



# 2011

FIRST ANNUAL REPORT  
of the SUPERINTENDENT  
to the  
GOVERNOR and LEGISLATURE

Andrew M. Cuomo  
Governor

Benjamin M. Lawsky  
Superintendent

**NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES**

One State St., New York, NY 10004  
[www.dfs.ny.gov](http://www.dfs.ny.gov)



NEW YORK STATE  
DEPARTMENT *of*  
FINANCIAL SERVICES

May 15, 2012

To the Governor and Legislature:

I am pleased to submit to the New York State Legislature a copy of the first Annual Report of the New York State Department of Financial Services, incorporating the annual reports formerly issued by the Departments of Banking and Insurance, as required by Article 2, Section 206 of the Insurance Law and Section 43 of the Banking Law.

Although DFS has only been in existence since October 3, 2011, as detailed in this report, we have already begun to implement several initiatives designed to achieve the Governor's vision for the new Department.

I am proud of what DFS has been able to accomplish thus far, while both continuing our vital regulatory functions and dealing with the challenges of the merger.

I can assure you that our initial success has increased our determination to achieve even more in the months ahead to contribute to the Governor's efforts to strengthen New York's economy and create more jobs.

- We will continue to encourage financial services firms to locate more jobs in New York.
- We will further improve our responsiveness to consumers.
- We will expand our oversight into the financial products and services that had formally fallen into regulatory gaps.
- We will continue to focus on our operations and the law to find more ways to improve our efficiency and effectiveness.
- We will work to make our examinations better focused, more relevant and quicker so they are more effective in identifying and dealing with issues in a timely way.
- We will clear up backlogs in both handling consumer complaints and reviewing industry filings.

In sum, we will strive to make the Department of Financial Services one of the premier regulatory agencies in the nation.

Respectfully submitted,

Benjamin M. Lawsky

Superintendent

## TABLE OF CONTENTS

<b>OVERVIEW</b>	<b>4</b>
MAJOR ACCOMPLISHMENTS	6
INSURANCE DIVISION OVERVIEW	19
BANKING DIVISION OVERVIEW	21
FINANCIAL FRAUDS AND CONSUMER PROTECTION DIVISION (FFCPD) OVERVIEW	23
MARKETS DIVISION OVERVIEW	26
REAL ESTATE DIVISION OVERVIEW	27
OFFICE OF GENERAL COUNSEL OVERVIEW	28
ADMINISTRATION OVERVIEW	31
INFORMATION TECHNOLOGY SERVICES OVERVIEW	32
LIQUIDATION BUREAU OVERVIEW	33
<b>INSURANCE COMPANY STATISTICS</b>	<b>41</b>
PROPERTY INSURANCE	41
TABLE 1: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS	41
TABLE 2: UNDERWRITING RESULTS	41
TABLE 3: INVESTMENT INCOME AND CAPITAL GAINS	42
TABLE 4: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT	42
TABLE 5: SELECTED ANNUAL STATEMENT DATA PROPERTY/CASUALTY INSURERS	44
TABLE 6: DIRECT PREMIUMS WRITTEN BY PROPERTY/CASUALTY INSURERS	45
TABLE 7: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS FINANCIAL GUARANTY INSURERS	46
TABLE 8: UNDERWRITING RESULTS FINANCIAL GUARANTY INSURERS	47
TABLE 9: INVESTMENT INCOME AND CAPITAL GAINS FINANCIAL GUARANTY INSURERS	47
TABLE 10: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT FINANCIAL GUARANTY INSURERS	47
TABLE 11: SELECTED ANNUAL STATEMENT DATA FINANCIAL GUARANTY INSURERS	48
TABLE 12: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS MORTGAGE GUARANTY INSURERS	49
TABLE 13: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT MORTGAGE GUARANTY INSURERS	49
TABLE 14: SELECTED ANNUAL STATEMENT DATA MORTGAGE GUARANTY INSURERS	50
TABLE 15: SELECTED ANNUAL STATEMENT DATA TITLE INSURANCE COMPANIES	51
TABLE 16: SELECTED ANNUAL STATEMENT DATA ADVANCE PREMIUM AND ASSESSMENT CORPORATIONS	51
TABLE 17: NUMBER OF FILINGS RECEIVED BY TYPE	52
TABLE 18: MAJOR EFFECTS OF PRINCIPAL RATE & LOSS COST CHANGES BY PROPERTY/CASUALTY RATE SERVICE ORGANIZATIONS	53
TABLE 19: PRIVATE PASSENGER AUTOMOBILE RATE FILINGS	57
TABLE 20: NEW YORK AUTOMOBILE INSURANCE PLAN (NYAIP) EXPERIENCE IN 2009 AND 2010	62
TABLE 21: WORKERS COMPENSATION INSURANCE	67
TABLE 22: PCISF CONTRIBUTIONS	71
TABLE 23: MOTOR VEHICLE ACCIDENT INDEMNITY FUND	72
TABLE 24: INSURANCE ENTITIES SUPERVISED BY THE DEPARTMENT	72

HEALTH INSURANCE	74
TABLE 25: HEALTH INSURANCE: CLASSES OF BUSINESS, ASSETS, LIABILITIES AND PREMIUMS WRITTEN	74
LIFE INSURANCE	75
TABLE 26: ADMITTED ASSETS	75
TABLE 27: BALANCE SHEET	75
TABLE 28: TOTAL LIFE INSURANCE IN FORCE	76
TABLE 29: SOURCES OF INCOME	76
TABLE 30: OPERATING RESULTS	77
TABLE 31: LIFE INSURANCE IN FORCE IN THE STATE OF NEW YORK	77
TABLE 32: ADMITTED ASSETS/INSURANCE IN FORCE	78
TABLE 33: FRATERNAL BENEFIT SOCIETIES	78
TABLE 34: PRIVATE PENSION FUNDS	78
TABLE 35: PUBLIC RETIREMENT SYSTEMS AND PENSION FUNDS	79
TABLE 36: SEGREGATED GIFT ANNUITY FUNDS	79
TABLE 37: COMPANIES REGULATED BY THE DEPARTMENT	79
<b>BANKING STATISTICS</b>	<b>81</b>
TABLE 38: PRINCIPAL BANKING AND LENDING FACILITIES OF NEW YORK STATE	81
TABLE 39: SUMMARY OF STATE SUPERVISED AND LICENSED INSTITUTIONS	82
TABLE 40: CONDITION OF COMMERCIAL BANKS	83
TABLE 41: CONDITION OF SAVINGS BANKS & THRIFTS	89
TABLE 42: CONDITION OF CREDIT UNIONS	91
TABLE 43: CONDITION OF SAFE DEPOSIT COMPANIES	93
TABLE 44: CONDITION OF INVESTMENT COMPANIES	94
TABLE 45: CONDITION OF LICENSED LENDERS	95
TABLE 46: ALL SUPERVISED BANKING INSTITUTIONS AND LICENSED LENDERS	97
TABLE 47: VOLUNTARY AND INVOLUNTARY LIQUIDATIONS	107
TABLE 48: UNCLAIMED DEPOSITS OR DIVIDENDS DEPOSITED WITH SUPERINTENDENT	107
TABLE 49: MERGERS AND ACQUISITIONS	107
TABLE 50: CHARTER CONVERSIONS	108
TABLE 51: STATE TRANSMITTER OF MONEY INSURANCE FUND (STMIF)	109
<b>DEPARTMENT ORGANIZATION AND MAINTENANCE</b>	<b>110</b>
TABLE 52: FORMER INSURANCE DEPARTMENT 2010-11 STATE FISCAL YEAR EXPENDITURES	110
TABLE 53: FORMER BANKING DEPARTMENT 2010-11 STATE FISCAL YEAR EXPENDITURES	111
TABLE 54: ASSESSMENTS AND REIMBURSEMENT OF INSURANCE DEPARTMENT EXPENSES:	112
TABLE 55: ASSESSMENTS AND REIMBURSEMENT OF BANKING DEPARTMENT EXPENSES	113
<b>REGULATORY AND LEGISLATIVE ACTIVITIES</b>	<b>114</b>
MAJOR LITIGATION	114

---

## OVERVIEW

---

This is the first Annual Report of the New York State Department of Financial Services (DFS). It reviews the Department's activities in 2011, as well as developments in the financial services industries regulated by the Department.

In his 2011 State of the State address, Governor Andrew Cuomo announced his plan to merge the New York State Insurance Department and the Banking Department into a single financial services regulator, DFS.

Governor Cuomo identified a need to modernize and close the gaps in regulation, which he proposed could be accomplished by creating DFS to oversee the broad array of financial products and services in the market. This consolidation would leverage the combined financial expertise in both Departments to guard against systemic risk while streamlining regulation and operations. An acknowledgment of an evolving financial marketplace, Governor Cuomo's initiative took direct aim at the regulatory gaps that had contributed to the financial crisis.

The Financial Services Law was introduced and passed as part of Governor Cuomo's 2011 budget. In May 2011, work began to integrate the Banking and Insurance Departments. On May 16, 2011, Governor Cuomo nominated Benjamin M. Lawsky to serve as New York's first Superintendent of Financial Services. Superintendent Lawsky was unanimously confirmed by the Senate on May 24, 2011. The merger became effective on October 3, 2011.

Superintendent Lawsky has defined three goals for the Department in order to fulfill Governor Cuomo's mandate,:

- To maintain New York's position as the world financial capital by modernizing the regulation of financial services and encouraging these industries to grow and create jobs.
- To guard against systemic risk that leads to financial crises and to provide to consumers and markets the most effective protection against fraud.
- To make the Department an example of an efficient, well-run government agency.

The Department is responsible for supervising and regulating the activities of nearly 1,700 insurance companies with assets exceeding \$4 trillion and nearly 1,900 banking and other financial institutions with assets of more than \$2.1 trillion. The Department is organized into five divisions:

The **Banking and Insurance Divisions** each continue to perform the core functions that had been assigned the previous Banking and Insurance Departments, working to ensure the safety, soundness and solvency of regulated entities and the fair treatment of consumers.

The **Financial Frauds and Consumer Protection Division** (FFCPD) is responsible for protecting and educating consumers and fighting consumer fraud.

The **Real Estate Finance Division** is involved with real estate and homeowner issues, as well as such financial services as title insurance and mortgage insurance.

The **Markets Division** actively monitors the latest developments and products in the financial services marketplace, so that the Department can better understand and regulate complex and rapidly changing financial products and services.

Several non-regulatory units in the two former departments have been integrated including administration, information technology and legal counsel. Due to these and other efforts, DFS has reduced spending by more than 10 percent in just its first year, state fiscal year 2011—2012.

NOTE: This annual report is organized differently than prior reports by the Insurance and Banking Departments. It begins with text describing the major accomplishments and responsibilities of the Department. The data tables included in prior reports have all been combined in a single appendix, which follows the text section. In addition, to reduce reproduction costs, data that is posted on the Department website in the normal course of business, and that has been included in prior reports, is referenced with a link to its location on the Department website, [www.dfs.ny.gov](http://www.dfs.ny.gov).

Data in this report are for the most current available year, which in some cases is 2010 and in others 2011. Financial data for the Department is for fiscal year 2010-2011, during which the Insurance and Banking Departments were still separate entities.

## **MAJOR ACCOMPLISHMENTS**

Since its inception, the Department has worked aggressively to protect consumers, prevent systemic risk and encourage financial services to thrive and create jobs, all while successfully implementing the merger of two large state agencies. The highlights of some of that work are enumerated below.

### **Protecting consumers**

#### **Mortgage Servicing Reform**

The Department sought to protect consumers by correcting abuses in the mortgage servicing industry that contributed to the collapse of the housing market and the nation's economic downturn. The Department focused on reforms in the industry by working proactively with consumer groups and the mortgage industry to find ways to improve various aspects of the mortgage foreclosure process.

The Department took the lead in achieving reforms with eight mortgage servicers, which agreed to a thorough reform program that imposes new standards and requirements on the servicers, such as discontinuing robo-signing, as well as protecting borrowers who have been subject to wrongful foreclosure.

The reforms protect consumers by requiring the servicers to employ sufficient staff to properly handle foreclosure volume. For example, there must be one person—a single point of contact—familiar with each case, so that homeowners do not get the run-around, are treated fairly without conflicting responses, and have the opportunity to seek loan modifications before they go through a foreclosure.

The eight mortgage servicers that agreed to abide by the new mortgage servicing practices hold more than 1.2 million loans nationally, with a total unpaid principal balance of more than \$186.1 billion. More than 67,000 of those loans are in New York, with a total unpaid principal balance of more than \$16.8 billion. The Department is working to make these reforms the industry standard going forward.

#### **Protecting Consumers from Costs of Court Delay**

In an industry-wide letter to mortgage servicers operating in New York, the Department said servicers should proceed expeditiously to substitute new counsel in foreclosure cases previously handled by the Steven J. Baum P.C. (Baum) law firm, which closed in November, 2011. The Department directed that homeowners should not be charged penalties, fees, costs, or interest accrued as the direct result of delays caused by the Baum firm's closing and the substitution of counsel.

A leading mortgage servicer, Ocwen Financial Corporation, has already signed an agreement with the Department promising to refrain from charging homeowners for such costs. In an amendment to an agreement reached in September with DFS, Ocwen also agreed not to penalize homeowners affected by the Baum closing and to adhere to groundbreaking mortgage servicing reforms designed to address troublesome practices in the servicing industry generally.

Based in Amherst in Erie County, Baum closed after being fined \$2 million by the federal government for its foreclosure practices, including allegations of robo-signing, and after Freddie Mac and Fannie Mae removed the firm from their lists of approved law firms.

The Baum firm represented plaintiffs in an estimated 40% of the foreclosure proceedings in New York in 2010. Servicers across the state now must hire new counsel, who will have to gather and review case files, and seek court approval of new legal representation. As a result, significant delays in pending foreclosure cases are expected.

### **Force-Placed Insurance Investigation**

The Department launched a major investigation into force-placed insurance, which is insurance placed by a mortgage lender or servicer, often at a very high price, when a borrower's insurance lapses or does not satisfy the terms of the mortgage loan contract. Consumer advocates, mortgage bond investors, and federal investigators have alleged that banks and insurers unlawfully place, sell, and reinsure force-placed policies. Using the Department's new authority to protect consumers under the insurance, banking, and financial services laws, the Department issued document requests and subpoenas to mortgage servicers, insurers, and insurance producers as part of an ongoing investigation into force-placed insurance.

As part of its investigation, the Department will hold public hearings beginning May 17, 2012, in New York City to review whether rates for force-placed insurance are appropriate or excessive. The hearings will also examine the relationships and payments among insurers, banks, mortgage servicers and insurance agents and brokers. Fifteen financial services companies have been directed to provide written and oral testimony at the hearings and answer the Department's questions. The companies include banks, mortgage servicers, insurance agents and brokers, insurers and reinsurers.

### **Investigation of Life Insurers' Claims Practices**

As the result of a DFS investigation, insurers are now regularly matching life insurance policies against a reliable death list, rather than simply waiting for beneficiaries to file claims. The investigation, which is on-going, has led to tens of millions of dollars being paid to thousands of beneficiaries.

The DFS investigation focused on claims practices by life insurers regarding the use of the U.S. Social Security Administration's Death Master File for investigating claims and locating beneficiaries with respect to death benefits under life insurance policies, annuity contracts, and retained asset accounts. DFS found that many insurers had used the death file to stop annuity payments once a contract holder died, but had not used it to determine if death benefit payments were owed to beneficiaries under life insurance policies, annuity contracts, or retained asset accounts.

The Department administratively required insurers to perform cross-checks of all life insurance policies, annuity contracts and retained asset accounts using the latest updated version of the death file, or another database or service at least as comprehensive as the SSA-DMF, to identify any death benefit payments.

Insurers also were instructed to issue monthly reports to the Department through March 31, 2012, detailing their progress in making payments based on identifying beneficiaries, though this deadline has been extended. As of April 2012, the investigation has resulted in 32,715 payments to consumers nationwide totaling \$262.2 million, including 7,525 payments totaling \$95.9 million to New Yorkers.

### **Retained Asset Accounts**

For many years, the life insurance industry earned money by holding life insurance payouts of America's soldiers, veterans, and others in so-called "retained asset accounts", instead of paying them out to the beneficiary in a lump sum. By doing so, the insurance companies invested and earned interest on these funds, until they were withdrawn by survivors.

In many instances, the accounts are not as beneficial to consumers as bank accounts because they are not protected by FDIC insurance, the interest rates are very low, and the accounts often have limitations on use that do not apply to checks from a bank account.

When this practice was exposed in the summer of 2010, then-Attorney General Cuomo launched an investigation. Now, the Department has in effect completed the investigation by outlining insurers' obligations to consumers going forward.

In February 2012, the Department issued Circular Letter No. 4, which governs the use of retained asset accounts. The Letter describes new procedures concerning the establishment of such accounts, and encourages insurers to implement best practices for existing accounts. Among other new procedures, insurers should make payment by a single check if a life insurance policy provides for payment of the death benefit in a lump sum and ensure specific disclosures to beneficiaries where the option of a retained asset account is provided. The new standard applies unless the purchaser of the policy or the beneficiary specifically asks to receive the money in another form.

New York is the first state in the country to institute this tough pro-consumer policy, which makes a full payment to survivors the new standard unless individuals expressly choose the option of having a retained asset account.

## Fairly Reducing Health Insurance Costs

Finding ways to slow the pernicious rise in health care costs and ensuring that New Yorkers have access to affordable, quality health care are top priorities of the Cuomo Administration. The Department is taking steps to address these issues on multiple fronts.

**Implementation of Prior Approval.** The Department is working hard to ensure the successful implementation of the new prior approval law, which was enacted in 2010. Before that law was passed, health insurers could simply file a rate increase with the Insurance Department and implement it. Now, insurers must seek approval in advance, and the Department has the ability to adjust rates, while carefully considering the impact of premium increases on consumers against the solvency needs of the insurers. The process also includes the opportunity for public comment.

In implementing this law, the Department is conscious of the balance that must be struck between keeping health insurance affordable and making certain that insurers have both the resources to pay claims and incentive to continue to serve the market.

In the two years since prior approval has been in effect, the Department has already saved consumers more than half a billion dollars. Before prior approval, health insurance premiums were going up an average of 14% a year. In 2011, although medical costs went up 11%, the Department held the increase in premiums to 10%. And, for 2012, the Department held the increase to 8% even though medical costs went up 9%.

**Greater Transparency on Rate Increases.** In October 2011, the Department ordered that all rate applications submitted by health insurers as part of the prior approval process would be made public to consumers. Initially, some health insurers claimed that their requests for health insurance premium increases should be confidential. This made it impossible for the public comment aspect of the prior approval process to be meaningful.

After discussions with the Department, the health insurance industry withdrew its objections to the Department's order and agreed to make details of rate increase requests public. This is a huge step toward building transparency, allowing the public to rigorously comment on proposed rates, and promoting competition. This measure will encourage insurers to hold down their own costs and work with medical providers to hold down their costs.

**Premium Refunds.** Under the prior approval law, health insurers must spend at least 82% of premiums on medical claims. Several insurers missed this minimum, and the Bureau ordered eleven insurance companies to refund \$114.5 million to holders of policies that cover 573,748 people.

## **Affordable Care Act Implementation**

DFS worked in conjunction with the Governor's office, the Department of Health (DOH), other agencies and stakeholders to implement the federal Affordable Care Act (ACA), which was enacted in March 2010. Specific projects are outlined below.

**Health Insurance Exchange.** In 2011, the Department worked with DOH and the Governor's office to introduce a bill to establish a Health Benefit Exchange as a public authority that would allow consumers to shop for and purchase health insurance coverage. The bill did not pass the Senate, and in April 2012, Governor Cuomo issued Executive Order No. 42, which established the New York Health Benefit Exchange to be housed in the Department of Health and operated in conjunction with DFS. New York has received three rounds of Federal grants to help fund establishment of the Exchange. The Department is working extensively on policy issues, healthcare market reforms, administrative and technical operations, planning and stakeholder involvement necessary to set up and run the Exchange.

**"6 Month Reforms" Legislation.** The Department drafted and successfully negotiated a bill to conform New York law to the ACA insurance reforms that went into effect six months after the enactment of the ACA. These reforms included restrictions on annual and lifetime benefits caps, no pre-existing condition exclusions for children, and coverage for dependents to age 26.

**New York Bridge Plan (Pre-Existing Condition Insurance Plan).** With federal funding under the ACA, the Department established the New York Bridge Plan, which provides coverage for uninsured people with pre-existing conditions. The Department is working with GHI to administer the plan. By the end of 2011, the Bridge Plan had enrolled more than 2,500 people. The Department continues to enroll consumers in this insurance of last resort, helping seriously ill individuals obtain more affordable coverage.

## **Tropical Storm Disaster Response**

Under Governor Cuomo's direction, disaster response was a first level priority for DFS in its initial months. Flooding of historic proportions occurred in many areas of New York State in August 2011 and again in September when two tropical storms hit the state and caused severe damage. The Department assisted thousands of homeowners, renters and business owners, pressed insurers to respond to claims promptly and fairly, and later worked with the federal government to set national disaster response policy. In responding to losses caused by Tropical Storms Irene and Lee:

DFS personnel staffed Disaster Recovery Centers at 24 locations in flood-affected areas and overall nearly 90 members of the agency were directly involved in recovery efforts.

The Department's Mobile Command Center, a 35-foot vehicle staffed with consumer services professionals and equipped with communications equipment, was dispatched to help insurance policyholders in both Upstate and Downstate locations.

The Department activated the Insurance Emergency Operations Center (IEOC), a joint Department and industry operation staffed by insurance company representatives and Department professionals. The IEOC was used to coordinate the efforts of insurance companies and help insurers process claims more quickly to support policyholders faster and more efficiently.

The Department staffed a special disaster hotline that operated seven days a week and helped nearly 1,100 consumers who called with questions about homeowners', renters' and business insurance.

The Department issued more than 9,200 temporary insurance adjuster licenses. This allowed insurers to bring in adjusters from all over the United States so that properties could be inspected quickly and policyholder claims processed faster.

Post-disaster data filed with the Department by property/casualty insurance companies indicated that more than 85,000 personal and commercial claims were filed with insurers, for an estimated value of more than \$300 million.

As a consequence of its disaster recovery efforts, DFS helped establish national policy on flood disaster response after discussions with the Federal Emergency Management Agency (FEMA), which administers the National Flood Insurance Program (NFIP). For most homeowners and businesses, NFIP insurance policies are their only protection against flood damage. The policies are sold through property casualty insurers.

The new national policy came in the form of a bulletin issued by FEMA to insurance companies. The bulletin instructed insurers to work with state regulators in ensuring fairness and promptness in servicing customers with federal flood insurance. FEMA had originally asserted that state regulators had no role in overseeing claims processing for flood insurance.

## **Consumer Recoveries**

Department investigations into consumer complaints against insurance companies led to the recovery of \$28 million for 3,496 consumers in 2011. The Department also instructed insurers to offer to reinstate 70,440 policies which had been improperly cancelled. These offers to reinstate policies benefitted 14,590 homeowners whose policies were cancelled because an insurer improperly billed consumers for premium amounts not yet in arrears. Also, insurers were directed to offer to reinstate 751 improperly cancelled personal lines policies and another 900 homeowners' policies improperly allowed to expire because the insurer failed to send cancellation notices to its policyholders. In addition, Department investigations into complaints from doctors, hospitals and other medical providers about unpaid claims led to the payment of \$33.3 million from insurers to these providers.

## **First Personal Auto Usage Based Insurance Discount Program**

The Department approved the first Personal Auto Usage Based Insurance (UBI) Discount program. The UBI program was approved for Progressive Advanced Insurance Company, effective December 3, 2010 for new policies and February 1, 2011 for renewals. Policyholders who choose to participate in this new optional rating program can earn a discount based on their individual driving patterns. Under the program, the insurance company provides a device that is connected to the computer of the insured's vehicle. The device records and uploads data on the insured's driving patterns for a specified period, and if the data collected indicates a discount is warranted, the discount percentage will be calculated and applied to the policy. The final calculated discount will remain on the vehicle for the life of the policy. No policyholder will see an increase in premium due to the data collected from this program. The device is returned to the company at the end of the data collection period.

Additionally, the Department has approved optional miles-driven discount programs that do not use a data collection device. The discount for such programs is based solely on the annual miles driven for each policy period, as reported by the policyholder. Both types of programs allow policyholders to potentially reduce their premiums, especially those who drive infrequently.

## **Maintaining a Competitive Market for Auto Insurance**

Motorists are required to have insurance on their motor vehicles. When they are unable to receive coverage from insurance companies, motorists are placed in the assigned risk pool, which requires them to pay substantially higher premiums. One sign of the competitiveness of the auto insurance market is the percentage of drivers in the assigned risk pool, which is known as the New York Automobile Insurance Plan.

The number of vehicles insured in the Plan has remained at historically low levels and has even decreased by 15% at year end 2011, compared to year end 2010. Less than 1% of New York private passenger registered vehicles are insured in the Plan. It had been as high as 17% less than two decades ago. The stability in the Plan's population can be attributed, at least in part, to various Department initiatives, including incentives to voluntary market insurers that provide coverage to drivers who otherwise would have been placed in the Plan.

## **Protecting Seniors from Insurance Agents Claiming False Expertise**

Seniors in New York are protected by two new regulations to combat misleading practices in the sales of annuities and life insurance to senior citizens and other consumers. The Department acted in response to cases where seniors have been convinced to buy or replace existing annuities with new annuities that are not in their best interests. The two emergency regulations:

Require that only a suitable annuity, based on a consumer's financial situation and needs, be recommended to a consumer by an insurer, agent or broker.

Prohibit insurance agents and brokers from using titles, such as "certified senior advisor", that suggest they have special expertise on issues regarding seniors when, in fact, they have no such qualifications.

The first regulation requires agents and brokers to consider the insurance needs and financial objectives of the consumer, based on the facts disclosed by the consumer, when recommending an annuity contract for purchase or replacement

The second regulation addresses the fact that some agents and brokers use misleading titles, such as "certified elder planning specialist" or a "certified senior advisor" to gain seniors' confidence in order to sell them insurance products. Many of these titles are obtained by agents and brokers by simply paying a fee. In recent years, the media have reported cases of sales to elderly clients, resulting in the loss of seniors' savings, by agents or brokers utilizing these misleading titles.

This regulation prohibits the use of these misleading titles and fraudulent marketing practices linked to the use of such titles in the solicitation, sale, or purchase of, or advice made in connection with a life insurance policy or annuity contract.

## **Encouraging the Growth of Industry**

### **Enhancing the New York State Bank Charter**

Banks that do business in New York State have the option of choosing a New York State or a federal charter. Although the advent of interstate banking, with its need for regulatory uniformity, led many large banks to operate nationally, an opportunity now exists to reverse this trend. In fact, the banking industry has encouraged DFS to aggressively promote the State option. State charter fees are significantly lower than the federal charter fees and DFS looks to attract more banks by highlighting the advantages of a State charter.

Banks recognize that having the State charter provides greater potential for dialogue with regulators on issues important to the banks. Banks also recognize the wealth of knowledge DFS has on local consumer issues. The New York State charter allows banks to be supervised by regulators who are more accessible, flexible and responsive than their federal counterparts due to a greater understanding of their home markets. By being more closely attuned to local institutions' needs and markets, state regulators are better able to provide supervisory guidance and support during challenging economic periods. State regulators have a strong history of consumer protection, taking an early lead on anti-predatory lending laws and foreclosure prevention, and reaching landmark settlements with large mortgage bankers.

## **Fostering a strong regulatory landscape**

On December 31, 2011, DFS announced that Elmira Savings Bank was the first bank to convert to a New York State charter since the Department's inception. Several federal savings banks in New York are in the process of submitting applications for conversion to a State charter as well.

It is the Department's goal to cultivate a culture of superior service that will both satisfy the needs of existing State chartered banks while encouraging others to seriously consider the State option.

The Financial Services Law created the State Bank Charter Advisory Board to assist the Department in encouraging the growth in state chartered banks. In March 2012, Superintendent Lawsby announced the appointments of nine banking professionals to serve on the advisory board. The banking professionals represent banks with a range of assets.

## **Workers' Compensation Fraud**

DFS demonstrated its ongoing commitment to fighting workers' compensation fraud when 18 individuals in 13 counties were arrested in December. The arrests were the culmination of a series of investigations led by DFS.

The investigations and subsequent arrests focused on identifying individuals who were collecting workers' compensation benefits even though they were ineligible. For example, some of the individuals improperly obtained benefits while secretly working; others collected compensation after faking injuries or filing false documentation.

Workers' compensation fraud affects everyone because all honest New York businesses and taxpayers are forced to shoulder the burden of higher premiums, unnecessarily driving up the cost of doing business in New York. The Department will continue to make fighting workers' compensation fraud a priority.

## **Implementation of Commercial Modernization**

On August 17, 2011, the Governor signed Chapter 490 of the Laws of 2011, modernizing the regulation of commercial lines insurance. The bill amended Article 63 of the Insurance Law to add a new “Class Three” to the special risk provisions, commonly referred to as the Free Trade Zone. Subject to specific conditions listed in the law, forms and rates for policies eligible to be written as Class 3 risks do not need to be filed with the Department for prior approval. DFS then introduced the regulations required to implement the law.

Under the new measure, insurers are exempt from rate filing and form approval requirements when issuing qualified policies to businesses or entities, like municipalities, that generate annual commercial risk insurance premiums totaling more than \$25,000 for certain kinds of property/casualty insurance. In addition, policyholders must retain special risk managers to assist in negotiating and purchasing the policies.

Insurers using the exemption must file with the Superintendent a certificate of insurance documenting the terms of the policy within one business day of binding the insurance coverage. The new law and regulation promise to enhance the ability of insurers to underwrite large commercial policyholders in New York, increase speed to market for certain insurance products not currently exempted, and eliminate barriers to economic development in New York.

The Department will monitor the implementation of Chapter 490 and the amendment to Regulation 86, and will address issues from industry as they arise.

### **Modernizing Insurance Policy and Rate Review**

In all three insurance bureaus, DFS is implementing numerous improvements to streamline its process for the review of rate, policy, license and other industry filings. It is anticipated that a more efficient and focused Rate and Form Filing Process would better protect consumers, help enhance competition in the insurance industry, and reduce unnecessary costs and burdens on regulated entities.

Improvements include:

- Elimination of non-essential, duplicative, time-wasting requirements.
- Standardizing checklists and exhibits to streamline rate filings.
- Accessing rate applications is now possible online.
- Improving requests for information for better, more complete market data.
- Better communication with industry on rate reviews—both the policy and process.

- Meeting with insurance companies to go over rate decisions.
- Providing understanding on the criteria used to make the rate decisions.
- Establishing the Fund

As part of an effort to reduce medical malpractice costs, the State has created a fund to pay the health care costs of plaintiffs. Chapter 59 of the Laws of 2011 amended Article 29-D of the Public Health Law to create the Medical Indemnity Fund (“Fund”). The Fund is designed to pay all future costs necessary to meet the health care needs of plaintiffs in medical malpractice actions who have received either court-approved settlements or judgments deeming the plaintiffs’ neurological impairments to be birth-related. The purpose of the Fund is two-fold: 1) to pay or reimburse costs necessary to meet the health care needs of a “qualified plaintiff” throughout his or her lifetime; and 2) to lower the expenses associated with medical malpractice litigation throughout the health care system.

Pursuant to statute, the Department of Financial Services is charged with implementing the Fund which became operational on October 1, 2011. The Department recently engaged a third party administrator to administer the Fund, and is working closely with the administrator to ensure that plaintiffs receive needed care. As of December 2011, nine plaintiffs had enrolled in the Fund.

### **Increasing Competition in the Reinsurance Market**

The Department acted to strengthen reinsurance business activity in New York by relaxing the unnecessarily high 100 percent collateral requirement that had previously been imposed on many large and financially strong alien reinsurers. Twenty property/casualty and life reinsurers met the Department’s criteria under a new regulation that enables them to write new reinsurance contracts and renew existing contracts under the new collateral requirement. Under the new regulation, the certified reinsurers post collateral based on a sliding scale, instead of the former 100 percent collateral requirement. This development helps cement New York’s reputation as an innovative and forward-thinking global financial services center.

### **On-Going Efforts**

A key priority of the Department is to make the examination process less complex and more modern and efficient. A DFS internal working group has been formed to identify critical issues in the examination process, make recommendations, and outline an action plan. Among other areas, the working group is looking at improvements that can be made in the following areas:

- Further strengthening the training of examiners.
- Enhancing IT components of exams.

- Improving timeliness of report issuance.
- Increasing financial analysts' involvement in risk-focused surveillance.
- Improving the administrative aspects of the exam process, such as vendor management, contracts, billing hours and invoices.
- Setting new standards for timely response to industry filings.

DFS-regulated entities make numerous filings with the Department, including filings required to sell new products or adjust prices of existing products. It is essential that the industry receive prompt responses to those filings to be able to conduct business. A timely rejection is often preferable to long delays with no decision because it allows a business to make adjustments and go forward.

In order to improve response time, the Department is taking various actions, including the creation of a 45-day list documenting all pending matters without a decision for more than 45 days. The list will be used internally to better monitor departmental responsiveness and to encourage faster and more efficient decision making. Going forward, the Department is working on developing procedures that will allow it to provide prompt final determinations or, when that is not possible, to identify problems so they can be discussed with the filing entity.

These efforts have already substantially reduced backlogs of filings waiting for review. As of October, 2011, the Property Bureau had 860 filings that had been open, on average, for 91 days. By the end of April 2012, Property had 601 filings that had been open, on average, for 47 days. Over the same time period, the Health Bureau went from 504 filings open on average 96 days to 221 open on average 65 days. And the Life Bureau cut its backlog from 156 filings open on average 80 days to 114 filings open an average of 33 days.

### **Enhancing the Banking Development District Program**

The Banking Development District (BDD) program is a program designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services. Banks can play an important role in promoting individual wealth, homeownership, community development, and neighborhood revitalization. An aim of the program is to enhance access to financial services to consumers, who may have little or no relationship with the banking industry, and to promote local economic development. Moreover, the establishment of a bank branch can provide a foundation to stimulate the local economy by enhancing access to capital for local businesses.

Currently, 70% of the BDDs are located within New York City and there is a demand for more BDDs to be available in Upstate New York. DFS is aware of this discrepancy and is committed to increasing awareness of the BDD program in Upstate New York.

In the third quarter of 2011, DFS participated in a roundtable on BDDs, in which the Department presented its plans and recommendations for improving the BDD program, including:

- Requiring that BDD branches provide financial education to residents and businesses within their districts and submit their plans to DFS;
- Amending application and renewal forms to require that applicants offer affordable banking products and services;
- Streamlining application and renewal forms for the BDD program.

The Department will continue to work with local government officials, community groups, and consumers to effectively expand the BDD program further.

### **Improving Response to Consumer Complaints**

DFS has instituted a new process for the resolution of consumer complaints that will result not only in improved efficiency but also enhanced services for consumers. DFS receives approximately 160,000 calls and 50,000 complaints annually. Given the volume of traffic the consumer complaint division receives, consumers and regulated entities often experience a delay in receiving needed information. DFS has therefore begun to examine ways to enhance its use of technology and improve the public's use of the Department's website with an eye towards ultimately reducing the number of calls received in the first place. DFS also recently executed an agreement with the Department of Taxation and Finance to provide Call Center Services for DFS. Implementation of this initiative, which will reduce costs, increase efficiency and improve customer service, began on January 3, 2012.

### **Legal Modernization**

The Department formed a working group to examine whether existing banking and insurance laws need to be updated to provide additional tools to DFS to regulate more effectively or eliminate burdensome requirements for the industry that do not result in increased protections for consumers. The Superintendent is reviewing the recommendations of the working group and is considering proposing legislative and/or regulatory changes based on the recommendations.

## **INSURANCE DIVISION OVERVIEW**

In 2011, the Insurance Division regulated nearly 1,700 insurance companies with assets exceeding \$4 trillion. The Division includes the Property, Life and Health Bureaus.

### **Property Bureau**

The Property Bureau regulates more than 800 property/casualty insurance companies licensed in New York writing net premiums totaling more than \$312 billion.

The Property Bureau oversees the financial condition and market conduct of property and casualty insurance companies in order to monitor the financial solvency of licensees and to maintain an equitable marketplace for policyholders.

The Bureau's Market Section reviews policy forms and rate filings for all lines of business, including review of workers' compensation, private passenger and public automobile and medical malpractice insurance rates. In addition, the Market Section oversees the American Arbitration Association's (AAA) administration of conciliation and arbitration of no-fault auto insurance claims disputes and is responsible for overall supervision of the excess and surplus lines insurance market, as well as purchasing groups organized pursuant to the federal Risk Retention Act.

The Bureau's Financial Section conducts examinations and analyses, including reviewing and monitoring the financial condition of regulated entities; reviewing mergers, acquisitions and transactions within holding company systems; reviewing applications for licensing of domestic and foreign insurers; reviewing applications for accreditation of foreign and alien reinsurers; reviewing applications to qualify as a certified reinsurer; and reviewing applications for registration as a service contract provider.

### **Health Bureau**

The Health Bureau regulates health insurers with total assets of \$34.5 million and premiums totaling \$58.5 million

The Health Bureau has responsibility for all aspects of health insurance regulation, including the premium rates and policy forms; legal aspects of health insurance, including compliance, drafting regulations and legislation; and reviewing discontinuances of health insurance coverage.

The Bureau also regulates the fiscal solvency of accident and health insurance companies, Article 43 not-for-profit health plans, health maintenance organizations (HMOs), municipal cooperative health benefits plans and continuing care retirement communities, including review of financial statements and holding company transactions.

The Bureau conducts financial and market conduct examinations to ensure compliance with statutory and financial solvency requirements, as well as proper treatment of policyholders. The financial examinations focus on high risk areas of an entity's operations and include corporate governance, internal controls, current and prospective risk assessment, and review of material transactions.

The Bureau also runs the Healthy NY program, the COBRA program and Brooklyn Healthworks, which provide insurance coverage to vulnerable small businesses and individuals meeting certain eligibility criteria. In addition, the Bureau oversees the Market Stabilization Pools, the Healthy NY Stop Loss Funds and the Direct Payment Stop Loss Funds which are risk adjustment mechanisms for individual, small group and Medicare Supplement coverage.

In addition, the Bureau is responsible for implementing New York's prior approval legislation and works closely with the Governor's Office on implementing federal health care reform.

The Department secured more than \$4 million in federal funding to help improve its rate review process, including hiring actuaries, funding improved data collection, and improving audit capacity to ensure rates are accurately and fairly reviewed.

### **Life Bureau**

The Life Bureau supervises more than 595 regulated entities, including 132 licensed life insurance companies with assets of more than \$1 trillion and premiums of more than \$223 billion.

The 132 life insurers supervised by the bureau include 79 domiciled in New York and 53 foreign domiciled insurers. In addition, the bureau supervises: 37 fraternal benefit societies; 12 retirement systems, including four private pension funds and eight governmental systems; nine governmental variable supplements funds; 312 charitable annuity funds; 22 employee welfare funds; 31 life settlement providers (including 24 entities permitted to operate as life settlement providers pending approval or disapproval of their applications for licensure and contract forms); 35 accredited reinsurers and five certified reinsurers.

The Life Bureau regulates financial condition through: the establishment and application of financial standards (risk based capital (RBC), reserves, accounting, etc.); the periodic examination of insurance companies' financial activities; the evaluation of reserve adequacy and liquidity and other risks; the review of life products for self-support and potentially excessive risk; and the analysis of financial statements and actuarial reports and opinions submitted by regulated entities. Such Bureau processes are performed to verify that statutory and regulatory financial standards are met and to ensure that insurers can meet their financial and contractual obligations.

The Life Bureau regulates market conduct through: the establishment of market conduct standards (product provisions, replacements, claims practices, etc.); the periodic examination of insurance companies' sales and marketing practices and treatment of policyholders; the investigation of specific or targeted market activities; and the analysis of market data. These processes are performed to: ensure compliance with statutory

and regulatory requirements; ensure that policyholders are treated fairly and equitably by insurers in accordance with prescribed standards of conduct; and protect the marketplace by preventing and/or limiting practices that constitute unfair trade practices or unfair methods of competition.

The Life Bureau reviews and approves life insurance policies, annuity contracts, funding agreements, and all other agreements and policy forms relating thereto submitted by authorized life authorized life insurers and other regulated entities for sale in New York to individual or group consumers for compliance with applicable laws, rules and regulations. Legal and actuarial reviews are performed to ensure that New York consumers receive the protection afforded by New York law and regulations and to ensure that such consumers are treated in a fair and equitable manner by authorized life insurers and other regulated entities.

The Life Bureau regulates the corporate conduct of authorized insurers through: the establishment of corporate standards (corporate governance, holding company, licensing requirements, etc.); the enforcement of statutory and regulatory corporate governance standards; and the review and approval of activities including licensing, corporate reorganizations, mergers, acquisitions, demutualizations and holding company transactions. In so doing, the Bureau verifies that statutory and regulatory requirements are met; ensures the prudent conduct of insurers; and protects policyholder interests.

## **BANKING DIVISION OVERVIEW**

### **Community and Regional Banks**

Community and Regional Banks (CRB) is responsible for the prudential regulation of community and regional banks, credit unions and other depository institutions through annual and periodic target examinations and continuous supervision. CRB staff review the compliance of the supervised institutions with applicable New York State and Federal laws and regulations. CRB partners with the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Bank of New York (FRB), and the National Credit Union Administration (NCUA) in joint supervision.

In 2011, CRB had supervisory oversight of a total of 83 banks and savings institutions, including 52 commercial banks, 20 savings banks, 10 limited-purpose commercial banks and one savings and loan association. CRB also provides regulatory supervision for 20 credit unions with total assets ranging from \$1 million to \$1.7 billion, limited purpose trust companies, charitable foundations, bank holding companies, and three New York State regulated corporations. The aggregate assets of institutions supervised by CRB are more than \$231 billion.

During 2011, capital, asset quality and liquidity concerns lessened as the economic environment improved along with the outlook for institutions supervised by CRB. No CRB institutions were closed during the year compared with 3 closings in 2010.

The nation's banking system allows banks to choose a state charter or national charter. Weighing the relative advantages of a state charter to a federal thrift charter, many thrift institutions concluded in late 2011 that the state charter was preferred. The Elmira Savings Bank, FSB, the first of many federal thrifts to apply to convert to a state charter, became a New York State-chartered stock-form savings bank under the name Elmira Savings Bank, on December 31, 2011.

### **Foreign And Wholesale Banks**

During 2011, banks from India, China, South America and Europe approached DFS regarding the possibility of opening a branch, agency or representative office in New York. Furthermore, during 2011, DFS accepted new applications to open foreign branches and representative offices and has issued licenses to such institutions as Banca Popolare di Vicenza and licensed a second branch of State Bank of India in Jackson Heights, New York. DFS will issue more new licenses in the coming months.

From the interest our banking community has shown this year, it is clear that a New York presence continues to be an attractive prospect for foreign banks regardless of global economic concerns.

### **Licensed Financial Services**

The Licensed Financial Services Division (LFS) supervises budget planners, check cashers, licensed lenders, money transmitters, premium finance agencies, and sales finance companies. At year end 2011, the Department of Financial Services had regulatory oversight of 47 budget planners, 177 check cashers, 19 licensed lenders, 73 money transmitters, 58 premium finance agencies, and 99 sales finance companies.

While there has been some improvement in economic conditions in 2011, we continued to witness consolidation in certain industries. Consumer lending and check cashing were the areas primarily affected by mergers, acquisitions, additional cost cutting and business closures. Although the number of licensees declined again, the overall levels of service available to New York consumers remained stable, with no adverse effect noted by consumer groups.

### **Mortgage Banking**

At year end 2011, Mortgage Banking supervised 910 registered mortgage brokers and 156 licensed mortgage bankers operating through 1,208 and 672 branch offices, respectively. Mortgage Banking also has supervisory authority for 21 registered mortgage loan servicers.

The number of regulated companies engaging in mortgage loan origination activities in New York State declined 21% between calendar year end 2010 and 2011. Since the onset of the mortgage meltdown, there has been a continuous decline in the number of entities regulated by the Department, dropping more than 50% from the figures reported at year-end 2007.

Although Mortgage Banking experienced a slight increase in mortgage banker applications during 2011, the uptick was fueled primarily by provisions in Dodd-Frank eliminating the licensing preemption for national banking subsidiaries. In addition, the Department amended Part 39 of

the General Regulations to eliminate exemptions previously granted for certain products, including Home Equity Line of Credit and to banking subsidiaries.

In 2011, Mortgage Banking responded aggressively to the robo-signing crisis by conducting examinations of mortgage loan servicers' foreclosure and loss mitigation practices. Mortgage Banking also assisted in drafting agreements with several servicers outlining best practice standards for such servicers to use in managing its servicing operations and loss mitigation and foreclosure processes.

Mortgage Banking also assisted in returning monies improperly charged to consumers by directing institutions to make consumer restitution totaling \$597,328. Enforcement actions were also taken against several companies for deceptive advertisement, unlicensed activity and failing to comply with laws and regulations, resulting in penalties of \$435,100.

### **Accounting developments**

The Securities and Exchange Commission (SEC) continues to study whether to require or permit U.S. public companies to comply with International Financial Reporting Standards rather than U.S. Generally Accepted Accounting Principles. A decision is expected in 2012. In 2011 the former Banking Department submitted a comment letter in response to the latest SEC proposal, as also occurred in 2007 and 2009. [DFS and Banking Department comment letters](#) are available on the DFS website.

## **FINANCIAL FRAUDS AND CONSUMER PROTECTION DIVISION (FFCPD) OVERVIEW**

The Department's Financial Frauds and Consumer Protection Division (FFCPD) is responsible for combating fraud against entities regulated under the banking and insurance laws, as well as frauds against consumers. The Division also investigates consumer complaints and conducts performance evaluation activities in the areas of consumer compliance, fair lending and the Community Reinvestment Act.

The FFCPD encompasses a Civil Investigation Unit, a Criminal Investigation Unit (comprising the bureaus handling banking criminal investigations and insurance and financial frauds); the Consumer Assistance Unit ("CAU"), which includes the Holocaust Claims Processing Office; a Consumer Examinations Unit and a Consumer Education and Outreach Unit.

As required by the Financial Services Law, the FFCPD submitted an Annual Report on its activities in 2011 on March 15, 2012. The complete report can be found on the DFS website at <http://www.dfs.ny.gov/reportpub/annualrep.htm>

Following are highlights from that report:

## Civil Investigations

The Civil Investigation Unit includes a staff of attorneys investigating civil financial fraud, consumer law, banking law and insurance law violations, a unit conducting investigations of licensed insurance producers, and a staff of attorneys who bring disciplinary proceedings against insurance producers for violations of the insurance law. Some of the Unit's investigations, activities and initiatives since the FFPCPD began its work on October 3, 2011, are mentioned earlier in this Report. Those investigations and initiatives include securing agreements from eight mortgage servicers to reform their servicing and foreclosure processes; the force-placed insurance investigation; the investigation, together with the Life Bureau, of life insurers' claims practices; and assisting in the Department's issuance in February 2012 of a Circular Letter (No. 4) governing the use of retained asset accounts.

The Civil Investigations Unit also consists of disciplinary attorneys and examiners who oversee the activities of licensed individuals and entities who conduct insurance business in New York State. The goals of the Unit are to protect the public and ensure that licensees act in accordance with applicable insurance laws and Department regulations. The Unit is conducting an ongoing investigation into the improper sale of annuities and variable life contracts by companies not authorized to conduct business in New York that has already led to disciplinary action against more than 50 agents and fines of more than \$1.7 million

## Criminal Investigations

The FFPCPD combined the responsibilities of the Insurance Fraud Bureau from the Insurance Department and the Criminal Investigations Bureau from the Banking Department. As currently constituted, the Criminal Investigations Unit ("CIU") conducts specialized investigations into criminal conduct involving the financial services industry and works cooperatively with law enforcement and regulatory agencies at the federal, state, county and local levels.

**Banking:** The Department conducts criminal investigations into possible violations of the federal Bank Secrecy Act, federal and state anti-money laundering laws and related regulations, and possible violations of the federal Office of Foreign Asset Control laws and related regulations. As a result of multi-year, multi-agency investigations, three foreign banking institutions entered into Deferred Prosecution Agreements and paid penalties in excess of \$1.2 billion. Throughout New York State, the CIU participates in numerous federal, state, county and local mortgage fraud investigations. Since its inception in April 2007, the CIU has participated in a numerous investigations which have culminated in charges against over 160 persons and involved in excess of \$ 369 million.

The Criminal Investigations Unit conducted 112 investigations which led to 33 convictions in 2011. A total of 83 new cases were opened for investigation and Mortgage Fraud Unit investigations resulted in 23 arrests stemming from cases involving more than \$33 million in losses to victimized homeowners and financial institutions.

**Insurance:** The CIU recorded 703 arrests during 2011, with arrests for health care fraud (private health care, no-fault and disability) totaling 210. A focus on workers' compensation fraud increased arrests by 24.4 % in 2011. The number of convictions obtained by prosecutors in CIU

cases totaled 401 for the year. In addition, the CIU received 23,422 reports of suspected fraud in 2011; no-fault fraud accounted for 11,974 or 51%. Court-ordered restitution totaled \$34 million for the year. Currently the CIU has 1,919 cases open for investigation statewide.

The top priority currently is the no-fault initiative, focusing on investigations involving staged/caused accidents and fraudulent billing by medical mills. Referrals alleging no-fault fraud have accounted for more than 50 percent of all fraud referrals since 2007.

Every insurance company writing at least 3,000 private or commercial automobile, workers' compensation and accident and health insurance policies in New York State are required to file a Fraud Prevention Plan with the DFS and establish a Special Investigations Unit (SIU). Department Examiners review these Plans for compliance with Department Regulation 95. Approval of the Plans is required.

### **Consumer Assistance Unit (CAU)**

The Division's Consumer Assistance Unit (CAU) is responsible for receiving, investigating and resolving consumer complaints. Individual units focus on insurance and banking related matters.

The Insurance CAU received and opened 43,719 new cases in 2011; the Unit processed and closed 43,367 cases in 2011. The Unit responded to 35,177 e-mails and 102,887 telephone calls.

As a result of the Unit's work, consumers received refunds from insurers, as well as reinstatement of lapsed coverage, payment for denied medical claims, or coverage of disaster-related claims that had been previously denied. The Unit was successful in gaining \$28 million in recoveries for 3,496 consumers. The Department instructed insurers to offer to reinstate 70,440 policies.

The Banking CAU received a total of 3,370 written complaints of which 2,190 (65 percent) were mortgage related and 59,190 telephone inquiries of which 13,446 (23 percent) were mortgage related. CAU recovered a total of \$83,320 in restitution for consumers, of which \$51,307 (62 percent) was mortgage related. Staff responding to consumer complaints and questions through the Department's toll-free number can take calls in English, Spanish, Russian and Cantonese.

### **Consumer Examinations Unit**

The Consumer Examination Unit (CEU) is responsible for performing consumer compliance, fair lending and Community Reinvestment Act (CRA) examinations. In 2011, CEU conducted 23 CRA, 28 consumer compliance, and 41 fair lending examinations. As a result of consumer compliance examinations in 2011, CEU uncovered depository institutions overcharging consumers for service charges on dormant accounts and check return items and objectionable practices in overdraft programs. This resulted in restitution totaling \$16,000 to aggrieved consumers. As a result of fair lending examinations in 2011 involving mortgage bankers and brokers, CEU uncovered comingled fees, and fees charged to consumers that were not itemized on the final Good Faith Estimate. CEU is seeking refunds for aggrieved consumers.

## **Community Development**

In 2011, the Community Development Unit (CDU) continued to address significant consumer issues. The Department partnered with the Manhattan Borough President's Office in initiating the Bank on Manhattan project, which seeks to promote banking services for the unbanked through the development of a low-cost checking account. The Department hosted the first Annual Banking Development District (BDD) meeting with all of the participating banks, to discuss and address some of the issues discussed in the Department's report on the BDD Program. The meeting resulted in greater understanding of the renewal recommendation process and understanding of the new financial education requirement. The Department participated in two public hearings on BDD, the first hearing focused on clarifying the goals of the BDD program and the criteria by which a BDD branch's effectiveness is to be measured and the second hearing focused on discussing the steps involved in establishing a new BDD branch.

## **Holocaust Claims**

The Holocaust Claims Processing Office (HCPO) was created in 1997 to help Holocaust victims and their heirs recover assets deposited in banks, unpaid proceeds of insurance policies issued by European insurers, and artworks that were lost, looted or sold under duress. The Office accepts claims for Holocaust-era looted assets from anywhere in the world and charges no fees for its services. From its inception through December 2011, HCPO has responded to more than 13,000 inquiries and received claims from 4,912 individuals from 45 states, the District of Columbia and 39 countries. HCPO has successfully closed the cases of 2,125 individuals in which either an offer was accepted, the claims process to which the claim was submitted issued a final determination, the assets claimed had been previously compensated via a postwar restitution or compensation proceeding, or otherwise handled appropriately (i.e. in accordance with the original account holders' wishes). The claims of 2,787 individuals remain open.

The combined total of offers extended to HCPO claimants for bank, insurance, and other asset losses amounts to \$158,292,370 and a total of 56 cultural objects have been restituted.

The HCPO annual report is available at <http://www.dfs.ny.gov/reportpub/annualrep.htm>

## **MARKETS DIVISION OVERVIEW**

The Markets Division is a combination of the former Research and Technical Assistance Division of the Banking Department and the Capital Markets Bureau of the Insurance Department. The combined group functions as a service provider for the entirety of DFS, offering specialists in all aspects of capital markets including fixed income, equities, derivatives, swaps, modeling, futures, and commodities. The Markets Division also offers expertise in conducting other technical examinations through its specialist teams in the arenas of: Information Technology, Fiduciary and security operations, and Internal Control and Audit.

The Division likewise provides research, surveillance, accounting, enterprise risk and BSA/AML expertise in support of the Department's mission.

While Markets is a service arm to the other operating divisions within DFS, it also owns several relationships where it has primary supervisory responsibility. These include the financial guarantors and several state-wide retirement systems.

Department training function also resides within this division. The training unit arranges, schedules and conducts training programs throughout the year. Training is responsible for the Examiner training program and for continuing education of examiners ensuring that DFS maintains an effective work force.

Since the formation of DFS, the Markets Division has jointly worked with the Banking and Insurance Divisions on examinations and training, and the group continues to work on synthesizing examination processes and identifying commonalities and synergies where they exist.

## **REAL ESTATE DIVISION OVERVIEW**

In October of 2011, Governor Cuomo announced the formation of a Real Estate Finance Division within the New York State Department of Financial Services. The announcement was in direct response to the disastrous real estate market collapse that negatively affected almost every New York State resident. It was observed that as a result of lax regulation, illegal and unethical marketplace manipulations took place where mortgage fraud, consumer abuse, and excessive capital market risks were allowed to proliferate without transparency, proper disclosure or meaningful oversight.

As a result, the Real Estate Finance Division is responsible for regulating all real estate and homeowner issues, ranging from mortgage origination and servicing to title and mortgage insurance to the foreclosure crisis.

### **Foreclosure Relief Unit**

In the 2012 State of the State address, Governor Cuomo announced the formation of the foreclosure Relief Unit. DFS was directed to use resources available to assist homeowners already in foreclosure and those at risk of foreclosure. The Foreclosure Relief Unit (FRU) within DFS deals exclusively with providing assistance.

In order to reach homeowners hardest hit by foreclosure DFS has sent its mobile command center, 36-foot long vehicle, to visit communities statewide that have been disproportionately hit with foreclosures. DFS specialists assess where homeowners are in the pre-foreclosure or foreclosure process and provide homeowners information about specific loan modifications available under federal law. The FRU also take

complaints from homeowners who believe they were subjected to lender or mortgage servicer abuses so these cases can be investigated by the Department.

To date, the FRU has visited sites in the counties of Suffolk, Nassau, Rockland and Sullivan as well as Middletown, Schenectady, Brooklyn and the Bronx.

In addition to the citizen outreach component under the Foreclosure Relief Unit, the Real Estate Finance Division is working with lenders as well as the courts to improve upon the current foreclosure process. It was decided that DFS can most directly contribute to the relief effort by affecting a regulatory scheme that would require greater lender involvement and accountability in the loss mitigation process envisioned by applicable federal relief programs.

## **OFFICE OF GENERAL COUNSEL OVERVIEW**

The Office of General Counsel (OGC) provides legal advice to the Superintendent of Financial Services and other Department officials regarding the construction, application and enforcement of the Banking, Insurance, and Financial Services Laws and associated regulations, including providing informal advice, written opinions and interpretive letters to Department staff, as well as members of the public. OGC supports the Department's administrative operations, such as drafting contracts, Requests For Proposals and other Department procurement documents and ensuring the legal sufficiency of all contract documents; reviewing applications made by regulated entities for incorporation and licensing, charter and by-law amendments, mergers, and name approvals; managing the receipt of subpoenas served on the Department and substituted service of legal process on insurers and licensed branches and agencies of foreign banking corporations; providing advice regarding the State ethics laws; and managing and responding to Freedom of Information Law requests made to the Department.

OGC also plays a prominent role in carrying out the Department's legislative responsibilities, including the drafting of proposed legislation and commenting to the Governor's Counsel's office on bills affecting the Department. In 2011, for example, OGC helped to draft a variety of banking and insurance-related laws, requiring insurers to cover orally administered anticancer treatment no less favorably than intravenous or injected chemotherapy treatments, expanding coverage for the screening, diagnosis, and treatment of autism spectrum disorder and promoting early autism intervention services, prohibiting health insurers and HMOs from requiring that policyholders purchase prescription drugs from mail order pharmacies, and conforming provisions of the Insurance Law to recently enacted federal laws, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Affordable Care Act.

In 2011, OGC also was involved in legislation providing for the expedited treatment of wildcard applications (applications by state chartered banks to engage in activities permissible for federally-chartered banking institutions), clarifying the authority of the superintendent with respect to credit exposures derived from derivative transactions and deleting references to credit ratings agencies.

OGC also drafts or reviews drafts of all Departmental regulations, and oversees the Department's rulemaking process. This past year, OGC has played a primary role in promulgating a variety of regulations to protect consumers, seniors and retirees, including rules that establish minimum standards for internal appeal procedures for long-term care insurance and nursing home and home care insurance; ban placement agents from the New York State Common Retirement Fund; require insurers and producers who make recommendations to consumers about the purchase or replacement of annuity contracts to ensure that the recommendations are suitable based on the consumer's personal and financial information; and prohibit insurance producers from using certifications or professional designations to mislead senior citizens in purchasing life insurance and annuities. OGC also drafted regulations governing bank compliance with the ATM Safety Act and administering the newly created State Charter Advisory Board, for which the Superintendent serves as Chairman.

As part of its ongoing industry oversight role, OGC also published various bulletins providing guidance on a wide range of topics, including the applicability of New York's unfair claim settlement practices regulation to policies issued through the National Flood Insurance Program; enterprise risk management; medical loss ratio standards applicable to health insurance policies; and premium rate adjustment notices. When industry participants violate the Department's rules, OGC has played an important role in administrative enforcement proceedings, including representing the Department in all such matters, providing hearing officers, and advising the Superintendent in his determinations whether to adopt the reports and recommendations that follow from such administrative adjudications.

Finally, on the litigation front, the Department, with assistance from OGC, won significant victories in its efforts to require insurance brokers and agents to disclose their role in insurance transactions as it relates to their compensation, to limit the ability of insurers to obtain a credit against their retaliatory tax obligations, and to bar convicted felons from employment in the mortgage banking industry.

### **Circular Letters**

For a list of all Insurance Circular Letters issued in 2011 visit <http://www.dfs.ny.gov/insurance/circltr/2012.htm>

### **Legislative Summaries**

For a description of changes to the Insurance and Banking Laws in 2011 visit [http://www.dfs.ny.gov/legal/leg\\_summ/2011\\_summary.htm](http://www.dfs.ny.gov/legal/leg_summ/2011_summary.htm)

### **Legislative Recommendations**

The Department has recommended that the following legislation be passed:

**Out-of-Network Health Care**

The purpose of this bill is to provide enhanced protections to health insurance consumers regarding coverage for out-of-network health care services.

**Prepaid Cards Used at ATMs or to Buy Merchandise**

The purpose of this bill is to amend the Financial Services Law and repeal the gift certificate provision in the general business law to address significant regulatory gaps that apply to general purpose prepaid access devices and strengthen consumer protections. Prepaid access devices are cards purchased by consumers to use at ATMs and to use in purchasing certain merchandise. They are used as substitutes for cash, bank accounts and other payment devices, such as credit and debit cards.

**Branching**

The changes made by this bill streamline branching processes for banking institutions operating under the Banking Law. Changes are also made in a number of cases to conform to changes made in federal law by the Dodd-Frank Act. These changes are necessary to insure that New York law remains consistent with federal law and state laws across the country.

**Licensed Lender**

This bill will modernize the articles of the Banking Law covering "licensed financial services" providers, including licensed lenders, licensed cashers of checks, sales finance companies, premium finance agencies, budget planners and money transmitters.

**Insurance Clean-Up**

This bill would amend Insurance Law § 1324 to set forth a property/casualty risk-based capital (RBC) trend test. This test became an accreditation standard as of January 1, 2012 and is necessary for the Department to maintain its accreditation status with the National Association of Insurance Commissioners. Accredited state insurance departments must undergo a comprehensive review every five years by an independent review team to ensure they continue to meet baseline standards. The accreditation standards require that state departments have adequate statutory and administrative authority to regulate an insurer's corporate and financial affairs, and that they have the necessary resources to carry out that authority. The RBC trend test also will help the Department better monitor the financial health of property/casualty insurers. The bill also combines the separate annual reports required to be submitted by the former Superintendents of Insurance and Banking and eliminates certain obsolete provisions.

**Merger Clean-Up**

The purpose of this bill is to amend various laws to reflect the consolidation of the Banking and Insurance Departments into the Department of Financial Services, pursuant to Part A of Chapter 62 of the Laws of 2011, the Financial Services Law. These changes are non-substantive in nature and reflect the merger of Banking and Insurance Departments. The changes will assist readers and facilitate legal research.

## **ADMINISTRATION OVERVIEW**

### **Overview**

As a result of the October 3, 2011 merger of the New York State Banking and Insurance Departments, the Administration Bureau has a number of significant initiatives underway to support the activities of the DFS. They include development of a revised assessment methodology, development and, where appropriate, negotiation of revised Department policies governing all manner of work life, and revisions to records retention policies. Another major challenge is the consolidation of the two separate New York City locations into a single office. Below is brief description of the four major work areas.

### **Budget & Procurement**

The Budget & Procurement office is responsible to provide support services to the Department in accordance with New York State Finance Law and applicable rules and regulations. Office responsibilities include budget development and execution, payroll management in accordance with State laws and control agency guidance, procurements ranging from straight purchases to complex contract purchases, and records management of both official documents pertaining to regulated entities as well as the overall management of Department of Financial Services records.

### **Revenue and Billing**

The Taxes & Accounts Unit has broad responsibility for the payment of expenses and the billing, collection and accounting of revenue, in particular the assessment on the Banking and Insurance industries for the Department's operating expenses. Revenues collected by the bureau are over \$1 billion annually. The bureau processes between 80,000 – 100,000 checks in accounting for this revenue each year. Of these funds, the Department collects and distributes \$46 million to fire districts throughout New York State and another \$115 million in motor vehicle law enforcement fees are distributed to the Division of Criminal Justice Services and the New York State Police.

### **Human Resources Management**

Human Resources Management is responsible for supporting the Department as follows:

- Recruiting and retaining a talented and qualified workforce to meet program needs and accomplish the agency's mission.
- Preparing classification proposals to support the Department's organizational and staffing goals and objectives.
- Administering the Bank and Insurance Examiner/Trainee and Actuary decentralized Civil Service examinations.

- Managing the Department's probation and performance evaluation programs.
- Administering the Attendance and Leave program for the Department, ensuring compliance with all applicable laws, rules and regulations.
- Assisting and advising management on ways to effectively resolve employee issues and problems.
- Providing day-to-day administration of collective bargaining agreements.
- Providing training and staff development opportunities to ensure a well trained and proficient workforce, including restructuring of examiner traineeship programs to meet current and future needs.

### **Office Services**

Office Services is responsible for all issues related to building management, ranging from security access to liaison with the landlord for repairs and leasing issues. Mail, both incoming and outgoing is processed by Office Services, including issuing large mailings (e.g., certified mail). In addition, Office Services is involved in emergency management, space planning and moves, contract administration of maintenance contracts such as those for the security system, copiers, pre-action system in data center, HVAC, cleaning contract, and audio visual equipment.

### **INFORMATION TECHNOLOGY SERVICES OVERVIEW**

As a result of the October 3, 2011 merger of the New York State Banking and Insurance Departments, Information Technology Services has combined the forces of the formerly separate agencies into a single work unit.

ITS has successfully combined the internet websites of the Insurance and Banking Departments. This accomplishment involved the conversion of more than 15,000 pages of web site content and has resulted in a comprehensive DFS website

Working with Human Resources, ITS developed a single leave and accrual tracking system (DFS LATS) and along with the Consumer Services Bureau, expanded the on-line complaint filing application to include all DFS regulated entities.

Additionally, ITS has deployed a new version of External Appeals processing within our Consumer Services on-line real-time system. This new version has improved the speed and performance of the application as well as the user interface.

## LIQUIDATION BUREAU OVERVIEW

The New York Liquidation Bureau (NYLB) is the office that carries out the duties of the New York Superintendent of Financial Services in his capacity as receiver of impaired or insolvent insurance companies under New York Insurance Law Article 74.

The NYLB receives no funding from the State budget; rather, its costs are paid from the assets of the estates under receivership, as well as expense reimbursements from the New York Property/Casualty Insurance Security Fund and the Public Motor Vehicle Liability Security Fund, established under Insurance Law Article 76, and the Workers' Compensation Security Fund, established under New York Workers' Compensation Law Article 6-A, which are paid from assessments on industry.

For each Estate, the Superintendent is appointed Receiver by the Supreme Court of the State of New York. Thereafter, the Receivership Court approves the actions of the Receiver and, by extension, the NYLB.

Acting on behalf of the Receiver, the NYLB maximizes the assets and resolves the liabilities of the Estates. The goal is to rehabilitate the companies and put them back into operation or, if that is not possible, liquidate them in order to distribute their assets to policyholders and creditors. In addition, the NYLB performs claims-handling and certain payment functions relating to the Security Funds. The Security Funds pay eligible claims remaining unpaid if an insolvent insurer does not have sufficient assets to meet its obligations to policyholders.

As of December 31, 2011, the Bureau was managing 74 insurance company proceedings. During 2011, twelve new proceedings were commenced, of which four were domestic liquidation proceedings (Atlantic Mutual Insurance Company, Centennial Insurance Company, Madison Insurance Company, Inc., and Washington Title Insurance Company); seven were shell liquidation proceedings (Aspen U.S. Insurance Company, Atlantic American Health Insurance Company, Austin Liberty Insurance Company, Axel Insurance Company of New York, Majestic Insurance Company of New York, MBL Property & Casualty Insurance Company, and National Heritage Title Insurance Company, Inc.); and one was a conservation proceeding (Highlands Insurance Company (UK) Ltd.).

During 2011, fourteen receivership proceedings were completed, of which two were domestic liquidation proceedings (Horizon Healthcare of New York, Inc. and MML Assurance, Inc.); seven were shell liquidation proceedings (Adirondack Insurance Company of New York, Benson & James Insurance Company Inc., Denali Casualty Company, Denali National Surety Company, E Title Insurance, Inc., Old Tower Insurance Company, and PMI Mortgage Insurance Co. of New York); three were ancillary receivership proceedings (Far West Insurance Company, Integrity Insurance Company and Mission Insurance Company) and two were conservation proceedings (Alpine Insurance Company and Protective National Insurance Company of Omaha).

As of December 31, 2011:

The 74 insurance company proceedings were classified as follows:

35	Domestic Estates in Liquidation
4	Domestic Estates in Rehabilitation
8	Conservation Estates
20	Ancillary Receivership Estates
7	Shell Estates in Liquidation

The 35 domestic Estates in liquidation, the eight conservation Estates, and Aspen U.S. Insurance Company, the single Shell Estate that was funded, had combined assets, liabilities and insolvencies as follows:

Total Assets	\$1,724,596,871
Total Liabilities	\$6,454,357,184
Total Insolvency	(\$4,729,760,313)

The four domestic estates in rehabilitation had combined assets, liabilities and insolvencies as follows:

Total Assets	\$932,088,614
Total Liabilities	\$2,938,698,391
Total Insolvency	(\$2,006,609,777)

The Bureau received the following amounts from the Security Funds in 2011: \$85,995,003 for loss payments, \$32,920,870 for related expenses and \$361,551 for return premiums. Of these amounts, the Bureau received from the P/C Fund \$36,604,154 for loss payments, \$22,326,456 for related expenses; and \$361,551 for return premiums. The Bureau received from the PMV Fund \$4,044,385 for loss payments and \$1,504,198 for related expenses and from the WC Fund \$45,346,464 for loss payments and \$9,090,216 for related expenses.

During 2011, the Bureau processed reimbursements to the Security Funds totaling \$143,843,150 in the form of dividends and early access payments, of which \$64,212,795 was paid by domestic estates and \$79,630,355 was received from ancillary receiverships. Of these amounts, the P/C Fund received \$77,379,944 from 22 estates, the PMV Fund received \$12,058,990 from five estates and the WC Fund received \$54,404,216 from 16 estates.

## **A. Domestic Estates in Liquidation and Shell Estates in Liquidation**

### **Liquidations**

#### **Commenced:**

Atlantic Mutual Insurance Company  
Centennial Insurance Company  
Madison Insurance Company, Inc.

Washington Title Insurance Company

**Continued:**

American Agents Insurance Company  
American Consumer Insurance Company  
American Fidelity Fire Insurance Company  
Capital Mutual Insurance Company  
Colonial Cooperative Insurance Company  
Colonial Indemnity Insurance Company  
Consolidated Mutual Insurance Company  
Contractors Casualty and Surety Company  
Cosmopolitan Mutual Insurance Company  
First Central Insurance Company  
Galaxy Insurance Company  
Group Council Mutual Insurance Company  
Health Partners of New York, LLC  
Home Mutual Insurance Company of Binghamton, New York  
Horizon Insurance Company  
Ideal Mutual Insurance Company  
Insurance Corporation of New York  
Long Island Insurance Company  
MDNY Healthcare, Inc.  
Midland Insurance Company  
Midland Property and Casualty Insurance Company  
Nassau Insurance Company  
New York Merchant Bakers Insurance Company  
New York Surety Company  
Realm National Insurance Company  
Titledge Insurance Company of New York, Inc.  
Transtate Insurance Company  
Union Indemnity Insurance Company of New York  
United Community Insurance Company  
U. S. Capital Insurance Company  
Whiting National Insurance Company

**Completed:**

Horizon Healthcare of New York, Inc.  
MML Assurance, Inc.

**Shell Estates** - The shell Estates are insurance companies that began the process of formation under the Insurance Law but did not complete it by obtaining a license to commence doing business. Most Shell Estates do not have assets, but in some unusual cases they do.

**Commenced:**

Aspen U.S. Insurance Company  
Atlantic American Health Insurance Company  
Austin Liberty Insurance Company  
Axel Insurance Company of New York  
Majestic Insurance Company of New York  
MBL Property & Casualty Insurance Company  
National Heritage Title Insurance Company, Inc.

**Completed:**

Adirondack Insurance Company of New York  
Benson & James Insurance Company Inc.  
Denali Casualty Company  
Denali National Surety Company  
E Title Insurance, Inc.  
Old Tower Insurance Company  
PMI Mortgage Insurance Co. of New York

**B. Domestic Estates in Rehabilitations**

**Commenced:**

None

**Continued:**

Executive Life Insurance Company of New York  
Frontier Insurance Company  
Lion Insurance Company  
Professional Liability Insurance Company of America

**Converted:**

Atlantic Mutual Insurance Company  
Centennial Insurance Company

**C. Ancillary Receiverships** - In the case of the insolvency of a New York-licensed foreign (*i.e.*, not domiciled in New York) insurer, the Superintendent must apply to the Receivership Court to establish an ancillary receivership, enabling the Ancillary Receiver to trigger the Security Funds to pay allowed covered claims remaining unpaid by reason of an insurer's inability to meet its insurance policy obligations. Ancillary receiverships maintain no assets, except statutory or other deposits in the State of New York, and are established to pay eligible Security Fund

claims for receiverships that are domiciled in other states. The Security Funds that pay eligible claims in an ancillary receivership submit a claim for reimbursement to the domestic liquidator.

**Commenced:**

None

**Continued:**

Acceleration National Insurance Company  
American Druggists' Insurance Company  
American Mutual Insurance Company of Boston  
American Mutual Liability Insurance Company  
Amwest Surety Insurance Company  
Commercial Compensation Casualty Company  
Credit General Insurance Company  
Eagle Insurance Company  
Fremont Indemnity Company  
Frontier Pacific Insurance Company  
Legion Insurance Company  
LMI Insurance Company  
Newark Insurance Company  
Phico Insurance Company  
Reliance Insurance Company  
Security Indemnity Insurance Company  
Shelby Insurance Company  
The Home Insurance Company  
Transit Casualty Company  
Villanova Insurance Company

**Completed:**

Far West Insurance Company  
Integrity Insurance Company  
Mission Insurance Company

**D. Conservations** - Prior to the enactment of the Nonadmitted and Reinsurance Reform Act of 2010 (NRRRA), which is set forth in Title V of the Dodd-Frank Wall Street Reform and Consumer Protection Act, unauthorized foreign or alien excess lines insurers were required to establish and maintain trust funds under 11 NYCRR Part 27 (Regulation 41) in order to write excess lines insurance in New York. If such an insurer became insolvent the Superintendent had to apply to the Receivership Court to establish a conservation proceeding, appointing a Conservator of the assets of that trust fund for the benefit of all U.S. policyholders. The NRRRA has modified the trust fund requirements going forward, in particular by eliminating the requirement for foreign insurers. However, alien insurers still must maintain trust funds under other applicable requirements, and trust funds that were established prior to the effective date of the NRRRA will continue to exist unless terminated in

accordance with the terms of the trust instruments. In the event that an insurer with a Regulation 41 trust fund becomes insolvent, the Superintendent will continue to establish a conservation proceeding to administer the assets of the trust in accordance with the trust agreement for the benefit of U.S. policyholders.

**Commenced:**

Highlands Insurance Company (UK) Ltd.

**Continued:**

Folksam International Insurance Company (UK) Ltd.

HHH Casualty and General Insurance, Ltd.

Legion Indemnity Insurance Company

Northumberland General Insurance Company

Pacific and General Insurance Company

Reliance Insurance Company of Illinois

United Capitol Insurance Company

**Completed:**

Alpine Insurance Company

Protective National Insurance Company of Omaha

**E. Fraternal Benefit Societies** - As of December 31, 2011, the Bureau was managing 34 fraternal benefit society liquidation proceedings. During the year, five proceedings were commenced and three proceedings were terminated. In 2011, a distribution of assets was made to 17 members of First New Sandez Society, Inc. in the amount of \$202,181. The remaining assets of the 34 fraternal benefit societies total \$728,104.

**Commenced:**

Association of Mordecai Becher, Lieb Appel and Rubin Fleischer

Cong. Ahavas Achim Anshei Tamashauer Petrokow

First Boberka Sick and Benevolent Society and Congregation

Friends of Zion of Harlem

L.A.L. Benevolent Society, Inc.

**Continued:**

Adolph Ullman's Aid Society

B'nai Abraham Family Circle Inc.

Century Lodge Incorporated

Chevra Neir Tomid Anshei Lubashow, Inc.

Choiniker Ind. Aid Association

Congregation Anshe Kesser of Corona

Congregation Cherba Anshi Sholem Kowdenow  
 First Brodyer B'nai Brith Congregation  
 First United Podhayzer Congregation  
 Five Boro Benevolent Association, Inc.  
 Freedom Benevolent Society, Inc.  
 Homler Progressive Society, Inc.  
 Independent Meseritzer Young Men's Society  
 Independent Novoselitzer Bessarabian K.U.V.  
 Independent Radautz Bukowinaer Benevolent Association, Inc.  
 Independent Stryjer Benevolent Society  
 Independent Zydaczower Kranken Unterstutzungs Verein  
 Itky Arrinton Keshinower Ladies S. & B. Society  
 Jagielnicer Benevolent and Aid Association, Inc.  
 Janover Kowner Guberna Benevolent Association, Inc  
 Kalarasher Bessarabian Progressive Association  
 Ledyer Benevolent Society  
 Lieder Sisters Benevolent Society  
 Locatcher Young Men's Benevolent Association, Inc.  
 New Peoples Synagogue  
 Order of Lions, Inc.  
 Progressive Horodenker Benevolent Society, Inc.  
 Progressive Mishnitzer Young Mens  
 Progressive Musical Benevolent Society, Inc.

**Completed:**

First Independent Storoznetzer Bucoviner Sick Benevolent Association  
 First New Sandez Society, Inc.  
 First Worker Benevolent Society, Inc.

E. Fraternal Benefit Societies - As of December 31, 2011, the Bureau was managing 34 fraternal benefit society liquidation proceedings. During the year, five proceedings were commenced and three proceedings were terminated. In 2011, a distribution of assets was made to 17 members of First New Sandez Society, Inc. in the amount of \$202,181. The remaining assets of the 34 fraternal benefit societies total \$728,104.

**Commenced:**

Association of Mordecai Becher, Lieb Appel and Rubin Fleischer  
 Cong. Ahavas Achim Anshei Tamashauer Petrokow  
 First Boberka Sick and Benevolent Society and Congregation  
 Friends of Zion of Harlem  
 L.A.L. Benevolent Society, Inc.

**Continued:**

Adolph Ullman's Aid Society  
B'nai Abraham Family Circle Inc.  
Century Lodge Incorporated  
Chevra Neir Tomid Anshei Lubashow, Inc.  
Choiniker Ind. Aid Association  
Congregation Anshe Kesser of Corona  
Congregation Cherba Anshi Sholem Kowdenow  
First Brodyer B'nai Brith Congregation  
First United Podhayzer Congregation  
Five Boro Benevolent Association, Inc.  
Freedom Benevolent Society, Inc.  
Homler Progressive Society, Inc.  
Independent Meseritzer Young Men's Society  
Independent Novoselitzer Bessarabian K.U.V.  
Independent Radautz Bukowinaer Benevolent Association, Inc.  
Independent Stryjer Benevolent Society  
Independent Zydaczower Kranken Unterstutzungs Verein  
Itky Arrinton Keshinower Ladies S. & B. Society  
Jagielnicer Benevolent and Aid Association, Inc.  
Janover Kowner Guberna Benevolent Association, Inc  
Kalarasher Bessarabian Progressive Association  
Ledyer Benevolent Society  
Lieder Sisters Benevolent Society  
Locatcher Young Men's Benevolent Association, Inc  
New Peoples Synagogue  
Order of Lions, Inc.  
Progressive Horodenker Benevolent Society, Inc.  
Progressive Mishnitzer Young Mens  
Progressive Musical Benevolent Society, Inc.

**Completed:**

First Independent Storoznetzer Bucoviner Sick Benevolent Association  
First New Sandez Society, Inc.  
First Worker Benevolent Society, Inc.

## INSURANCE COMPANY STATISTICS

## PROPERTY INSURANCE

TABLE 1: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS

Property/Casualty Insurers Licensed in New York State  
2010 (dollar amounts in millions)

Year	Stock Companies				Mutual Companies			
	No. of Companies	Net Premiums Written	Surplus/Policyholders at end of year	Ratio of Premiums to Surplus	No. of Companies	Net Premiums Written	Surplus/Policyholders at end of year	Ratio of Premiums to Surplus
2010	746	237,965	326,786	0.7	72	75,733	126,895	0.6
Aggregate writings (Billions): <b>313.7</b>								
% in Stock: <b>75.9%</b>								

TABLE 2: UNDERWRITING RESULTS

Property/Casualty Insurers Licensed in New York State  
2010 (dollar amounts in millions)

	Stock Companies		Mutual Companies	
	Number of Companies	Amount	Number of Companies	Amount
Underwriting Gains	312	\$11,114.3	23	\$1,293.2
Underwriting Losses	325	11,582.7	49	3,634.1
No Gain Or Loss	109	0.0	0	0.0
Detail may not add up to exact totals due to rounding.				

Net Underwriting Gain or Loss	
Stock	Mutual
-\$0.5 Billion	-\$2.3 Billion

**TABLE 3: INVESTMENT INCOME AND CAPITAL GAINS**  
**Property/Casualty Insurers Licensed in New York State**  
**2010 (dollar amounts in millions)**

	Stock Companies	Mutual Companies
Net Investment Income	\$34,750.6	\$5,932.9
Realized Capital Gains	2,967.7	952.5
Unrealized Capital Gains	1,780.3	5,891.4
Net Gain From Investments	\$39,498.6	\$12,776.7

**TABLE 4: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT**  
**Property/Casualty Insurers Licensed in New York State**  
**2009 and 2010 (dollar amounts in millions)**

	Stock Companies		Mutual Companies	
	2010	2009	2010	2009
Net Gain or Loss From:				
Underwriting	-\$468.4	\$5,502.1	-\$2,340.9	-\$1,951.0
Investments (Excludes Unrealized Capital Gains)	37,718.3	29,074.0	6,885.3	5,112.4
Other Income	-513.7	337.5	206.1	74.7
Net Gain or Loss	\$36,736.1	\$34,913.6	\$4,750.6	\$3,236.0

Less:				
Dividends to Policyholders	639.8	656.3	914.5	897.1
Federal Income Taxes Incurred	5,814.9	6,942.0	-175.1	46.2
Net Income	\$30,281.5	\$27,315.3	\$4,011.2	\$2,292.7
Surplus Changes Other Than Net Income:				
Dividends to Stockholders				
• Cash	-\$33,959.6	-\$17,476.6	\$0.0	\$0.0
• Stock	-49.4	-15.7	0.0	0.0
US Branches – Net Remittance to/from Home Office	4.5	-75.5	0.0	0.0
Total Dividends and Remittance	-\$34,004.5	-\$17,567.8	\$0.0	\$0.0
Unrealized Capital Gains/Losses	1,780.3	11,071.0	5,891.4	6,843.4
Cumulative Effect of Changes in Accounting Principles	-2.9	330.6	-2.7	-163.2
Miscellaneous Items	-2,586.4	1,123.2	-68.2	-199.9
Contributions to Surplus	3,161.0	4,444.4	5.7	-3.9
<b>Total Other Sources</b>	<b>-\$31,652.4</b>	<b>-\$598.7</b>	<b>\$5,826.2</b>	<b>\$6,476.4</b>
Net Increase or Decrease In Surplus	-\$1,370.9	\$26,716.6	\$9,837.4	\$8,771.1

<b>Aggregate. Dividends to Policyholders (Billions)</b>	
2010	2009
\$1.6	\$1.6
<b>Aggregate Dividends to Stockholders</b>	
2010	2009
\$34.0	\$17.5
<b>Aggregate Contribution to Surplus</b>	
2010	2009
\$3.2	\$4.4

**TABLE 5: SELECTED ANNUAL STATEMENT DATA PROPERTY/CASUALTY INSURERS**  
**Licensed in New York State 2007 – 2010**

	2010	2009	2008	2007
<b>Stock Companies</b>				
Number of Insurers	746	748	739	731
Net Premiums Written	\$237,965	\$237,999	\$244,995	\$247,563
Admitted Assets	892,494	885,679	851,704	880,157
Unearned Premium & Loss Reserves	473,590	469,684	467,399	464,519
Other Liabilities	92,118	92,007	95,625	100,489
Capital	3,986	3,949	3,889	3,879
Surplus to Policyholders	326,786	323,988	288,680	318,287
<b>Mutual Companies</b>				
Number of Insurers	72	72	71	72
Net Premiums Written	\$75,733	\$73,382	\$68,654	\$69,930
Admitted Assets	256,394	242,421	218,571	236,563
Unearned Premium & Loss Reserves	101,209	97,908	89,399	87,507
Other Liabilities	28,290	27,166	22,043	29,050
Surplus to Policyholders	126,895	117,347	105,503	120,006

**Aggregate % Changes 2007 – 2010**

Net Premiums Written	-1.2%
Admitted Assets	2.9%
Unearned Premium & Loss Reserves	4.1%
Other Liabilities	-7.0%
Surplus To Policyholders	3.5%

**TABLE 6: DIRECT PREMIUMS WRITTEN BY PROPERTY/CASUALTY INSURERS**

2006-2010<sup>1</sup> (dollar amounts in millions)

Property/Casualty Lines						Percentage Change	
	2006	2007	2008	2009	2010	2006-2010	2009-2010
<b>All Premiums Written</b>	<b>\$33,674</b>	<b>\$34,332</b>	<b>\$33,894</b>	<b>\$32,885</b>	<b>\$33,014</b>	<b>-2%</b>	<b>0.4%</b>
Private Passenger Auto	9,994	9,794	9,789	9,948	10,147	2%	2%
Bodily Injury and Property Damage Liability	6,705	6,452	6,409	6,588	6,771	1%	2.8%
Comprehensive and Collision	3,289	3,343	3,380	3,360	3,376	3%	0.5%
Commercial Auto	2,045	1,975	1,921	1,796	1,748	-15%	-2.7%
General (Other) Liability	4,387	4,306	4,488	4,155	4,138	-6%	-0.4%
Commercial Multi-Peril	3,074	3,072	3,058	3,026	2,986	-3%	-1.3%
Workers' Compensation	4,133	4,228	3,501	3,423	3,623	-12%	5.8%
Homeowners' Multi-Peril	3,615	3,908	4,079	4,219	4,336	20%	2.8%
Medical Malpractice	1,267	1,394	1,346	1,336	1,380	9%	3/3%
Inland Marine	841	912	951	954	962	14%	0.9%
Ocean Marine	598	522	513	450	440	-26%	-2.1%
Fidelity and Surety	459	534	540	484	463	1%	-4.3%
Accident and Health	329	302	252	260	277	-16%	6.4%
Fire	490	503	521	550	546	11%	-0.7%
Product Liability	175	190	126	131	126	-28%	-3.9%
Financial Guaranty <sup>2</sup>	1,164	1,439	1,843	1,030	804	-31%	-22.0%
Mortgage Guaranty	207	246	229	209	195	-6%	-6.5%
Allied Lines	334	307	330	331	324	-3%	-2.2%
Aircraft	114	205	-49	115	14	-88%	-88.2%

Boiler and Machinery	80	70	70	74	72	-11%	-2.7%
Credit	62	131	117	100	115	86%	15.6%
Burglary and Theft	27	16	19	18	19	-30%	2.4%
All Other <sup>3</sup>	280	277	251	277	301	7%	8.4%

<sup>1</sup> New York State business of all NYS licensed companies. Includes federal employee health benefits program premium.  
<sup>2</sup> Includes monoline and non-monoline Insurers.  
<sup>3</sup> Includes Farmowners Multi-Peril, Multi-Peril Crop, Federal Flood, Earthquake, and Aggregate Write-Insurance.

NOTE: Detail may not add to totals due to rounding.

**TABLE 7: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS FINANCIAL GUARANTY INSURERS  
2010 (dollar amounts in millions)**

Net Premiums Written (during year)	Surplus to Policyholders (end of year)	Ratio of Premiums to Surplus
1,368.4	6,083.0	0.22

Number of Financial Guaranty Insurers	
Domestic	Foreign
11	4

**TABLE 8: UNDERWRITING RESULTS FINANCIAL GUARANTY INSURERS**  
**2010 (dollar amounts in millions)**

	<b>Number of Companies</b>	<b>Amount</b>
Underwriting gains	6	\$584.2
Underwriting losses	8	\$2,986.4

**TABLE 9: INVESTMENT INCOME AND CAPITAL GAINS FINANCIAL GUARANTY INSURERS**  
**2007-2010 (dollar amounts in millions)**

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Net investment income	\$1,008.2	\$1,278.5	\$1,680.9	\$1,598.7
Realized capital gains	-647.7	-2,972.8	-4,722.5	-705.2
Unrealized capital gains	-86.9	-178.9	-1,149.6	-43.8
Net gain from investments	\$273.6	-\$1,873.3	-\$4,191.2	\$849.7

**TABLE 10: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT FINANCIAL GUARANTY INSURERS**  
**2007-2010 (dollar amounts in millions)**

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Net Gain or Loss From:				
Underwriting	-\$2,402.2	-\$2,042.5	-\$11,186.6	-\$1,418.7
Investments (excludes unrealized capital gains)	360.5	-1,694.4	-3041.6	893.5
Other Income	418.3	108.4	-181.3	-47.7

Net Gain or Loss	-\$1,623.4	-3,628.6	-14,409.6	-\$572.9
Less:				
Dividends to Policyholders	0.0	0.0	0.0	0.0
Federal Income Taxes Incurred	168.8	-638.2	-1666.7	376.3
<b>Net Income</b>	<b>-\$1,792.2</b>	<b>-\$2,990.3</b>	<b>-\$12,742.8</b>	<b>-\$949.2</b>
Surplus Changes Other Than Net Income:				
Dividends To Stockholders				
• Cash	-120.0	-1,299.7	-437.6	-777.1
• Stock	-12.5	0.0	-13.1	-1.5
Total Dividends and Remittance	-\$132.5	-\$1,299.7	-\$450.7	-\$778.6
Unrealized Capital Gains	-86.9	-178.9	-1149.6	-43.8
Cumulative Effect of Changes In Accounting Principles	0.0	0.0	0.0	0.0
Miscellaneous Items	1,949.7	5,630.1	-302.0	190.4
Contributions to Surplus	-1,599.9	2,018.0	6,936.9	333.7
Total Other Sources	\$130.3	\$6,169.5	\$5,034.7	-\$298.3
<b>Net Increase Or Decrease In Surplus</b>	<b>-\$1,661.9</b>	<b>\$3,179.2</b>	<b>-\$7,708.2</b>	<b>-\$1,247.5</b>

**TABLE II: SELECTED ANNUAL STATEMENT DATA FINANCIAL GUARANTY INSURERS  
2007-2010 (dollar amounts in millions)**

	2010	2009	2008	2007
Number of Companies	15	15	18	15
Exposure	\$2,450,692.6	\$2,788,029.8	\$2,980,072.8	\$3,293,226.9
Net premiums written	1,368.4	1,864.2	3,168.2	2,982.1
Admitted assets	36,476.4	38,735.1	44,379.0	38,650.5
Unearned premium & loss reserves	18,135.8	18,196.7	24,459.1	15,355.1
Other liabilities	12,257.7	12,922.4	15,358.3	10,972.6
Capital	1,069.3	1,061.5	1,068.1	249.2
Surplus to policyholders	6,083.0	7,616.0	4,561.6	12,322.8

**TABLE 12: NET PREMIUMS WRITTEN AND SURPLUS TO POLICYHOLDERS MORTGAGE GUARANTY INSURERS**  
**2010 (dollar amounts in millions)**

Net Premiums Written (during year)	Surplus to Policyholders (end of year)	Ratio of Premiums to Surplus
3,624.5	7,463.9	0.49

Number of Companies	
Domestic	Foreign
2	29

**TABLE 13: AGGREGATE UNDERWRITING AND INVESTMENT EXHIBIT MORTGAGE GUARANTY INSURERS**  
**2007-2010 (dollar amounts in millions)**

	2010	2009	2008	2007
Net Gain Or Loss From:				
Underwriting	-\$3,113.7	-\$3,520.0	-\$5,162.4	-\$1,319.6
Investments (Excludes Unrealized Capital Gains)	941.3	1,079.0	1,016.1	1,295.8
Other Income	11.5	13.0	5.6	13.9
Net Gain Or Loss	-\$2,160.9	-\$2,428.0	-\$4,140.7	-\$9.8
Less:				
Dividends to Policyholders	0.0	0.0	0.0	0.0
Federal Income Taxes Incurred	-193.0	-396.1	-117.5	98.4
Net Income	-\$1,967.8	-\$2,031.9	-\$4,023.2	-\$108.3
Surplus Changes Other Than Net Income:				
Dividends to Stockholders				
• Cash	-12.0	-69.3	-213.4	-1,563.8

• Stock	0.0	0.0	0.0	0.0
Total Dividends	-\$12.0	-\$69.3	-\$213.4	-\$1,563.8
Unrealized Capital Gains	-90.8	-136.2	-1,044.7	-666.2
Cumulative Effect of Changes in Accounting Principles	0.0	0.0	107.1	0.0
Miscellaneous Items	2,325.3	2,844.6	4,357.7	1,780.7
Contributions to Surplus	876.5	608.7	2,079.9	142.0
Total Other Sources	3,098.9	3,247.9	5,286.7	-307.3
Net Increase or Decrease in Surplus	\$1,131.1	\$1,216.0	\$1,263.5	-\$415.5

**TABLE 14: SELECTED ANNUAL STATEMENT DATA MORTGAGE GUARANTY INSURERS  
2007-2010 (dollar amounts in millions)**

	2010	2009	2008	2007
Number of companies	31	31	28	27
Net premiums written	\$3,624.5	\$3,824.3	\$4,661.7	\$4,605.0
Admitted Assets	24,344.9	25,885.1	26,359.5	24,170.6
Unearned premium & loss reserves	15,132.9	16,294.0	15,570.9	10,605.5
Other liabilities	1,748.1	3,264.6	5,715.0	9,970.6
Capital	85.4	80.9	71.8	70.5
Surplus	7,463.9	6,326.5	5,073.6	3,594.6

**TABLE 15: SELECTED ANNUAL STATEMENT DATA TITLE INSURANCE COMPANIES  
2007-2010 (dollar amounts in millions)**

	2010	2009	2008	2007
Number of Companies	24	25	29	30
Net premiums written	\$9,050.8	\$7,665.4	\$6,661.4	\$8,742.3
Admitted assets	8,170.4	7,069.7	5,690.0	6,489.8
Liabilities	5,399.1	4,501.3	4,020.8	4,515.5
Capital	315.2	273.9	109.4	111.0
Surplus	2,771.3	2,568.4	1,669.2	1,974.3

Number of Companies	
Domestic	Foreign
6	18

**TABLE 16: SELECTED ANNUAL STATEMENT DATA ADVANCE PREMIUM AND ASSESSMENT CORPORATIONS  
2010 (dollar amounts in millions)**

	Total	Advance Premium Corporations	Assessment Corporations
Number of companies	41	17	24
Total assets	\$2,553.9	\$2,192.5	\$361.4
Net premiums written	935.2	815.3	119.9
Surplus funds	1,242.3	1,025.2	217.1

**TABLE 17: NUMBER OF FILINGS RECEIVED BY TYPE**  
**2011**

<b>Type of Insurance</b>		<b>Rates</b>	<b>Rules</b>	<b>Forms</b>	<b>Totals</b>
01.0	Property	140	200	194	534
02.1	Crop	1	0	4	5
02.3	Flood	0	0	2	2
03.0	Personal Farmowners	5	4	10	19
04.0	Homeowners	172	145	210	527
05.0	CMP Liability and Non-Liability	229	299	273	801
05.1	CMP Non-Liability Portion Only	28	33	42	103
05.2	CMP Liability Portion Only	18	28	18	64
06.0	Mortgage Guaranty	21	11	10	42
08.0	Ocean Marine	1	0	0	1
09.0	Inland Marine	91	116	254	461
10.0	Financial Guaranty	0	0	1	1
11.0	Med Mal-Claims Made and Occurrence	60	54	49	163
11.1	Med Mal-Occurrence Only	12	2	3	17
11.2	Med Mal-Claims Made Only	12	3	8	23
12.0	Earthquake	1	0	1	2
16.0	Workers Compensation	111	136	145	392
17.0	Other Liability-Occ/Claims Made	212	352	373	937
17.1	Other Liability-Occ Only	109	188	296	593
17.2	Other Liability-Claims Made Only	56	60	104	220
18.0	Product Liability	0	0	0	
19.0	Personal Auto	390	366	164	920
19.1/21.4	Private Passenger Auto	1	0	0	1
20.0	Commercial Auto	185	167	239	591
21.4	Mobile Homes under Transport	0	0	0	
22.0	Aircraft	12	15	23	50
23.0	Fidelity	17	19	46	82

23.0/24.0	Fidelity and Surety	2	1	2	5
24.0	Surety	38	31	3	72
26.0	Burglary and Theft	30	39	41	110
27.0	Boiler & Machinery or Equipment Breakdown	16	19	27	62
28.1	Credit - Credit Default	4	6	14	24
28.2	Credit-Personal Property	6	4	7	17
30.0	Homeowner/ Auto Combinations	0	0	0	
30.1	Dwelling Property/Personal Liability	4	7	10	21
31.0	Dwelling Fire/Personal Liability	0	0	0	
33.0	Other Lines of Business	15	22	17	54
34.0	Title	1	0	0	1
35.0	Interline Filings	9	37	115	161
	Total	2009	2364	2705	7078

**TABLE 18: MAJOR EFFECTS OF PRINCIPAL RATE & LOSS COST CHANGES BY PROPERTY/CASUALTY RATE SERVICE ORGANIZATIONS**

Filed In 2011

<b>Automobile</b>	<b>Percent Changes in Average State-Wide Rates</b>
<b>Insurance Services Office, Inc.</b>	
<b>Commercial Automobile</b>	
Loss Costs Revised	
Commercial Cars	
Single Limit Liability	-7.9
Personal Injury Protection	-15.7
Liability Subtotal	-8.3
Comprehensive	-3.3
Collision	-15.0
Physical Damage Subtotal	-12.4
Total Commercial Cars	-8.8
Garages	
Single Limit Liability	0.0
Personal Injury Protection	+10.2
Liability Subtotal	+0.8

Physical Damage - Garage Dealers	
Comprehensive	0.0
Collision	0.0
Physical Damage - Garage Keepers	
Comprehensive	0.0
Collision	0.0
Physical Damage - Garage Dealers and Keepers Subtotal	0.0
Total Garages	+0.4
Private Passenger Types	
Single Limit Liability	+6.5
Personal Injury Protection	-6.3
Liability Subtotal	+5.5
Comprehensive	+1.8
Collision	-0.8
Physical Damage Subtotal	-0.2
Total Private Passenger Types	+3.9
Total All Coverages	-5.8
Total Liability	-5.6
Total Physical Damage	-6.8
effective June 1, 2012	

<b>Automobile Insurance Plans Service Office</b> <b>Commercial Automobile (Including Public Livery)</b> Rates Revised Taxis	<b>Percent Changes In Average State- Wide Rates</b>
Bodily Injury Liability	0.0
Property Damage Liability	+14.7
Personal Injury Protection	+37.6
Liability Subtotal	+11.1
Medicars and Ambulettes	
Bodily Injury Liability	0.0
Property Damage Liability	+18.8
Personal Injury Protection	+40.0
Liability Subtotal	+10.3

Limousines and Van Pools	
Bodily Injury Liability	0.0
Property Damage Liability	+16.7
Personal Injury Protection	+40.0
Liability Subtotal	+10.0
School and Church Buses	
Bodily Injury Liability	0.0
Property Damage Liability	+10.6
Personal Injury Protection	+40.0
Liability Subtotal	+6.3
Other Buses	
Bodily Injury Liability	0.0
Property Damage Liability	+13.6
Personal Injury Protection	+40.0
Liability Subtotal	+8.9
Commercial Cars	
Bodily Injury Liability	0.0
Property Damage Liability	+10.0
Personal Injury Protection	+33.5
Liability Subtotal	+6.1
Zone Rated Risks	
Bodily Injury Liability	0.0
Property Damage Liability	+10.7
Personal Injury Protection	-3.0
Liability Subtotal	+2.4
Garages	
Bodily Injury Liability	0.0
Property Damage Liability	+10.5
Personal Injury Protection	+35.7
Liability Subtotal	+8.8
Employer Non-Owned	
Bodily Injury Liability	0.0
Property Damage Liability	+10.6
Liability Subtotal	+2.0
Comprehensive & Collision	0.0

Total Liability	+7.6
Total All Coverages effective February 15, 2012	+7.5

<b>Automobile Insurance Plans Service Office Private Passenger Automobile Rates Revised</b>	<b>Percent Changes in Average State-Wide Rates</b>
Bodily Injury Liability	+10.0
Property Damage Liability	+7.0
Personal Injury Protection	+13.0
Uninsured Motorists	+0.3
Liability Subtotal	+10.5
Comprehensive	-10.0
Collision	0.0
Physical Damage Subtotal	-2.5
Total All Coverages effective April 15, 2012	+9.6

<b>Insurance Services Office, Inc. Liability Other Than Automobile</b>	<b>Percent Changes In Average State- Wide Rates</b>
Insurance Services Office, Inc.	
Commercial General Liability Loss Costs (effective July 1, 2012)	-5.4%
Dwelling Program - Personal Liability Loss Costs (effective March 1, 2012)	+5.1%

**TABLE 19: PRIVATE PASSENGER AUTOMOBILE RATE FILINGS**  
Effective In 2011

<b>Renewal Effective Date</b>	<b>Insurance Company or Insurance Group</b>	<b>Market Share<sup>2</sup> (%)</b>	<b>Overall Change Requested (%)</b>	<b>Liability Change Approved (%)</b>	<b>Physical Damage Change Approved (%)</b>	<b>Overall Change Approved (%)</b>
1/4/11	Old Dominion Insurance. Co. <sup>4</sup>	0.2	4.8	6.1	3.3	4.8
1/5/11	Merchants Preferred Insurance. Co. <sup>3</sup>	0.3	4.6	2.7	8.2	4.6
1/13/11	GEICO Indemnity Company <sup>3</sup>	6.1	2.5	3.5	-0.1	2.5
1/13/11	GEICO Group: GEICO; GGIC <sup>3</sup>	17.7	2.6	5.3	-2.1	2.6
1/14/11	Sentry: SIAMC; MIC; PGIC <sup>4</sup>	0.0	2.0	12.4	-6.9	2.0
1/15/11	Allstate Insurance. Co. <sup>3</sup>	11.4	1.2	1.8	0.0	1.2
1/16/11	Farm Family Casualty Insurance. Co. <sup>3</sup>	0.2	5.0	7.5	1.1	5.0
1/20/11	Allmerica Financial Alliance Insurance. Co. <sup>4</sup>	0.5	3.0	2.9	3.5	3.0
1/22/11	Travelers: TAP program <sup>3</sup>	1.7	3.4	3.9	2.6	3.4
1/24/11	State Farm Fire and Casualty Company <sup>4</sup>	1.8	11.8	14.1	0.0	10.5
1/24/11	State Farm Mutual Automobile Insurance. Co. <sup>4</sup>	10.3	8.1	12.4	0.0	8.1
1/30/11	Drivers Insurance. Co. <sup>4</sup>	0.0	12.6	12.6	12.6	12.6
2/1/11	Progressive: PAIC; PMIC <sup>4</sup>	1.0	4.5	5.3	1.8	4.5
2/1/11	Progressive: PCIC; PSIC <sup>4</sup>	1.5	2.3	3.1	0.0	2.3
2/1/11	Unitrin Auto and Home Insurance. Co. <sup>3</sup>	0.3	1.8	2.9	0.0	1.8
2/6/11	Nationwide Affinity Insurance. Co. of America <sup>4</sup>	0.0	0.0	0.0	0.0	0.0
2/7/11	Progressive: PNWIC; PNIC <sup>3</sup>	1.9	3.5	5.2	-0.6	3.5
2/8/11	Adirondack Insurance Exchange <sup>3</sup>	0.2	-1.5	-1.5	-1.5	-1.5
2/10/11	Liberty: LMFIC; TFLIC <sup>4</sup>	5.0	9.9	7.9	-0.1	5.3
2/10/11	Liberty: LMFIC; TFLIC <sup>3</sup>	*	5.0	5.1	4.8	5.0
2/26/11	Electric Insurance. Co. <sup>3</sup>	0.1	3.0	7.7	-4.3	3.0
3/1/11	Interboro Insurance. Co. <sup>4</sup>	0.1	5.0	11.8	-14.3	5.0
3/1/11	Preferred Mutual Insurance. Co. <sup>3</sup>	0.6	2.5	6.0	-1.1	2.5
3/1/11	Truck Insurance Exchange <sup>3</sup>	0.2	5.0	5.0	5.0	5.0

Renewal Effective Date	Insurance Company or Insurance Group	Market Share <sup>2</sup> (%)	Overall Change Requested (%)	Liability Change Approved (%)	Physical Damage Change Approved (%)	Overall Change Approved (%)
3/1/11	Farmers New Century Insurance. Co. <sup>3</sup>	0.1	5.0	5.0	5.0	5.0
3/15/11	Peerless Insurance. Co. <sup>4</sup>	0.8	11.7	13.3	9.4	11.7
3/18/11	21st Century: 21st IIC; LIC <sup>4</sup>	0.1	18.8	11.0	7.5	10.3
3/19/11	Allstate Property/Casualty Insurance. Co. <sup>4</sup>	6.5	12.0	17.8	0.0	12.0
4/1/11	Unitrin Advantage Insurance. Co. <sup>4</sup>	0.1	8.3	8.7	3.6	8.3
4/1/11	Central Mutual Insurance. Co. <sup>3</sup>	0.1	1.5	3.8	-1.2	1.5
4/1/11	State-Wide Insurance. Co. <sup>4</sup>	0.3	27.5	23.3	-6.2	17.5
4/1/11	Erie Insurance. Group: EIC; EICoNY <sup>3</sup>	0.7	1.1	5.2	-4.9	1.1
4/1/11	New York Central Mutual Fire Insurance. Co. <sup>3</sup>	2.3	5.0	8.1	-0.2	5.0
4/1/11	Warner Insurance. Co. <sup>4</sup>	0.0	25.0	12.9	3.5	9.7
4/5/11	American Commerce Insurance. Co. <sup>4</sup>	0.5	18.5	23.2	3.4	18.5
4/10/11	Adirondack Insurance Exchange <sup>3</sup>	*	4.6	9.9	-6.4	4.6
4/16/11	IDS Property Casualty Insurance. Co. <sup>3</sup>	0.1	4.8	7.1	0.3	4.8
4/24/11	Main Street: MSA; NGM <sup>3</sup>	0.2	4.9	8.9	-1.6	4.9
4/27/11	National General Insurance. Co. <sup>3</sup>	0.1	2.9	6.3	-2.2	2.9
4/30/11	Mercury Casualty Company <sup>4</sup>	0.3	14.1	12.3	18.4	14.1
5/1/11	Unitrin Direct Insurance. Co. <sup>4</sup>	0.1	24.0	17.7	12.3	16.0
5/1/11	ACA Insurance. Co. <sup>3</sup>	0.0	4.6	7.9	0.0	4.6
5/12/11	Allmerica Financial Alliance Insurance. Co. <sup>3</sup>	*	0.0	0.0	0.0	0.0
5/13/11	Hartford: HCIC; HUIC; TIC <sup>3</sup>	0.4	5.0	8.1	0.0	5.0
5/20/11	Travelers: Legacy <sup>3</sup>	1.0	3.7	5.7	-0.3	3.7
6/1/11	AIPSO <sup>4</sup>	1.6	26.0	16.0	2.8	15.0
6/1/11	Country-Wide Insurance. Co. <sup>4</sup>	1.0	3.5	3.7	0.0	3.5
6/1/11	Essentia Insurance. Co. <sup>4</sup>	0.1	5.8	11.0	4.4	5.8
6/1/11	QBE Insurance Corporation <sup>3</sup>	0.2	4.7	4.8	0.0	4.7
6/1/11	Ocean Harbor Casualty Insurance. Co. <sup>3</sup>	0.0	5.0	5.3	0.0	5.0
6/1/11	Infinity Auto Insurance. Co. <sup>3</sup>	0.0	5.0	7.0	0.2	5.0
6/6/11	Response Worldwide Insurance. Co. <sup>3</sup>	0.0	4.0	6.1	0.0	4.0
6/11/11	Nationwide: TIC; VAIC <sup>4</sup>	0.0	-3.4	-3.0	-7.9	-3.4
6/14/11	Nationwide Mutual Fire Insurance. Co. <sup>3</sup>	0.1	4.9	6.1	0.0	4.9

Renewal Effective Date	Insurance Company or Insurance Group	Market Share <sup>2</sup> (%)	Overall Change Requested (%)	Liability Change Approved (%)	Physical Damage Change Approved (%)	Overall Change Approved (%)
6/15/11	Tri-State Consumer Insurance. Co. <sup>4</sup>	0.2	3.9	4.3	0.2	3.9
6/16/11	Hartford Insurance. Co. of Illinois <sup>3</sup>	0.7	5.0	6.7	1.6	5.0
6/16/11	Sentinel Insurance. Co., Ltd. <sup>3</sup>	0.5	5.0	7.6	0.0	5.0
6/17/11	21st Century North America Insurance. Co. <sup>4</sup>	0.3	0.0	0.2	-0.4	0.0
6/17/11	21st Century Premier Insurance. Co. <sup>4</sup>	0.1	0.0	0.0	0.0	0.0
6/17/11	21st Century Indemnity Insurance. Co. <sup>4</sup>	*	0.0	0.0	0.0	0.0
6/27/11	Progressive Direct Insurance. Co. <sup>4</sup>	0.7	7.7	8.5	0.0	5.7
6/21/11	New South Insurance. Co. <sup>4</sup>	1.0	4.0	6.2	-1.3	4.0
6/21/11	Farmington Casualty Company <sup>4</sup>	0.2	14.6	16.0	1.0	14.6
6/24/11	Liberty Insurance Corporation <sup>4</sup>	0.1	15.5	12.0	1.9	9.4
6/30/11	Nationwide: NMIC; NP&CIC <sup>4</sup>	1.2	1.9	1.7	2.3	1.9
6/30/11	Nationwide: NGIC; NICoA <sup>3</sup>	1.3	4.8	5.0	4.0	4.8
7/1/11	Central Mutual Insurance. Co. <sup>3</sup>	*	2.5	4.4	0.0	2.5
7/1/11	Bankers Standard Insurance. Co. <sup>4</sup>	0.2	14.9	15.2	14.7	14.6
7/1/11	21st Century Centennial Insurance. Co. <sup>4</sup>	0.1	14.8	14.0	0.0	13.3
7/1/11	Eveready Insurance. Co. <sup>3</sup>	0.2	4.9	7.8	1.8	4.9
7/1/11	Utica Group: GAMIC; RFIC; UNAC <sup>3</sup>	0.2	2.4	3.8	0.1	2.4
7/13/11	GEICO Indemnity Company <sup>3</sup>	*	2.4	3.4	-0.5	2.4
7/13/11	GEICO Group: GEICO; GGIC <sup>3</sup>	*	2.3	4.7	-2.1	2.3
7/15/11	Peerless Insurance. Co. <sup>3</sup>	*	-2.2	-2.2	-2.2	-2.2
7/16/11	Allstate Insurance. Co. <sup>3</sup>	*	3.7	5.4	0.0	3.7
7/17/11	Hartford Insurance. Co. of Illinois <sup>4</sup>	*	7.6	2.7	-1.1	1.5
8/7/11	Nationwide: TIC; VAIC <sup>3</sup>	*	4.8	5.5	0.0	4.8
8/15/11	Metropolitan: MP&CIC; MCIC <sup>3</sup>	1.4	5.0	7.8	0.1	5.0
8/15/11	Metropolitan Group Property/Casualty Insurance. Co. <sup>3</sup>	0.8	4.9	8.0	-0.1	4.9
8/15/11	Economy Premier Assurance Company <sup>3</sup>	0.1	4.6	11.3	-4.8	4.6
8/16/11	Harleysville Insurance. Co. of New York <sup>3</sup>	0.0	5.0	6.1	2.4	5.0
8/16/11	Harleysville Worcester Insurance. Co. <sup>3</sup>	0.0	5.0	5.9	3.1	5.0
8/19/11	Response Insurance. Co. <sup>3</sup>	0.0	5.0	7.1	0.0	5.0
8/22/11	Progressive Preferred Insurance. Co. <sup>4</sup>	0.7	8.2	6.9	-1.7	4.8

Renewal Effective Date	Insurance Company or Insurance Group	Market Share <sup>2</sup> (%)	Overall Change Requested (%)	Liability Change Approved (%)	Physical Damage Change Approved (%)	Overall Change Approved (%)
8/28/11	Travelers: Quantum Program <sup>4</sup>	2.3	6.3	8.5	0.7	5.8
8/30/11	Progressive: PAIC; PMIC <sup>4</sup>	*	8.3	9.3	5.8	8.3
8/30/11	American Commerce Insurance. Co. <sup>4</sup>	*	19.0	22.1	8.8	19.0
9/1/11	State-Wide Insurance. Co. <sup>4</sup>	*	29.3	23.9	-3.7	19.8
9/1/11	AutoOne Insurance. Co. <sup>4</sup>	0.4	12.9	14.2	1.2	12.9
9/1/11	A. Central Insurance. Co. <sup>4</sup>	0.3	8.0	11.8	-1.3	8.0
9/4/11	Progressive: PCIC; PSIC <sup>4</sup>	*	7.6	7.7	6.1	7.3
9/6/11	Adirondack Insurance Exchange <sup>3</sup>	*	1.5	1.0	2.7	1.5
10/1/11	Country-Wide Insurance. Co. <sup>4</sup>	*	1.5	1.5	0.0	1.5
10/1/11	Amica Mutual Insurance. Co. <sup>3</sup>	0.9	5.0	8.3	0.0	5.0
10/7/11	Encompass Home and Auto Insurance. Co. <sup>3</sup>	0.1	0.0	0.0	0.0	0.0
10/10/11	GEICO Indemnity Company <sup>4</sup>	*	0.0	0.0	0.0	0.0
10/10/11	GEICO Group: GEICO; GGIC <sup>4</sup>	*	0.0	0.0	0.0	0.0
10/14/11	Permanent General Assurance Corporation <sup>3</sup>	0.0	5.0	5.3	3.0	5.0
10/15/11	State Farm Fire and Casualty Company <sup>4</sup>	*	0.5	0.5	0.7	0.5
10/15/11	State Farm Mutual Automobile Insurance. Co. <sup>4</sup>	*	0.0	0.0	0.0	0.0
10/15/11	Economy Premier Assurance Company (Pak II Program) <sup>3</sup>	0.1	5.0	7.7	-0.1	5.0
10/17/11	21st Century Advantage Insurance. Co. <sup>3</sup>	0.2	5.0	6.9	0.0	5.0
10/20/11	Sentinel Insurance. Co., Ltd. <sup>4</sup>	*	9.5	14.6	0.0	9.5
10/22/11	Allstate Property/Casualty Insurance. Co. <sup>4</sup>	*	9.9	13.9	0.0	9.9
10/24/11	21st Century: 21CSIC; 21CNIC <sup>4</sup>	0.0	0.0	0.0	0.0	0.0
11/1/11	Unitrin Advantage Insurance. Co. <sup>4</sup>	*	11.6	12.3	2.4	11.6
11/1/11	GEICO Group: GEICO; GGIC; GIIC; GCC <sup>4</sup>	0.0	-0.1	-0.1	-0.1	-0.1
11/14/11	Cincinnati Insurance. Co. <sup>4</sup>	0.0	0.0	0.0	0.0	0.0
11/21/11	State Farm Fire and Casualty Company <sup>4</sup>	*	7.6	9.7	1.4	7.6
11/21/11	State Farm Mutual Automobile Insurance. Co. <sup>4</sup>	*	4.2	6.5	0.0	4.2
11/24/11	Permanent General Assurance Corporation <sup>4</sup>	*	9.0	9.1	8.5	9.0
11/25/11	National Liability & Fire Insurance. Co. <sup>4</sup>	0.0	0.0	0.0	0.0	0.0
11/29/11	Foremost: FSIC; FICGRM <sup>3</sup>	0.0	4.9	7.8	-8.0	4.9
12/2/11	IDS Property Casualty Insurance. Co. <sup>4</sup>	*	16.7	9.7	10.2	9.9
12/22/11	Esurance Property/Casualty Insurance. Co. <sup>3</sup>	0.0	-5.0	-5.1	-5.1	-5.0

Renewal Effective Date	Insurance Company or Insurance Group	Market Share <sup>2</sup> (%)	Overall Change Requested (%)	Liability Change Approved (%)	Physical Damage Change Approved (%)	Overall Change Approved (%)
12/25/11	Unitrin Direct Property & Casualty Company <sup>3</sup>	0.0	5.0	7.6	0.0	5.0

<sup>1</sup> Under the flex-rating system currently in effect, rate changes are either prior approval or file and use. Rate filings that include any classification changes are prior approval.

<sup>2</sup> These market shares are based on 2010 Annual Statement premiums.

<sup>3</sup> Flex rating

<sup>4</sup> Prior approval

\* Subsequent filing (either prior approval or flex rating) by this Insurer with renewal date in 2011.

2011 Rate Change Summary	Total
Number of Insurer rate filings:	116
Average liability change for Insurers receiving rate changes:	13.0%
Percentage of total liability industry premium affected:	94.3%
Impact on the entire market of the overall average liability rate change:	12.2%
Average physical damage change for Insurers receiving rate changes:	-0.3%
Percentage of total physical damage industry premium affected:	91.7%
Impact on the entire market of the overall average physical damage change	-0.3%
Average combined liability and physical damage change for Insurers receiving rate changes:	8.7%
Percentage of total industry premium affected:	93.4%
Impact on the entire market of the overall average liability and physical damage rate change:	8.1%

**TABLE 20: NEW YORK AUTOMOBILE INSURANCE PLAN (NYAIP) EXPERIENCE IN 2009 AND 2010**

**TABLE 20-A: EARNED CAR YEARS**  
**Liability And Collision Earned Car Years In The Voluntary And Assigned Risk Market**  
**2001 – 2010**

Calendar Year	Voluntary Liability	Percent Change From Previous Year	Assigned Risk Liability	Percent Change From Previous Year	Combined Liability	Percent Change From Previous Year	Assigned Risk Collision	Percent Change From Previous Year
2001	8,147,522	22.6	343,511	-71.3	8,491,033	8.3	27,597	-55.9
2002	8,463,417	3.9	444,437	29.4	8,907,854	4.9	47,234	71.2
2003	8,313,121	-1.8	471,158	6.0	8,784,279	-1.4	47,981	1.6
2004	8,356,929	0.5	370,813	-21.3	8,727,742	-0.6	31,501	-34.3
2005	8,602,031	2.9	270,485	-27.1	8,872,516	1.7	18,386	-41.6
2006	8,729,798	1.5	181,917	-32.7	8,911,715	0.4	11,930	-35.1
2007	8,876,002	1.7	130,106	-28.5	9,006,108	1.1	9,967	-16.5
2008	8,945,404	0.8	101,224	-22.2	9,046,628	0.4	5,806	-41.7
2009	8,960,961	0.2	90,345	-10.7	9,051,306	0.1	7,260	25.0
2010	8,969,997	0.1	93,534	3.5	9,063,532	0.1	6,527	-10.1

**TABLE 20-B: RISKS BY SURCHARGE CATEGORY**  
**Distribution of Private Passenger Automobile Assigned Risks Liability and Collision Coverages**  
**by Discount or Surcharge Category, 2008 – 2010**

Discount or Surcharge Category	2008 (%)	2009 (%)	2010 (%)	2008 (%)	2009 (%)	2010 (%)
Total, all categories	100.0	100.0	100.0	100.0	100.0	100.0
Total Unsurcharged	53.0	53.6	54.9	51.6	54.0	54.9
3 Years Claim Free (One or less with Plan) (Manual Rates)	30.2	32.9	37.6	28.7	30.0	32.4
Experience Discount						
4 Years (One or more with Plan) – 18% Credit	6.0	5.3	5.4	5.7	6.0	6.3
5 Years (Two or more with Plan) – 25% Credit	5.0	3.2	2.4	4.9	3.6	3.1

6 Years or more (Three or more w/Plan) – 30% Credit	11.8	12.2	9.4	12.3	14.4	13.0
Total Surcharged	47.0	46.4	45.1	48.4	46.0	45.1
Inexperienced Operator Surcharge	23.8	21.6	18.6	20.3	15.5	11.0
Experience Surcharge						
15%	11.1	11.2	12.1	14.2	14.5	16.1
25%	0.4	0.4	0.5	0.4	0.5	0.5
35%	3.2	3.4	3.8	4.8	5.5	6.4
50%	2.6	2.9	3.1	2.2	2.4	2.4
75%	1.6	1.7	1.9	2.2	2.5	3.2
100%-200%	4.4	5.1	5.2	4.3	5.2	5.6

**TABLE 20-C: RISKS BY RATING TERRITORY**  
**New York Private Passenger Automobile Exposures**  
**in Earned Car Years by Territory for the Voluntary and Assigned Risk Markets**

Territory	2009			2010			# Change In A/R	% Change In A/R	#Change in Market	% Change In Market
	Assigned	Voluntary	Total	Assigned	Voluntary	Total				
01 Bronx Territory	3,048	59,125	62,173	2,686	60,325	63,010	-362	-11.9	838	1.3
03 Bronx Suburban Territory	4,141	170,942	175,083	3,986	167,767	171,752	-156	-3.8	-3,331	-1.9
05 Staten Island	2,085	240,081	242,166	2,130	238,894	241,024	45	2.2	-1,141	-0.5
07 Buffalo	2,911	121,972	124,883	3,318	125,962	129,280	407	14.0	4,397	3.5
08 Buffalo Semi-Suburban	1,712	169,873	171,585	1,787	165,922	167,709	75	4.4	-3,875	-2.3
09 Schenectady County	355	110,373	110,728	471	111,194	111,665	116	32.8	937	0.8
11 Rochester	6,497	343,259	349,757	7,333	335,345	342,678	836	12.9	-7,079	-2.0
12 Syracuse	1,264	207,221	208,485	1,451	205,299	206,750	187	14.8	-1,735	-0.8
13 Albany	354	163,762	164,116	402	163,373	163,775	49	13.8	-340	-0.2
14 Niagara Falls	1,152	71,787	72,939	1,140	71,311	72,451	-12	-1.0	-488	-0.7
15 Utica	78	62,115	62,193	112	64,894	65,006	34	43.3	2,813	4.5
16 Saratoga Springs Suburban	23	49,687	49,709	26	49,406	49,432	3	13.2	-277	-0.6
17 Kings County	1,271	366,416	367,687	1,407	368,318	369,725	136	10.7	2,038	0.6
18 Manhattan	1,880	170,192	172,071	1,739	170,657	172,396	-141	-7.5	324	0.2
19 Queens	817	73,187	74,004	833	72,777	73,610	16	2.0	-394	-0.5
20 Hempstead	3,773	430,162	433,936	4,023	403,514	407,538	250	6.6	-26,398	-6.1
21 North Hempstead	1,348	150,458	151,806	1,452	145,994	147,446	105	7.8	-4,360	-2.9
22 Oyster Bay	2,155	329,527	331,682	2,296	344,681	346,977	141	6.5	15,295	4.6
24 Rome	127	22,075	22,202	127	22,054	22,181	0	0.3	-21	-0.1
25 Auburn	13	24,198	24,211	7	24,608	24,615	-7	-49.4	404	1.7

Territory		2009			2010			# Change In A/R	% Change In A/R	#Change in Market	% Change In Market
		Assigned	Voluntary	Total	Assigned	Voluntary	Total				
27	Elmira	15	47,233	47,248	20	47,026	47,047	5	32.3	-202	-0.4
28	Binghamton	634	110,873	111,507	692	110,910	111,601	58	9.1	94	0.1
29	Gloversville	64	27,742	27,806	84	27,087	27,170	20	30.4	-636	-2.3
30	Saratoga Springs	24	25,115	25,139	27	25,631	25,658	3	12.9	518	2.1
31	Chautauqua County	317	86,892	87,209	365	86,545	86,910	49	15.3	-298	-0.3
32	Newburgh	812	67,478	68,291	883	67,246	68,129	71	8.7	-161	-0.2
33	Poughkeepsie	792	97,436	98,227	773	99,302	100,074	-19	-2.4	1,847	1.9
34	Troy	228	59,957	60,185	268	59,312	59,579	40	17.4	-605	-1.0
35	Amsterdam	26	21,069	21,095	43	21,181	21,223	17	65.6	128	0.6
36	Glens Falls	199	42,335	42,534	220	42,892	43,113	22	11.0	579	1.4
37	Oswego	240	41,048	41,288	199	46,859	47,058	-41	-17.1	5,769	14.0
38	Syracuse Suburban	40	81,464	81,504	41	82,626	82,667	0	1.2	1,163	1.4
39	Rochester Suburban	75	42,473	42,548	82	45,004	45,085	6	8.3	2,537	6.0
40	Corning	7	27,828	27,835	5	28,059	28,063	-2	-28.2	229	0.8
41	Erie County (Balance)	254	109,488	109,742	276	110,904	111,180	22	8.8	1,438	1.3
42	Buffalo Suburban	1,180	159,747	160,927	1,184	157,388	158,571	4	0.3	-2,355	-1.5
43	Niagara Falls Suburban	185	33,051	33,235	165	32,596	32,761	-20	-10.6	-474	-1.4
44	Broome County (Balance)	13	28,336	28,349	16	30,133	30,149	3	24.8	1,800	6.3
46	Putnam County	526	77,349	77,874	506	76,332	76,838	-20	-3.7	-1,036	-1.3
47	Orleans County	61	26,096	26,156	69	26,468	26,536	8	13.6	380	1.5
48	Monroe County (Balance)	33	73,934	73,967	38	73,660	73,698	4	12.6	-269	-0.4
49	Niagara County (Balance)	72	35,663	35,735	68	36,111	36,178	-5	-6.4	443	1.2
51	Ontario County, etc.	827	202,823	203,649	805	204,696	205,502	-21	-2.6	1,853	0.9
52	Fort Plain, Herkimer	108	43,260	43,368	126	43,001	43,127	17	16.2	-241	-0.6
54	Cortland County, etc.	991	208,498	209,489	947	209,771	210,718	-45	-4.5	1,228	0.6
55	Queens Suburban	3,734	555,567	559,301	4,377	552,777	557,154	643	17.2	-2,147	-0.4
56	Saratoga County (Balance)	47	39,170	39,217	43	38,754	38,797	-4	-8.8	-420	-1.1
58	Dutchess County (Balance)	540	113,916	114,456	512	117,738	118,250	-28	-5.2	3,794	3.3
59	Columbia County, etc.	225	83,575	83,800	207	89,787	89,993	-19	-8.2	6,194	7.4
60	Genesee County	143	38,784	38,927	161	39,202	39,363	18	12.3	437	1.1
61	Delaware County, etc.	399	148,856	149,256	351	157,374	157,726	-48	-12.0	8,470	5.7
62	Highland, Kingston	767	86,166	86,934	714	87,047	87,762	-53	-6.9	828	1.0
64	Middletown	1,691	173,318	175,009	1,580	172,479	174,059	-111	-6.5	-950	-0.5
65	Ossining	2,078	186,406	188,484	2,256	182,958	185,214	178	8.6	-3,270	-1.7
67	Clinton County, etc.	4,250	351,302	355,552	4,147	350,370	354,517	-103	-2.4	-1,035	-0.3
68	Rockland County	937	187,509	188,446	910	187,555	188,465	-27	-2.9	19	0.0
71	Saratoga County South	14	45,792	45,806	14	45,594	45,608	0	1.0	-198	-0.4
72	Albany County (Balance)	9	22,792	22,801	11	23,512	23,523	3	30.1	722	3.2

Territory		2009			2010			# Change In A/R	% Change In A/R	#Change in Market	% Change In Market
		Assigned	Voluntary	Total	Assigned	Voluntary	Total				
73	Rensselaer County (Balance)	87	48,610	48,697	82	50,259	50,340	-5	-5.7	1,643	3.4
74	Jefferson County	314	75,252	75,566	312	77,731	78,044	-2	-0.5	2,478	3.3
75	Suffolk County West	7,914	541,368	549,281	8,272	553,013	561,284	358	4.5	12,003	2.2
76	Suffolk County East	16,461	480,051	496,512	16,723	469,994	486,716	261	1.6	-9,796	-2.0
81	Monticello-Liberty	17	13,521	13,539	24	13,466	13,491	7	37.7	-48	-0.4
82	Sullivan County Central	39	16,517	16,556	46	16,541	16,587	7	18.9	31	0.2
83	Sullivan County (Balance)	145	23,237	23,381	148	23,388	23,537	4	2.6	155	0.7
84	Allegany County, etc.	1,168	188,610	189,778	1,181	190,019	191,200	13	1.1	1,423	0.7
86	Oneida	78	40,534	40,612	87	41,404	41,491	9	11.6	879	2.2
94	Mount Vernon and Yonkers	2,039	108,050	110,089	2,193	107,871	110,064	154	7.5	-25	0.0
95	White Plains	988	38,731	39,720	1,124	39,966	41,090	135	13.7	1,370	3.4
97	New York City Suburban	3,537	239,728	243,264	3,434	238,164	241,598	-103	-2.9	-1,666	-0.7
	Entire State	90,345	8,960,961	9,051,306	93,534	8,969,997	9,063,532	3,190	3.5	12,226	0.1

**Percentage of Private Passenger Automobiles Insured Through the Automobile Insurance Plan, by Territory, 2004-2010**

Territory		2004		2005		2006		2007		2008		2009		2010	
		(%)	Rank												
01	Bronx Territory	35.8	1	26.9	1	18.3	1	11.8	1	7.0	1	4.9	1	4.3	1
76	Suffolk County East	8.7	6	7.2	4	5.5	2	4.5	2	3.7	2	3.3	2	3.4	2
95	White Plains	7.0	7	5.2	7	3.6	7	2.7	4	2.3	4	2.5	3	2.7	3
07	Buffalo	5.7	10	4.1	10	2.8	10	2.3	8	2.2	5	2.3	5	2.6	4
03	Bronx Suburban Territory	11.4	3	8.2	3	5.5	3	3.7	3	2.8	3	2.4	4	2.3	5
11	Rochester	3.2	20	2.7	18	2.3	11	1.9	11	1.8	7	1.9	6	2.1	6
94	Mount Vernon and Yonkers	9.5	5	6.8	6	4.4	5	2.6	5	2.0	6	1.9	7	2.0	7
14	Niagara Falls	3.4	19	2.8	17	2.1	15	1.8	12	1.6	10	1.6	8	1.6	8
75	Suffolk County West	6.0	9	4.3	9	2.9	9	2.1	10	1.6	9	1.4	10	1.5	9
97	New York City Suburban	5.6	11	4.3	8	3.1	8	2.2	9	1.7	8	1.5	9	1.4	10
32	Newburgh	3.1	23	2.3	23	1.7	22	1.3	19	1.1	16	1.2	12	1.3	11
65	Ossining	3.9	17	3.0	15	2.2	13	1.6	14	1.2	14	1.1	14	1.2	12
67	Clinton County, etc.	3.2	22	2.6	21	1.9	19	1.5	15	1.3	13	1.2	11	1.2	13
19	Queens	12.7	2	8.2	2	5.0	4	2.3	7	1.4	12	1.1	13	1.1	14
08	Buffalo Semi-Suburban	2.4	27	2.0	25	1.4	23	1.2	21	1.0	20	1.0	16	1.1	15
18	Manhattan	10.5	4	7.0	5	4.2	6	2.5	6	1.5	11	1.1	15	1.0	16
20	Hempstead	4.8	14	3.2	13	1.9	17	1.3	17	1.0	18	0.9	20	1.0	17
21	North Hempstead	4.1	15	3.0	16	1.9	18	1.4	16	1.0	17	0.9	18	1.0	18
64	Middletown	4.0	16	3.2	14	2.3	12	1.7	13	1.2	15	1.0	17	0.9	19
05	Staten Island	5.3	12	3.7	12	2.1	14	1.3	18	0.9	21	0.9	21	0.9	20

Territory		2004		2005		2006		2007		2008		2009		2010	
		(%)	Rank												
62	Highland, Kingston	3.2	21	2.4	22	1.8	20	1.3	20	1.0	19	0.9	19	0.8	21
55	Queens Suburban	6.3	8	3.8	11	2.0	16	1.1	23	0.8	25	0.7	25	0.8	22
33	Poughkeepsie	2.2	28	1.8	28	1.3	26	1.0	26	0.8	22	0.8	22	0.8	23
42	Buffalo Suburban	2.2	29	1.8	27	1.4	25	1.0	25	0.8	23	0.7	23	0.7	24
12	Syracuse	1.7	37	1.3	36	0.9	35	0.8	29	0.7	28	0.6	29	0.7	25
22	Oyster Bay	3.6	18	2.6	20	1.7	21	1.1	22	0.8	24	0.6	26	0.7	26
46	Putnam County	2.6	25	2.0	24	1.4	24	1.0	24	0.8	27	0.7	24	0.7	27
83	Sullivan County (Balance)	2.1	30	1.6	29	1.1	30	0.8	30	0.6	30	0.6	27	0.6	28
28	Binghamton	2.0	32	1.5	31	1.1	31	0.8	31	0.6	31	0.6	32	0.6	29
84	Allegany County, etc.	1.9	35	1.5	32	1.1	29	0.8	27	0.7	29	0.6	28	0.6	30
24	Rome	1.4	43	1.0	44	0.8	40	0.5	39	0.5	37	0.6	31	0.6	31
36	Glens Falls	1.8	36	1.3	37	0.9	36	0.6	35	0.6	33	0.5	37	0.5	32
43	Niagara Falls Suburban	1.5	40	1.2	38	0.8	38	0.6	36	0.5	35	0.6	33	0.5	33
68	Rockland County	3.0	24	2.0	26	1.2	27	0.7	34	0.6	34	0.5	34	0.5	34
34	Troy	2.1	31	1.5	33	0.9	37	0.6	38	0.4	41	0.4	40	0.4	35
54	Cortland County, etc.	1.7	39	1.3	35	1.0	34	0.7	32	0.6	32	0.5	35	0.4	36
58	Dutchess County (Balance)	1.9	34	1.4	34	1.0	33	0.7	33	0.5	36	0.5	36	0.4	37
37	Oswego	2.4	26	1.6	30	1.0	32	0.8	28	0.8	26	0.6	30	0.4	38
09	Schenectady County	1.4	42	1.0	41	0.7	42	0.5	44	0.3	46	0.3	44	0.4	39
31	Chautauqua County	1.0	51	0.8	49	0.5	47	0.4	48	0.3	47	0.4	42	0.4	40
60	Genesee County	1.0	50	0.7	52	0.5	49	0.4	47	0.3	44	0.4	41	0.4	41
74	Jefferson County	1.3	45	1.0	43	0.7	41	0.5	42	0.4	40	0.4	38	0.4	42
51	Ontario County, etc.	1.5	41	1.0	42	0.7	44	0.5	43	0.4	39	0.4	39	0.4	43
17	Kings County	4.8	13	2.7	19	1.1	28	0.6	37	0.5	38	0.3	43	0.4	44
29	Gloversville	0.9	53	0.6	53	0.4	54	0.3	54	0.2	55	0.2	51	0.3	45
52	Fort Plain, Herkimer	1.2	46	0.8	46	0.6	45	0.4	46	0.3	48	0.2	47	0.3	46
82	Sullivan County Central	1.9	33	1.2	40	0.7	43	0.5	41	0.4	42	0.2	48	0.3	47
47	Orleans County	1.0	52	0.6	54	0.4	52	0.3	55	0.2	53	0.2	49	0.3	48
41	Erie County (Balance)	0.8	54	0.7	51	0.4	51	0.3	51	0.2	50	0.2	50	0.2	49
13	Albany	1.2	47	0.8	47	0.5	50	0.3	49	0.2	52	0.2	52	0.2	50
59	Columbia County, etc.	1.3	44	0.8	45	0.6	46	0.4	45	0.3	45	0.3	45	0.2	51
61	Delaware County, etc.	1.7	38	1.2	39	0.8	39	0.5	40	0.4	43	0.3	46	0.2	52
86	Oneida	0.8	55	0.5	56	0.4	57	0.3	52	0.3	49	0.2	54	0.2	53
35	Amsterdam	0.6	58	0.4	59	0.2	61	0.2	59	0.1	62	0.1	59	0.2	54
49	Niagara County (Balance)	0.7	57	0.5	57	0.4	53	0.3	53	0.2	51	0.2	53	0.2	55
39	Rochester Suburban	0.4	62	0.3	60	0.2	60	0.2	60	0.2	56	0.2	56	0.2	56
81	Monticello-Liberty	1.2	48	0.7	50	0.4	55	0.2	57	0.1	59	0.1	57	0.2	57
15	Utica	0.8	56	0.5	55	0.4	56	0.2	56	0.1	57	0.1	58	0.2	58

Territory		2004		2005		2006		2007		2008		2009		2010	
		(%)	Rank												
73	Rensselaer County (Balance)	1.2	49	0.8	48	0.5	48	0.3	50	0.2	54	0.2	55	0.2	59
56	Saratoga County (Balance)	0.6	59	0.4	58	0.2	58	0.2	58	0.1	58	0.1	60	0.1	60
30	Saratoga Springs	0.4	63	0.3	62	0.2	62	0.1	63	0.1	61	0.1	61	0.1	61
44	Broome County (Balance)	0.3	67	0.2	66	0.1	64	0.1	65	0.1	64	0.0	66	0.1	62
16	Saratoga Springs Suburban	0.3	66	0.2	65	0.1	65	0.1	67	0.0	69	0.0	64	0.1	63
48	Monroe County (Balance)	0.5	61	0.2	67	0.1	68	0.0	68	0.0	67	0.0	65	0.1	64
38	Syracuse Suburban	0.3	65	0.2	63	0.2	63	0.1	62	0.1	63	0.0	63	0.0	65
72	Albany County (Balance)	0.4	64	0.2	64	0.1	66	0.1	64	0.0	65	0.0	67	0.0	66
27	Elmira	0.1	69	0.1	69	0.0	69	0.0	69	0.0	70	0.0	68	0.0	67
71	Saratoga County South	0.3	68	0.2	68	0.1	67	0.1	66	0.0	68	0.0	69	0.0	68
25	Auburn	0.5	60	0.3	61	0.2	59	0.1	61	0.1	60	0.1	62	0.0	69
40	Corning	0.1	70	0.1	70	0.0	70	0.0	70	0.0	66	0.0	70	0.0	70
	Entire State	4.2		3.0		2.0		1.4		1.1		1.0		1.0	

**TABLE 21: WORKERS COMPENSATION INSURANCE**

**TABLE 21-A: WORKERS' COMPENSATION DIVIDEND CLASSIFICATION PLANS  
Approved 2011**

Plan Types: A = Flat, B = Sliding Scale/ Loss Ratio, C= Safety Group, D= Retention

Company Name	Plan Type	Approval Date
National Casualty Co.	B	1/13/11
The Travelers Indemnity Co.	A	9/26/11
Employers Compensation Insurance Co.	B	12/9/11

**TABLE 21-B WORKERS' COMPENSATION LOSS COST HISTORY**  
**New York Compensation Insurance Rating Board**  
**New York State, 2008-2011**

Note: Loss costs apply to all workers' compensation Insurers; approved loss cost multipliers applied to these loss costs appear in the subsequent table. A loss cost system went into effect on October 1, 2008. Prior to that, rates were filed by the NYCIRB.

1	2	3	4	5	6	7	8	9	10
Effective Date	Most Recent Policy Year Indication	One Year Prior Policy Year Indication	Legislative Changes	Wage & Claim Cost & Frequency Trend Factors	Change in Loss Adjustment Expenses	Filed Effect on Loss Costs	Approved Loss Cost Change	Change in Assessments <sup>3</sup>	Change in Total Policyholder Costs
10/08	-7.5%	-9.9% <sup>1</sup>	+3.5%	1.000	1.000	-6.4%	-6.4%	-3.5%	-9.7%
10/09	+4.2%	+2.5%	+1.6%	1.000	1.008	+5.8%	+4.5%	+0.7%	+5.2%
10/10	+2.9%	+2.9%	+4.5%	1.000	1.004	+7.7%	+7.7%	+0.0%	+7.7%
10/11	+4.2%	+4.9%	+3.3%	1.033	0.992	+10.4%	+9.1%	+1.8%	+11.0%

1 The NYCIRB's 2008 filing included 2006 policy year and 2007 accident year experience. Column (2) Shows policy year indication and column and Column (3) shows accident year indication.  
2 Catastrophe provision is included.  
3 Filed by the NYCIRB for informational purposes only.  
Columns (2) – (7) Reflect the Rating Board's filed loss cost request, and Column (8) Reflects loss cost changes approved by the Department.

**TABLE 21-C: WORKERS COMPENSATION EXPENSE CONSTANTS AND LOSS COST MULTIPLIERS**  
**Approved in 2011**

NAIC Code	Group Name	Company Name	Expense Constant	Loss Cost Multiplier	Renewal Effective Date
18767		Church Mutual Insurance Co	\$140	1.3610	04/01/11
38300		Samsung Fire & Marine Insurance Co Ltd	\$200	1.2430	08/15/11
38318		Starr Ind & Liability Co	\$215	1.3080	12/19/11
12304	Accident Fund	Accident Fund General Insurance Co	\$250	1.3500	06/02/11
10166	Accident Fund	Accident Fund Insurance Co of America	\$250	1.3000	06/02/11
12305	Accident Fund	Accident Fund National Insurance Co	\$250	1.2500	06/02/11
29157	Accident Fund	United Wisconsin Insurance Co	\$250	1.3000	06/02/11
22667	Ace Ltd Group	Ace Amer Insurance Co	\$200	1.1500	10/01/11
20702	Ace Ltd Group	Ace Fire Underwriters Insurance Co	\$200	1.2000	10/01/11
20699	Ace Ltd Group	Ace Property & Casualty Insurance Co	\$200	1.3330	10/01/11
18279	Ace Ltd Group	Bankers Standard Insurance Co	\$200	1.4670	10/01/11
43575	Ace Ltd Group	Indemnity Insurance Co Of North America	\$200	1.0350	10/01/11
22713	Ace Ltd Group	Insurance Co of North America	\$200	1.2650	10/01/11

NAIC Code	Group Name	Company Name	Expense Constant	Loss Cost Multiplier	Renewal Effective Date
22748	Ace Ltd Group	Pacific Employers Insurance Co	\$200	1.4670	10/01/11
10030	Ace Ltd Group	Westchester Fire Insurance Co	\$200	1.1500	10/01/11
19984	American Contractors Insurance Group	ACIG Insurance Co	\$0	1.2900	12/01/11
26832	American Financial Group	Great American Alliance Insurance Co	\$200	1.1900	12/01/11
26344	American Financial Group	Great American Assurance Co	\$200	1.1900	12/01/11
16691	American Financial Group	Great American Insurance Co	\$200	1.3200	12/01/11
22136	American Financial Group	Great American Insurance Co of NY	\$200	1.3200	12/01/11
29963	American National Fin Group	United Farm Family Insurance Co	\$200	1.3650	08/08/11
11150	Arch Insurance Group	Arch Insurance Co	\$200	1.2390	01/01/12
20044	Berkshire Hathaway Group	Berkshire Hathaway Homestate Insurance Co	\$200	1.5100	09/27/11
38865	Berkshire Hathaway Group	California Insurance Co	\$0	1.4100	02/15/11
28258	Berkshire Hathaway Group	Continental Ind Co	\$0	1.2800	02/15/11
28665	Cincinnati Financial Group	Cincinnati Casualty Co	\$225	1.2850	05/15/11
10677	Cincinnati Financial Group	Cincinnati Insurance Co	\$225	1.1570	05/15/11
23280	Cincinnati Financial Group	The Cincinnati Indemnity Co	\$225	1.3500	05/15/11
15105	Delphi Financial Group	Safety National Casualty Corp	\$0	1.1000	07/26/11
11512	Employers Insurance Group	Employers Compensation Insurance Co	\$200	1.2900	01/01/12
26263	Erie Insurance Group	Erie Insurance Co	\$210	1.2830	03/01/11
16233	Erie Insurance Group	Erie Insurance Co Of NY	\$210	1.0520	03/01/11
35585	Erie Insurance Group	Flagship City Insurance Co	\$210	1.0910	03/01/11
13935	Federated Mutual Group	Federated Mutual Insurance Co	\$200	1.2340	06/01/11
28304	Federated Mutual Group	Federated Serv Insurance Co	\$200	1.1690	06/01/11
33278	Florists Mutual Group	Florists Insurance Co	\$200	1.2590	12/01/11
13978	Florists Mutual Group	Florists Mutual Insurance Co	\$200	1.3250	12/01/11
42390	Guard Insurance Co Group	Amguard Insurance Co	\$200	1.3300	10/01/11
14702	Guard Insurance Co Group	Eastguard Insurance Co	\$200	1.2600	10/01/11
31470	Guard Insurance Co Group	Norguard Insurance Co	\$200	1.4000	10/01/11
41343	Hannover Group	Gerling Amer Insurance Co	\$215	1.3090	09/26/11
23582	Harleysville Group	Harleysville Insurance Co	\$200	1.4700	05/01/11
33235	Harleysville Group	Harleysville Insurance Co of NY	\$200	1.2400	05/01/11
35696	Harleysville Group	Harleysville Preferred Insurance Co	\$200	1.1300	05/01/11
26182	Harleysville Group	Harleysville Worcester Insurance Co	\$200	1.3200	05/01/11
24066	Liberty Mutual Group	American Fire & Casualty Co	\$200	1.0700	04/01/12
21458	Liberty Mutual Group	Employers Insurance of Wausau	\$210	1.4180	02/01/12
33588	Liberty Mutual Group	First Liberty Insurance Corp	\$210	1.3780	02/01/12
42404	Liberty Mutual Group	Liberty Insurance Corp	\$210	1.2190	02/01/12
23035	Liberty Mutual Group	Liberty Mutual Fire Insurance Co	\$210	1.3250	02/01/12
23043	Liberty Mutual Group	Liberty Mutual Insurance Co	\$210	1.4570	02/01/12
33600	Liberty Mutual Group	LM Insurance Corp	\$210	1.1130	02/01/12
24074	Liberty Mutual Group	Ohio Casualty Insurance Co	\$200	1.4800	04/01/12

NAIC Code	Group Name	Company Name	Expense Constant	Loss Cost Multiplier	Renewal Effective Date
24082	Liberty Mutual Group	Ohio Security Insurance Co	\$200	1.3300	04/01/12
26069	Liberty Mutual Group	Wausau Business Insurance Co	\$210	1.1660	02/01/12
26425	Liberty Mutual Group	Wausau General Insurance Co	\$210	1.0600	02/01/12
26042	Liberty Mutual Group	Wausau Underwriters Insurance Co	\$210	1.2720	02/01/12
44393	Liberty Mutual Group	West American Insurance Co	\$200	1.2000	04/01/12
35408	Lightyear Delos Group	Imperium Insurance Co	\$200	1.3100	11/01/11
29939	Main Street Amer Group	Main St Amer Assurance Co	\$200	1.1940	02/03/11
14788	Main Street Amer Group	NGM Insurance Co	\$200	1.2350	11/14/11
21903	Meadowbrook Insurance Group	Procentury Insurance Co	\$200	1.2000	05/09/11
23329	Merchants Mutual Group	Merchants Mutual Insurance Co	\$200	1.3160	10/01/11
12901	Merchants Mutual Group	Merchants Preferred Insurance Co	\$200	1.1850	10/01/11
20362	Mitsui Sumitomo Insurance Group	Mitsui Sumitomo Insurance Co of America	\$225	1.2380	01/01/12
22551	Mitsui Sumitomo Insurance Group	Mitsui Sumitomo Insurance USA Inc	\$225	1.3760	01/01/12
11991	Nationwide Corp Group	National Casualty Co	\$250	1.3000	01/13/11
28223	Nationwide Corp Group	Nationwide Agribusiness Insurance Co	\$266	1.2500	01/01/12
12122	New Jersey Manufacturers Group	New Jersey Manufacturers Insurance Co	\$220	1.3260	10/01/11
24147	Old Republic Group	Old Republic Insurance Co	\$200	1.2400	03/15/11
27740	QBE Insurance Group	North Pointe Insurance Co	\$200	1.4080	05/09/11
39217	QBE Insurance Group	QBE Insurance Corp	\$200	1.5500	05/09/11
13056	RLI Insurance Group	RLI Insurance Co	\$200	1.0870	08/22/11
28460	Sentry Insurance Group	Sentry Casualty Co	\$0	1.0680	12/22/11
38997	Sompo Japan Insurance Group	Sompo Japan Fire & Mar Insurance Co Amer	\$200	1.1730	03/17/11
11126	Sompo Japan Insurance Group	Sompo Japan Insurance Co of America	\$200	1.2480	03/17/11
18376	Tower Group	Hermitage Insurance Co	\$200	1.2150	12/01/11
25984	Utica Group	Graphic Arts Mutual Insurance Co	\$200	1.0950	11/14/11
12475	Utica Group	Republic-Franklin Insurance Co	\$200	1.1680	11/14/11
25976	Utica Group	Utica Mutual Insurance Co	\$200	1.3400	11/14/11
10687	Utica Group	Utica National Assurance Co	\$200	1.2540	11/14/11
43478	Utica Group	Utica National Insurance Co Of TX	\$200	1.0320	11/14/11
38911	WR Berkley Corp Group	Berkley National Insurance Co	\$200	1.3000	04/01/11
29580	WR Berkley Corp Group	Berkley Regional Insurance Co	\$200	1.5200	04/01/11
26247	Zurich Insurance Group	American Guar & Liability Insurance	\$200	1.2600	04/01/11
40142	Zurich Insurance Group	American Zurich Insurance Co	\$200	1.1200	04/01/11
34347	Zurich Insurance Group	Colonial American Casualty & Surety Co	\$200	1.2600	04/01/11
39306	Zurich Insurance Group	Fidelity & Deposit Co Of MD	\$200	1.2600	04/01/11
16535	Zurich Insurance Group	Zurich American Insurance Co	\$200	1.4000	04/01/11
27855	Zurich Insurance Group	Zurich American Insurance Co of IL	\$200	1.4350	07/27/11

**TABLE 22: PCISF CONTRIBUTIONS****1988-2010\***

<b>Fund Year</b>	<b>Estimated Quarterly Contributions (in millions)</b>
1988	\$15.0
1989	7.5
1990	5.5
1991	25.0
1992	7.5
1993 – 97	0.0
1998	8.3
1999	4.0
2000	18.8
2001	3.4
2002	21.4
2003	23.5
2004	28.1
2005	31.1
2006	38.0
2007	12.5
2008	0.0
2009	0.0
2010	0.0
2011	0.0

\* During 1993, settlement was reached with respect to *Alliance of American Insurers et al. v. Chu et al.* The 1993 through 2009 fund year net values and contribution amounts described above reflect the impact of the settlement.

**TABLE 23: MOTOR VEHICLE ACCIDENT INDEMNITY FUND****Source of Funds**

The Corporation is funded through levies on Insurance companies transacting automobile liability Insurance in the State of New York in accordance with Section 5207 of the Insurance Law. Other sources of funds include fees collected from self-Insurers by the New York State Department of Motor Vehicles under Sections 316 and 370-4 of the Vehicle and Traffic Law, investment income and subrogation recoveries.

<b>Year End Reserves</b>	<b>2011</b>	<b>2010</b>
Case Outstanding Reserve Tort & Pip	\$23,686,621.49	\$23,670,652.44
Incurred But Not Reported	\$16,926,404.00	\$16,926,404.00
Unallocated Loss Adjustments ULAE	\$12,083,149.00	\$12,083,149.00
Special Reserve for Allocated Expenses	7,000,000.00	7,000,000.00

**TABLE 24: INSURANCE ENTITIES SUPERVISED BY THE DEPARTMENT**

<b>Type Of Insurer/Reinsurer/Entity</b>	<b>Number of Regulated Entities</b>
Accredited Reinsurers*	92
Advance Premium Co-Operatives	17
Assessment Co-Operatives	24
Associations, Pools, And Syndicates	13
Captive Insurers	49
Financial Guaranty Insurers	15
Mortgage Guaranty Insurers	31
Property Insurance Underwriting Association (FAIR Plan)	1
Property/Casualty Insurers	810
Title Insurers (Including One Accredited Reinsurer)	24
United States Branches	10

\* Lloyd's of London (Lloyd's), included as an accredited Reinsurer, is comprised of individual underwriting syndicates, each of which must meet the requirements for recognition as an accredited Reinsurer. As of December 31, 2011, the Department recognized 80 Lloyd's syndicates as active accredited Reinsurers. In addition, the Bureau oversaw the operation of 103 risk retention groups in 2011.

## HEALTH INSURANCE

**TABLE 25: HEALTH INSURANCE: CLASSES OF BUSINESS, ASSETS, LIABILITIES AND PREMIUMS WRITTEN**  
(Dollar Amount in Thousands)

Type of Insurer	Asset	Liabilities	Premiums Written
CCRC*	\$ 1,160,982	\$ 1,336,457	n/a (see note below)
Article 42 Insurer	\$20,541,354	\$ 12,948,570	\$ 28,133,629
Article 43 Corp.	\$ 6,990,504	\$ 3,501,024	\$17,531,364
HMO**	\$ 5,638,657	\$ 2,166,952	\$12,416,201
Muni-Coop.***	\$261,403	\$ 126,342	\$ 438,864
<b>Total</b>	<b>\$ 34,592,900</b>	<b>\$ 20,079,345</b>	<b>\$ 58,520,058</b>
<p>* The numbers above are as of 2010, as the 2011 annual statements for CCRCs are not due until May 1. Additionally, CCRCs do not have premiums. Residents pay a monthly fee to stay at the Community.</p> <p>** Atlantis Health Plan (NAIC code 52624) has not yet filed its Annual Statement due April 1<sup>st</sup>.</p> <p>*** Muni-coops do not file their annual statements on a calendar year basis. (Their statements are due 90 days after the end of their fiscal year.) Although the amounts for the assets and liabilities could be obtained as of 12/31/11, the premiums written could only be obtained as of 6/30/11. Also, it should be noted that the amounts for these entities include a Muni-coop which did not file its statement yet. (The numbers for this Muni-coop were obtained from its 3rd quarter filing.)</p>			

<b>Health Insurers That Have:</b>	
<b>Organized</b>	Universal HealthCare Insurance Company Inc.
<b>Admitted</b>	Care Improvement Plus of Texas
<b>Merged</b>	GHI HMO Select, Inc. merged with ConnectiCare of New York, Inc.
<b>Withdrawn</b>	NONE
<b>Amended Their Charter</b>	Commercial Travelers Mutual Insurance Company
<b>Increased or Decreased Capital Stock (with a Statement of The Extent of Changes:</b>	MVP Health Insurance Company Received \$8.5 million capital infusion from its Parent.
	Atlantis Health Plan Received \$13.5 million in additional capital in connection with the sale of the HMO.
<b>Changed A Corporate Names:</b>	Commercial Travelers Mutual Insurance Company

**LIFE INSURANCE**

**TABLE 26: ADMITTED ASSETS**  
**Life Insurance Companies Licensed in New York State**  
**Selected Years, 2000-2010 (dollar amounts in billions)**

<b>Admitted Assets</b>	<b>2010</b>	<b>2009</b>	<b>2005</b>	<b>2000</b>
<b>Total</b>	\$2,516.4	\$2,357.3	\$2,187.6	\$1,652.4
Percent increase from 2000	52.3%	42.7%	32.4%	-
<b>Type of asset</b>				
Bonds	\$1,085.0	\$1,029.8	\$999.8	\$661.6
Stocks	61.8	57.0	59.7	54.1
Mortgage Loans	172.4	176.6	163.1	141.0
Real Estate	10.8	10.9	12.3	16.1
Policy loans/liens	67.7	65.2	56.9	55.1
Short-term holdings	22.5	32.4	11.7	28.1
Other	1,096.2	985.4	884.1	696.4
<b>Note:</b> Detail may not add to totals due to rounding.				

**TABLE 27: BALANCE SHEET**  
**Life Insurance Companies Licensed in New York State**  
**Selected Years, 2005-2010 (dollar amounts in billions)**

	<b>2010</b>	<b>2009</b>	<b>2005</b>
Assets	\$2,516.4	\$2,357.3	\$2,187.6
Liabilities	2,356.0	2,203.3	1,067.5
Capital & Surplus	160.4	154.0	120.1

**TABLE 28: TOTAL LIFE INSURANCE IN FORCE**

**Life Insurance Companies Licensed in New York State  
Selected Years, 2000-2010 (dollar amounts in billions)**

<b>Class of Business</b>	<b>2010</b>	<b>2009</b>	<b>2005</b>	<b>2000</b>
Total insurance in force	\$14,200.0	\$14,027.7	\$11,684.5	\$8,852.3
Percent increase from 2000	60.4%	58.5%	32.0%	-
Ordinary	\$7,713.9	\$7,546.6	\$6,340.3	\$4,803.8
Group	6,449.4	6,440.4	5,274.9	3,977.5
Credit	31.1	35.0	63.0	63.9
Industrial	5.6	5.7	6.3	7.1

**TABLE 29: SOURCES OF INCOME**

**Life Insurance Companies Licensed in New York State  
Selected Years, 2005-2010 (dollar amounts in millions)**

<b>Source of Income</b>	<b>2010</b>		<b>2009</b>		<b>2005</b>	
	<b>Amount</b>	<b>Percent of Total</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Amount</b>	<b>Percent of Total</b>
Group life	\$13,710.6	4.3%	\$13,841.9	4.3%	\$18,071.4	6.0%
Group annuities	69,918.2	22.1	68,555.9	21.4	68,973.0	22.7
Group A & H	30,012.7	9.5	29,249.6	9.1	24,721.8	8.2
Ordinary life	24,132.1	7.6	41,174.7	12.8	43,212.4	14.2
Individual annuities	51,921.0	16.4	60,537.6	18.9	52,054.9	17.2
Individual A & H	12,522.8	4.0	12,242.5	3.8	5,662.6	1.9
Credit life	216.7	0.1	226.8	0.1	327.5	0.1
Industrial life	-924.3	-0.3	41.7	0.0	58.0	0.0
<b>Total Premiums</b>	<b>\$201,510.0</b>	<b>63.6%</b>	<b>\$225,870.8</b>	<b>70.4%</b>	<b>\$213,081.6</b>	<b>70.3%</b>
Supplementary contracts	916.1	0.3	844.2	0.3	432.1	0.1
Net investment income	78,248.0	24.7	76,721.7	23.9	79,022.3	26.1
Other income	36,131.3	11.4	17,383.8	5.4	10,760.2	3.5
<b>Total</b>	<b>\$316,805.2</b>	<b>100.0%</b>	<b>\$320,820.5</b>	<b>100.0%</b>	<b>\$303,296.2</b>	<b>100.0%</b>
<b>Note:</b> Detail may not add to totals due to rounding.						

**TABLE 30: OPERATING RESULTS**  
**Life Insurance Companies Licensed in New York State**  
**Selected Years, 2005-2010 (dollar amounts in millions)**

	2010	2009	2005
Total premiums	\$223,265.5	\$225,138.4	\$211,347.3
Investment income	78,248.0	76,721.7	79,022.3
Supplementary contracts	916.1	844.2	432.1
Other income	14,375.6	18,116.1	12,494.5
<b>Total income</b>	<b>\$316,805.2</b>	<b>\$320,820.5</b>	<b>\$303,296.2</b>
Net gain from operations	\$18,419.7	\$23,720.2	\$16,674.9
<b>Net income</b>	<b>\$13,212.4</b>	<b>\$9,503.9</b>	<b>\$19,668.7</b>
<b>Note:</b> Detail may not add to totals due to rounding.			

**TABLE 31: LIFE INSURANCE IN FORCE IN THE STATE OF NEW YORK**  
**Life Insurance Companies Licensed in New York State**  
**Selected Years, 2000-2010 (dollar amounts in billions)**

Insurance In Force	2010	2009	2005	2000
Total	\$1,828.8	\$1,813.1	\$1,662.9	\$1,190.0
Percent increase from 2000	53.7%	52.4%	39.7%	-
Class of business				
Ordinary	\$1,234.8	\$1,198.2	\$1,007.8	\$694.8
Group	588.9	609.2	647.6	488.2
Credit	4.6	5.2	7.0	6.2
Industrial	0.5	0.5	0.6	0.8

**TABLE 32: ADMITTED ASSETS/INSURANCE IN FORCE**

**Domestic Life Insurance Companies**  
**Selected Years, 2000-2010 (dollar amounts in billions)**

<b>Domestic Life Insurers</b>	<b>2010</b>	<b>2009</b>	<b>2005</b>	<b>2000</b>
Admitted assets	\$1,008.2	\$934.3	\$815.4	\$585.7
Percent increase from 2000	72.1%	59.5%	39.2%	-
Insurance in force	\$6,520.9	\$6,593.2	\$4,972.6	\$3,345.2
Percent increase from 2000	94.9%	97.1%	48.6%	-

**TABLE 33: FRATERNAL BENEFIT SOCIETIES**

**Selected Years, 2000-2010 (dollar amounts in billions)**

<b>Fraternal Benefit Societies</b>	<b>2010</b>	<b>2009</b>	<b>2005</b>	<b>2000</b>
Admitted assets	\$90.7	\$84.3	\$76.0	\$55.9
Insurance in force	\$347.1	\$335.8	\$296.6	\$255.9

**TABLE 34: PRIVATE PENSION FUNDS**

**Regulated by NYS Department of Financial Services**  
**Selected Years, 2000-2010 (in millions)**

<b>Private Pension Funds</b>	<b>2010</b>	<b>2009</b>	<b>2005</b>	<b>2000</b>
Fair value of assets <sup>a</sup>	\$202,258	\$184,619	\$195,084	\$162,044
Payments to annuitants and beneficiaries	\$22,736	\$15,528	\$13,922	\$10,803

<sup>a</sup> Prior to 2007, assets were Total Admitted Assets, when the annual statement was prepared on a statutory basis.

**TABLE 35: PUBLIC RETIREMENT SYSTEMS AND PENSION FUNDS**

Regulated by NYS Department of Financial Services  
 Selected Years, 2000-2010 (dollar amounts in millions)

Public Retirement Systems & Pension Funds	2010	2009	2005	2000
Fair value of assets*	\$301,007	\$262,859	\$304,141	\$322,561
Payments to annuitants and beneficiaries	\$22,076	\$21,018	\$16,402	\$10,964
*Prior to 2007, assets were Total Admitted Assets, when the annual statement was prepared on a statutory basis.				

**TABLE 36: SEGREGATED GIFT ANNUITY FUNDS**

Selected Years, 2000-2010 (dollar amounts in millions)

Segregated Gift Annuity Funds	2010	2009	2005	2000
Total admitted assets	\$2,176.7	\$2009.7	\$1,861.5	\$956.0
Annual payments to annuitants	\$195.5	\$196.3	\$163.7	\$83.9

**TABLE 37: COMPANIES REGULATED BY THE DEPARTMENT**

December 31, 2011

Life – New York	79
Life – Other States	53
Accredited Reinsurers	35
Fraternal – New York	3
Fraternal – Other States	33
Fraternal – Canadian, U.S. Branch	1

Charitable Annuities	312
Retirement Systems	21
Life Settlement Providers	31
Welfare Funds	22
Certified Reinsurers	5
<b>Total</b>	<b>595</b>

**BANKING STATISTICS**

**TABLE 38: PRINCIPAL BANKING AND LENDING FACILITIES OF NEW YORK STATE**  
as of December 31, 2011 (Dollars In Thousands)

	Number of Institutions			Assets		
	New York State	In NYC	Outside NYC	New York State	In NYC	Outside NYC
<b>All Institutions*</b>	<b>779</b>	<b>299</b>	<b>480</b>	<b>2,810,638,205</b>	<b>2,504,427,785</b>	<b>306,210,420</b>
Commercial Banks**	131	60	71	665,213,096	498,296,558	166,916,538
Savings Banks	46	17	29	94,305,580	69,117,894	25,187,686
Savings and Loan Associations	14	2	12	21,451,404	17,117,872	4,333,532
Credit Unions	428	81	347	57,864,456	5,920,239	51,944,217
Safe Deposit Companies	2	-	2	446	-	446
Investment Companies (Article XII)	7	6	1	59,123,985	59,121,004	2,981
Licensed Lenders	19	1	18	57,825,884	864	57,825,020
Foreign Branches	116	116	-	1,730,328,072	1,730,328,072	-
Foreign Agencies	16	16	-	124,525,281	124,525,281	-
<b>State Charter*</b>	<b>258</b>	<b>169</b>	<b>89</b>	<b>2,440,495,419</b>	<b>2,271,121,172</b>	<b>169,374,247</b>
Commercial Banks**	85	47	38	575,592,213	482,136,642	93,455,571
Savings Banks	21	7	14	70,197,187	55,865,710	14,331,477
Savings and Loan Associations	1	-	1	40,794	-	40,794
Credit Unions	20	5	15	6,095,018	2,377,060	3,717,958
Safe Deposit Companies	2	-	2	446	-	446
Investment Companies (Article XII)	7	6	1	59,123,985	59,121,004	2,981
Licensed Lenders	19	1	18	57,825,884	864	57,825,020
Foreign Branches	88	88	-	1,547,522,833	1,547,522,833	-
Foreign Agencies	15	15	-	124,097,058	124,097,058	-
<b>Federal Charter*</b>	<b>521</b>	<b>130</b>	<b>391</b>	<b>370,142,786</b>	<b>233,306,613</b>	<b>136,836,173</b>
Commercial Banks**	46	13	33	89,620,883	16,159,916	73,460,967
Savings Banks	25	10	15	24,108,393	13,252,184	10,856,209
Savings and Loan Associations	13	2	11	21,410,610	17,117,872	4,292,738
Credit Unions	408	76	332	51,769,438	3,543,179	48,226,259
Safe Deposit Companies	-	-	-	-	-	-

Investment Companies (Article XII)	-	-	-	-	-	-
Licensed Lenders	-	-	-	-	-	-
Foreign Branches	28	28	-	182,805,239	182,805,239	-
Foreign Agencies	1	1	-	428,223	428,223	-

\* Total consolidated assets distributed by headquarters location.  
\*\* Banks, trust companies, limited purpose trust companies, and private bankers.

**TABLE 39: SUMMARY OF STATE SUPERVISED AND LICENSED INSTITUTIONS**  
**As of December 31, 2011**

Type of Institution	Number of Institutions	Number of Domestic Offices
Commercial Banks	48	268
Trust Companies	25	1,207
Limited Purpose Trust Companies	12	13
Private Bankers	1	9
Savings Banks	21	538
Savings and Loan Associations	1	2
Credit Unions	20	52
Safe Deposit Companies	2	2
Investment Companies (Article XII)	7	9
Licensed Lenders	19	121
Foreign Branches	88	102
Foreign Agencies	15	15
Holding Companies - One Bank	31	31
Holding Companies - Multi Bank	9	9
Mutual Holding Companies	1	1
Foreign Representative Offices	36	36
Sales Finance Companies	99	135
Premium Finance Agencies	58	94
Check Cashers	177	668
Money Transmitters	73	344
Budget Planners	47	64
Mortgage Bankers	156	828

Mortgage Brokers	910	1,208
Mortgage Loan Servicers	21	30
Common Trust Funds	60	60
NYS Regulated Corporations	3	3
Charitable Foundations	3	3
<b>Total</b>	<b>2,448</b>	<b>5,520</b>

**TABLE 40: CONDITION OF COMMERCIAL BANKS**  
**Including Trust Companies, Limited Purpose Trust Companies and Private Bankers**  
**as of December 31, 2011 (Dollars in Thousands)**

<b>Assets</b>	<b>Cash and Due from Banks</b>	<b>Total Securities</b>	<b>Federal Funds Sold and Repos</b>	<b>Loans and Leases Net</b>	<b>Premises and Equipment</b>	<b>Other Assets</b>	<b>Total Assets</b>
<b>Commercial Banks</b>							
Adirondack Bank	26,474	196,667	1,839	329,367	6,449	19,917	580,713
Alden State Bank	4,489	62,660	414	150,562	1,712	10,126	229,963
Alma Bank	95,217	171,278	3,212	460,692	5,168	9,760	745,327
Alpine Capital Bank	72,686	41,117	-	126,363	1,103	2,045	243,314
Amerasia Bank	13,685	5,591	-	238,520	7,545	2,958	268,299
American Community Bank	5,410	6,466	15,400	121,086	1,260	6,983	156,605
Bank Leumi USA	873,074	711,495	-	3,826,689	16,176	252,949	5,680,383
Bank of Akron	6,304	55,441	-	148,273	4,580	8,809	223,407
Bank of Cattaraugus	1,487	3,832	-	7,533	342	849	14,043
Bank of Holland	4,362	11,192	2,759	52,347	2,789	1,538	74,987
Berkshire Bank Municipal Bank	2,107	34,297	6,968	-	-	107	43,479
BPD Bank	21,980	72,089	21,000	237,735	799	30,932	384,535
Catskill Hudson Bank	18,392	158,194	-	169,859	1,260	3,962	351,667
Cattaraugus County Bank	15,099	52,019	6,375	97,848	5,648	9,385	186,374
CheckSpring Bank	5,638	7,354	41	46,975	825	2,543	63,376
Citizens Bank of Cape Vincent	2,848	16,046	-	28,622	1,092	709	49,317
Country Bank	44,875	101,752	-	306,647	699	14,230	468,203
Emigrant Mercantile Bank	3,638	-	-	-	-	159	3,797
Empire State Bank	8,682	18,756	-	127,706	2,032	4,103	161,279
First American International Bank	47,672	44,311	1,531	393,327	13,911	32,057	532,809
Flushing Commercial Bank	291,899	18,526	344,500	-	23	843	655,791
Genesee Regional Bank	40,071	70,460	750	168,537	919	2,600	283,337



Assets	Cash and Due from Banks	Total Securities	Federal Funds Sold and Repos	Loans and Leases Net	Premises and Equipment	Other Assets	Total Assets
Israel Discount Bank of New York	608,497	4,714,269	-	3,758,511	32,785	374,138	9,488,200
Manufacturers and Traders Trust Company	1,492,292	7,766,758	176,850	58,550,292	559,767	8,341,123	76,887,082
Mitsubishi UFJ Trust & Banking Corporation (USA)	248,896	925	-	207	863	19,390	270,281
Mizuho Corporate Bank (USA)	106,372	267,981	-	2,817,813	-	179,128	3,371,294
Mizuho Trust & Banking Co. (USA)	814,180	-	-	-	5,801	14,077	834,058
Orange County Trust Company	12,868	286,772	-	288,019	13,133	32,109	632,901
Solvay Bank	25,475	215,369	130	365,697	5,406	8,366	620,443
State Bank of Long Island	117,586	274,447	-	1,137,809	4,879	67,836	1,602,557
Steuben Trust Company	17,120	133,659	-	218,782	6,561	14,572	390,694
The Adirondack Trust Company	131,949	249,205	-	463,093	23,953	40,863	909,063
The Bank of Castile	17,169	314,245	-	614,577	12,786	17,302	976,079
The Bank of New York Mellon	121,318,000	83,779,000	626,000	26,737,000	1,208,000	22,537,000	256,205,000
Goldman Sachs Bank USA	40,861,000	37,334,000	4,689,000	11,969,000	-	8,937,000	103,790,000
Tompkins Trust Company	21,236	618,357	58,214	788,136	14,329	64,748	1,565,020
<b>Limited Purpose Trust Companies</b>							
American Stock Transfer & Trust Company, LLC	3,441				46,910	610,817	661,168
Anthos Trust Company, LLC	76	5,040				19	5,135
Continental Stock Transfer & Trust Company	1,675	1,725			588	2,322	6,310
Genesee Valley Trust Company	4,169	-			55	12,516	16,740
Law Debenture Trust Company of New York	4,390				38	1,093	5,521
Market Street Trust Company	158	3,103			1,907	593	5,761
New York Life Trust Company	1	13,617				2,828	16,446
OFI Trust Company		6,031				2,003	8,034
Bank of Nova Scotia Trust Company of New York	9,922	7,262				271	17,455
The Depository Trust Company	2,881,832	205,302	185,284		116,306	210,824	3,599,548
The Northern Trust Company of New York	208	5,871			2,028	743	8,850
The Warehouse Trust Company LLC	26,518				54	8,364	34,936
<b>Private Bankers</b>							
Brown Brothers Harriman & Co.	2,698,863	1,178,719		1,920,510	30,922	306,651	6,135,665
<b>Total</b>	<b>199,261,276</b>	<b>159,761,295</b>	<b>6,558,140</b>	<b>157,628,561</b>	<b>2,490,620</b>	<b>49,927,257</b>	<b>575,627,149</b>

Liabilities And Equity	Total Deposits	Federal Funds Bought and Sold	Trading Liabilities & Other Borrowed Money	Subordinated Notes and Debentures	All Other Assets	Total Liabilities	Total Equity Capital	Total Liabilities and Capital
------------------------	----------------	-------------------------------	--	-----------------------------------	------------------	-------------------	----------------------	-------------------------------

Liabilities And Equity	Total Deposits	Federal Funds Bought and Sold	Trading Liabilities & Other Borrowed Money	Subordinated Notes and Debentures	All Other Assets	Total Liabilities	Total Equity Capital	Total Liabilities and Capital
<b>Commercial Banks</b>								
Adirondack Bank	477,221	34,169	20,000	-	4,842	536,232	44,481	580,713
Alden State Bank	196,817	2,600	-	-	258	199,675	30,288	229,963
Alma Bank	638,738	-	6,000	-	5,936	650,674	94,653	745,327
Alpine Capital Bank	203,479	-	500	4,500	1,694	210,173	33,141	243,314
Amerasia Bank	242,553	-	-	-	607	243,160	25,139	268,299
American Community Bank	129,438	-	6,500	-	708	136,646	19,959	156,605
Bank Leumi USA	4,855,432	15,000	87,215	90,000	115,811	5,163,458	516,925	5,680,383
Bank of Akron	188,844	-	7,600	-	3,265	199,709	23,698	223,407
Bank of Cattaraugus	12,668	-	-	-	10	12,678	1,365	14,043
Bank of Holland	64,776	-	3,000	-	370	68,146	6,841	74,987
Berkshire Bank Municipal Bank	29,388	-	-	-	163	29,551	13,928	43,479
BPD Bank	286,093	-	30,000	-	1,766	317,859	66,676	384,535
Catskill Hudson Bank	315,584	-	3,150	1,800	1,341	321,875	29,792	351,667
Cattaraugus County Bank	165,928	-	1,879	-	3,086	170,893	15,481	186,374
CheckSpring Bank	54,658	-	47	-	605	55,310	8,066	63,376
Citizens Bank of Cape Vincent	43,665	-	-	-	297	43,962	5,355	49,317
Country Bank	411,357	19,000	-	-	2,313	432,670	35,533	468,203
Emigrant Mercantile Bank	500	-	-	-	31	531	3,266	3,797
Empire State Bank	139,802	-	6,504	-	694	147,000	14,279	161,279
First American International Bank	452,520	-	15,350	-	5,692	473,562	59,247	532,809
Flushing Commercial Bank	590,987	-	-	-	2,023	593,010	62,781	655,791
Genesee Regional Bank	236,949	7,608	10,000	-	1,063	255,620	27,717	283,337
Global Bank	105,130	-	-	-	305	105,435	13,740	119,175
Gold Coast Bank	143,782	-	-	-	403	144,185	17,604	161,789
Gotham Bank of New York	369,455	30,000	-	-	1,599	401,054	32,194	433,248
Greene County Commercial Bank	126,556	-	10,739	-	655	137,950	16,272	154,222
Hanover Community Bank	54,222	-	2,000	-	825	57,047	4,192	61,239
Interaudi Bank	1,017,576	10,000	141,071	-	5,436	1,174,083	103,050	1,277,133
New York Commercial Bank	1,896,652	-	129,763	-	3,369	2,029,784	555,499	2,585,283
NewBank	122,713	-	-	-	3,227	125,940	15,329	141,269
PathFinder Commercial Bank	46,235	-	52	-	915	47,202	6,993	54,195
PCSB Commercial Bank	21,989	-	-	-	156	22,145	7,549	29,694
Pioneer Commercial Bank	41,214	-	-	-	15	41,229	4,729	45,958
Provident Municipal Bank	401,516	-	-	-	8,912	410,428	59,087	469,515
Riverside Bank	163,813	-	-	-	1,224	165,037	21,318	186,355
Savoy Bank	69,765	-	-	-	1,069	70,834	8,100	78,934

Liabilities And Equity	Total Deposits	Federal Funds Bought and Sold	Trading Liabilities & Other Borrowed Money	Subordinated Notes and Debentures	All Other Assets	Total Liabilities	Total Equity Capital	Total Liabilities and Capital
Shinhan Bank America	853,286	-	-	-	8,196	861,482	97,398	958,880
Signature Bank	11,754,636	750,800	675,010	-	77,559	13,258,005	1,408,116	14,666,121
State Bank of Chittenango	118,878	-	-	-	16,143	135,021	14,609	149,630
The Berkshire Bank	659,623	50,000	6,139	-	6,074	721,836	132,173	854,009
Tioga State Bank	303,839	12,679	26,067	-	3,793	346,378	38,961	385,339
United International Bank	160,060	-	9,511	-	2,473	172,044	19,826	191,870
United Orient Bank	77,802	-	4,000	-	574	82,376	10,365	92,741
USNY Bank	96,997	1,500	-	-	361	98,858	10,684	109,542
Victory State Bank	215,711	-	-	-	1,263	216,974	26,690	243,664
Westchester Bank	215,216	-	-	-	1,946	217,162	45,136	262,298
Woori America Bank	822,611	-	-	-	7,919	830,530	108,849	939,379
WSB Municipal Bank	29,075	-	-	-	3,397	32,472	4,244	36,716
<b>Trust Companies</b>								
Amalgamated Bank	2,655,347	455,145	749,866	-	37,622	3,897,980	272,075	4,170,055
Banco Popular North America	6,167,740	655,758	38,473	-	112,749	6,974,720	1,630,625	8,605,345
Bank of Millbrook	160,730	-	-	-	2,236	162,966	21,593	184,559
Bank of Richmondville	106,895	-	-	-	841	107,736	15,119	122,855
Bank of Tokyo-Mitsubishi UFJ Trust Company	-	-	38,855	-	142,881	181,736	781,923	963,659
Bank of Utica	728,701	-	8,700	-	10,576	747,977	130,081	878,058
Chemung Canal Trust Company	1,000,403	37,107	43,344	-	11,238	1,092,092	121,462	1,213,554
Deutsche Bank Trust Company Americas	34,143,000	6,130,000	455,000	-	1,877,000	42,605,000	8,575,000	51,180,000
Fiduciary Trust Company International	851,661	-	641	-	39,435	891,737	242,330	1,134,067
Five Star Bank	1,941,739	47,898	102,800	-	13,964	2,106,401	222,952	2,329,353
Habib American Bank	613,842	-	5,000	-	4,727	623,569	68,631	692,200
Israel Discount Bank of New York	6,711,772	1,747,599	149,118	75,000	121,298	8,804,787	683,413	9,488,200
Manufacturers and Traders Trust Company	60,064,171	2,132,059	1,927,394	1,871,088	1,162,140	67,156,852	9,730,230	76,887,082
Mitsubishi UFJ Trust & Banking Corporation (U.S.A.)	53,080	-	-	-	2,484	55,564	214,717	270,281
Mizuho Corporate Bank (USA)	1,560,347	-	561,044	-	187,238	2,308,629	1,062,665	3,371,294
Mizuho Trust & Banking Co. USA	768,566	-	-	-	14,063	782,629	51,429	834,058
Orange County Trust Company	447,765	-	82,800	-	10,185	540,750	92,151	632,901
Solvay Bank	557,673	-	-	-	3,858	561,531	58,912	620,443
State Bank of Long Island	1,380,703	-	31,000	-	15,882	1,427,585	174,972	1,602,557
Steuben Trust Company	314,441	-	29,250	-	6,028	349,719	40,975	390,694
The Adirondack Trust Company	791,512	4,027	14	-	12,814	808,367	100,696	909,063
The Bank of Castile	834,145	32,839	25,000	-	8,124	900,108	75,971	976,079

Liabilities And Equity	Total Deposits	Federal Funds Bought and Sold	Trading Liabilities & Other Borrowed Money	Subordinated Notes and Debentures	All Other Assets	Total Liabilities	Total Equity Capital	Total Liabilities and Capital
The Bank of New York Mellon	213,640,000	3,176,000	9,160,000	3,505,000	8,465,000	237,946,000	18,259,000	256,205,000
Goldman Sachs Bank USA	44,764,000	15,275,000	16,952,000	-	7,544,000	84,535,000	19,255,000	103,790,000
Tompkins Trust Company	1,153,833	126,755	130,293	-	40,463	1,451,344	113,676	1,565,020
						-		
<b>Limited Purpose Trust Companies</b>								
American Stock Transfer & Trust Company, LLC			2,000		8,157	10,157	651,011	661,168
Anthos Trust Company, LLC						-	5,135	5,135
Continental Stock Transfer & Trust Company					1,669	1,669	4,641	6,310
Genesee Valley Trust Company					591	591	16,149	16,740
Law Debenture Trust Company of New York					1,484	1,484	4,037	5,521
Market Street Trust Company			652		1,324	1,976	3,785	5,761
New York Life Trust Company					2,870	2,870	13,576	16,446
OFI Trust Company					1,217	1,217	6,817	8,034
Bank of Nova Scotia Trust Company of New York					1,925	1,925	15,530	17,455
The Depository Trust Company			336,448		2,952,583	3,289,031	310,517	3,599,548
The Northern Trust Company of New York					1,789	1,789	7,061	8,850
The Warehouse Trust Company LLC					15,730	15,730	19,206	34,936
						-		
<b>Private Bankers</b>								
Brown Brothers Harriman & Co.	4,730,459		377,863	614	412,984	5,521,920	613,745	6,135,665
<b>Total</b>	<b>415,768,274</b>	<b>30,753,543</b>	<b>32,409,652</b>	<b>5,548,002</b>	<b>23,559,552</b>	<b>508,039,023</b>	<b>67,588,126</b>	<b>575,627,149</b>

**TABLE 41: CONDITION OF SAVINGS BANKS & THRIFTS**  
as of December 31, 2011 (Dollars in Thousands)

<b>Assets</b>	<b>Cash and Due from Banks</b>	<b>Total Securities &amp; Trading Assets</b>	<b>Federal Funds Sold and Repos</b>	<b>Loans and Leases Net</b>	<b>Premises and Equipment</b>	<b>Other Assets</b>	<b>Total Assets</b>
<b>Savings Banks</b>							
Apple Bank For Savings	454,309	2,480,622	-	4,392,401	25,898	229,015	7,582,245
Elmira Savings Bank	47,456	91,157	740	345,564	5,392	33,088	523,397
Emigrant Bank	715,288	2,577,557	227,526	3,577,151	85,445	782,626	7,965,593
Emigrant Savings Bank-Brooklyn/Queens	17,704	395,199	100,000	270,522	1,400	8,301	793,126
Emigrant Savings Bank-Long Island	14,868	190,363	115,000	222,580	2,250	4,885	549,946
Emigrant Savings Bank-Manhattan	31,851	675,124	180,000	344,930	2,361	11,010	1,245,276
Emigrant Savings Bank-Bronx/Westchester	28,915	513,944	190,000	285,896	8,135	12,145	1,039,035
First Central Savings Bank	130,905	39,134	-	417,206	1,324	17,231	605,800
Fulton Savings Bank	21,156	124,934	-	230,151	1,160	19,822	397,223
New York Community Bank	1,178,194	4,103,759	649,904	28,577,778	224,919	4,734,166	39,468,720
Oneida Savings Bank	22,668	251,515	17,661	286,083	21,327	64,801	664,055
Pathfinder Bank	12,021	99,670	-	300,790	10,697	19,476	442,654
Pioneer Savings Bank	100,202	72,070	2,070	539,502	11,903	42,066	767,813
Putnam County Savings Bank	126,564	334,317	6,080	473,284	3,970	12,200	956,415
Rhinebeck Savings Bank	13,936	118,369	-	383,412	19,200	32,149	567,066
Ridgewood Savings Bank	85,990	2,085,344	-	2,339,742	17,142	275,796	4,804,014
Rondout Savings Bank	16,321	41,102	-	163,892	4,659	9,425	235,399
Sawyer Savings Bank	5,486	61,113	-	115,807	926	5,183	188,515
The North Country Savings Bank	15,909	5,467	-	193,678	6,289	11,059	232,402
Ulster Savings Bank	28,958	47,912	-	570,660	12,245	54,816	714,591
Watertown Savings Bank	42,240	103,545	-	254,250	17,505	36,362	453,902
<b>Savings &amp; Loans</b>							
Medina Savings and Loan Association	15,393	129	525	22,812	912	1,023	40,794
<b>Total</b>	<b>3,126,334</b>	<b>14,412,346</b>	<b>1,489,506</b>	<b>44,308,091</b>	<b>485,059</b>	<b>6,416,645</b>	<b>70,237,981</b>

<b>Liabilities And Equity</b>	<b>Total Deposits</b>	<b>Federal Funds Bought and Repos</b>	<b>Other Borrowed Money</b>	<b>All Other Liabilities</b>	<b>Total Liabilities</b>	<b>Total Equity Capital</b>	<b>Total Liabilities and Capital</b>
<b>Savings Banks</b>							
Apple Bank for Savings	6,688,271	-	43,756	139,857	6,871,884	710,361	7,582,245
Elmira Savings Bank	382,041	28,000	42,019	6,722	458,782	64,615	523,397
Emigrant Bank	6,007,714	588,500	275,953	50,326	6,922,493	1,043,100	7,965,593

<b>Liabilities And Equity</b>	<b>Total Deposits</b>	<b>Federal Funds Bought and Repos</b>	<b>Other Borrowed Money</b>	<b>All Other Liabilities</b>	<b>Total Liabilities</b>	<b>Total Equity Capital</b>	<b>Total Liabilities and Capital</b>
Emigrant Savings Bank Brooklyn/ Queens	709,688	-	1,260	22,571	733,519	59,607	793,126
Emigrant Savings Bank-Long Island	490,284	-	850	20,201	511,335	38,611	549,946
Emigrant Savings Bank-Manhattan	1,100,675	-	8,150	36,373	1,145,198	100,078	1,245,276
Emigrant Savings Bank-Bronx/Westchester	940,053	-	-	23,376	963,429	75,606	1,039,035
First Central Savings Bank	559,006	-	10,000	2,348	571,354	34,446	605,800
Fulton Savings Bank	235,128	-	78,170	7,721	321,019	76,204	397,223
New York Community Bank	20,709,829	4,125,000	9,198,205	147,733	34,180,767	5,287,953	39,468,720
Oneida Savings Bank	556,479	-	11,199	13,315	580,993	83,062	664,055
PathFinder Bank	368,663	5,000	21,074	6,705	401,442	41,212	442,654
Pioneer Savings Bank	665,760	4,092	8,991	7,763	686,606	81,207	767,813
Putnam County Savings Bank	842,868	-	-	6,414	849,282	107,133	956,415
Rhinebeck Savings Bank	476,796	-	27,500	12,693	516,989	50,077	567,066
Ridgewood Savings Bank	3,951,909	-	175,000	79,059	4,205,968	598,046	4,804,014
Rondout Savings Bank	199,383	-	4,411	3,278	207,072	28,327	235,399
Sawyer Savings Bank	139,004	-	27,500	2,507	169,011	19,504	188,515
North Country Savings Bank	187,106	-	14,865	480	202,451	29,951	232,402
Ulster Savings Bank	624,519	-	-	4,141	628,660	85,931	714,591
Watertown Savings Bank	389,675	-	-	3,200	392,875	61,027	453,902
<b>Savings &amp; Loans</b>							
Medina Savings and Loan Association	34,951	-	1,000	1,186	37,137	3,657	40,794
<b>Total</b>	<b>46,259,802</b>	<b>4,750,592</b>	<b>9,949,903</b>	<b>597,969</b>	<b>61,558,266</b>	<b>8,679,715</b>	<b>70,237,981</b>

**TABLE 42: CONDITION OF CREDIT UNIONS**  
as of December 31, 2011 (Dollars In Thousands)

<b>Assets</b>	<b>Cash and Due from Banks</b>	<b>Total Investments</b>	<b>Loans Held For Sale</b>	<b>Loans and Leases Net</b>	<b>Bank Premises and Equipment</b>	<b>NCUSIF Deposit</b>	<b>Other Assets</b>	<b>Total Assets</b>
<b>Credit Unions</b>								
AmeriCU Credit Union	65,053	2,374	4,252	882,105	24,523	8,510	19,551	1,006,368
Branch 6000 NALC Credit Union	1,081	3,638	-	3,202	8	84	448	8,461
Buffalo Service Credit Union	2,033	20,078	-	17,735	69	331	312	40,558
CFCU Community Credit Union	199,399	179,434	-	402,167	7,723	6,327	5,809	800,858
Directors Choice Credit Union	736	1,375	-	3,881	-	46	4	6,041
Empire Branch 36 National Association of Letter Carriers Credit Union	52	1,398	-	3,275	12	42	37	4,817
Empire State Credit Union	1,385	3,987	-	2,172	18	68	18	7,647
Encompass Niagara Credit Union	687	3,590	-	5,968	730	88	97	11,161
Erie County Employees Credit Union	1,728	12,441	-	5,598	16	159	137	20,080
Hudson River Community Credit Union	13,634	22,057	-	116,150	6,535	1,377	1,851	161,604
Jamestown Post Office Employees' Credit Union	273	2,931	-	1,655	7	42	28	4,937
Melrose Credit Union	31,305	73,025	-	1,484,679	23,501	11,294	8,240	1,632,044
Montauk Credit Union	3,699	634	-	121,193	2,537	1,081	850	129,993
Municipal Credit Union	327,180	38,403	-	1,191,712	15,704	14,747	69,332	1,657,079
Newspaper Employees Credit Union	446	-	-	501	1	6	-	954
Niagara Falls Penn Central Employees Credit Union	618	1,936	-	2,378	9	49	20	5,011
Norton-Troy Employees Credit Union	490	5,968	-	2,921	-	83	12	9,474
Progressive Credit Union	15,866	3,946	-	539,754	12,798	2,448	3,257	578,068
The Niagara Frontier Federal Employees Credit Union	443	802	-	1,486	6	22	3	2,761
Yonkers Postal Employees Credit Union	209	4,615	-	2,208	14	58	-	7,104
<b>Total</b>	<b>666,317</b>	<b>382,630</b>	<b>4,252</b>	<b>4,790,738</b>	<b>94,213</b>	<b>46,862</b>	<b>110,007</b>	<b>6,095,018</b>

<b>Liabilities And Equity</b>	<b>Total Shares and Deposits</b>	<b>Federal Funds Bought and Repos</b>	<b>Borrowings Plus Interest Payable</b>	<b>Subordinated Notes and Debentures</b>	<b>All Other Liabilities</b>	<b>Total Liabilities</b>	<b>Total Equity Capital</b>	<b>Total Liabilities and Capital</b>
<b>Credit Unions</b>								
AmeriCU Credit Union	911,682	-	-	-	10,570	922,252	84,115	1,006,368
Branch 6000 NALC Credit Union	7,793	-	-	-	6	7,799	662	8,461
Buffalo Service Credit Union	34,440	-	-	-	153	34,594	5,964	40,558
CFCU Community Credit Union	703,566	-	-	-	4,298	707,865	92,993	800,858
Directors Choice Credit Union	5,271	-	-	-	0	5,271	770	6,041
Empire Branch 36 National Association of Letter Carriers Credit Union	4,099	-	-	-	1	4,100	717	4,817
Empire State Credit Union	7,209	-	-	-	9	7,218	429	7,647
Encompass Niagara Credit Union	9,433	-	-	-	19	9,452	1,708	11,161
Erie County Employees Credit Union	17,315	-	-	-	95	17,410	2,670	20,080
Hudson River Community Credit Union	138,753	-	-	-	1,390	140,143	21,461	161,604
Jamestown Post Office Employees' Credit Union	4,240	-	-	-	5	4,246	691	4,937
Melrose Credit Union	1,279,983	-	30,000	-	7,176	1,317,159	314,885	1,632,044
Montauk Credit Union	115,922	-	-	-	896	116,818	13,175	129,993
Municipal Credit Union	1,471,494	-	-	-	41,500	1,512,994	144,085	1,657,079
Newspaper Employees Credit Union	634	-	-	-	-	634	320	954
Niagara Falls Penn Central Employees Credit Union	4,424	-	-	-	(22)	4,403	608	5,011
Norton-Troy Employees Credit Union	8,405	-	-	-	22	8,427	1,046	9,474
Progressive Credit Union	300,546	-	40,011	-	14,188	354,745	223,324	578,068
The Niagara Frontier Federal Employees Credit Union	2,258	-	-	-	1	2,259	501	2,761
Yonkers Postal Employees Credit Union	5,897	-	-	-	17	5,915	1,189	7,104
<b>Total</b>	<b>5,033,367</b>	<b>-</b>	<b>70,011</b>	<b>-</b>	<b>80,326</b>	<b>5,183,704</b>	<b>911,315</b>	<b>6,095,018</b>

**TABLE 43: CONDITION OF SAFE DEPOSIT COMPANIES**  
as of December 31, 2011 (Dollars in Thousands)

<b>Assets</b>	<b>Cash and Due from Banks</b>	<b>Total Securities</b>	<b>Federal Funds Sold and Repos</b>	<b>Loans and Leases Net</b>	<b>Customers' Liability on Acceptances</b>	<b>Premises Vault and Equipment</b>	<b>Investment in Unconsolidated Subsidiaries</b>	<b>Other Assets</b>	<b>Total Assets</b>
Akron Safe Deposit Company	25	357				64			446
<b>Total</b>	<b>25</b>	<b>357</b>	-	-	-	<b>64</b>	-	-	<b>446</b>

<b>Liabilities And Equity</b>	<b>Key &amp; Box Deposits</b>	<b>Unearned Deferred Income</b>	<b>Other Borrowed Money</b>	<b>Acceptances Outstanding</b>	<b>Subordinated Notes and Debentures</b>	<b>All Other Liabilities</b>	<b>Total Liabilities</b>	<b>Total Equity Capital</b>	<b>Total Liabilities and Capital</b>
Akron Safe Deposit Company	-	-	-	-	-	-	-	446	446
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>446</b>	<b>446</b>

**TABLE 44: CONDITION OF INVESTMENT COMPANIES**

as of December 31, 2011 (Dollars in Thousands)

<b>Assets</b>	<b>Cash and Due from Banks</b>	<b>Total Securities</b>	<b>Federal Funds Sold and Repos</b>	<b>Loans and Leases Net</b>	<b>Customers' Liability on Acceptances</b>	<b>Premises and Equipment</b>	<b>Investment in Unconsolidated Subsidiaries</b>	<b>Other Assets</b>	<b>Total Assets</b>
American Express Banking Corp	101,568	66,307	-	243,587		7,079		59,760	478,301
Community Building Fund, LLC	1,662			1,283				36	2,981
Fiduciary Investment Corporation	95,846	600				115		15,234	111,795
French American Banking Corp	54,828					340	101,091	252	156,511
GE Capital International Financing Corp	5,136,091	1,889,790	11,781	38,468,586		232,540	2,839,836	9,674,258	58,252,882
Sterling Banking Corp								1,349	1,349
Western Union Financial Holdings, L.L.C.	81,416	10,679		512		3,922		23,637	120,166
<b>Total</b>	<b>5,471,411</b>	<b>1,967,376</b>	<b>11,781</b>	<b>38,713,968</b>	<b>-</b>	<b>243,996</b>	<b>2,940,927</b>	<b>9,774,526</b>	<b>59,123,985</b>

<b>Liabilities And Equity</b>	<b>Total Deposits</b>	<b>Federal Funds Bought and Repos</b>	<b>Other Borrowed Money</b>	<b>Due To Affiliates</b>	<b>Subordinated Notes and Debentures</b>	<b>All Other Liabilities</b>	<b>Total Liabilities</b>	<b>Total Equity Capital</b>	<b>Total Liabilities and Capital</b>
American Express Banking Corp	102,215		97,196			122,013	321,424	156,877	478,301
Community Building Fund, LLC						40	40	2,941	2,981
Fiduciary Investment Corp			138			12,258	12,396	99,399	111,795
French American Banking Corp						40,409	40,409	116,102	156,511
GE Capital International Financing Corp	14,833,664	57,966	17,975,001		692,233	2,067,074	35,625,938	22,626,944	58,252,882
Sterling Banking Corp						9	9	1,340	1,349
Western Union Financial Holdings, L.L.C.	17,487					18,619	36,106	84,060	120,166
<b>Total</b>	<b>14,953,366</b>	<b>57,966</b>	<b>18,072,335</b>	<b>-</b>	<b>692,233</b>	<b>2,260,422</b>	<b>36,036,322</b>	<b>23,087,663</b>	<b>59,123,985</b>

**TABLE 45: CONDITION OF LICENSED LENDERS**  
as of December 31, 2011 (Dollars In Thousands)

Assets	Loans and Leases Net	Cash and Due From Banks	Furniture, Fixtures & Equipment	Other Assets	Total Assets Applicable to NY Business	Total Assets Not Applicable to NY Business	Total Assets
<b>Licensed Lenders</b>							
AmeriCredit Consumer Loan Company, Inc.	1,416	86	129	197	1,828	134,031	135,860
AmeriCredit Financial Services, Inc.	-	-	-	-	-	51	51
Beneficial New York Inc.	61,275	50	-	21,322	82,647	691	83,338
Capital Financial Services, Inc.	2,157	50	-	3,846	6,053	22,329	28,381
Car Financial Capital LLC	-	-	-	-	-	4,573	4,573
CitiFinancial, Inc.	27,234	300	160	19,458	47,152	-	47,152
FirstAgain LLC	1,427	87	5	1	1,520	27,618	29,138
Household Finance Corporation III	95,383	50	-	1,197	96,630	5,187,052	5,283,681
JCB International Credit Card Co., Ltd.	653	3,791	65	4,905	9,414	38,645	48,059
Mercedes-Benz Financial Services USA LLC	-	-	-	-	-	29,764,382	29,764,382
New City Funding Corporation	18,101	571	503	22	19,196	2,186	21,382
Omni Financial of New York, Inc.	-	133	0	10	143	-	143
OneMain Financial, Inc.	66,863	14,991	6	1,551	83,411	2,658,915	2,742,326
Retail Charge Financial Services Corp.	209	55	-	489	753	-	753
Santander Consumer USA Inc.	425,231	39,193	380	23,209	488,013	18,959,411	19,447,425
Springleaf Financial Services of New York	44,326	1,854	329	199	46,708	-	46,708
Stones Funding LLC	656	200	-	8	864	-	864
Sunrise Capital Management, Inc.	91	683	1	113	888	-	888
TMG Financial Services, Inc.	3,046	18	1	360	3,426	137,354	140,780
					-	-	
<b>Total</b>	<b>748,068</b>	<b>62,111</b>	<b>1,580</b>	<b>76,887</b>	<b>888,646</b>	<b>56,937,238</b>	<b>57,825,884</b>

Liabilities And Equity	Other Borrowed Money	All Other Liabilities	Total Liabilities	Valuation Reserves	Capital Stock Surplus	Total Liabilities and Capital
<b>Licensed Lenders</b>						
AmeriCredit Consumer Loan Company, Inc.	96,022	6,547	102,570		33,290	135,860
AmeriCredit Financial Services, Inc.	32	7	39	-	13	51
Beneficial New York Inc.	-	10	10	-	83,328	83,338
Capital Financial Services, Inc.	-	128	128	-	28,253	28,381
Car Financial Capital LLC	917	847	1,764	-	2,809	4,573
CitiFinancial, Inc.	25,605	(861)	24,744	-	22,408	47,152
FirstAgain LLC	28,238	49	28,287	-	851	29,138
Household Financial Corporation III	-	5,029,565	5,029,565	-	254,116	5,283,681
JCB International Credit Card Co., Ltd.	17,800	18,761	36,561	-	11,498	48,059
Mercedes-Benz Financial Services USA LLC	26,323,163	2,576,561	28,899,724	-	864,658	29,764,382
New City Funding Corporation	13,725	2,863	16,588	-	4,794	21,382
Omni Financial of New York, Inc.	37	-	37	-	106	143
OneMain Financial, Inc.	2,287,860	230,311	2,518,171	-	224,154	2,742,326
Retail Charge Financial Services Corp.	-	2	2	-	751	753
Santander Consumer USA Inc.	14,991,326	2,219,415	17,210,741	-	2,236,684	19,447,425
Springleaf Financial Services of New York	37,783	1,641	39,424	-	7,283	46,708
Stones Funding LLC	370	-	370	-	494	864
Sunrise Capital Management, Inc.	670	-	670	-	218	888
TMG Financial Services, Inc.	126,388	4,060	130,448	-	10,332	140,780
				-		
<b>Total</b>	<b>43,949,936</b>	<b>10,089,907</b>	<b>54,039,844</b>	<b>-</b>	<b>3,786,041</b>	<b>57,825,884</b>

**TABLE 46: ALL SUPERVISED BANKING INSTITUTIONS AND LICENSED LENDERS****As of December 31, 2011**

<b>Name</b>	<b>Street Address</b>	<b>City/State/Zip</b>	<b>Domestic Offices</b>	<b>Charter Date</b>
<b>Commercial Banks</b>				
Adirondack Bank	185 Genesee Street	Utica, NY 13501	18	December 30, 2003
Alden State Bank	13216 Broadway	Alden, NY 14004	2	September 30, 1916
Alma Bank	28-31 31st Street	Astoria, NY 11102	10	September 12, 2007
Alpine Capital Bank	680 Fifth Avenue	New York, NY 10019	1	February 29, 2000
Amerasia Bank	41-04/41-06 Main Street	Flushing, NY 11355	2	February 16, 1988
American Community Bank	300 Glen Street	Glen Cove, NY 11542	3	October 20, 1999
Bank Leumi USA	579 Fifth Avenue	New York, NY 10017	14	July 15, 1968
Bank of Akron	46 Main Street	Akron, NY 14001	6	December 31, 1919
Bank of Cattaraugus	24 Main Street	Cattaraugus, NY 14719	1	March 30, 1892
Bank of Holland	12 South Main Street	Holland, NY 14080	2	October 21, 1893
Berkshire Bank Municipal Bank	41 State Street	Albany, NY 12207	1	August 29, 2005
BPD Bank	90 Broad Street	New York, NY 10004	1	January 24, 1986
Catskill Hudson Bank	4438 Route 42 North	Thompson, NY 12701	12	July 27, 1993
Cattaraugus County Bank	116-120 Main Street	Little Valley, NY 14755	9	January 2, 1902
CheckSpring Bank	69 East 167th Street	Bronx, NY 10452	1	October 25, 2007
Citizens Bank of Cape Vincent	154 Broadway	Cape Vincent, NY 13618	3	September 11, 1919
Country Bank	200 East 42nd Street	New York, NY 10017	6	April 20, 1988
Emigrant Mercantile Bank	6 East 43rd Street	New York, NY 10017	1	July 9, 2004
Empire State Bank	68 North Plank Road	Newburgh, NY 12550	3	March 9, 2009
First American International Bank	5503 8th Avenue	Brooklyn, NY 11220	9	October 15, 1999
Flushing Commercial Bank	661 Hillside Avenue	New Hyde Park, NY 11040	3	May 1, 2007
Genesee Regional Bank	3380 Monroe Avenue	Pittsford, NY 14618	4	August 8, 1985
Global Bank	30 East Broadway	New York, NY 10002	1	February 28, 2007
Gold Coast Bank	2929 Expressway Drive North	Islandia, NY 11749	3	February 28, 2008
Gotham Bank of New York	1412 Broadway	New York, NY 10018	1	November 17, 1980
Greene County Commercial Bank	425 Main Street	Catskill, NY 12414	1	May 20, 2004
Hanover Community Bank	2131 Jericho Turnpike	Garden City Park, NY 11040	1	November 4, 2008
Interaudi Bank	19 East 54th Street	New York, NY 10022	2	June 6, 1983
New York Commercial Bank	One Suffolk Square	Islandia, NY 11749	38	November 13, 1989
NewBank	146-01 Northern Boulevard	Flushing, NY 11354	3	August 17, 2006
PathFinder Commercial Bank	214 West First Street	Oswego, NY 13126	1	October 23, 2002

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
PCSB Commercial Bank	Route 6 & Drewville Road	Brewster, NY 10509	1	December 20, 2001
Pioneer Commercial Bank	21 Second Street	Troy, NY 12180	1	November 15, 2004
Provident Municipal Bank	400 Rella Boulevard	Montebello, NY 10927	2	April 18, 2002
Riverside Bank	11-13 Garden Street	Poughkeepsie, NY 12602	4	February 12, 1988
Savoy Bank	1675 Broadway	New York, NY 10019	1	January 15, 2008
Shinhan Bank America	330 Fifth Avenue	New York, NY 10001	15	October 10, 1990
Signature Bank	565 Fifth Avenue	New York, NY 10017	25	April 5, 2001
State Bank of Chittenango	519 Genesee Street	Chittenango, NY 13037	1	February 23, 1923
The Berkshire Bank	4 East 39th Street	New York, NY 10016	11	May 4, 1989
Tioga State Bank	Main & Tioga Streets	Spencer, NY 14883	11	March 22, 1884
United International Bank	41-60 Main Street	Flushing, NY 11355	1	December 22, 2005
United Orient Bank	10 Chatham Square	New York, NY 10038	3	May 7, 1980
USNY Bank	389 Hamilton Street	Geneva, NY 14456	2	July 27, 2007
Victory State Bank	4142 Hylan Boulevard	Staten Island, NY 10308	5	November 13, 1997
Westchester Bank, The	2001 Central Park Avenue	Yonkers, NY 10710	2	June 11, 2008
Woori America Bank	1250 Broadway	New York, NY 10001	19	January 20, 1984
WSB Municipal Bank	111 Clinton Street	Watertown, NY 13601	1	June 30, 2003
			268	
<b>Trust Companies</b>				
Amalgamated Bank	275 Seventh Avenue	New York, NY 10001	24	March 16, 1923
Banco Popular North America	11 West 51st Street	New York, NY 10019	122	January 1, 1999
Bank of Millbrook	Franklin Avenue	Millbrook, NY 12545	4	March 14, 1891
Bank of Richmondville	5 East Main Street	Richmondville, NY 12149	3	December 8, 1893
Bank of Tokyo - Mitsubishi UFJ Trust Company	1251 Avenue of the Americas	New York, NY 10020	3	September 15, 1955
Bank of Utica	220-222 Genesee Street	Utica, NY 13502	1	September 30, 1958
Chemung Canal Trust Company	One Chemung Canal Plaza	Elmira, NY 14901	28	July 10, 1902
Deutsche Bank Trust Company Americas	60 Wall Street	New York, NY 10005	3	March 24, 1903
Fiduciary Trust Company International	600 Fifth Avenue	New York, NY 10020	1	November 17, 1930
Five Star Bank	55 North Main Street	Warsaw, NY 14569	48	February 14, 1902
Habib American Bank	99 Madison Avenue	New York, NY 10016	7	November 7, 1983
Israel Discount Bank of New York	511 Fifth Avenue	New York, NY 10017	12	July 17, 1922
Manufacturers and Traders Trust Company	One M & T Plaza	Buffalo, NY 14240	853	June 27, 1893
Mitsubishi UFJ Trust & Banking Corporation (U.S.A.)	420 Fifth Avenue	New York, NY 10018	1	March 24, 1986
Mizuho Corporate Bank (USA)	1251 Avenue of the Americas	New York, NY 10020	2	November 29, 1974

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
Mizuho Trust & Banking Co. (USA)	135 West 50th Street	New York, NY 10020	1	October 22, 1987
Orange County Trust Company	212 Dolson Avenue	Middletown, NY 10940	9	May 3, 1892
Solvay Bank	1537 Milton Avenue	Solvay, NY 13209	8	March 20, 1917
State Bank of Long Island	699 Hillside Avenue	New Hyde Park, NY 11040	15	November 1, 1966
Steuben Trust Company	One Steuben Square	Hornell, NY 14843	14	December 31, 1919
Adirondack Trust Company	473 Broadway	Saratoga Springs, NY 12866	11	September 19, 1901
Bank of Castile	50 North Main Street	Castile, NY 14427	17	August 2, 1917
Bank of New York Mellon	One Wall Street	New York, NY 10005	5	February 16, 1871
Goldman Sachs Bank USA	200 West Street	New York, NY 10004	2	August 20, 1990
Tompkins Trust Company	110 North Tioga Street	Ithaca, NY 14850	13	September 18, 1891
			1,207	
<b>Limited Purpose Trust Companies</b>				
American Stock Transfer & Trust Company, LLC	59 Maiden Lane	New York, NY 10038	1	December 31, 1987
Anthos Trust Company, LLC	277 Park Avenue	New York, NY 10172	1	September 9, 2008
Continental Stock Transfer & Trust Company	17 Battery Place	New York, NY 10004	1	May 1, 1974
Genesee Valley Trust Company	1221 Pittsford Victor Road	Pittsford, NY 14534	1	March 30, 1994
Law Debenture Trust Company of New York	400 Madison Avenue	New York, NY 10017	1	May 8, 2002
Market Street Trust Company	80 East Market Street	Corning, NY 14830	1	November 17, 1987
New York Life Trust Company	51 Madison Avenue	New York, NY 10010	2	March 9, 1995
OFI Trust Company	2 World Financial Center	New York, NY 10281	1	April 14, 1988
The Bank of Nova Scotia Trust Company of New York	One Liberty Plaza	New York, NY 10006	1	June 22, 1959
The Depository Trust Company	55 Water Street	New York, NY 10041	1	May 11, 1973
The Northern Trust Company of New York	65 East 55th Street	New York, NY 10022	1	June 29, 1989
The Warehouse Trust Company LLC	55 Water Street	New York, NY 10041	1	March 1, 2010
			13	
<b>Private Bankers</b>				
Brown Brothers Harriman & Co.	140 Broadway	New York, NY 10005	9	June 15, 1934
			9	
<b>Savings Banks</b>				
Apple Bank For Savings	1395 Northern Boulevard	Manhasset, NY 11030	55	April 17, 1863
Elmira Savings Bank	333 East Water Street	Elmira, NY 14901	12	December 31, 2011
Emigrant Bank	5 East 42nd Street	New York, NY 10017	2	April 10, 1850

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
Emigrant Savings Bank - Brooklyn/Queens	1954 Flatbush Avenue	Brooklyn, NY 11234	6	September 1, 2005
Emigrant Savings Bank - Long Island	1000 Merchants Concourse	Westbury, NY 11590	7	September 1, 2005
Emigrant Savings Bank - Manhattan	261 Broadway	New York, NY 10007	11	September 1, 2005
Emigrant Savings Bank-Bronx/Westchester	2526 Grand Concourse	Bronx, NY 10458	9	September 1, 2005
First Central Savings Bank	70 Glen Street	Glen Cove, NY 11542	9	March 31, 1999
Fulton Savings Bank	75 South First Street	Fulton, NY 13069	8	January 1, 1871
New York Community Bank	136-65 Roosevelt Avenue	Flushing, NY 11354	269	April 14, 1859
Oneida Savings Bank	182 Main Street	Oneida, NY 13421	12	February 19, 1866
PathFinder Bank	214 West First Street	Oswego, NY 13126	8	March 4, 1859
Pioneer Savings Bank	21 Second Street	Troy, NY 12180	16	July 1, 1972
Putnam County Savings Bank	Route 6 & Drewville Road	Brewster, NY 10509	9	July 1, 1972
Rhinebeck Savings Bank	6414 Montgomery Street	Rhinebeck, NY 12572	11	April 12, 1860
Ridgewood Savings Bank	71-02 Forest Avenue	Ridgewood, NY 11385	57	May 18, 1921
Rondout Savings Bank	300 Broadway	Kingston, NY 12401	4	January 1, 1868
Sawyer Savings Bank	87 Market Street	Saugerties, NY 12477	3	July 1, 1972
The North Country Savings Bank	127 Main Street	Canton, NY 13617	5	March 9, 1909
Ulster Savings Bank	280 Wall Street	Kingston, NY 12401	14	April 12, 1851
Watertown Savings Bank	111 Clinton Street	Watertown, NY 13601	11	October 2, 1893
			538	
<b>Savings &amp; Loans</b>				
Medina Savings and Loan Association	11182 Maple Ridge Road	Medina, NY 14103	2	March 20, 1888
			2	
<b>Credit Unions</b>				
AmeriCU Credit Union	1916 Black River Boulevard	Rome, NY 13440	11	May 1, 2000
Branch 6000 NALC Credit Union	630 Broadway	Amityville, NY 11701	1	October 10, 1973
Buffalo Service Credit Union	130 South Elmwood Avenue	Buffalo, NY 14202	4	February 27, 1933
CFCU Community Credit Union	1030 Craft Road	Ithaca, NY 14850	8	December 1, 1997
Directors Choice Credit Union	426 New Karner Road	Albany, NY 12205	1	January 5, 2000
Empire Branch 36 National Association of Letter Carriers Credit Union	347 West 41st Street	New York, NY 10036	1	February 3, 1939
Empire State Credit Union	45 Kennedy Drive	Spring Valley, NY 10977	1	August 30, 1920
Encompass Niagara Credit Union	2525 Military Road	Niagara Falls, NY 14304	1	May 3, 1934
Erie County Employees Credit Union	95 Franklin Street	Buffalo, NY 14202	1	March 13, 1940

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
Hudson River Community Credit Union	312 Palmer Avenue	Corinth, NY 12822	1	March 23, 1998
Jamestown Post Office Employees' Credit Union	300 East Third Street	Jamestown, NY 14701	1	November 30, 1928
Melrose Credit Union	139-30 Queens Boulevard	Briarwood, NY 11435	1	May 27, 1922
Montauk Credit Union	111 West 26th Street	New York, NY 10001	2	March 20, 1922
Municipal Credit Union	22 Cortlandt Street	New York, NY 10007	11	November 15, 1916
Newspaper Employees Credit Union	645 Albany Shaker Road	Albany, NY 12211	1	May 31, 1933
Niagara Falls Penn Central Employees Credit Union	8612 Buffalo Avenue	Niagara Falls, NY 14304	1	January 12, 1939
Norton-Troy Employees Credit Union	10th Avenue & 25th St	Watervliet, NY 12189	1	March 3, 1939
Progressive Credit Union	370 Seventh Avenue	New York, NY 10001	2	July 15, 1918
The Niagara Frontier Federal Employees Credit Union	615 Main Street	Niagara Falls, NY 14302	1	February 5, 1931
Yonkers Postal Employees Credit Union	75 Main Street	Yonkers, NY 10702	1	March 26, 1934
			52	
<b>Safe Deposit Companies</b>				
Akron Safe Deposit Company	46 Main Street	Akron, NY 14001	1	October 24, 1926
<b>Investment Companies (Article XII)</b>				
American Express Banking Corp	American Express Tower	New York, NY 10285	1	April 1, 1998
Community Building Fund, LLC	2100 Middle Country Road	Centereach, NY 11720	1	October 31, 2005
Fiduciary Investment Corporation	600 Fifth Avenue	New York, NY 10020	1	February 27, 1970
French American Banking Corporation	787 Seventh Avenue	New York, NY 10019	3	May 21, 1919
GE Capital International Financing Corporation	335 Madison Avenue	New York, NY 10017	1	November 13, 2000
Sterling Banking Corporation	650 Fifth Avenue	New York, NY 10019	1	August 30, 1951
Western Union Financial Holdings, L.L.C.	199 Water Street	New York, NY 10038	1	November 2, 2005
			9	
<b>Licensed Lenders</b>				
AmeriCredit Consumer Loan Company, Inc.	4001 Embarcadero Drive	Arlington, TX 76014	1	July 5, 2006
AmeriCredit Financial Services, Inc.	4001 Embarcadero Drive	Arlington, TX 76014	1	July 8, 2002
Beneficial New York Inc.	26525 North Riverwoods	Mettawa, IL 60045	1	July 31, 2005
Capital Financial Services, Inc.	961 Weigel Drive	Elmhurst, IL 60126	1	June 28, 2005
Car Financial Capital LLC U/A/N CarFinance.com	620 Newport Center Drive	Newport Beach, CA 92660	1	November 30, 2011
CitiFinancial, Inc.	300 St. Paul Place	Baltimore, MD 21202	47	November 10, 1988
FirstAgain LLC	350 Tenth Avenue	San Diego, CA 92101	1	January 5, 2006
Household Financial Corporation III	26525 North Riverwoods	Mettawa, IL 60045	1	December 31, 1984

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
JCB International Credit Card Co., Ltd.	700 South Flower Street	Los Angeles, CA 90017	1	December 17, 2002
Mercedes-Benz Financial Services USA LLC	36455 Corporate Drive	Farmington Hills, MI 48331	1	September 25, 2007
New City Funding Corporation	146 South Liberty Drive	Stony Point, NY 10980	1	June 14, 2006
Omni Financial of New York, Inc.	26000 US Rt. 11	Evans Mills, NY 13637	1	August 2, 2007
OneMain Financial, Inc.	300 St. Paul Place	Baltimore, MD 21202	42	June 23, 2011
Retail Charge Financial Services Corp.	2650 Merrick Road	Bellmore, NY 11710	1	April 18, 1995
Santander Consumer USA Inc. dba Santander Auto Financial, dba Roadloans	8585 N. Stemmons Freeway	N. Dallas, TX 75247	1	April 28, 2010
Springleaf Financial Services of New York, Inc.	601 N.W. Second Street	Evansville, IN 47701	16	April 4, 1962
Stones Funding LLC	2463 Broadway	New York, NY 10025	1	November 21, 2007
Sunrise Capital Management, Inc.	260 Airport Plaza	Farmingdale, NY 11735	1	June 27, 2007
TMG Financial Services, Inc.	1500 NW 118th Street	Des Moines, IA 50325	1	November 5, 2008
			121	
<b>Foreign Branches</b>				
Allied Irish Banks, p.l.c.	1166 Avenue of the Americas	New York, NY 10036	1	December 12, 1977
Banca Monte dei Paschi di Siena S.p.A.	55 East 59th Street	New York, NY 10022	1	February 4, 1983
Banco Bilbao Vizcaya Argentaria, S.A.	1345 Avenue of the Americas	New York, NY 10105	1	October 1, 1988
Banco de La Nacion Argentina	225 Park Avenue	New York, NY 10169	1	August 21, 1973
Banco Del Estado de Chile	400 Park Avenue	New York, NY 10022	1	July 25, 2005
Banco do Brasil, S.A.	535 Madison Avenue	New York, NY 10022	1	March 25, 1969
Banco Espanol de Credito, S.A.	730 Fifth Avenue	New York, NY 10019	1	February 22, 1984
Banco Espirito Santo de Investimento, S.A	340 Madison Avenue	New York, NY 10173	1	January 29, 2009
Banco Espirito Santo, S.A.	320 Park Avenue	New York, NY 10022	1	May 6, 1988
Banco Popular de Puerto Rico	120 Broadway	New York, NY 10271	2	January 1, 1999
Banco Santander, S.A.	45 East 53rd Street	New York, NY 10022	1	April 12, 1977
Bank Hapoalim B.M.	1177 Avenue of the Americas	New York, NY 10036	2	November 19, 1974
Bank Hapoalim B.M. Plaza Branch	1177 Avenue of the Americas	New York, NY 10036	2	November 19, 1974
Bank of Baroda	One Park Avenue	New York, NY 10016	1	December 4, 1978
Bank of India	277 Park Avenue	New York, NY 10172	1	December 1, 1978
Bank of Montreal	3 Times Square	New York, NY 10036	1	September 1, 1911
Bank of Scotland plc	1095 Avenue of the Americas	New York, NY 10036	1	September 20, 2011
Bank of Taiwan	100 Wall Street	New York, NY 10005	1	May 3, 1990
Barclays Bank PLC	745 Seventh Avenue	New York, NY 10019	2	September 1, 1911
BNP Paribas	787 7th Avenue	New York, NY 10019	1	November 3, 1976

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
Caixa Geral de Depositos, S.A.	733 Third Avenue,	New York, NY 10017	1	May 7, 1999
Chang Hwa Commercial Bank, Ltd.	685 Third Avenue	New York, NY 10017	1	August 4, 1989
China Construction Bank Corporation	1095 Avenue of the Americas	New York, NY 10036	1	February 18, 2009
China Merchants Bank Co., Ltd	535 Madison Avenue	New York, NY 10022	1	July 14, 2008
Chinatrust Commercial Bank, Ltd.	366 Madison Avenue	New York, NY 10017	1	December 25, 1998
Commerzbank Aktiengesellschaft	Two World Financial Center	New York, NY 10281	1	August 20, 1971
Cooperatieve Centrale Raiffeisen-Boeren Leenbank B.A., Rabobank Nederland	245 Park Avenue	New York, NY 10167	1	December 19, 1995
Credit Agricole Corporate and Investment Bank	1301 Avenue of the Americas	New York, NY 10019	1	December 5, 1979
Credit Industriel et Commercial	520 Madison Avenue	New York, NY 10022	1	December 10, 1991
Credit Suisse AG	11 Madison Avenue	New York, NY 10010	1	April 8, 1940
Depfa Bank plc	622 Third Avenue	New York, NY 10017	1	June 26, 2003
Deutsche Bank AG	60 Wall Street	New York, NY 10005	4	July 15, 1978
Dexia Credit Local S.A.	445 Park Avenue	New York, NY 10022	1	November 5, 1990
DnB NOR Bank ASA	200 Park Avenue	New York, NY 10022	1	January 19, 2004
DZ Bank AG Deutsche Zentral-Genossenschaftsbank	609 Fifth Avenue	New York, NY 10017	1	November 22, 1976
Eurohypo Aktiengesellschaft	1114 Avenue of the Americas	New York, NY 10036	1	December 17, 2002
First Commercial Bank, Ltd.	750 Third Avenue	New York, NY 10017	1	October 5, 1989
Fortis Bank S.A./N.V.	787 Seventh Avenue	New York, NY 10019	1	November 15, 2002
Habib Bank Limited	60 East 42nd Street	New York, NY 10165	1	February 19, 1971
HSH Nordbank AG	230 Park Avenue	New York, NY 10169	1	September 24, 2002
Industrial and Commercial Bank of China Limited	725 Fifth Avenue	New York, NY 10022	1	September 16, 2008
Industrial Bank of Korea	1250 Broadway	New York, NY 10001	1	November 1, 1990
Intesa Sanpaolo S.p.A.	1 William Street	New York, NY 10004	3	April 19, 2000
Itau Unibanco S.A.	767 5th Avenue	New York, NY 10153	1	October 2, 1979
KBC Bank N.V.	1177 Avenue of the Americas	New York, NY 10036	1	June 4, 1998
Kookmin Bank	565 Fifth Avenue	New York, NY 10017	2	January 4, 1999
Land Bank of Taiwan Co., Ltd	100 Wall Street	New York, NY 10005	1	November 23, 2010
Landesbank Baden - Wurttemberg	280 Park Avenue	New York, NY 10017	1	December 1, 1998
Landesbank Hessen - Thuringen Girozentrale	420 Fifth Avenue	New York, NY 10018	1	January 2, 1981
Lloyds TSB Bank plc	1095 Avenue of the Americas	New York, NY 10036	1	October 1, 1971
Malayan Banking Berhad	400 Park Avenue	New York, NY 10022	1	March 28, 1984
Mashreq Bank psc	50 Broadway	New York, NY 10004	1	January 24, 1989
Mega International Commercial Bank Co., Ltd.	59-65 Liberty Street	New York, NY 10005	1	April 2, 1936
Mitsubishi UFJ Trust and Banking Corporation	520 Madison Avenue	New York, NY 10022	1	December 11, 1973

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
Mizuho Corporate Bank, Ltd.	1251 Avenue of the Americas	New York, NY 10020	3	August 22, 1956
National Bank of Canada	65 East 55th Street	New York, NY 10022	1	November 1, 1979
National Bank of Egypt	40 East 52nd Street	New York, NY 10022	1	December 6, 2000
National Bank of Pakistan	100 Wall Street, 21st Floor	New York, NY 10005	1	July 23, 1964
Natixis	1251 Avenue of the Americas	New York, NY 10020	2	December 22, 1976
Norddeutsche Landesbank Girozentrale	1114 Avenue of the Americas	New York, NY 10036	1	February 15, 1991
Nordea Bank Financiallyland Plc	437 Madison Avenue	New York, NY 10022	1	October 1, 2001
Nordea Bank Norge ASA	437 Madison Avenue	New York, NY 10022	1	April 11, 1987
Philippine National Bank	30 Broad Street	New York, NY 10004	1	February 3, 1917
Shinhan Bank	600 Third Avenue	New York, NY 10016	1	April 1, 2006
Skandinaviska Enskilda Banken	245 Park Avenue	New York, NY 10167	1	October 9, 1987
Societe Generale	1221 Avenue of the Americas	New York, NY 10020	1	November 8, 1978
Standard Chartered Bank	One Madison Avenue	New York, NY 10010	2	May 25, 1976
State Bank of India	460 Park Avenue	New York, NY 10022	1	November 26, 1971
State Bank of India	37-20 74th Street	Jackson Heights, NY 11372	1	February 28, 2011
Sumitomo Mitsui Banking Corporation	277 Park Avenue	New York, NY 10172	1	March 17, 2003
Svenska Handelsbanken AB	875 Third Avenue	New York, NY 10022	1	May 8, 1987
Swedbank (ForeningsSparbanken AB)	One Penn Plaza	New York, NY 10119	1	January 23, 1991
T.C. Ziraat Bankasi	122 East 42 Street	New York, NY 10168	1	September 1, 1983
The Bank of Tokyo - Mitsubishi UFJ, Ltd.	1251 Avenue of the Americas	New York, NY 10020	1	October 2, 1952
The Chiba Bank, Ltd.	1133 Avenue of the Americas	New York, NY 10036	1	March 3, 1987
The Gunma Bank, Ltd.	780 Third Avenue	New York, NY 10017	1	January 20, 1988
The Korea Development Bank	320 Park Avenue	New York, NY 10022	1	April 1, 1997
The Norinchukin Bank	245 Park Avenue	New York, NY 10167	1	July 8, 1984
The Royal Bank of Scotland N.V.	101 Park Avenue	New York, NY 10178	1	January 31, 1941
The Royal Bank of Scotland PLC	101 Park Avenue,	New York, NY 10178	1	June 6, 1985
The Shizuoka Bank, Ltd.	600 Lexington Avenue	New York, NY 10022	1	May 5, 1989
The Shoko Chukin Bank	666 Fifth Avenue	New York, NY 10103	1	October 11, 1986
The Sumitomo Trust and Banking Company Limited	527 Madison Avenue	New York,, NY 10022	1	September 20, 1976
The Toronto-Dominion Bank	31 West 52nd Street	New York, NY 10019	1	February 28, 1919
Turkiye Vakiflar Bankasi T.A.O.	680 Fifth Avenue	New York, NY 10019	1	December 3, 1991
UniCredit Bank AG	150 East 42nd Street	New York, NY 10017	1	July 17, 1974
UniCredit S.p.A.	150 East 42nd Street	New York, NY 10017	1	July 31, 1973
United Bank Limited	80 Broad Street	New York, NY 10004	1	April 5, 1977
WestLB AG	7 World Trade Center	New York, NY 10007	2	August 11, 1975

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
			102	
<b>Foreign Agencies</b>				
Banco de Bogota	375 Park Avenue	New York, NY 10152	1	March 6, 1974
Banco Industrial de Venezuela, C.A.	900 Third Avenue	New York, NY 10022	1	September 10, 1975
Banco Latinoamericano de Comercio Exterior, S.A.	600 Lexington Avenue	New York, NY 10022	1	November 4, 1988
Bank Leumi Le-Israel B.M.	562 Fifth Avenue	New York, NY 10036	1	September 2, 1959
Beogradska Banka dd	c/o DFS	New York, NY 10004	1	July 27, 1982
Canadian Imperial Bank of Commerce	300 Madison Avenue	New York, NY 10017	1	September 1, 1911
Hana Bank	650 Fifth Avenue	New York, NY 10019	1	December 6, 1977
Hua Nan Commercial Bank, Ltd.	330 Madison Avenue	New York, NY 10017	1	June 8, 1990
Jugobanka dd	c/o DFS	New York, NY 10004	1	June 6, 1980
Oversea-Chinese Banking Corporation Limited	1700 Broadway	New York, NY 10019	1	April 8, 1981
P.T. Bank Negara Indonesia (Persero) Tbk	One Exchange Plaza,	New York, NY 10006	1	August 3, 1983
P.T. Bank Rakyat Indonesia (Persero)	14 Wall Street	New York, NY 10005	1	April 7, 1988
The Bank of Nova Scotia	One Liberty Plaza	New York, NY 10006	1	September 1, 1911
United Overseas Bank Limited	592 Fifth Avenue	New York, NY 10036	1	September 8, 1976
Woori Bank	245 Park Avenue	New York, NY 10167	1	March 3, 1976
			15	
<b>Holding Companies One Bank</b>				
Adirondack Bancorp, Inc.	185 Genesee Street	Utica, NY 13501	1	December 30, 2003
American Community Bancorp Inc.	300 Glen Street	Glen Cove, NY 11542	1	August 1, 2010
Apple Financial Holdings, Inc.	122 E. 42nd Street	New York, NY 10168	1	May 29, 2007
The Bank of New York Mellon Corporation	One Wall Street	New York, NY 10286	1	July 1, 2007
Bank Leumi le-Israel Corp	579 Fifth Avenue	New York, NY 10014	1	December 24, 1984
Berkshire Bancorp Inc.	160 Broadway	New York, NY 10038	1	January 4, 1999
Brown Brothers Harriman & Co	140 Broadway	New York, NY 10005	1	March 1, 1990
BPD Holding, Inc.	90 Broad Street, 5th Floor	New York, NY 10004	1	May 1, 2005
C.C. Bancorp, Inc.	116-120 Main Street	Little Valley, NY 14755	1	July 16, 2001
Catskill Hudson Bancorp, Inc.	195 Lake Louise Marie Road	Rock Hill, NY 12775	1	July 31, 2006
CheckSpring Community Corporation	69 East 167th Street	Bronx, NY 10452	1	October 25, 2007
Chemung Financial Corporation	1 Chemung Canal Plaza	Elmira, NY 14901	1	June 1, 1985
Country Bank Holding Company, Inc.	200 East 42nd Street	New York, NY 10017	1	October 31, 2003
Depository Trust & Clearing Corporation	55 Water Street	New York, NY 10041	1	March 22, 1999

Name	Street Address	City/State/Zip	Domestic Offices	Charter Date
ES Bancshares, Inc.	68 North Plank Rd	Newburgh, NY 12550	1	March 9, 2009
Financial Institutions, Inc.	220 Liberty Street	Warsaw, NY 14569	1	September 15, 1931
First American International Corp.	5503 Eighth Avenue	Brooklyn, NY 11220	1	July 30, 2004
Goldman Sachs Group Inc., The	85 Broad Street	New York, NY 10004	1	September 23, 2008
Greater Rochester Bancorp Inc.	3380 Monroe Avenue	Pittsford, NY 14618	1	January 2, 2008
Holland Bancorp, Inc.	12 South Main Street	Holland, NY 14080	1	January 31, 2001
Millbrook Bank System, Inc.	Franklin Avenue	Millbrook, NY 12545	1	April 13, 1998
Northern Trust Corporation	50 South LaSalle Street	Chicago, IL 60675	1	December 1, 1971
Orange County Bancorp, Inc.	212 Dolson Avenue	Middletown, NY 10940	1	May 17, 2007
Popular, Inc.	208 Ponce de Leon Avenue	Hato Rey, PR 00918	1	August 1, 1985
Solvay Bank Corp.	1537 Milton Avenue	Solvay, NY 13209	1	June 30, 1987
Steuben Trust Corporation	One Steuben Square	Hornell, NY 14843	1	July 31, 1990
TSB Services Inc.	One Main Street	Spencer, NY 14883	1	March 16, 1984
YSB Bancorp, Inc.	4142 Hylan Boulevard	Staten Island, NY 10308	1	May 30, 2003
The Westchester Bank Holding Corporation	2001 Central Park Avenue	Yonkers, NY 10710	1	June 11, 2008
Wilmington Trust Corporation	1100 North Market Street	Wilmington, DE 19801	1	May 16, 2011
473 Broadway Holding Corp.	473 Broadway	Saratoga Springs, NY 12866	1	June 17, 1926
			31	
<b>Holding Companies Multi Bank</b>				
Deutsche Bank Trust Corporation	60 Wall Street	New York, NY 10005	1	May 31, 1966
Emigrant Bancorp, Inc.	5 East 42nd Street	New York, NY 10017	1	November 8, 1994
M & T Bank Corporation	One M & T Plaza	Buffalo, NY 14240	1	December 31, 1969
Mitsubishi UFJ Financial Group, Inc.	2-7-1, Marunouchi Chiyoda-ku	Tokyo, JP 100	1	March 1, 2001
Mizuho Financial Group, Inc.	1-5-5, Otemachi Chiyoda-ku	Tokyo, 100 JP	1	March 6, 2003
New York Community Bancorp, Inc.	136-65 Roosevelt Avenue	Flushing, NY 11354	1	November 23, 1993
New York Private Bank & Trust Corporation	5 East 42nd Street	New York, NY 10017		December 10, 2003
The Depository Trust & Clearing Corporation	55 Water Street	New York, NY 10041		March 1, 2010
Tompkins Financial Corporation	110 North Tioga Street	Ithaca, NY 14850	1	October 17, 1995
			7	
<b>Mutual Holding Companies</b>				
Rhinebeck Bancorp, MHC	2 Jefferson Plaza	Poughkeepsie, NY 12601	1	October 6, 2004

**TABLE 47: VOLUNTARY AND INVOLUNTARY LIQUIDATIONS**  
(Dollars in Thousands)

Name of Institution	Location	Date of Last Report	Total Resources	Due Depositors or Shareholders	Capital	Due Head Office & Affiliates	Other Liabilities	Commenced in 2011	Concluded in 2011
ALG Financial Holdings Inc.	New York, NY	6/23/2011	30,536	1,768	28,768	0	1,768	✓	✓
Skandinaviska Enskilda Banken Corporation	New York, NY	12/31/2010	0	0	0	0	0	✓	✓

**TABLE 48: UNCLAIMED DEPOSITS OR DIVIDENDS DEPOSITED WITH SUPERINTENDENT**

Date Funds Paid To Superintendent	Name of Institution	Unclaimed Deposits or Dividends Deposited	Paid to Claimants During 2010	Paid to Claimants to Date	Balance of Unclaimed Funds Held by Superintendent	Voluntary Liquidation?
7/20/2010	Middle Village Credit Union	43,055	-	24,547	18,508	✓
<b>Total</b>		<b>\$ 43,055</b>	<b>-</b>	<b>\$24,547</b>	<b>\$18,508</b>	

Note: Unclaimed Funds on deposit with the Superintendent are held by the Office of the State Comptroller.

**TABLE 49: MERGERS AND ACQUISITIONS**

Name	Locations	Name After Change	Effective Date
<b>Commercial Banks</b>			
Alma Bank	Astoria, NY	Alma Bank	Feb 25, 2011
Alma Bank of New Jersey	Tenaflly, NJ		
The Bridgehampton National Bank	Bridgehampton, NY	The Bridgehampton National Bank	May 27, 2011
Hamptons State Bank	Southampton, NY		
<b>Trust Companies</b>			

Chemung Canal Trust Company	Elmira, NY	Chemung Canal Trust Company	Apr 11, 2011
Capital Bank & Trust Company	Albany, NY		
<b>Credit Unions</b>			
CFCU Community Credit Union	Ithaca, NY	CFCU Community Credit Union	Jun 1, 2011
Morse Chain Ithaca Employees Federal Credit Union	Ithaca, NY		
<b>Holding Companies</b>			
Chemung Financial Corporation	Elmira, NY	Chemung Financial Corporation	Apr 11, 2011
Fort Orange Financial Corp.	Albany, NY		
Wilmington Trust Corporation	Wilmington, DE	Wilmington Trust Corporation	May 16, 2011
First Empire State Holding Company	Buffalo, NY		

**TABLE 50: CHARTER CONVERSIONS**

**Conversion to State Charter**

Name	Locations	Name After Change	Effective Date
The Elmira Savings Bank, FSB	Elmira, NY 14901	Elmira Savings Bank	December 31, 2011

**Conversion from State Charter**

Name	Locations	Name After Change	Effective Date
ICE Trust U.S. LLC	New York, NY	ICE Clear Credit LLC	Jul 16, 2011

**TABLE 51: STATE TRANSMITTER OF MONEY INSURANCE FUND (STMIF)  
As of December 31, 2011**

<b>Balance Sheet (Cash Basis)</b>	
<b>Assets</b>	
Cash In STMIF Account - January 1, 2011	15,458,867
Cash Received In STMIF From Assessments	1,068,710
Interest Received In STMIF	26,052
Cash Expenses In 2011	-
<b>Total Assets</b>	<b>16,553,629</b>
<b>Net Assets</b>	
Fund Balance - January 1, 2011	15,458,867
Excess Of 2011 Income Over Expenses	1,094,762
Fund Balance - December 31, 2011	16,553,629
<b>Income</b>	
Assessment Income - 2010 Assessment	320,283
Assessment Income - 2011 Assessment	748,427
Interest Income	26,052
Total Income 2011	1,094,762
<b>Expenses</b>	
Excess of Income Over Expenses	1,094,762
2010 STMIF Assessment - Billed 12/01/2011	
Balance To Be Collected as of 01/01/2011	320,283
Late Fee Billed In 2011	
Net Balance To Be Collected	320,283
2010 Assessments Collected In 2011	320,283
Late Fees Collected In 2011	
Net Cash Received In 2011 From 2010 Assessment	320,283
Outstanding Balance To Be Collected As Of 12/31/11	-
2011 STMIF Assessment - Billed 12/01/2011	
Total 2011 Assessment	1,689,769
Amount Collected As Of 12/31/11	748,427
Outstanding Balance To Be Collected As Of 12/31/11	941,342
Total Outstanding Balance To Be Collected As Of 12/31/11	941,342
Total Cash Received In 2011	1,068,710

---

**DEPARTMENT ORGANIZATION AND MAINTENANCE**

---

**TABLE 52: FORMER INSURANCE DEPARTMENT 2010-11 STATE FISCAL YEAR EXPENDITURES**

Appropriations Available (including funds for suballocation to other agencies)	\$248,705,476
Operating Budget	
Personal Service	72,901,074
Non-Personal Service	58,154,312
Total Insurance Expenditures from Appropriations	131,055,386
Total Other Expenditures / Maintenance Undistributed (MU)	85,982,661
Total Expenditures from Insurance Department Account	217,038,047
HCPO Suballocation to Banking Department	
Appropriation Available	395,079
HMO/Healthy NY Programs	
Appropriations Available	201,240,000
Non-Personal Service	200,622,727
Total Expenditures HMO/Healthy NY Programs	200,622,727

**TABLE 53: FORMER BANKING DEPARTMENT 2010-11 STATE FISCAL YEAR EXPENDITURES**

Appropriations available (including funds for suballocation to other agencies)	\$91,094,000
Operating Budget	
Personal Service	48,441,224
Non-Personal Service	36,243,677
Total Banking Department Expenditures from Appropriations	84,684,901
Total Other Expenditures / Maintenance Undistributed (MU)	849,700
Total Expenditures from Banking Department Account	85,534,601
Seized Assets	
Appropriations Available	50,000
Non Personal Service	906
Total Expenditure from Seized Assets Account	906
HCPO Suballocation from Insurance Department	
Appropriation Available	395,079
Personal Service Expenditures	296,227
Non-Personal Services Expenditures	73,665
Total Expenditures from Insurance Department Funded HCPO Account	369,892
Settlement Enforcement	
Appropriations Available	900,000
Non-Personal Services	514,293
Total Expenditures from Aid to Local	514,293

**TABLE 54: ASSESSMENTS AND REIMBURSEMENT OF INSURANCE DEPARTMENT EXPENSES:**

Section 313 – Company Examinations	\$10,786,138
Section 332 – Assessment	\$438,815,387
Administrative Expense Reimbursement	\$259,748
<b>Subtotal</b>	<b>\$449,861,273</b>
Taxes Collected Under the New York State Insurance Law:	
Retaliatory Taxes - Section 1112	\$6,901,354
Excess Line Premium Taxes - Section 2118	\$60,691,355
<b>Subtotal<sup>1</sup></b>	<b>\$67,592,709</b>
Fees Collected Under the New York State Insurance Law:	
Section 1112 - Filing Annual Statements, Certificates of Authority to Companies and Agents, and Admission Fees	\$750,274
Section 9110 - Motor Vehicle Law Enforcement Fee	\$114,950,508
Section 9108 - Fire Insurance Fee	\$13,282,361
Licensing and Accreditation Fees	\$22,847,764
Fines and Penalties	\$7,262,750
Section 1212 - Summons and Complaints	\$784,587
Section 9107 - Certification & Filing Fees	\$39,715
CAPCO Application Fees	\$8,000
FOIL Requests	\$14,524
Miscellaneous	\$1,311
<b>Subtotal</b>	<b>\$159,941,794</b>

Foreign Fire Tax and Security Funds Receipts	
Foreign Fire Tax - Insurance Law Sections 2118, 9104 and 9105	\$45,594,569
Property Casualty Insurance Security Fund – Article 76	\$101,329,609
Public Motor Vehicle Liability Security Fund – Article 76	\$21,547,923
Workers’ Compensation Security Fund – Article 6A of WC Law	\$129,008,877
<b>Subtotal</b>	<b>\$297,480,978</b>
<b>TOTAL INSURANCE DEPARTMENT RECEIPTS</b>	<b>\$974,876,754</b>
This amount is in addition to the \$1.217 billion collected by the Department of Taxation and Finance under Tax Law Article 33.	

**TABLE 55: ASSESSMENTS AND REIMBURSEMENT OF BANKING DEPARTMENT EXPENSES**

General Assessment	\$92,837,456
Specific Assessment	\$57,526
STMIF Assessment	\$1,389,569
Miscellaneous Revenue	\$2,217
Fingerprint Fees	\$244,706
Application Fees	\$1,319,985
<b>TOTAL BANKING DEPARTMENT RECEIPTS</b>	<b>\$95,851,459</b>

---

## REGULATORY AND LEGISLATIVE ACTIVITIES

---

### MAJOR LITIGATION

#### **New York Insurance Association, Inc., et al. v. State of New York, et al.**

Supreme Court, Albany County

This is an action for declaratory, injunctive and monetary relief against the State of New York, the Governor, the Superintendent of Insurance and the Director of the Budget. The plaintiffs, the New York Insurance Association, Inc. and several domestic property/casualty insurance companies, allege that the defendants have improperly implemented Section 332 of the Insurance Law by imposing assessments against domestic insurers based upon expenses that have no connection to the actual operation of the Insurance Department or the regulation of insurance. The plaintiffs allege that the defendants' implementation of Section 332 exceeds the Superintendent's statutory authority and is otherwise arbitrary, capricious and irrational; that it is an unconstitutional delegation of legislative power; and that it violates Article I, §§ 6, 7(a) and 11, Article III, § 22, and Article XVI, § 3 of the New York State Constitution and the due process and equal protection clauses of the Fourteenth Amendment to the United States Constitution. The plaintiffs seek a judgment permanently enjoining the defendants from "continuing to include costs that do not represent the actual direct and indirect operating expenses of the Insurance Department" in the assessments under Section 332, and a refund of all improper assessments from 2008 to the present, with interest.

On January 26, 2010, The New York Health Plan Association, Inc. and several health insurers and health plans filed a motion for leave to intervene as plaintiffs, which was granted on April 13, 2010. The Attorney General served answers to both the original and intervenor complaints and filed a motion for summary judgment on behalf of the defendants. On March 10, 2011, the Court stayed the defendants' motion for summary judgment to allow the plaintiffs time to conduct discovery, which is ongoing.

#### **ABN AMRO Bank N.V., et al. v. Eric Dinallo, et al.**

Supreme Court, New York County  
Appellate Division, First Department  
Court of Appeals

This is an Article 78 proceeding challenging the New York Insurance Department's approval of various transactions among MBIA Inc. and its affiliates that resulted in a restructuring of MBIA Insurance Corporation, and seeking a judgment declaring the approval, and transactions made pursuant thereto, null and void. Petitioners are several banks that hold structured finance securities insured by MBIA Insurance Corporation. The respondents are the Superintendent, the New York State Insurance Department, MBIA Inc., MBIA Insurance Corporation and National Public Finance Guarantee Corporation (formerly MBIA Insurance Corp. of Illinois). The petitioners allege that the Department's approval violated the Insurance Law, exceeded the Superintendent's authority, and was otherwise arbitrary, capricious, and an abuse of discretion. The petitioners also commenced a separate plenary action in New York County Supreme Court against the MBIA respondents only. The plenary

action also seeks the unwinding of the various transactions, on the ground that the restructuring constituted a fraudulent conveyance under the New York Debtor & Creditor Law. Both matters were originally assigned to Justice James A. Yates, but were reassigned to Justice Barbara Kapnick after Justice Yates retired from the bench.

On December 9, 2009, the banks moved for permission to take expansive discovery of the Department, including depositions of Department staff who reviewed the MBIA transaction. The Department opposed and cross-moved for a protective order striking all of the petitioners' discovery requests. The Court granted in part and denied in part petitioners' motion, and substantial discovery, including the production of thousands of pages of documents, and the depositions of former Department employees Michael Moriarty and Jack Buchmiller and former Superintendent Eric Dinallo.

The Banks have filed their reply to the Department's Verified Answer, which is thousands of pages, and includes affidavits from four former Insurance Superintendents. After the petitioners filed their reply, the Department participated in the depositions of the petitioners' expert witnesses. The Department filed its sur-reply in December 2011, and the petitioners filed the final set of papers in this proceeding in March 2012. A hearing on the petition is scheduled to begin on May 14, 2012 before Justice Kapnick, and will include testimony from several witnesses.

The defendants in the plenary action filed a motion to dismiss, which was denied on February 17, 2010. On appeal, the First Department, on January 11, 2011, reversed the decision denying the motion to dismiss the plenary case. The Banks appealed to the Court of Appeals, which, in June 2011, reversed the Appellate Division and reinstated the plenary action.

**Sullivan Financial Group., et al v. James Wrynn, et al.**  
Appellate Division, Third Department

This is an article 78 proceeding commenced by three licensed insurance producers and two producer trade organizations against the Superintendent of Insurance challenging Insurance Department Regulation 194 (11 NYCRR Part 30), the Producer Compensation Transparency Regulation, that was promulgated on January 25, 2010, to take effect on January 1, 2011. The regulation requires insurance producers (agents and brokers) to inform insurance consumers of the producer's role in insurance purchase transactions, and to provide specific information about the producer's compensation upon the consumer's request. The petitioners seek an order annulling and permanently enjoining enforcement of Department Regulation 194 on grounds that the Superintendent lacked statutory authority to issue it, that the regulation is arbitrary and lacks any rational basis, and that it violates the Due Process and Equal Protection Clauses of the United States and New York State Constitutions.

On November 17, 2010, the Supreme Court (Acting Justice Richard M. Platkin) issued a decision denying the petition in all respects. The Court held that the Superintendent had the authority to promulgate Regulation 194, that the Regulation is not inconsistent with any provision of the Insurance Law, and that the Regulation was not unreasonable or irrational.

The plaintiffs appealed to the Appellate Division, Third Department, which, on March 8, 2012, affirmed the judgment of the Supreme Court.

**The Prudential Insurance Company of America, et al v. James Wrynn**  
Supreme Court, New York County

This is an Article 78 proceeding challenging a determination of the Superintendent that denied the petitioner's request for a refund or a credit of several million dollars of "retaliatory" taxes the petitioner paid to the Department pursuant to Insurance Law Section 1112. The determination was issued on November 18, 2010 in a letter to petitioner from the Department's Bureau of Taxes and Accounts, which referenced a November 2, 2010 legal opinion letter that was issued to petitioner by the Department's Office of General Counsel. The petition seeks a judgment annulling the Superintendent's determination and directing a refund or credit of the taxes paid by the petitioner.

On April 16, 2012, the Supreme Court (Justice Peter H. Moulton) issued a decision denying the petition. The Court held that the petitioner was not entitled to a refund or credit under Insurance Law Section 9109 for retaliatory tax payments that were based upon the payment of additional franchise taxes to the Department of Taxation and Finance. The Court upheld the Department's position that an insurer may only receive retaliatory tax credits for franchise tax payments made in the year in which the franchise tax liability accrued or the tax was actually paid.

**HealthNow New York, Inc. v. New York State Department of Insurance, et al.**

Supreme Court, Albany County

This is a declaratory judgment action challenging the constitutionality of Section 4308(j) of the Insurance Law (enacted as Chapter 107 of the Laws of 2010, eff. June 8, 2010), which requires certain health insurers to issue credits or refunds to their insureds if the insurer fails to achieve a minimum loss ratio of 82% for policies issued in calendar year 2010 and subsequent years. The plaintiff contends that the retroactive application of the minimum loss ratio to policies in effect prior to the June 8, 2010 effective date of the legislation violates the impairment of contracts provision of the United States Constitution and the due process clauses of the Fourteenth Amendment and the New York State Constitution.

Both parties have filed motions for summary judgment, which are currently pending before the Court (Justice Thomas J. McNamara). Pursuant to a written stipulation, the plaintiff has placed \$3,349,976, representing the amount of refunds it was required to pay policyholders for calendar year 2010, into an escrow account pending resolution of the litigation.

**Okslen Acupuncture P.C., et al. v. James W. Wrynn, et al.**

**Okslen Acupuncture P.C., et al. v. James W. Wrynn, et al.**

**Okslen Acupuncture P.C. v. Benjamin M. Lawsky, et al.**

Supreme Court, Kings County

These three cases, all brought against the Superintendent and the Department by the same plaintiff, involve various challenges to the no-fault insurance procedures implemented by the Department. The first case is an Article 78 proceeding in the nature of mandamus seeking to compel the Superintendent to issue regulations implementing Section 5109 of the Insurance Law, which concerns the suspension or removal of healthcare providers from receiving compensation for services rendered in connection with no-fault claims. The Department has filed a motion to dismiss which is pending before the Court (Justice Larry D. Martin), although this case has essentially been rendered moot by the promulgation of Insurance Regulation No. 68-E (11 NYCRR 65-5) on March 9, 2012.

The second case, also in the nature of mandamus, seeks to compel the Superintendent to issue regulations pursuant to Section 5106(a) of the Insurance Law increasing the attorneys fees payable to counsel for no-fault providers. The Department has filed an answer to the petition, and the case is pending a decision by the Court (Justice Gloria M. Dabiri).

The third case challenges the fee schedules that are used to pay providers of acupuncture services, and seeks a determination that the current fee schedules used by no-fault insurers are invalid, and a declaration that Insurance Regulation 83, 11 NYCRR § 68.6, and Section 5108(b) of the Insurance Law, are unconstitutional. The Department has filed a motion to dismiss the proceeding, which is currently pending before the Court (Justice Peter Sweeney).

**Homestead Funding Corp. v. New York State Department of Banking, et al.**

Supreme Court, Albany County

In a combined proceeding commenced pursuant to Article 78 and an action for declaratory judgment, Homestead Funding Corp. (“Homestead”), a mortgage banking firm, challenged in February 2011 the modification by Banking Department of the basis for determining assessments for the mortgage banking industry for the 2010-2011 fiscal year. Homestead claimed that the modified basis for determining the assessment for this year constituted an unconstitutional tax; that it was arbitrary and capricious; and that the new basis for the assessment could only be implemented pursuant to the provisions of State Administrative Procedure Act (“SAPA”). In a judgment entered by the Supreme Court (McDonough, J.) on October 4, 2011 in Albany County, the action was dismissed. Homestead appealed this decision to the Appellate Division.

In a decision decided and entered on May 3, 2012, the Appellate Division reversed the judgment of the Supreme Court and found that the Banking Department’s methodology for determining the annual general assessment for mortgage banks is not arbitrary or capricious and does not constitute an unconstitutional tax, but that the new methodology should have been adopted pursuant to a rule promulgated in accordance with SAPA. Accordingly, the Appellate Division determined that Homestead’s assessment for fiscal 2010-2011 was not enforceable.

The Department of Financial Services, as successor to the Banking Department, is considering its options in this matter at this time.