

**NYC NEIGHBORHOOD CAPITAL CORPORATION  
OPERATING & FINANCIAL RISKS  
YEAR ENDED 6/30/23**

Although there should not be any liability for personal injuries as a result of its lending activities, NYCNCC could be named a party to such litigation. Therefore, NYCNCC requires all project companies and their prime contractors to purchase and maintain commercial liability insurance coverage for the operation and construction risks and to name NYCNCC as additional insured. NYCNCC has no threatened litigations, claims, or assessments as of June 30, 2023.