Accrued expenses and other liabilities	30,766	28,244	2,522	8.9 %

The Company's deferred commission and other acquisition expenses decreased by 9.0% and unearned premiums decreased by 9.0% primarily due to the termination of the remaining business under both quota share contracts with AmTrust which have been in run-off since January 1, 2019. Funds withheld receivable decreased by 46.5% primarily due to settlement of reinsurance losses payable under the AmTrust Quota Share and $15.3 million of excess collateral released by AmTrust during the three months ended March 31, 2024.

Accrued expenses and other liabilities increased by 8.9% primarily due to an increase in reinsurance losses payable due to AmTrust. The Company's reserve for loss and LAE decreased by 6.2% primarily due to continued settlement of loss reserves for AmTrust Reinsurance contracts.

The deferred gain on retroactive reinsurance increased by $5.0 million or 6.8% compared to December 31, 2023 driven by net adverse reserve development of $5.0 million reported for policies under the AmTrust Quota Share as these losses are largely covered by the LPT/ADC Agreement with Cavello.

Capital Resources

During the three months ended March 31, 2024, book value per common share remained stable at $2.48 and diluted book value per common share decreased by 1.2% to $2.43, compared to December 31, 2023. This was largely due to a higher number of dilutive restricted shares outstanding with minimal growth in capital resources which increased by $0.2 million for the three months ended March 31, 2024.

Capital resources consist of funds deployed in support of our operations. The following table shows the movement in our capital resources at March 31, 2024 and December 31, 2023:

($ in thousands)	March 31, 2024	December 31, 2023	Change in $	Change (%)
Common shares at par value	$ 1,501	$ 1,497	$ 4	0.3 %
Additional paid-in capital	886,432	886,072	360	— %
Accumulated other comprehensive loss	(32,191)	(31,469)	(722)	2.3 %
Accumulated deficit	(485,486)	(486,945)	1,459	(0.3)%
Treasury shares, at cost	(120,896)	(119,995)	(901)	0.8 %
Total Maiden shareholders' equity	249,360	249,160	200	0.1 %
Senior Notes - principal amount	262,361	262,361	—	— %
Total capital resources	$ 511,721	$ 511,521	$ 200	— %

Total capital resources increased by $0.2 million compared to December 31, 2023 due to the following items:

- net increase in additional paid-in capital of $0.4 million due to share-based compensation of $0.4 million;
- net decrease in AOCI of $0.7 million which arose due to: (1) net unrealized gains on investment of $1.0 million mainly from our AFS bond portfolio relating to market price movements in the three months ended March 31, 2024, offset by (2) a decrease in cumulative translation adjustments of $1.7 million in the three months ended March 31, 2024 due to the impact of the U.S. dollar appreciation on the re-measurement of net assets denominated in British pound and euro;
- accumulated deficit decreased by $1.5 million due to net income of $1.5 million for the three months ended March 31, 2024; and
- treasury shares increased by $0.9 million due to common shares repurchased under the Company's authorized common share repurchase plan as well as repurchases for tax withholding in respect of tax obligations on the vesting of non-performance-based restricted shares.

Please refer to "*Notes to Consolidated Financial Statements Note 6. Shareholders' Equity*" included under Part II Item 8. "*Financial Statements and Supplementary Data"* of our Annual Report on Form 10-K for a discussion of the equity instruments issued by the Company as at December 31, 2023.

Book value and diluted book value per common share at March 31, 2024 and December 31, 2023 were as follows:

($ in thousands except share and per share data)	March 31, 2024	December 31, 2023
Ending common shareholders' equity	$ 249,360	$ 249,160
Proceeds from assumed conversion of dilutive options	—	—
Numerator for diluted book value per common share calculation	$ 249,360	$ 249,160
Common shares outstanding	100,393,538	100,472,120
Shares issued from assumed conversion of dilutive options and restricted shares	2,036,848	975,027
Denominator for diluted book value per common share calculation	102,430,386	101,447,147
Book value per common share	$ 2.48	$ 2.48
Diluted book value per common share	2.43	2.46

Common Shares

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100.0 million of the Company's common shares from time to time at market prices. During the three months ended March 31, 2024, Maiden Reinsurance repurchased 352,111 common shares from the open market at an average price per share of $1.91 under the Company's share repurchase plan. The Company's remaining authorization is $70.9 million for common share repurchases at March 31, 2024. No repurchases were made during the three months ended March 31, 2023 under the common share repurchase plan.

Senior Notes

There were no changes in the Company's Senior Notes at March 31, 2024 compared to December 31, 2023. The Company did not enter into any short-term borrowing arrangements during the three months ended March 31, 2024. Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long Term Debt*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q for a discussion of the Company's Senior Notes. The 2013 Senior Notes issued by Maiden NA are fully and unconditionally guaranteed by Maiden Holdings. The Senior Notes are unsecured and unsubordinated obligations of the Company.

As described in "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long-Term Debt*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q, on May 3, 2023, the Company's Board of Directors approved the repurchase, including the repurchase by Maiden Reinsurance in accordance with its investment guidelines, of up to $100.0 million of the Company's Senior Notes from time to time at market prices in open market purchases or as may be privately negotiated. The Company has a remaining authorization of $99.9 million for such repurchases at March 31, 2024.

Maiden Holdings does not have any significant operations or assets other than ownership of the shares of our subsidiaries. The dividends and other permitted distributions from Maiden NA (and its subsidiaries) will be our sole source of funds to meet ongoing cash requirements, including debt service payments. Factors that may affect payments to holders of the 2013 Senior Notes include restrictions on the payments of dividends by Maiden Reinsurance to Maiden NA which provides the sole source of income for interest payments on the 2013 Senior Notes. In 2023 and 2024, the Vermont DFR approved an annual dividend program from Maiden Reinsurance to Maiden NA, with notification to the Vermont DFR as dividends are paid. Subsequent to those approvals, Maiden Reinsurance paid total dividends of $50.0 million to Maiden NA as of March 31, 2024.

The summarized financial information below has been presented on a combined basis for the issuer Maiden NA and the guarantor Maiden Holdings, excluding all other subsidiaries. Intercompany balances and transactions between Maiden NA and Maiden Holdings, whose information is presented above on a combined basis, were eliminated. Any investment by Maiden NA or Maiden Holdings in subsidiaries that are not issuers or guarantors is not presented in the financial information below. Intercompany balances with subsidiaries that are not issuers or guarantors and any related party transactions were separately disclosed below and are not included in the total assets and total liabilities presented for Maiden NA and Maiden Holdings. The net loss for Maiden NA and Maiden Holdings was due to interest and amortization expenses on the Senior Notes as well as general and administrative expenses. The net loss in Maiden NA also reflects income tax expense incurred for the respective period.

Summarized financial information of Maiden NA and Maiden Holdings as of March 31, 2024 and for the three months ended March 31, 2024 were as follows:

	Maiden NA	Maiden Holdings
	($ in thousands)	
Total assets	$ 7,965	$ 5,697
Total liabilities	149,664	107,877
Amounts due from subsidiaries (not included in total assets above)	5	2,289
Amounts due to subsidiaries (not included in total liabilities above)	12,672	3,226
Related party loan payable (not included in total liabilities above)	—	295,379
Total revenue for year-to-date period	(1,049)	4
Net loss for year-to-date period	(4,089)	(9,239)

The ratio of Debt to Total Capital Resources at March 31, 2024 and December 31, 2023 was computed as follows:

($ in thousands)	March 31, 2024	December 31, 2023
Senior notes - principal amount	$ 262,361	$ 262,361
Maiden shareholders' equity	249,360	249,160
Total capital resources	$ 511,721	$ 511,521
Ratio of debt to total capital resources	51.3 %	51.3 %

Off-Balance Sheet Arrangements

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future as further described in the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 11. Commitments, Contingencies and Guarantees*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q.

Any loss for which the Company could be liable would be contingent on the default of a loan by the real estate joint venture entity for which the Company provided a financial guarantee to a lender. While the Company has committed to aggregate limits as to the amount of guarantees it will provide as part of its limited partnerships, guarantees are only provided on an individual transaction basis and are subject to the terms and conditions of each transaction mutually agreed by the parties involved. The Company is not bound to such guarantees without its express authorization.

As discussed above, at March 31, 2024, guarantees of $69.7 million have been provided to lenders by the Company on behalf of the real estate joint venture, however, the likelihood of the Company incurring any losses pertaining to project level financing guarantees was determined to be remote. Therefore, no liability has been accrued under ASC 450-20.

Non-GAAP Measures

As defined and described in the *Key Financial Measures* section, management uses certain key financial measures, some of which are non-GAAP measures, to evaluate the Company's financial performance and the overall growth in value generated for the Company’s common shareholders. Management believes that these measures, which may be defined differently by other companies, explain the Company’s results to investors in a manner that allows for a more complete understanding of the underlying trends in the Company’s business. The calculation, reconciliation to nearest GAAP measure and discussion of relevant non-GAAP measures used by management are as follows:

Non-GAAP operating loss and Non-GAAP diluted operating loss per share attributable to common shareholders

Non-GAAP operating loss and Non-GAAP diluted operating loss per share attributable to common shareholders can be reconciled to the nearest U.S. GAAP financial measure as follows:

For the Three Months Ended March 31,	2024	2023
	($ in thousands except per share data)	
Net income (loss)	$ 1,459	$ (11,328)
Add (subtract):		
Net realized and unrealized investment gains	(8,750)	(1,005)
Foreign exchange and other (gains) losses	(2,053)	2,816
Interest in (income) loss of equity method investments	(606)	51
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	5,000	1,573
Non-GAAP operating loss	$ (4,950)	$ (7,893)
Diluted earnings (loss) per share available (attributable) to common shareholders	$ 0.01	$ (0.11)
Add (subtract):		
Net realized and unrealized investment gains	(0.08)	(0.01)
Foreign exchange and other (gains) losses	(0.02)	0.03
Interest in (income) loss of equity method investments	(0.01)	—
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	0.05	0.01
Non-GAAP diluted operating loss per share attributable to common shareholders	$ (0.05)	$ (0.08)

Non-GAAP operating loss was $5.0 million for the three months ended March 31, 2024 compared to non-GAAP operating loss of $7.9 million for the same period in 2023. The non-GAAP operating results were primarily driven by non-GAAP underwriting results in the AmTrust Reinsurance segment as discussed further below.

Non-GAAP Underwriting Results

The non-GAAP underwriting results for the three months ended March 31, 2024 and 2023 are as follows:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
Gross premiums written	$ 8,323	$ 836
Net premiums written	$ 8,314	$ 760
Net premiums earned	$ 12,408	$ 9,002
Other insurance revenue (expense), net	46	(59)
Non-GAAP net loss and LAE[(1)]	(6,625)	(8,242)
Commission and other acquisition expenses	(5,593)	(4,235)
General and administrative expenses	(2,760)	(3,146)
Non-GAAP underwriting loss [(1)]	$ (2,524)	$ (6,680)

(1) Non-GAAP underwriting loss and non-GAAP net loss and LAE for the three months ended March 31, 2024 and 2023 are adjusted for prior year reserve development subject to the LPT/ADC Agreement. Please see *"Key Financial Measures"* section for the definitions of Non-GAAP underwriting loss and net loss and LAE.

The non-GAAP underwriting results above are summarized by segment for the three months ended March 31, 2024 and 2023 in the table below:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Diversified Reinsurance underwriting loss	$ (272)	$ (1,989)
AmTrust Reinsurance underwriting loss	(7,252)	(6,264)
Plus: adverse prior year loss development covered under the LPT/ADC Agreement	5,000	1,573
Non-GAAP AmTrust Reinsurance underwriting loss	(2,252)	(4,691)
Non-GAAP underwriting loss	$ (2,524)	$ (6,680)

The non-GAAP underwriting results have been adjusted for prior year loss reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement to show the ultimate economic benefit to the Company. As shown in the table above, adjusted for the increase in the deferred gain under the LPT/ADC Agreement of $5.0 million during the three months ended March 31, 2024, the non-GAAP underwriting loss was $2.5 million. This compared to a non-GAAP underwriting loss of $6.7 million when adjusted for the increase in the deferred gain under the LPT/ADC Agreement of $1.6 million during the three months ended March 31, 2023.

The non-GAAP underwriting loss of $2.5 million for the three months ended March 31, 2024 was primarily driven by:

- underwriting results in the AmTrust Reinsurance segment not covered by the LPT/ADC Agreement, specifically the run-off of the AmTrust Quota Share with losses occurring after December 31, 2018;
- adverse loss development of $2.5 million in the European Hospital Liability Quota Share, which is not covered by the LPT/ADC Agreement;
- underwriting loss of $0.3 million in the Diversified Reinsurance segment for the three months ended March 31, 2024.

Please refer to the respective segment results for AmTrust Reinsurance and Diversified Reinsurance under *Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations"* of this Quarterly Report on Form 10-Q for further details of these underwriting results.

Non-GAAP Net Loss and LAE

Adjusted for prior year reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement, the non-GAAP net loss and LAE decreased by $5.0 million for the three months ended March 31, 2024. Adjusted for prior year reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement, the non-GAAP net loss and LAE decreased by $1.6 million for the three months ended March 31, 2023. These adjustments are reflected in the calculation of non-GAAP Loss and LAE below:

($ in thousands)	For the Three Months Ended March 31, 2024	2023
Net loss and LAE	$ 11,625	$ 9,815
Less: adverse prior year loss development covered under the LPT/ADC Agreement	5,000	1,573
Non-GAAP net loss and LAE	$ 6,625	$ 8,242

Adjusted Shareholders' Equity, Adjusted Total Capital Resources, Adjusted Book Value per Common Share, and Ratio of Debt to Total Adjusted Capital Resources

The Adjusted Shareholders' Equity, Adjusted Total Capital Resources and Adjusted Book Value per Common Share at March 31, 2024 and December 31, 2023 reflect the addition of the unamortized deferred gain under the LPT/ADC Agreement to the GAAP shareholders' equity as depicted in the computations below. The deferred gain under the LPT/ADC Agreement was $75.9 million at March 31, 2024 compared to $70.9 million at December 31, 2023; this increase is attributable to $5.0 million in net loss and LAE recognized as adverse reserve development in the Company's GAAP income statement for AmTrust Quota Share policies covered by the LPT/ADC Agreement.

Net adverse development of $5.0 million was reported for policies under the AmTrust Quota Share for the three months ended March 31, 2024. These losses are recoverable under the LPT/ADC Agreement and are expected to be recognized as future GAAP income over time as recoveries are received subject to the provisions of both the LPT/ADC Agreement and the applicable GAAP accounting rules. We believe the inclusion of this unamortized deferred gain under these metrics better reflects the ultimate economic benefit of the LPT/ADC Agreement, which will improve the Company's shareholders' equity over the settlement period under the terms of the agreement.

Reconciliation of shareholders' equity to Adjusted shareholders' equity and Adjusted Total Capital Resources

The following table computes adjusted shareholders' equity and adjusted total capital resources by recognizing the unamortized deferred gain under the LPT/ADC Agreement at March 31, 2024 and December 31, 2023:

($ in thousands)	March 31, 2024	December 31, 2023	Change in $	Change %
Total shareholders' equity	$ 249,360	$ 249,160	$ 200	0.1 %
Unamortized deferred gain on LPT/ADC Agreement	75,916	70,916	5,000	7.1 %
Adjusted shareholders' equity	325,276	320,076	5,200	1.6 %
Senior Notes - principal amount	262,361	262,361	—	— %
Adjusted total capital resources	$ 587,637	$ 582,437	$ 5,200	0.9 %

Non-GAAP Operating ROACE

Non-GAAP Operating ROACE for the three months ended March 31, 2024 and 2023 was as follows:

	For the Three Months Ended March 31,	
($ in thousands)	2024	2023
Non-GAAP operating loss	$ (4,950)	$ (7,893)
Opening adjusted shareholders' equity	320,076	329,987
Ending adjusted shareholders' equity	325,276	317,775
Average adjusted shareholders' equity	322,676	323,881
Non-GAAP Operating ROACE	(6.2)%	(9.9)%

Reconciliation of Book Value per Common Share to Adjusted Book Value per Common Share

The adjusted book value per common share as reconciled for the recognition of the unamortized deferred gain under the LPT/ADC Agreement at March 31, 2024 and December 31, 2023 was computed as follows:

	March 31, 2024	December 31, 2023
Book value per common share	$ 2.48	$ 2.48
Unamortized deferred gain on LPT/ADC Agreement	0.76	0.71
Adjusted book value per common share	$ 3.24	$ 3.19

Ratio of Debt to Adjusted Total Capital Resources

Management uses this non-GAAP measure to monitor the financial leverage of the Company. This measure is calculated using the total principal amount of debt divided by the sum of adjusted total capital resources as computed in the table above. The ratio of Debt to Adjusted Total Capital Resources at March 31, 2024 and December 31, 2023 was computed as follows:

($ in thousands)	March 31, 2024	December 31, 2023
Senior notes - principal amount	$ 262,361	$ 262,361
Adjusted shareholders' equity	325,276	320,076
Adjusted total capital resources	$ 587,637	$ 582,437
Ratio of debt to adjusted total capital resources	44.6 %	45.0 %

Currency and Foreign Exchange

We conduct business in a variety of foreign (non-U.S.) currencies, the principal exposures being the euro and the British pound. Assets and liabilities denominated in foreign currencies are exposed to changes in currency exchange rates. Our reporting currency is the U.S. dollar, and exchange rate fluctuations relative to the U.S. dollar may materially impact our results and financial position. Our principal exposure to foreign currency risk is our obligation to settle claims in foreign currencies. In addition, in order to minimize this risk, we maintain and expect to continue to maintain a portion of our investment portfolio in investments denominated in currencies other than the U.S. dollar. We may employ various strategies (including hedging) to manage our exposure to foreign currency exchange risk. To the extent that these exposures are not fully hedged or the hedges are ineffective, our results of operations or equity may be adversely affected. At March 31, 2024, no such hedges or hedging strategies were in force or had been entered into. We measure monetary assets and liabilities denominated in foreign currencies at period end exchange rates, with the resulting foreign exchange gains and losses recognized in the unaudited Condensed Consolidated Statements of Income. Revenues and expenses in foreign currencies are converted at average exchange rates during the period. The effect of the translation adjustments for foreign operations is included in AOCI.

Net foreign exchange gains of $2.1 million were generated during the three months ended March 31, 2024 compared to net foreign exchange losses of $2.0 million for the three months ended March 31, 2023. The increase in foreign exchange gains for the three months ended March 31, 2024 compared to the same period in 2023 was largely due to an appreciation in the value of the U.S. dollar relative to the euro and the British pound.

At March 31, 2024, net foreign exchange gains were primarily driven by exposures to euro, British pound and other non-USD denominated net loss reserves and insurance related liabilities in excess of foreign currency assets. Our non-USD denominated liabilities at March 31, 2024 included reserve for net loss and LAE of $268.2 million. Our foreign currency asset exposures at March 31, 2024 include $164.9 million of fixed maturity securities managed by our investment managers who have the discretion to hold foreign currency exposures as part of their total return strategy, $28.6 million of equity method real estate investments denominated in Canadian dollars, as well as $15.8 million of funds withheld receivable.

Effects of Inflation

The anticipated effects of inflation are considered explicitly in the pricing of the insured exposures, which are used as the initial estimates of reserves for loss and LAE. In addition, inflation is also implicitly accounted for in subsequent estimates of loss and LAE reserves, as the expected rate of emergence is in part predicated upon the historical levels of inflation that impact ultimate claim costs. To the extent inflation causes these costs, particularly medical treatments and litigation costs, to vary from the assumptions made in the pricing or reserving estimates, the Company will be required to change the reserve for loss and LAE with a corresponding change in its earnings in the period in which the variance is identified. The actual effects of inflation on the results of operations of the Company cannot be accurately known until claims are ultimately settled.

We continue to monitor inflationary impacts resulting from recent government stimulus, sharp increases in demand, labor force and supply chain disruptions, among other factors, on our loss cost trends. Our reserves predominantly consist of workers' compensation, general liability, and hospital liability business. These long tailed lines of business have been subject to the longer term trend of social inflation, but we have not observed significant impacts for the recently elevated levels of inflation. We proactively analyze available data and we incorporate trends into our loss reserving assumptions to ensure we are considerate of current and future economic conditions.

Governmental policy responses to inflation have significantly increased interest rates which, in the short term, have contributed to unrealized losses on our fixed income investments, particularly on our fixed maturity securities. While general economic inflation has eased in recent quarters, there remains uncertainty around the rate and direction of inflation and interest rates and we continue to monitor our liquidity, capital and potential earnings impact of these changes but remain focused on our asset allocation decisions as described in our *"Business Strategy"* section of Item 2. "*Management's Discussion and Analysis of Financial Condition* and *Results of Operations - Overview*".

Inflation may also result in increased wage pressures for our operating expenses, as we remain focused on being a competitive employer in our market. Currently, while salaries and incentive compensation costs comprise less than one-half of our total general and administrative expenses, continuing inflation and tight labor conditions could have a material impact on our net operating results.

Off-Balance Sheet Arrangements

At March 31, 2024, we did not have any off-balance sheet arrangements as defined by Item 303(a) (4) of Regulation S-K.

Recent Accounting Pronouncements

See "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 2. Significant Accounting Policies*" for a discussion on recently issued accounting pronouncements not yet adopted.

Item 4. Controls and Procedures

Our management, with the participation and under the supervision of our Co-Chief Executive Officers and Chief Financial Officer, have evaluated the Company's 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")). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by SEC rules and forms and that such information is accumulated and communicated to management, including our Co-Chief Executive Officers and Chief Financial Officer, to allow for timely decisions regarding required disclosures. Our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of the end of the period covered by this report, such disclosure controls and procedures were effective. Our management, including our Co-Chief Executive Officers and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide an absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected.

During the most recent fiscal quarter, there were no changes in the Company's internal controls over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 11. Commitments and Contingencies*" for an update on legal matters. Except as disclosed above, there are no material changes from the legal proceedings previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 1A. Risk Factors

Our business is subject to a number of risks, including those identified in Item 1A. of Part I of our Annual Report on Form 10-K for the year ended December 31, 2023, that could have a material adverse effect on our business, results of operations, financial condition and/or liquidity and that could cause our operating results to vary significantly from period to period. The risks described in our 2023 Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

There are no material changes from the risk factors previously disclosed in *"Part I - Item 1A. Risk Factors"* of our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity and Use of Proceeds

Items 2. (a) and (b) are not applicable.

2. (c) Share Repurchases

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100.0 million of the Company's common shares from time to time at market prices. The Company's remaining authorization for common share repurchases was $70.9 million at March 31, 2024. The table below details the repurchases made during the three months ended March 31, 2024 under the Company's authorized common share repurchase plan pursuant to Rule 10b5-1(c)(1) under the Securities Exchange Act of 1934:

For the Three Months Ended March 31, 2024	Total number of shares repurchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Dollar amount still available under trading plan
				($ in thousands)
January 1, 2024 - January 31, 2024	—	$ —	—	$ 71,615
February 1, 2024 - February 29, 2024	—	—	—	71,615
March 1, 2024 - March 31, 2024	352,111	1.91	352,111	70,942
Total	352,111	$ 1.91	352,111	70,942

Subsequent to the three months ended March 31, 2024 and through the period ended May 8, 2024, the Company repurchased 238,884 additional common shares at an average price per share of $2.16 under the Company's authorized common share repurchase plan pursuant to Rule 10b5-1(c)(1) under the Securities Exchange Act of 1934. The Company's remaining share repurchase authorization was $70.4 million at May 8, 2024.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Executive Ownership and Sales

From time to time, some of the Company’s directors and executives may determine that it is advisable to diversify their investments for personal financial planning reasons, or may seek liquidity for other reasons, and may sell common shares of the Company in the open market, in private transactions or to the Company. To effect such sales, some of the Company’s directors and executives have previously entered into, and may in the future enter into, trading plans designed to comply with the Company’s Insider Trading and Outside Investments Policy and the provisions of Rule 10b5-1 under the Securities Exchange Act of 1934. The trading plans will not reduce any of the executives’ ownership of the Company’s shares below the applicable executive stock ownership guidelines. The Company does not undertake any obligation to report Rule 10b5-1 plans that may be adopted by any employee or director of the Company in the future, or to report any modifications or termination of any publicly announced plan.

Insider Trading Arrangements and Policies

The Company has adopted a Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended. On March 20, 2024, an amendment was made to the agreement initially signed on September 29, 2023 between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 30, 2023 until the close of business on September 29, 2024, subject to certain conditions set forth in the agreement. No changes to the applicable trading period under the initial agreement were made in the amendment.

Submission of Matters to a Vote of Security Holders

(a) The 2024 Annual General Meeting of Shareholders of the Company was held on May 6, 2024.

(b) Matters voted on at the meeting and the number of votes cast: 127,396,152 common shares were voted at the Annual General Meeting. Per the bye-laws of the Company in which the voting power is adjusted to the extent necessary so that there is no 9.5% voter, 29,260,574 common shares held by Maiden Reinsurance Ltd. were restricted from voting.

1. To elect nine directors to the Board of Directors of Maiden Holdings, Ltd. to serve until the 2025 Annual General Meeting of Shareholders or until their successors have been duly elected or appointed and qualified:

Name	Votes For	Withheld	Broker Non-Vote
Barry D. Zyskind	54,109,815	3,233,885	40,791,878
Holly L. Blanchard	52,629,049	4,714,651	40,791,878
Patrick J. Haveron	53,828,025	3,515,675	40,791,878
Simcha G. Lyons	48,400,222	8,943,478	40,791,878
Lawrence F. Metz	53,930,193	3,413,507	40,791,878
Raymond M. Neff	54,382,979	2,960,721	40,791,878
Yehuda L. Neuberger	54,135,969	3,207,731	40,791,878
Steven H. Nigro	54,357,852	2,985,848	40,791,878
Keith A. Thomas	49,259,686	8,084,014	40,791,878

2. To vote on a non-binding advisory resolution to approve the compensation of certain of our executive officers:

Votes For	Votes Against	Abstain	Broker Non-Vote
53,525,660	3,586,552	231,488	40,791,878

3. The appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2024 fiscal year:

Votes For	Votes Against	Abstain	Broker Non-Vote
96,314,726	1,752,137	68,715	—

Item 6. Exhibits.

Exhibit No.	Description
10.1	Renewal Rights and Asset Purchase Agreement by and between Maiden General Försäkrings AB, Maiden Life Försäkrings AB and AmTrust Nordic AB, dated as of May 3, 2024
31.1	Section 302 Certification of CEO
31.2	Section 302 Certification of CFO
32.1	Section 906 Certification of CEO
32.2	Section 906 Certification of CFO
101.1	The following materials from Maiden Holdings, Ltd. Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 formatted in Inline XBRL: (i) unaudited Condensed Consolidated Balance Sheets; (ii) unaudited Condensed Consolidated Statements of Income; (iii) unaudited Condensed Consolidated Statements of Comprehensive Income; (iv) unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity; (v) unaudited Condensed Consolidated Statements of Cash Flows; and (vi) Notes to unaudited Condensed Consolidated Financial Statements.

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 hereunto duly authorized.

MAIDEN HOLDINGS, LTD.

By:

May 9, 2024

/s/ Patrick J. Haveron

Patrick J. Haveron
Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)

/s/ Mark O. Heintzman

Mark O. Heintzman
Senior Vice President - Finance (Principal Financial Officer)

RENEWAL RIGHTS AND ASSET PURCHASE AGREEMENT

by and between

MAIDEN GENERAL FÖRSÄKRINGS AB,

MAIDEN LIFE FÖRSÄKRINGS AB

and

AMTRUST NORDIC AB

Dated as of May 3, 2024

RENEWAL RIGHTS AND ASSET PURCHASE AGREEMENT

This RENEWAL RIGHTS AND ASSET PURCHASE AGREEMENT, dated as of May 3, 2024 (this "Agreement"), is made by and between AMTRUST NORDIC AB, Reg. No. 556671-5677, having its registered address at Linnégatan 14, 114 47 Stockholm, Sweden ("Buyer"), Maiden General Försäkrings AB, Reg. No. 516406-0468, having its registered address at Styckjunkargatan 1, 114 35 Stockholm, Sweden ("Maiden General"), and Maiden Life Försäkrings AB, Reg. No. 516406-0468, having its registered address at Styckjunkargatan 1, 114 35 Stockholm, Sweden ("Maiden Life"). Maiden General and Maiden Life may each be referred to herein as a "Seller" and together as "Sellers"). Capitalized terms used herein shall have the meanings assigned to such terms in the text of this Agreement or in Article 6.

R E C I T A L S:

WHEREAS, Sellers, directly or through its distribution partners (including the Producers) solicit, market, produce, sell, supervise, underwrite, issue and administer income protection, loss of life, payment protection, accident and sickness, device/warranty and disability insurances in the countries where the Seller is authorized to issue such insurance policies (the "Business"), provided that the Business does not include life-only insurance programs solely underwritten by Maiden Life without Maiden General;

WHEREAS, Sellers wish to sell, transfer and assign to Buyer, and Buyer wishes to purchase and assume from Sellers, certain rights and assets related to the operation of the Business, subject to the terms and conditions set forth herein;

WHEREAS, Buyer has delegated authority from AmTrust International Underwriters DAC, Corporate Reg. No. 169384, having its registered address at 6-8 College Green, Dublin 2, D02 VP48.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, mutual covenants, agreements and understandings contained herein and intending to be legally bound, the Parties hereto hereby agree as follows:

ARTICLE 1

Purchase and Sale

1.1 Purchase and Sale of Assets. At the Closing, on the terms and subject to the conditions hereof, Sellers shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase from Sellers, free and clear of any Liens, all of Sellers' right, title and interest in, to the following assets (collectively, the "Purchased Assets"):

(a) the Renewal Rights;

(b) the lists of the Producers listed on Disclosure Schedule 1.1(b) (the "Producer List") and Policyholders; provided, that any such lists shall not include, and Seller shall have no obligation to sell, assign, transfer, convey and deliver to Buyer, any Non-Public Personal Information;

(c) copies, of all information and documentation, in any format (including contained in any software licensed or owned by the Sellers), solely to the extent relating to the Purchased Assets, Insurance Contracts and Renewal Rights, including all Insurance Contracts, underwriting and claims data, ledgers, producer and customer lists and purchasing histories, price lists, production data, quality control records and procedures, customer complaints and inquiry files, all correspondence with any Governmental Authority, sales material and records (including pricing history, total sales, terms and conditions of sale, sales and pricing policies and practices), and marketing and promotional materials (including contacts and content) and surveys attributable to the Renewal Rights ("Books and Records"); provided, that any such Books and Records shall not include, and Seller shall have no obligation to sell, assign, transfer, convey and deliver to Buyer, any Non-Public Personal Information;

(d) all goodwill and other intangible assets relating to the Insurance Contracts, Renewal Rights and the Policyholders; and

(e) rights, claims or causes of action against third parties relating to any of the assets set forth in Section 1.1(a)-(d).

1.2 Excluded Assets. Any and all assets of Sellers other than the Purchased Assets shall be retained by Sellers (such other assets, the "Excluded Assets"), and Buyer shall acquire no right, title or interest in the Excluded Assets in connection with the Transaction. For the avoidance of doubt, the Excluded Assets shall include, without limitation, the Sellers IT-systems and rights and obligations relating thereto, actual and potential lease agreement for premises where the Business is conducted, rights and obligations relating the Sellers' employees, supplier agreements, trademarks and domain names.No Assumption of Liabilities.

(a) Notwithstanding anything to the contrary in this Agreement, Sellers shall retain and remain responsible for, and Buyer shall not assume or in any way become liable for, any liabilities, debts or obligations of Sellers or any of its Affiliates of any kind or nature whatsoever, including all liabilities (including Taxes and failure to comply with bulk sales or similar Applicable Laws of any jurisdiction), debts and obligations arising out of or relating to one or more Seller's operation or conduct of the Business or ownership of the Purchased Assets before the Closing, whether related to the Business or the Purchased Assets (including the Insurance Contracts) and whether disclosed on the Disclosure Schedules, and regardless of when or by whom asserted (collectively referred to herein as the "Excluded Liabilities"). For the avoidance of doubt, Buyer and Sellers agree that "Excluded Liabilities" shall also include any and all liabilities relating to any and all Insurance Contracts prior to the Commencement Date.

(b) It is furthermore the Parties joint understanding that the transfer of the Purchased Assets does not constitute a transfer of an economic entity (*Sw.* verksamhetsöverlåtelse) under Section 6 b of the Swedish Employment Protection Act (1982:80), i.e., the Swedish TUPE regulation, and none of the Sellers' employees will therefore transfer to the Buyer and the Buyer has no obligation to offer employment to the Sellers' employees as part of the transfer of the Purchased Assets.

1.4 Purchase Price and Calculation of Renewal Commission Payments.

(a) Purchase Price. The aggregate purchase price for the Purchased Assets (the "Purchase Price") shall be an amount in cash, payable in euros, equal to the amount of any Renewal Commission Payment payable pursuant to Section 1.4(b).

(b) Renewal Commission Payments.

(i) As consideration for the purchase of the Purchased Assets, Buyer shall pay (or cause to be paid) to Sellers in accordance with the allocations provided to Buyer by Sellers in writing no fewer than sixty (60) days prior to the date than the first Renewal Commission Payment (if any) becomes due an earn-out payment in respect of each Renewal Commission Period equal to 3% of Written Premium (each payment, an "Renewal Commission Payment", and collectively, the "Renewal Commission Payments"), in each case in accordance with this Section 1.4(b).

(ii) Within one hundred and twenty (120) days from the end of each Renewal Commission Period, Buyer shall deliver to Sellers a written report in reasonable detail setting forth its good faith calculation of the Written Premium for each such Renewal Commission Period (each, an "Renewal Commission Statement").

(iii) Within forty-five (45) days following delivery to Sellers of a Renewal Commission Statement, Sellers shall deliver written notice (an "Renewal Commission Objection Notice") to Buyer of any good faith dispute it has with respect to the preparation or content of such statement. A Renewal Commission Objection Notice must describe in reasonable detail the items contained in a Renewal Commission Statement that Sellers dispute, the basis for any such disputes and the specific euro amount of each such dispute and Sellers' determination of the amount of Written Premium with respect to such Renewal Commission Period. Any items not disputed in the Renewal Commission Objection Notice will be deemed to have been accepted by Sellers. If Sellers do not deliver a proper and timely Renewal Commission Objection Notice with respect to a Renewal Commission Statement within such forty-five (45) day period, such Renewal Commission Statement will be final, conclusive and binding on the parties. If Sellers deliver a proper and timely Renewal Commission Objection Notice, then Buyer and Sellers shall negotiate in good faith to resolve any differences that they may have with respect to the matters specified in the Renewal Commission Objection Notice. If Buyer and Sellers, notwithstanding such good faith effort, fail to resolve such dispute within fifteen (15) Business Days after Sellers deliver a Renewal Commission Objection Notice, then Buyer and Sellers, jointly, shall engage a neutral accounting firm of national recognition (the "Renewal Commission Arbitration Firm") to resolve such dispute and enter into a customary engagement letter with the Renewal Commission Arbitration Firm. As promptly as practicable thereafter (and, in any event, within fifteen (15) Business Days after the Renewal Commission Arbitration Firm's engagement), Sellers shall submit any unresolved elements of its objection to the Renewal Commission Arbitration Firm in writing (with a copy to Buyer), supported by any documents and written arguments upon which it relies. As promptly as practicable thereafter (and, in any event, within fifteen (15) Business Days following Sellers' submission of such unresolved elements), Buyer shall submit its response to the

Renewal Commission Arbitration Firm (with a copy to Sellers) supported by any documents and written arguments upon which it relies. Neither Buyer nor Sellers shall have or conduct any communication, either written or oral, with the Renewal Commission Arbitration Firm without the other party either being present or receiving a concurrent copy of any written communication. The Renewal Commission Arbitration Firm may conduct a conference concerning the objections and disagreements between Sellers and Buyer, at which conference each of Sellers and Buyer shall have the right to (y) present its documents, materials and other evidence previously provided to the Renewal Commission Arbitration Firm and the other party and (z) have present its or their advisors, accountants, counsel and other Representatives. Buyer and Sellers shall request that the Renewal Commission Arbitration Firm render its determination within thirty (30) days following its receipt of Buyer's response. The scope of the disputes to be resolved by the Renewal Commission Arbitration Firm shall be limited to the unresolved items on the Renewal Commission Objection Notice, and the Renewal Commission Arbitration Firm's determination will be based solely on this Agreement and the information provided by Sellers and Buyer pursuant to this Section 1.4(b). In resolving any disputed item, the Renewal Commission Arbitration Firm may not assign a value to any item greater than the greatest value claimed for such item by either party or less than the smallest value claimed for such item by either party on the Renewal Commission Statement or Renewal Commission Objection Notice, as applicable. Buyer, on the one hand, and Sellers, on the other hand, shall share equally the fees and expenses of the Renewal Commission Arbitration Firm. Other than the fees and expenses of the Renewal Commission Arbitration Firm, Buyer, on the one hand, and Sellers, on the other hand, will each be responsible for its own costs and expenses incurred in connection with any actions taken pursuant to this Section 1.4(b). All determinations made by the Renewal Commission Arbitration Firm will be final, conclusive and binding on the parties. Notwithstanding anything to the contrary in this Agreement, any disputes regarding amounts shown in a Renewal Commission Statement shall be resolved solely and exclusively as set forth in this Section 1.4(b); provided, however, that nothing in this Section 1.4(b) shall prevent any party from seeking and obtaining relief in any court of competent jurisdiction to enforce performance of these provisions, including the decision of the Renewal Commission Arbitration Firm.

(iv) Buyer will pay or cause to be paid to Sellers (in accordance with the allocations provided to Buyer by Sellers in writing no fewer than sixty (60) days prior to the date than the first Renewal Commission Payment (if any) becomes due the applicable Renewal Commission Payment, if any, within forty-five (45) days of the final determination of the Written Premium pursuant to Section 1.4(b) by wire transfer of immediately available funds to the account(s) designated in writing by Sellers. The Renewal Commission Payments will be treated as the Purchase Price for all purposes (including Tax and financial accounting).

1.5 Closing Transactions.

(a) Closing. The closing of the sale and purchase of the Purchased Assets (the "Closing") shall take place remotely via the exchange of documents and signatures on the date hereof (the "Closing Date"). The parties intend that the Closing shall be deemed effective, and the transactions contemplated by this Agreement shall be deemed to occur simultaneously, at 12:01 a.m. Eastern Time on the Closing Date.

(b) Deliveries of Sellers. On the Closing Date, Sellers shall deliver, or cause to be delivered, to Buyer:

(i) duly executed counterparts of each Ancillary Agreement, if any, to which Sellers are a party;

(ii) copies of resolutions of Sellers' respective board of directors authorizing and approving the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby;

(iii) the Books and Records; and

(iv) such other documents and instruments as Buyer reasonably requests to consummate the transactions contemplated by this Agreement.

(c) Deliveries of Buyer. On the Closing Date, Buyer shall deliver, or cause to be delivered, to Sellers:

(i) Duly executed counterparts of each Ancillary Agreement, if any, to which Buyer is a party;

(ii) copies of resolutions of Buyer's board of directors authorizing and approving the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby; and

(iii) such other documents and instruments as Sellers reasonably request to consummate the transactions contemplated by this Agreement.

1.6 Allocation of the Purchase Price. Sellers and Buyer agree that the Purchase Price (plus other relevant items) shall be allocated among the Purchased Assets for all purposes (including Tax and financial accounting) as shown on the allocation schedule (the "Allocation Schedule"). A draft of the Allocation Schedule shall be prepared by Buyer and delivered to Sellers within 30 days following the payment of the first Renewal Commission Payment. If Sellers notify Buyer in writing that Sellers object to one or more items reflected in the Allocation Schedule, Sellers and Buyer shall negotiate in good faith to resolve such dispute; provided, however, that if Sellers and Buyer are unable to resolve any dispute with respect to the Allocation Schedule within 30 days following delivery of the Allocation Schedule, such dispute shall be resolved by an a neutral accounting firm of national recognition (the "Independent Accountant"). The fees and expenses of such Independent Accountant shall be borne equally by Sellers, on the one hand, and Buyer, on the other hand. Buyer and Sellers shall file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with the Allocation Schedule. Additional Renewal Commission Payments pursuant to Section 1.4 herein and any adjustments to the Purchase Price shall be allocated in a manner consistent with the Allocation Schedule.

1.7 Renewal/Replacement of Insurance Contracts. Prior to the Commencement Date, Sellers shall use commercially reasonable efforts to renew all Insurance Contracts on the same terms as in effect as of the date of the Closing. Immediately following the Closing, Sellers shall use reasonable best efforts to: (a) introduce all Producers to Buyer via in person meetings among Buyer, Seller and each Producer; and (b) encourage Producers to enter into distribution agreements with Buyer for the renewal or replacement of the Insurance Contracts. At least thirty (30) days prior to the Commencement Date, each Seller shall deliver a notice of non-renewal to the Policyholders with respect to all of the Insurance Contracts. From and after the Commencement Date, Buyer, in its own name and on its own behalf, or in the name and on behalf of any of its Affiliates, shall be entitled to and may (directly or indirectly) solicit, quote, bind, write and/or issue, or cause to be solicited, quoted, bound, written and/or issued the renewal and/or replacement of the Insurance Contracts upon the expiration, cancellation or anniversary of said Insurance Contract(s), on Buyer's or its Affiliates' forms (or on the forms of such third party carriers as Buyer in its sole discretion may select) at its or their rates, subject in each case to applicable Law and the rights of the Producers and the Policyholders. Any such Insurance Contracts that Buyer, in its sole discretion, decides to write and/or issue in accordance with this Section 1.7 are referred to as the "Buyer Renewal Policies". It is acknowledged that the Seller has regulatory obligations to offer continuation insurance and nothing in this clause prevents the Seller from compliance with these obligations.

ARTICLE 2

Representations and Warranties of Sellers

Sellers hereby jointly and severally represent and warrant to Buyer as follows:

2.1 Corporate Status. Each Seller is duly incorporated and validly existing under the Laws of Sweden and has full corporate power and authority to own, operate and lease the properties and assets now owned, operated or leased by it and to carry on the Business as currently conducted. Disclosure Schedule 2.1 sets forth each jurisdiction in which each Seller is licensed or qualified to do business with respect to the Business and Purchased Assets, and each Seller is duly licensed or qualified to do business and is in good standing in each jurisdiction in which such Seller's ownership of the Purchased Assets or such Seller's operation of the Business as currently conducted makes such licensing or qualification necessary.

(a) Each Seller lawfully owns and has good and marketable title to its respective Purchased Assets, free and clear of any Liens and there exists no agreement to create any Liens over any of the Purchased Assets.

2.2 Corporate and Authorizations.

(a) Sellers have all requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements, to perform their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement by each Seller and the Ancillary Agreements to which each Seller is a party, the performance of such Seller's obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action of such Seller. Each Seller has duly executed and delivered this Agreement and each Ancillary Agreement to which it is a party. This Agreement and the Ancillary Agreements to which each Seller is a party constitute the legal, valid and binding obligation of such Seller enforceable against such Seller in accordance with its terms.

(b) Except as set forth in Disclosure Schedule 2.2(b), the execution and delivery of this Agreement by each Seller and the Ancillary Agreements to which each Seller is a party, the performance of its obligations hereunder and thereunder and the consummation by Sellers of the transactions contemplated hereunder and thereunder, require no Consent of, permit or exemption from, action by or in respect of, filing or declaration with or notice to any Governmental Authority, other than as set forth in Disclosure Schedule 2.2(b).

2.3 Non-Contravention; Organizational Documents. Except as set forth in Disclosure Schedule 2.3(a), the execution and delivery of this Agreement by each Seller and the Ancillary Agreements to which each Seller is a party, the performance of each Seller's respective obligations hereunder and the consummation by each Seller of the transactions contemplated hereunder and thereunder do not (a) conflict with, result in a default of or breach any provision of the Organizational Documents of such Seller, (b) conflict with, violate or breach in any material respect any provision of any applicable Law, (c) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration, amendment, modification or other change of any right or obligation or the loss of any benefit under, any provision of a Material Contract, any Permit affecting the Business or the Purchased Assets, or (d) result in the creation or imposition of any Lien on any Purchased Assets.

2.4 Statements and Producers.

(a) Disclosure Schedule 2.4(a)(i) sets forth true, complete and correct unaudited statements at and for the periods ended December 31, 2021, December 31, 2022 and December 31, 2023, each of which includes all of the information set forth in Disclosure Schedule 2.4(a)(ii) (collectively the "Statements"). The Statements are based on the Books and Records of the Business and present fairly, in all material respects, all of the information set forth in Disclosure Schedule 2.4(a)(ii) as of and for the respective periods indicated. Each Seller has maintained its Books and Records relating to the Business in the Ordinary Course of Business and has properly recorded and maintained records of all activities and transactions as required by applicable Law.

(b) Disclosure Schedule 2.4(b)(i) identifies all current Producers and Persons involved in the Business and Disclosure Schedule 2.4(b)(ii) identifies all material in-force Contracts, undertakings or arrangements among a Seller and any Producer or Person that relate to the Business. To the knowledge of Sellers, each Seller enjoys good relations, and is not involved in any disputes, claims or controversies with any Producer listed on the Producer List. As of the date hereof, neither Seller has received any written notice from any Producer listed on the Producer List (y) terminating, reducing or otherwise materially changing, or intending or threatening to terminate, reduce or otherwise materially change, its relationship with either Seller, or (z) cancelling or not renewing, or intending or threatening to cancel or not renew, any Insurance Contract. None of the Insurance Contracts has been co-brokered or sub-brokered by either Seller with any third party other than the Producers identified in Disclosure Schedule 2.4(b)(i), and no other third party owns or otherwise has any right, title or interest in or to the commissions, fees or other revenue derived therefrom.

(c) Except as set forth in Disclosure Schedule 2.4(c), to the Knowledge of Sellers, each Producer on the Producer List is duly licensed to act as a Producer on its own merits with respect to the Business or perform the services performed in connection with the Business in each such jurisdiction in which such Producer produces business or Person performs services for such Seller.

2.5 Absence of Certain Changes. Since December 31, 2023, except as expressly contemplated by this Agreement, (a) each Seller has conducted the Business with respect to the Purchased Assets in the Ordinary Course of Business and (b) no event has occurred that would reasonably be expected to cause, in whole or part, a material adverse effect on the Purchased Assets.

2.6 Material Contracts.

(a) Disclosure Schedule 2.6(a) lists each of the following Contracts by which any of the Purchased Assets are bound or affected: (i) Contract granting any Person a Lien upon all or any part of the assets, properties or rights of the Purchased Assets; (ii) broker, distributor, vendor, customer, franchise, agency or maintenance Contracts; (iii) Contract which prohibits, or could pursuant to its terms prohibit Buyer or its Affiliates from, freely engaging in the Business anywhere in the world, including any Contracts with non-competition, exclusivity, non-solicit or no-hire provisions; (iv) powers of attorney executed by or on behalf of either Seller in respect of the Purchased Assets; and/or (v) other Contracts that are material to the Purchased Assets.

(b) Each Contract required to be listed in Disclosure Schedule 2.6(a) or Disclosure Schedule 2.4(b)(ii) (each, a "Material Contract") and except as set forth in the relevant subsection of Disclosure Schedule 2.6(b), is a valid and binding agreement of the Seller party thereto and is in full force and effect, and neither the applicable Seller nor, to the Knowledge of Sellers, any other party thereto is in default or breach under (or is alleged to be in default or breach under) the terms of, or has provided or received any notice of any intention to terminate, any such Material Contract, and, to the Knowledge of Sellers no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default thereunder or result in a termination thereof or would cause or permit the acceleration of or other changes of or to any right or obligation or the loss of any benefit thereunder. No material right of either Seller under any of the Material Contracts has been waived. Sellers have provided a true and accurate description of the terms of each Material Contract in the Disclosure Schedules hereto.

2.7 Insurance Contracts. Disclosure Schedule 2.7 sets forth, for each Insurance Contract, (i) such Insurance Contract's date of expiration, cancellation and/or anniversary, as applicable, (ii) the date that notice of non-renewal is required to be sent, (iii) the Producer of each Insurance Contract and (iv) the insurer for each Insurance Contract. No third party has, or has asserted, or to the Knowledge of Sellers, threatened to assert, any right to or interest in the Purchased Assets, subject to the rights of Producers and Policyholders and applicable Law. Sellers have made available true, correct and complete (y) lists of the Insurance Contracts and (z) copies of the Insurance Contracts issued.

2.8 Litigation. (a) There is no Litigation pending or, to the Knowledge of Sellers, threatened against or affecting the Business or any of the Purchased Assets before any court or arbitrator or any Governmental Authority; (b) there are no settlement agreements or similar written agreements with any Governmental Authority and no outstanding orders, judgments, stipulations, decrees, injunctions, determinations or awards issued by any Governmental Authority against or affecting the Business or any of the Purchased Assets; and (c) there is no Litigation pending against or, to the Knowledge of Sellers, threatened in writing against or affecting, either Seller before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or the Ancillary Agreements. Disclosure Schedule 2.8 sets forth a complete and correct list and description of all Litigation made, filed or otherwise initiated in connection with the Business or the Purchased Assets that are pending or have been resolved in the past three (3) years and the resolution thereof.

2.9 Compliance with Laws. For the last three (3) years, each Seller has complied, and as of the date hereof, is complying, with all Laws applicable to the conduct or operation of the Business as currently conducted or the ownership and use of the Purchased Assets and is not, and has not been, under, and, as of the date hereof, has not received any notice of, any investigation with respect to any violation of any Laws applicable to the conduct of the Business. Each Seller has all material licenses, franchises, permits, certificates, approvals, registrations or other similar authorizations issued by applicable Governmental Authorities and affecting, or relating to, the Purchased Assets or the operation of the Business (the "Permits"). The Permits are valid and in full force and effect, neither Seller is in material default under the Permits, none of the Permits will be terminated as a result of the transactions contemplated hereby and neither Seller nor any of its respective Affiliates has received notice that such Seller is in violation of any of the terms or conditions of any Permit or alleging the failure to maintain any Permit.

2.10 Employees, Labor Matters, etc. None of the Sellers' employees have the right, under Applicable Law, to have their employment transferred to the Buyer as a consequence of the transfer of the Purchased Assets and the Buyer has no obligation to offer employment to any of the Sellers' employees.

2.11 Tax Matters. Except as set forth on Disclosure Schedule 2.11, in respect of the Business:

(a) Each Seller has timely filed all federal, state, local and foreign income, information and other Tax Returns with respect to the Business or the Purchased Assets that are required to be filed, and all such returns are true, complete and accurate in all material respects and such filings accurately reflect the Tax liabilities of each Seller;

(b) all Taxes, assessments and other governmental charges imposed upon either Seller with respect to the Business (whether or not shown on any Tax Return), or upon any of the Purchased Assets or any assets, income or franchises of either Seller relating to the Business, have been timely paid or, if not yet payable, will be timely paid;

(c) Neither Seller (i) has been a member of an "Affiliated Group" (as defined in Section 1504 of the Code) filing a consolidated federal income Tax Return or a member of an affiliated, consolidated, combined or unitary group filing a state, local or non-U.S Tax Return and (ii) does not have any liability for the Taxes of any Person (other than Sellers) under Reg. § 1.1502-6 (or similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise;

(d) there are no Liens for Taxes (other than for current Taxes not yet due and payable) upon any of the Purchased Assets;

(e) all deficiencies asserted, or assessments made, against a Seller as a result of examinations or audits by any Tax Authority have been fully paid; and

(f) Neither Seller is under examination or audit by any Tax Authority (and, to the Knowledge of Sellers, no Tax Authority has threatened to examine or audit any Tax or Tax Return of either Seller), and neither Seller is a party to any litigation or administrative proceeding with respect to any Tax or Tax Return.

(g) All outstanding tax liabilities (including those related to income tax, corporation tax, employment tax, sales tax and any other liabilities), penalties and charges relating to the Business prior to Closing, remain the responsibility of the Sellers.

2.12 Transactions with Affiliates. No Affiliate of either Seller owns any of the Purchased Assets.

2.13 No Finders' Fees. There is no investment banker, broker, finder, agent or other intermediary who might be entitled to any fee, payment or commission from Buyer or any of its Affiliates in connection with the transactions contemplated by this Agreement or the Ancillary Agreements.

2.14 Names. During the five (5) year period prior to the execution and delivery of this Agreement, neither Seller has used any name or names under which it has invoiced account debtors, maintained records concerning its assets or otherwise conducted business with respect to the Business, other than the exact name under which it has executed this Agreement and the trading name Maiden Life and General.

2.15 Bulk Sales Laws. Sellers are in compliance with the provisions of any and all bulk sales, bulk transfer or similar Applicable Laws of any jurisdiction that may be applicable with respect to the sale of any or all of the Purchased Assets to Buyer.

ARTICLE 3

Representations and Warranties of Buyer

Buyer represents and warrants to Sellers as follows:

3.1 Corporate Status. Buyer is duly incorporated and validly existing under the laws of Sweden.Corporate and Governmental AuthorizationBuyer has all requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Agreements by Buyer, the performance of Buyer's obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action of Buyer. Buyer has duly executed and delivered this Agreement. This Agreement constitutes and the Ancillary Agreements when executed and delivered will constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer, in accordance with its terms.

(b) The execution, delivery and performance of this Agreement and the Ancillary Agreements by Buyer and the consummation of the transactions contemplated hereby and thereby, require no prior Consent of, permit or exemption from, action by or in respect of, filing or declaration with or notice to any Governmental Authority other than as may result from any facts or circumstances relating to Sellers or their respective Affiliates.

3.3 Non-ContraventionThe execution and delivery of this Agreement and the Ancillary Agreements by Buyer, and the performance of its obligations hereunder and thereunder do not (a) conflict with, result in a default of or breach of any provision of any of the Organizational Documents of Buyer, (b) conflict with, violate or breach in any material respect any provision of any applicable Law or (c) require any Consent or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration, amendment, modification or other change of any right or obligation or the loss of any benefit under, any provision of any material agreement or other instrument to which Buyer is a party.

3.4 Finders' Fees. There is no investment banker, broker, finder, agent or other intermediary engaged by Buyer who is entitled to any fee, payment or commission from either Seller or any of its Affiliates in connection with the transactions contemplated by this Agreement or the Ancillary Agreements. Litigation. There are no settlement agreements or similar written agreements with any Governmental Authority and no outstanding orders, judgments, stipulations, decrees, injunctions, determinations or awards issued by any Governmental Authority against or affecting Buyer which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or the Ancillary Agreements. There is no Litigation pending against or, to the Knowledge of Buyer, threatened in writing against or affecting, Buyer before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement or the Ancillary Agreements.

3.6 Investigation. Buyer acknowledges that it and its Representatives have received access to the documentation set forth on Disclosure Schedule 3.6 which it and its Representatives have desired or requested to review. Buyer acknowledges and agrees that it has made its own inquiry and investigation into, the documentation set forth on Disclosure Schedule 3.6, and, based thereon, have formed an independent judgment concerning the documentation set forth on Disclosure Schedule 3.6. Except for the specific representations and warranties expressly made by Sellers in this Agreement, Buyer acknowledges and agrees that neither Seller is making and has not made any representation or warranty, expressed or implied, at law or in equity, in respect of the Business, the Renewal Rights or any of its operations, prospects or condition (financial or otherwise), including with respect to merchantability or fitness for any particular purpose of any assets, the nature or extent of any Liabilities, the prospects of the Business, the effectiveness or the success of any operations.

ARTICLE 4

Certain Covenants

4.1 Access to Information; Confidentiality; Books and Records.For seven (7) years following the Closing, Sellers shall promptly afford Buyer and its respective agents reasonable access during normal business hours and upon reasonable notice to each Seller's books and records and information (in each case relating to periods ending on or prior to the Closing Date), employees responsible for the maintenance of such books and records and information, and auditors, in each case to the extent (i) reasonably necessary for Buyer in connection with any audit, investigation, dispute or Litigation, and (ii) related to the Purchased Assets that are in the possession or under the control of Sellers; provided, that (A) such activities do not unreasonably interfere with the ongoing business or operations of Sellers, (B) no personal information shall be disclosed or used other than in compliance with applicable privacy law; and (C) nothing herein shall require either Seller or their respective Representatives to furnish to Buyer or provide Buyer with access to information that (1) is subject to an attorney-client or an attorney work-product privilege, or (2) legal counsel for Sellers reasonably concludes may give rise to antitrust or competition law issues or violate a protective order or otherwise may not be disclosed pursuant to applicable Law; provided, that Buyer agrees to reimburse the other party promptly for all reasonable and documented out-of-pocket costs and expenses incurred in connection with any such request.

(b) Each Seller will hold, and will cause its Affiliates and Representatives to hold, any Confidential Information of the Business and Buyer in strict confidence and not disclose any such Confidential Information to any Person, except with the prior written consent of the Buyer or unless compelled to disclose by judicial or administrative process or by other requirements of applicable Law or of any applicable stock exchange (subject to the last sentence of this Section). In the event either Seller, its Affiliates or its Representatives is required by Law to disclose any Confidential Information, such Seller shall promptly notify Buyer in writing, which notification shall include the nature of the legal requirement and the extent of the required disclosure, and shall cooperate with Buyer to preserve the confidentiality of such information consistent with applicable Law.

(c) Except as otherwise permitted by this Agreement, none of the parties hereto shall make, or permit any of their Affiliates or Representatives to make, any public announcement or issue any press release in respect of this Agreement or the transactions contemplated hereby without the prior written consent of the other party (such consent not to be unreasonably withheld, delayed or conditioned); provided, however, that nothing in this Agreement shall prevent (i) the Buyer or its Affiliates from any written or oral communications to the Policyholders or Producers, or to any other business relationships included in the Purchased Assets informing them of the consummation of the transactions contemplated hereby and with respect to any integration, transition and related business matters or (ii) any party from complying with applicable Law or with the requirements of any securities exchange.

4.2 Notices and Further Assurances.Sellers acknowledge and agree that Sellers are required by applicable Laws to send notices of non-renewal to the Policyholders (each, a "Policyholder Notice") under the Insurance Contracts and will send such notices no earlier than 30 days prior to the Commencement Date and in accordance with applicable Laws. Sellers shall notify the Buyer prior to sending any Policyholder Notice (but at least (10) Business Days in advance of any Policyholder Notice). Each Policyholder Notice shall include the information set forth on Disclosure Schedule 4.2(a)(i) (if the underlying Insurance Contract requires the applicable Policyholder to "opt in" to renewal of such Insurance Contract) or set forth on Disclosure Schedule 4.2(a)(ii) (if the underlying Insurance Contract requires the applicable Policyholder to "opt out" of renewal of such Insurance Contract), in each case, as the same may be amended by the mutual written agreement of Buyer and Sellers. The Policyholder Notice is subject to regulatory obligations upon the Seller to offer continuation and nothing in this clause prevents the Seller from compliance with these obligations. Each of the parties shall execute and deliver such further instruments of conveyance and transfer and take such additional actions as the other party may reasonably request to effect, consummate, confirm or evidence the transfer to Buyer of the Purchased Assets and do, or cause to be done, all things necessary, proper or advisable in compliance with applicable Laws to consummate and make effective, as soon as reasonably practicable, the transactions contemplated hereby, including making all required filings with, or applications to, Governmental Authorities and Sellers shall use commercially reasonable efforts to obtain all Consents necessary for the parties to consummate the transactions contemplated hereby and for Buyer to conduct the Business, without expense to Buyer.

4.3 Restrictive Covenants.Each Seller hereby acknowledges that it is familiar with the Business' trade secrets and with other Confidential Information related to the Purchased Assets. Each Seller acknowledges and agrees that the covenants and agreements set forth in this Section 4.3 were a material inducement to Buyer to enter into this Agreement and to perform its obligations hereunder, that Buyer would not have entered into this Agreement but for the covenants and agreements of Sellers set forth in this Section 4.3 and that Buyer and its Affiliates would not obtain the benefit of the bargain set forth in this Agreement as specifically negotiated by the parties hereto if either Seller breached the provisions of this Section 4.3.

(b) Each Seller agrees that until the third (3^{rd}) anniversary of the Closing (the "Restricted Period") it shall not (and shall cause its Affiliates not to) directly, or indirectly through another Person, call on, solicit or service any Producer on the Producer List or any Policyholder (including any Person that was a Producer or Policyholder of the Business at any time during the 12 month period immediately prior to such call, solicit or service), induce or attempt to induce such Person to cease doing business with Buyer or its Affiliates with respect to the Purchased Assets, or in any way interfere with the relationship between any such customer, Producer or business relation and Buyer or its Affiliates (including making any negative statements or communications about the Business, Buyer or its Affiliates) in a manner harmful to the Business, Purchased Assets or Buyer or its Affiliates with respect to the Purchased Assets.

(c) During the Restricted Period: neither Seller nor any of either Seller's respective Affiliates shall, directly or indirectly, solicit any employee who was (i) dedicated to the Business and (ii) hired by Buyer or one of its Affiliates within six (6) months of the Closing Date; provided, that nothing in this Section 4.3(c) shall prevent Seller or its Affiliates from (A) soliciting or hiring any such Person whose employment or engagement has been terminated (1) by Buyer or its Affiliates or (2) by such Person voluntarily at least six (6) months prior to the first solicitation or hiring of such Person or (B) soliciting or hiring any such Person who responds to general solicitations to the public or general advertising that is not specifically targeted at such employees.

(d) If, at the time of enforcement of the covenants contained in this Section 4.3 (the "Restrictive Covenants"), a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed and directed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by Law. Each Seller has consulted with legal counsel regarding the Restrictive Covenants and based on such consultation has determined and hereby acknowledges that the Restrictive Covenants are reasonable in terms of duration, scope and area restrictions and are necessary to protect the goodwill of the Business and the substantial investment in the Business made by Buyer hereunder.

(e) If a Seller or any of its Affiliates breaches, or threatens to commit a breach of, any of the Restrictive Covenants, Buyer and its Affiliates shall have the following rights and remedies, each of which rights and remedies shall be independent of the others and severally enforceable, and each of which is in addition to, and not in lieu of, any other rights and remedies available to Buyer or any of its Affiliates at Law or in equity: the right and remedy of injunction, to have the Restrictive Covenants specifically enforced and/or other equitable relief by any court of competent jurisdiction, without the necessity of proving actual harm or posting a bond or other security therefor, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Business and Buyer and that money damages would not provide an adequate remedy to the Business or Buyer. In the event of any breach or violation by a Seller of any of the Restrictive Covenants, the time period of such covenant shall be tolled until such breach or violation is resolved.

(f) The Restrictive Covenants in this clause do not prevent the Seller from complying with its regulatory obligations to offer continuation insurance.

4.4 Remittances. From and after the Closing Date,

(a) if either Seller or any of its Affiliates receives (i) any payment from a third party that, pursuant to this Agreement, is due and owing to Buyer, such Seller shall, or shall cause such Affiliate of such Seller to, promptly (and in no event later than fifteen (15) days following receipt thereof) remit such payment to Buyer or (ii) any property that constitutes a Purchased Asset (or portion thereof) (including any correspondence) the applicable Seller shall, or shall cause such Affiliate of such Seller to, as promptly as practicable, deliver to the Buyer, in each case of (i) and (ii), without cost or expense to Buyer; or

(b) if Buyer or any of its Affiliates receives any payment from a third party that, pursuant to this Agreement, is due and owing to either Seller, Buyer shall, or shall cause such Affiliate of Buyer to, promptly (and in no event later than fifteen (15) days following receipt thereof) remit such payment to such Seller, without cost or expense to either Seller.

4.5 Issuance of Notice of Termination. Promptly following the Closing, Seller will, or will cause its applicable Affiliate to, prepare and deliver to Northmill Bank AB a notice of termination terminating the agreement between Seller and Northmill Bank AB.

ARTICLE 5

Survival; Indemnification

5.1 Survival. The representations and warranties in this Agreement and the Disclosure Schedules and Exhibits attached hereto or in any writing delivered by any party to another party in connection with this Agreement shall survive the Closing as follows:

(a) the Sellers' Fundamental Representations and Warranties and the Buyer Fundamental Representations and Warranties shall each survive until the expiration of the applicable statute of limitations plus sixty (60) days;

(b) the representations and warranties of Sellers in Section 2.11 (Tax Matters) shall survive until the expiration of the applicable statute of limitations plus sixty (60) days; and

(c) all other representations and warranties of Sellers in Article 2 of this Agreement and of Buyer in Article 3 of this Agreement and the Disclosure Schedules and Exhibits attached hereto or in any writing delivered by any party to another party in connection with this Agreement shall survive for the eighteen (18) month period following the Closing; provided, that any representation or warranty in respect of which indemnity may be sought under Section 5.2 below, and the indemnity with respect thereto, shall survive the time at which it would otherwise terminate pursuant to this Section ARTICLE 5 if notice of the inaccuracy or breach or potential inaccuracy or breach thereof giving rise to such right or potential right of indemnity shall have been given to the party against whom such indemnity may be sought prior to such time (regardless of when the Losses in respect thereof may actually be incurred). The representations and warranties in this Agreement and the Disclosure Schedules and Exhibits attached hereto or in the Ancillary Agreements shall survive for the periods set forth in this Section ARTICLE 5 and shall not be affected or deemed waived by reason of any knowledge or any investigation, inquiry or examination made for or on behalf of any Indemnitee (including by any of its Representatives). The parties acknowledge that indemnification hereunder with respect to the breach of any covenant or agreement contained herein, including any breach of any covenant or agreement contained in this Article 5, shall survive until fully performed or discharged, but shall not be subject to any limitation set forth in Section 5.1. Notwithstanding the foregoing or any other provision in this Agreement, the parties agree that nothing in this Agreement (including this Article 5) shall limit or restrict any party's rights to maintain or recover any amounts in connection with any action or claim based upon fraud, intentional misrepresentation or willful or criminal misconduct or deceit.

5.2 Indemnification.Indemnification by Sellers. Sellers shall indemnify Buyer and its Affiliates, and each of their respective equity holders, officers, directors, employees, agents, partners, representatives, successors and assigns (collectively, the "Buyer Parties") and save and hold each of them harmless from and against and pay on behalf of or reimburse such Buyer Parties as and when incurred for any loss, liability, demand, judgment, claim, action, cause of action, cost, damage, deficiency, Tax, penalty, fine or expense, whether or not arising out of third-party claims (including interest, penalties, reasonable legal, consulting and other professional fees and expenses and all amounts paid in investigation, defense or settlement of any of the foregoing) (collectively, "Losses"), which any such Buyer Party may suffer, sustain or become subject to, as a result of, in connection with, relating or incidental to or by virtue of:

(i) any breach by a Seller or any inaccuracy of any representation or warranty made by a Seller in this Agreement or any of the Disclosure Schedules or Exhibits attached hereto, or in any of the Ancillary Agreements (determined in each case without regard to any qualification or limitation with respect to materiality or other similar qualification or limitation) or Ancillary Agreements;

(ii) any nonfulfillment or breach of any covenant, agreement or other provision by a Seller under this Agreement or any of the Disclosure Schedules and Exhibits attached hereto;

(iii) any Excluded Liability; and

(iv) any and all Losses relating to or otherwise caused by a demand or request from an employee of the Sellers to transfer his or her employment to the Buyer, including Losses incurred if the Buyer becomes obliged, under Applicable Law, to employ such person and subsequently terminate the employment for such person.

(b) Indemnification by Buyer. Buyer shall indemnify each Seller and their respective Affiliates, and each of their respective equity holders, officers, directors, employees, agents, partners, representatives, successors and assigns (collectively, the "Seller Parties") and save and hold each of them harmless from and against and pay on behalf of or reimburse such Seller Parties as and when incurred for any Losses which such Seller may suffer, sustain or become subject to, as the result of, in connection with, relating or incidental to or by virtue of (i) the breach by Buyer or any inaccuracy of any representation or warranty made by Buyer in this Agreement or any of the Disclosure Schedules or Exhibits attached hereto, or in any of the Ancillary Agreements (determined in each case without regard to any qualification or limitation with respect to materiality or other similar qualification or limitation), or (ii) any nonfulfillment or breach of any covenant, agreement or other provision by Buyer under this Agreement or any of the Disclosure Schedules and Exhibits attached hereto; provided, however, that Buyer's aggregate liability under (A) Section 5.2(b)(i) above (other than with respect to the Buyer Fundamental Representations and Warranties and Ancillary Agreements, for which the following limitation will not apply), shall in no event exceed an amount equal to the Cap, and (z) Section 5.2(b)(ii) shall in no event exceed an amount equal to €100,000.

(c) Manner of Payment. Except as otherwise provided herein, any indemnification of the Buyer Parties or the Seller Parties pursuant to this Section 5.2 shall be effected by wire transfer of immediately available funds from the applicable Seller or Buyer, as the case may be, to an account(s) designated by the applicable Buyer Party or applicable Seller, as the case may be, within ten (10) days after the determination thereof. Notwithstanding the foregoing, the Buyer Parties shall be entitled to (but shall not be required to) set-off any amounts due or payable to any of the Buyer Parties by a Seller pursuant to this Section 5.2 against any amounts otherwise due and payable by any of the Buyer Parties to any Seller Party pursuant to this Agreement (including, without limitation, any Renewal Commission Payment). All indemnification payments under this Section 5.2 shall be deemed adjustments to the Purchase Price for income Tax purposes.

(d) Defense of Third-Party Claims. Any Person making a claim for indemnification under this Section 5.2 (an "Indemnitee") in respect of, arising out of or involving a claim or demand made by any Person other than a party hereto or Affiliate thereof (a "Third Party Claim") shall notify the indemnifying party (an "Indemnitor") of the claim in writing as promptly as reasonably practicable after receiving written notice of the Third Party Claim, describing the claim (in reasonable detail), the amount thereof (if known and quantifiable) and the basis thereof; provided, that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder or affect, limit or reduce the indemnification provided hereunder except to the extent that the Indemnitor's ability to defend against the Third Party Claim is materially and adversely affected by such failure (and then only to the extent that such failure shall have caused the damages for which the Indemnitor is obligated to be greater than such damages would have been had the Indemnitee given the Indemnitor prompt notice hereunder). Indemnitee shall control the defense of any Third-party Claim. Indemnitor shall be entitled to participate in the defense of such Third Party Claim giving rise to an Indemnitee's claim for indemnification at Indemnitor's cost and expense, subject in all cases to Indemnitee's ultimate control over the defense of such Third Party Claim; provided, that the Indemnitor shall not be entitled to participate in such defense (unless otherwise agreed to in writing by the Indemnitee) and shall pay the fees and expenses of counsel retained by the Indemnitee if (A) the claim for indemnification relates to or arises in connection with, or otherwise alleges, any criminal or quasi-criminal proceeding, action, indictment, allegation or investigation; (B) the Third Party Claim seeks an injunction or equitable relief or other non-monetary remedies against the Indemnitee; (C) the Indemnitee has been advised by counsel that a reasonable likelihood exists of a conflict of interest between the Indemnitor and the Indemnitee; or (D) the Third Party Claim, if successful, would reasonably be likely to result in a payment by an Indemnitee to one or more third parties that is in excess of the amount for which indemnification may be obtained under this Agreement (including by reason of the limitations contained in Section 5.2).

(e) Claims Other Than Third Party Claims. If an Indemnitee shall desire to assert any claim or demand for indemnification provided for under this Section 5.2 other than a claim or demand in respect of, arising out of or involving a Third Party Claim, such Indemnitee shall notify the Indemnitor of the claim or demand in writing (a "Claim Notice"), describing the claim (in reasonable detail), the amount thereof (if known and quantifiable) or an estimate thereof (the "Claim Amount"), within ninety (90) days after the Indemnitee's determination that such claim or demand has or would reasonably be expected to give rise to indemnification under Section 5.2; provided, that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder or affect, limit or reduce the indemnification provided hereunder except to the extent that the Indemnitor's ability to defend against the claim or demand is materially and adversely affected by such failure (and then only to the extent that such failure shall have caused the damages for which the Indemnitor is obligated to be greater than such damages would have been had the Indemnitee given the Indemnitor prompt notice hereunder). Within thirty (30) days after delivery of a Claim Notice, the Indemnitor shall deliver to the Indemnitee a written response in which the Indemnitor shall (A) agree that the Indemnitee is entitled to receive all of the Claim Amount, (B) agree that the Indemnitee is entitled to receive part, but not all, of the Claim Amount (the "Agreed Amount") or (C) contest that the Indemnitee is entitled to receive any of the Claim Amount. If the Indemnitor does not send a timely written response, then the Claim Amount set forth in any Claim Notice shall be deemed finally determined for all purposes hereunder. Any such notice that contests the Claim Notice shall describe in general terms the basis for such objection and, to the extent known, the amount of the claim (or an estimate thereof) that the Indemnitor does not believe should be subject to indemnification. Upon receipt of any such dispute notice, the Indemnitee and the Indemnitor shall endeavor in good faith to arrive at a mutually acceptable resolution within thirty (30) days of receipt of such dispute notice. If a resolution is not reached within such thirty (30)-day period, then either party may commence litigation. If it is finally determined (through either agreement of the parties or otherwise) that all or a portion of the Claim Amount is owed to the Indemnitee, the Indemnitor shall, within ten (10) days of such determination, pay the Indemnitee the applicable amount.

(f) Exclusive Remedy. Except for actions seeking specific performance or similar equitable relief, any action or claim based upon fraud or intentional misrepresentation, and any disputes under Section 1.4(b) (which disputes will be resolved in accordance with the dispute mechanism set forth in Section 1.4(b)), the indemnification provisions contained in this Article 5 shall be the sole and exclusive remedy for any breach of any representation or warranty made by a party or any covenant or agreement of a party contained in this Agreement.

(g) Limitations.

(i) Notwithstanding anything to the contrary contained in this Agreement: (A) Sellers shall not be liable to the Buyer Parties for indemnification under Section 5.2(a)(i) (other than, in any case, with respect to the Seller Fundamental Representations and Warranties, for which the following limitations will not apply) until the aggregate amount of all Losses in respect of such indemnification exceeds an amount equal to €3,000 (the "Deductible"), after which point Sellers shall indemnify Buyer Parties for all Losses; provided, further, that Sellers' aggregate liability under Section 5.2(a)(i) (other than, in any case, with respect to the Seller Fundamental Representations and Warranties, for which the following limitation will not apply), shall in no event exceed an amount equal to €100,000 (the "Cap"); provided, that, for the avoidance of doubt, the Cap shall not apply to the Buyer Parties' rights to indemnification for any other indemnifiable matters hereunder (including Losses they may suffer, sustain or incur arising from, in connection with or as a result of the breach of any Seller Fundamental Representation), which shall be limited to the Renewal Commission Payments actually received by Sellers.

(ii) NO PARTY HERETO SHALL HAVE ANY LIABILITY UNDER ANY PROVISION OF THIS AGREEMENT FOR ANY PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES, ANY DAMAGES BASED UPON ANY TYPE OF MULTIPLE OR DIMINUTION IN VALUE, BUSINESS INTERRUPTION LOSSES, LOSS OF FUTURE REVENUE, PROFITS OR INCOME OR LESS OF BUSINESS REPUTATION OR OPPORTUNITY RELATING TO THE BREACH OR ALLEGED BREACH OF THIS AGREEMENT; EXCEPT (I) TO THE EXTENT SUCH AMOUNTS ARE ACTUALLY PAID TO A NON-AFFILIATED PERSON IN RESPECT OF A THIRD PARTY CLAIM OR (II) FOR LOST PROFITS OR DAMAGES BASED ON DIMINUTION IN VALUE THAT ARE THE NATURAL, PROBABLE AND REASONABLY FORESEEABLE RESULT OF A BREACH OF THIS AGREEMENT, AND (B) SHALL BE NET OF ANY AMOUNTS ACTUALLY RECEIVED BY THE PERSON SEEKING INDEMNIFICATION FOR WHICH SUCH INDEMNITY PAYMENT IS MADE UNDER ANY THIRD-PARTY INSURANCE POLICY,

REINSURANCE AGREEMENT, WARRANTY OR INDEMNITY, IN EACH CASE, PROVIDING FOR COVERAGE RELATING THERETO.

(iii) Each party must use commercially reasonable efforts to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise to such Loss for which such party seeks indemnification pursuant to this Agreement.

(iv) Subject to any other provisions of this Agreement, and except in the case of circumstances involving fraud, the foregoing indemnification provisions in this Article 5 shall be the exclusive remedy of Buyer Parties and Seller Parties with respect to the transactions contemplated by this Agreement.

(v) Any indemnity payment made hereunder shall be treated by Sellers and Buyer as an adjustment to the Purchase Price.

(vi) Any liability for any Losses shall be determined without duplication of recovery by reason of the state of facts giving rise to such Losses constituting a breach of more than one representation, warranty, covenant, or agreement of this Agreement.

(vii) Notwithstanding the foregoing or any other provision in this Agreement, the parties agree and acknowledge that nothing in this Agreement shall limit or restrict (including any Cap or time limitations) any of the parties' rights to maintain or recover any amounts in connection with any action or claim based upon fraud, intentional misrepresentation or willful or criminal misconduct.

ARTICLE 6

Definitions

6.1 Certain Terms. The following terms have the respective meanings given to them below:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person.

"Agreed Amount" has the meaning set forth in Section 5.2(e).

"Agreement" has the meaning set forth in the Preamble.

"Ancillary Agreements" means any agreement, document, certificate and instrument being delivered pursuant to this Agreement, including the documents and agreements to be delivered pursuant to Section 1.5(b) and Section 1.5(c), or otherwise required to consummate the transactions contemplated hereby.

"Books and Records" has the meaning set forth in Section 1.1(c).

"Business" has the meaning set forth in the Recitals.

"Business Day" means any day that is not (i) a Saturday, (ii) a Sunday or (iii) any other day on which commercial banks are authorized or required by law to be closed in Stockholm, Sweden or the City of New York.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Fundamental Representations and Warranties" means, collectively, the representations and warranties in Section ARTICLE 3 (Corporate Status), Section 3.2 (Corporate and Governmental Authorization), Section 3.3 (Non-Contravention) and Section 3.4 (No Finder's Fees).

"Buyer Parties" has the meaning set forth in Section 5.2(a).

"Buyer Related Party" means any current, former or future Affiliate, general or limited partner, stockholder, manager, member, director, officer or employee or other Representative of Buyer.

"Buyer Renewal Policies" has the meaning set forth in Section 1.7.

"Cap" has the meaning set forth in Section 5.2(g).

"Claim Amount" has the meaning set forth in Section 5.2(e).

"Claim Notice" has the meaning set forth in Section 5.2(e).

"Closing" has the meaning set forth in Section 1.5(a).

"Closing Date" has the meaning set forth in Section 1.5(a).

"Commencement Date" means the date that is the earlier of (a) the six (6) month anniversary of the Closing or (b) thirty (30) days from the date on which Buyer notifies Seller in writing that the Commencement Date shall be such earlier designated date.

"Confidential Information" means all information of a confidential or proprietary nature (whether or not specifically labeled or identified as "confidential"), in any form or medium, that relates to the Business or the business, products, financial condition, services, or research or development of the Business or their respective suppliers, distributors, customers, independent contractors or other business relations. Confidential Information shall not include information which is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement.

"Consent" means any notice to, or approval, consent, ratification, waiver, or other authorization of a Person.

"Contract" means as to any Person, any written agreement, indenture, undertaking, debt, instrument, contract, lease or other commitment to which it is a party, by which it is bound or to which any of its assets or properties is subject.

"Control" means, as to any Person, the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. The terms "Controlled by," "under common Control with" and "Controlling" shall have correlative meanings.

"Deductible" has the meaning set forth in Section 5.2(g).

"Disclosure Schedules" means the disclosure schedules delivered on the date hereof with this Agreement.

"Excluded Assets" has the meaning set forth in Section 1.2.

"Excluded Liabilities" has the meaning set forth in Section 1.3(a).

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

"Governmental Order" means any order, ruling, consent, writ, judgment, injunction, settlement, decree, stipulation, determination or award (whether temporary, preliminary or permanent) entered by or with any Governmental Authority.

"Indemnitee" has the meaning set forth in Section 5.2(d).

"Indemnitor" has the meaning set forth in Section 5.2(d).

"Independent Accountant" has the meaning set forth in Section 1.6.

"Insurance Contracts" means all insurance contracts, policies, certificates, binders, slips, covers or other agreements of insurance, including all supplements, riders, endorsements, renewals and extensions issued on behalf of and bound by either Seller through any Producer set forth on the Producer List and that are in-force as of the Closing Date and/or the Commencement Date. A list of Insurance Contracts as of the Closing Date (including, for each such Insurance Contract, the applicable policy number, program name, product type, policy effective date, policy expiration date, gross written premium, producer commission percentage, producer name, insurance carrier and any notification requirements) are set forth on Disclosure Schedule 2.7. A list of Insurance Contracts as of the Commencement Date shall be provided to Buyer within eight (8) weeks following the Commencement Date in the same format as Disclosure Schedule 2.7.

"Knowledge of Sellers" means the knowledge of each of the individuals set forth in the Disclosure Schedule 6.1(a), after reasonable due inquiry (and shall in no event encompass constructive, imputed or similar concepts of knowledge).

"Laws" means, in relation to a Person, any law, regulation, judgment or other legally binding requirement or rule of any governmental authority in any jurisdiction applicable from time to time to such Person, including without limitation competition and anti-trust laws.

"Lien" means any mortgage, lien, pledge, charge, security interest, lease, occupancy agreement, easement, encumbrance, covenant, title defect, license to use, adverse claim or interest or any other restriction or limitation of any kind whatsoever.

"Litigation" means (i) any action, claim, cease and desist letter, demand, suit, litigation, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity, and (ii) any investigation, examination, inquiry or audit by or before any Governmental Authority.

"Losses" has the meaning set forth in Section 5.2(a).

"Maiden General" has the meaning set forth in the Preamble.

"Maiden Life" has the meaning set forth in the Preamble.

"Material Contract" has the meaning set forth in Section 2.6(b).

"Ordinary Course of Business" means, in respect of any Person, the ordinary course of such Person's business, as conducted by such Person in accordance with past practice.

"Non-Public Personal Information" means personally identifiable medical, financial, other personal data or special category personal data, in each case, about Policyholders and any other proposed, current and former applicants, policy owners, contract holders, insureds, annuitants, claimants and beneficiaries of the Insurance Contracts. Non-Public Personal Information does not include de-identified personal data (i.e., information that does not identify, or could not reasonably be used specifically to identify, an individual).

"Organizational Documents" means the articles of incorporation, certificate of incorporation, charter, by-laws, articles of formation, certificate of formation, regulations, operating agreement, certificate of limited partnership, partnership agreement and all other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person (in each case, as applicable to such Person), including any amendments, supplements and restatements thereto.

"Permits" has the meaning set forth in Section 2.9.

"Person" means an individual, corporation, partnership, limited liability company, association, firm, trust or other entity or organization, including any Governmental Authority.

"Policyholder Notice" has the meaning set forth in Section 4.2(a).

"Policyholders" means the holders of the Insurance Contracts.

"Producer List" has the meaning set forth in Section 1.1(b).

"Producers" means the insurance agents, marketers, producers, program managers, underwriters, managing general agents, broker/dealers, wholesalers, brokers, insurance intermediaries, retail agents, sub-agents, sub-brokers or sub-producers that produced any of the Insurance Contracts.

"Purchase Price" has the meaning set forth in Section 1.4(a).

"Purchased Assets" has the meaning set forth in Section 1.1.

"Renewal Commission Arbitration Firm" has the meaning set forth in Section 1.4(b).

"Renewal Commission Objection Notice" has the meaning set forth in Section 1.4(b).

"Renewal Commission Payment" has the meaning set forth in Section 1.4(b).

"Renewal Commission Period" means each of the first two (2) successive twelve (12)-month periods following the Commencement Date, with the first such period commencing on the Commencement Date.

"Renewal Commission Statement" has the meaning set forth in Section 1.4(b).

"Renewal Rights" means the right and option from and after the Commencement Date to renew or replace (or offer to renew or place) all Insurance Contracts issued as part of the Business prior to the Closing Date or Commencement Date, as applicable, including all of (a) each Seller's direct and indirect expiration, renewal and other rights with respect to the Insurance Contracts, (b) the expiration and other data relating to such Insurance Contracts produced by or through each Seller in connection with the Business, (c) all Books and Records, and (d) the Policyholder list and Producer Lists owned or used by each Seller in the conduct of the Business; provided, that with respect to each of the foregoing, in no event shall Seller shall have any obligation to sell, assign, transfer, convey and deliver to Buyer any Non-Public Personal Information and it shall not prevent the Seller from complying with its regulatory obligations to offer continuation insurance.

"Representatives" means, with respect to any Person, any member, director, officer, principal, attorney, employee, agent, consultant, accountant or any other Person acting in a representative capacity for such Person.

"Restricted Period" has the meaning set forth in Section 4.3(b).

"Restrictive Covenants" has the meaning set forth in Section 4.3(d).

"Seller" or "Sellers" has the meaning set forth in the Preamble.

"Sellers' Fundamental Representations and Warranties" means, collectively, the representations and warranties set forth in Section 2.1 (Corporate Status), Section 2.2 (Corporate and Authorization), Section 2.3 (Non-Contravention; Organizational Documents), Section 2.12 (Transactions with Affiliates) and Section 2.13 (No Finder's Fees).

"Seller Parties" has the meaning set forth in Section 5.2(b).

"Statements" has the meaning set forth in Section 2.4(a).

"Tax" means all direct and indirect taxes and charges, social security fees, fees, duties and other assessments, including any income tax, sales tax, use tax, transfer tax, transaction tax, investment tax, capital tax, real property tax, value added tax, withholding tax, employment tax, asset holding tax or registration tax, preliminary tax under Swedish law, or the equivalent legislation in any relevant jurisdiction, or any amendments or replacements thereof, and deferred taxes, wherever arising, together with any interest, penalties, residual tax charges or addition to tax.

"Tax Authority" means any Governmental Authority, quasi-governmental authority, instrumentality or political or other subdivision, department or branch of any of the foregoing, with the legal authority to impose, assess or collect Taxes.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any amendment thereof, schedule or attachment thereto, required to be filed with any Tax Authority.

"Third Party Claim" has the meaning set forth in Section 5.2(d).

"Virtual Data Room" means the virtual data room titled "Project Windsor" established by Sellers and maintained by Intralinks Inc. in connection with the transactions contemplated by this Agreement.

"Written Premium" has the meaning set forth in Disclosure Schedule 6.1(b).

6.2 Construction. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words "party" or "parties" shall refer to the parties to this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Exhibits are to Articles, Section and Exhibits of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized term used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning given to such term in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. Any reference to "days" means calendar days unless Business Days are expressly specified. If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the first succeeding Business Day thereafter. References to "$" shall mean U.S.

dollars.

ARTICLE 7

Miscellaneous

7.1 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including email transmission) and shall be given:

if to Buyer,

c/o AmTrust Financial Services, Inc.
59 Maiden Lane, 43rd Floor
New York, NY 10038
Attention: Company Secretarial
Email: CompanySecretiarial@amtrustgroup.com

with a copy (which shall not constitute notice) to:

c/o AmTrust Financial Services, Inc.
59 Maiden Lane, 43rd Floor
New York, NY 10038
Attention: Company Secretary
Email:CompanySecretiarial@amtrustgroup.com;
Jeremy.Cadle.@amtrustgroup.com;
Suzanne.Sylvester@amtrustgroup.com
Julianne.english@amtrustgroup.com

if to Sellers,

Mailbox 683
114 11 Stockholm
Sverige
Attention: Managing Director
Email: Matthias.schaefer@maideniis.com
Daniel.deckers@maideniis.com

with a copy (which shall not constitute notice) to:

Maiden Holdings, Ltd.
228 Park Avenue South, Suite 25931
New York, NY 10003
Attention: Lawrence F. Metz, Executive Vice Chairman and Group President
Email: lmetz@maiden.bm

or such other address or email as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

7.2 Amendment; Waivers, etc This Agreement may only be modified by subsequent instruments signed by the parties to this Agreement. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. Except for matters specifically governed by Section 1.4(b), the rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any party may otherwise have at law or in equity.

7.3 Expenses. Except as otherwise provided herein, all costs, fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby, whether or not consummated, shall be paid by the party incurring such cost or expense. Sellers shall pay all costs, fees and expenses required to obtain any Consents required for their consummation and performance of this Agreement, including its performance of the Services.

7.4 Governing Law, etc. This Agreement shall be governed by and construed in accordance with the laws of Sweden without any reference to its conflict of law principles.

7.5 Entire Agreement. This Agreement (together with the Schedules and Exhibits attached hereto) and the Ancillary Agreements constitute the entire agreement of the parties hereto and supersede all prior agreements, understandings and representations, both written and oral, between the parties with respect to the subject matter hereof.

7.6 Severability. If any provision, including any phrase, sentence, clause, section or subsection, of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, each provision of this Agreement shall be interpreted as to be effective and valid under applicable Law.

7.7 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Agreement shall become effective when each party shall have received a counterpart hereof signed by all of the other parties. Until and unless each party has received a counterpart hereof signed by the other party, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except for Indemnities under Article 5 hereof, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties to this Agreement and their respective successors and permitted assigns. This Agreement and all provisions and conditions hereof are intended to be, and shall be, for the sole and exclusive benefit of such Persons and for the benefit of no other Person.

7.11 Representation by Counsel. Each of the parties hereto acknowledges that it has been represented by independent counsel of its choice throughout all negotiations that have preceded the execution of this Agreement and that it has executed the same with consent and upon the advice of said independent counsel. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise, or rule of strict constriction applied, favoring or disfavoring any party hereto by virtue of the authorship of any of the provisions of this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the party that drafted it is of no application and is hereby waived by the parties hereto.

* * * * *

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IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

BUYER

AMTRUST NORDIC AB

DocuSigned by:
By: Axel Wibom
AFFAD93940A74A8...
Name: Axel Wibom
Title: CEO

SELLERS

Maiden General Försäkrings AB

By: ______________________
Name: MAXWELL REID
Title: DIRECTOR

By: ______________________
Name: LOUISA MONNIOT
Title: AUTHORISED SIGNATORY

Maiden Life Försäkrings AB

By: ______________________
Name: MAXWELL REID
Title: DIRECTOR

By: ______________________
Name: LOUISA MONNIOT
Title: AUTHORISED SIGNATORY

[*Signature Page to Renewal Rights and Asset Purchase Agreement*]

EXHIBIT 31.1

CERTIFICATION

I, Patrick J. Haveron, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Maiden Holdings, Ltd.;

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 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 any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (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.

   (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; and

5. The registrant's other certifying officer 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.

May 9, 2024

/s/ Patrick J. Haveron

Patrick J. Haveron
Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Mark O. Heintzman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Maiden Holdings, Ltd.;

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 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 any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (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.

   (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; and

5. The registrant's other certifying officer 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.

May 9, 2024

/s/ Mark O. Heintzman

Mark O. Heintzman
Senior Vice President - Finance (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Maiden Holdings, Ltd. (the “Company”), hereby certifies, to such officer's knowledge, that:

The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 9, 2024	By:	/s/ Patrick J. Haveron
		Patrick J. Haveron Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Report.

Exhibit 32.2

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Maiden Holdings, Ltd. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 9, 2024	By:	/s/ Mark O. Heintzman
		Mark O. Heintzman Senior Vice President - Finance (Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Report.