STATE OF NEW YORK INSURANCE DEPARTMENT

REPORT ON EXAMINATION

OF THE

FIRST CENTRAL NATIONAL LIFE INSURANCE COMPANY OF NEW YORK

CONDITION: December 31, 2009

DATE OF REPORT: March 25, 2011

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AS OF

DECEMBER 31, 2009

DATE OF REPORT:	MARCH 25, 2011
EXAMINER:	JEFFREY GOOD

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STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004

Andrew M. Cuomo
Governor

James J. Wrynn
Superintendent

May 23, 2011

Honorable James J. Wrynn
Superintendent of Insurance
Albany, New York 12257

Sir:

In accordance with instructions contained in Appointment No. 30519, dated April 28, 2010 and annexed hereto, an examination has been made into the condition and affairs of First Central National Life Insurance Company of New York, hereinafter referred to as "the Company," at its office located at 545 Washington Blvd., Jersey City, NJ 07310.

Wherever "Department" appears in this report, it refers to the State of New York Insurance Department.

The report indicating the results of this examination is respectfully submitted.

1. SCOPE OF EXAMINATION

The examination of the First Central National Life Insurance Company of New York ("First Central" or "Company") was a full scope examination as defined in the NAIC Financial Condition Examiners Handbook, 2009 Edition (the "Handbook"). This examination covers the three-year period from January 1, 2007 through December 31, 2009. The examination was conducted observing the guidelines and procedures in the Handbook and, where deemed appropriate by the examiner, transactions occurring subsequent to December 31, 2009, but prior to the date of this report (i.e., the completion date of the examination) were also reviewed.

In the course of the examination, a review was also made of the manner in which the Company conducts its business and fulfills its contractual obligations to policyholders and claimants. The results of this review are contained in item 6 of this report.

The examination was conducted on a risk-focused basis in accordance with the provisions of the Handbook published by the National Association of Insurance Commissioners ("NAIC"). The Handbook guidance provides for the establishment of an examination plan based on the examiner's assessment of risk in the insurer's operations and utilizing that evaluation in formulating the nature and the extent of the exam. The examiner planned and performed the examination to evaluate the current financial condition as well as identify prospective risks that may threaten the future solvency of the insurer. The examiner identified key processes, assessed the risks within those processes and assessed the internal control systems and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, evaluating the overall financial statement presentation, and determining management's compliance with statutes and Department guidelines, Statutory Accounting Principles as adopted by the Department and annual statement instructions.

Information about the Company's organizational structure, business approach and control environment were utilized to develop the examination approach. The Company's risks and management activities were evaluated incorporating the NAIC's nine branded risk categories. These categories are as follows:

- Pricing/Underwriting
- Reserving
- Operational
- Strategic

- Credit
- Market
- Liquidity
- Legal
- Reputational

The Company was audited annually, for the years 2007 through 2009, by the accounting firm of KPMG, LLP ("KPMG"). The Company received an unqualified opinion in all the applicable years. Workpapers of the external accounting firm were reviewed and relied upon in conjunction with this examination.

The examiner reviewed the corrective actions taken by the Company with respect to the violations and recommendations contained in the prior report on examination. The results of the examiner's review are contained in item 7 of this report.

This report on examination is confined to financial statements and comments on those matters which involve departure from laws, regulations or rules, or which require explanation or description.

2. DESCRIPTION OF COMPANY

A. History

The Company was incorporated as a stock life insurance company under the laws of the State of New York on September 30, 1971, under the name of American Republic Life Insurance Company of New York and was licensed and commenced business on November 9, 1971. Initial resources of $3,000,000, consisting of common capital stock of $1,000,000 and paid in and contributed surplus of $2,000,000, were provided through the sale of 10,000 shares of common stock (with par value of $100 each) for $300 per share.

On November 9, 1981, Penn Mutual Life Insurance Company of Philadelphia acquired the Company. On November 18, 1986, Western National Life Holding Company Inc., whose ultimate parent was Beneficial Corporation ("Beneficial"), acquired the Company. On December 11, 1986, the Company changed its name to American Western National Life Insurance Company.

On March 19, 1990, Western National Life Holding Company Inc., was dissolved and the ownership of the Company was transferred to The Central National Life Insurance Company of Omaha. On January 6, 1992, the Company's name was changed to First Central National Life Insurance Company of New York.

On June 30, 1998, Household International, Inc., ("HI") acquired Beneficial. In December 1999, HI sold The Central National Life Insurance Company of Omaha, and transferred the ownership of the Company to Household Life Insurance Company ("HLIC") a life insurance subsidiary of HI domiciled in Michigan.

On March 28, 2003, HI was acquired by HSBC Holdings, plc. ("HSBC"). HSBC is currently the ultimate parent of the Company. On December 15, 2005, HI merged with Household Finance Corporation ("HFC") and its name was changed to HSBC Finance Corporation.

B. Holding Company

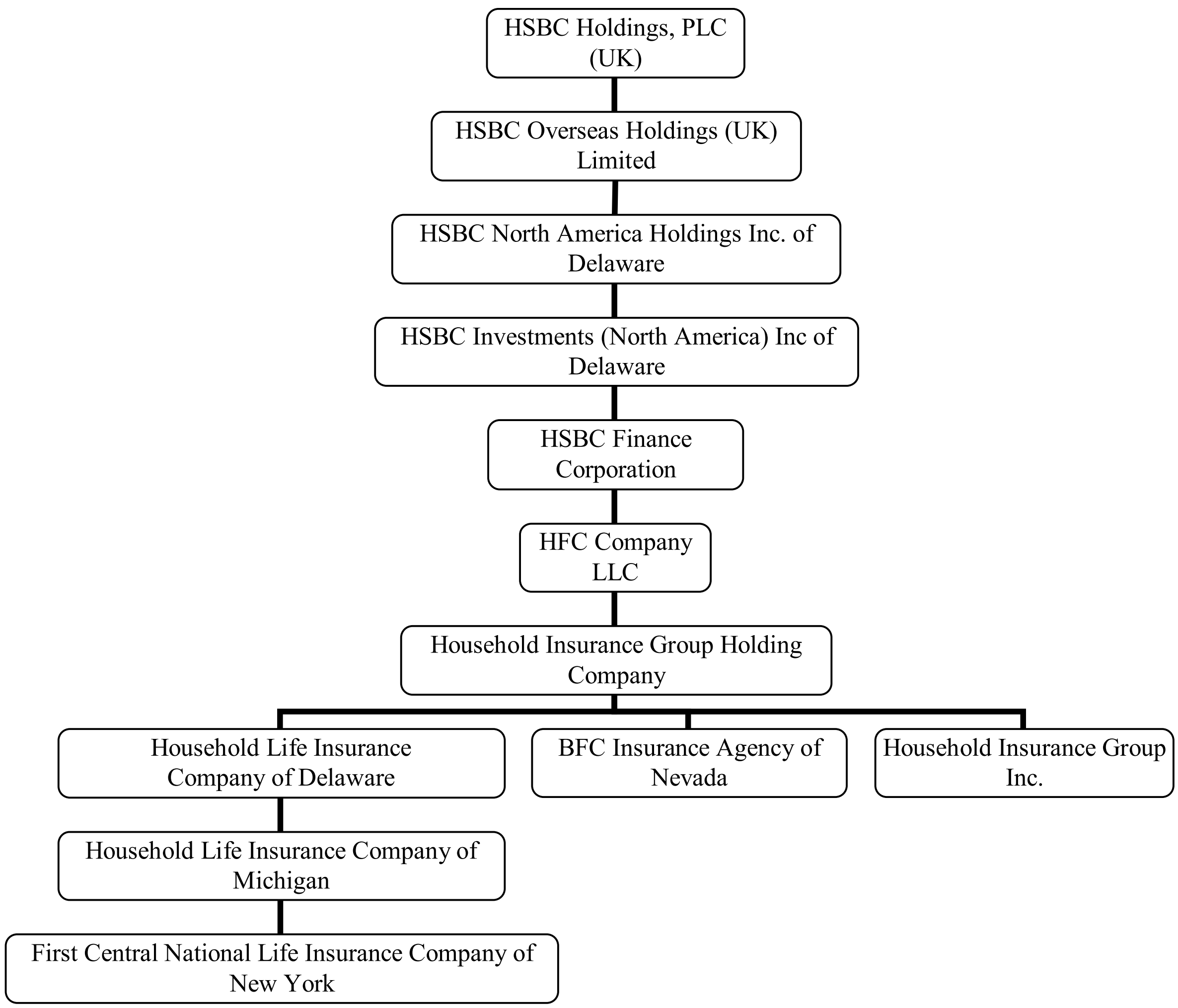
The Company is a wholly-owned subsidiary of HLIC, a life insurance company domiciled in Michigan, which is in turn a wholly-owned subsidiary of Household Life Insurance Company of Delaware, which is in turn a wholly-owned subsidiary of Household Insurance

Group Holding Company (HIG), an insurance group holding company domiciled in the state of Delaware. The Company's ultimate parent is HSBC. As of December 31, 2009, the Company had 10,000 shares of common stock outstanding and capital and paid in and contributed surplus of $1,000,000 and $9,200,000, respectively.

There were no capital contributions or contributed surplus during the exam period.

C. Organizational Chart

An organization chart reflecting the relationship between the Company and significant entities in the holding company system as of December 31, 2009 follows:



D. Service Agreements

The Company had three service agreements in effect during the examination period.

Type of Agreement and Department File Number	Effective Date	Provider(s) of Service(s)	Recipient (s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Service Agreement File No. 40874	04/09/2009	BFC Insurance Agency of Nevada ("BFC")	The Company	BFC will perform certain services including Services include facilitation of premium collection, account reimbursement for claim payments, etc	2009 $ (56,025) 2008 $ 0 2007 $ 0
Service Agreement File No. 40873	04/09/2009	HSBC Finance Corporation	The Company	HSBC Finance Corporation will perform certain services including collection and transfer of insurance premiums and account matters.	2009 $ (621,276) 2008 $(3,529,897) 2007 $(5,313,757)
Investment Management Agreement File No. 40506	06/10/2008 Amendment 08/01/2008	HSBC Finance Corporation	The Company	Investment management services	2009 $ (13,860) 2008 $ 0 2007 $ 0

*Amount of income or (Expense) incurred by the Company

According to Section 5 of the service agreement with BFC Insurance Agency of Nevada ("BFC"), effective April 1, 2009, BFC must provide the Company with a statement within ten days of the month end and the Company must pay BFC within 30 days of receipt of the statement. During 2009, the Company incurred expenses of $56,025 but did not pay BFC until July 2010.

By not settling amounts due in accordance with the terms and conditions of its intercompany service agreement with BFC, the Company is not in compliance with Section 5 of the agreement.

The examiner recommends that the Company adhere to all of the terms and conditions of its approved intercompany service agreement.

E. Management

The Company's by-laws provide that the board of directors shall consist of not less than nine directors but shall be increased to not less than thirteen directors within one year following the end of the calendar year in which the Company exceeds one and one-half billion dollars in admitted assets. Directors are elected for a period of one year at the annual meeting of the stockholders held on the first business day after the fifteenth of February of each year, As of December 31, 2009, the board of directors consisted of 11 members

The 11 board members and their principal business affiliation, as of December 31, 2009, were as follows:

Name and Residence	Principal Business Affiliation	Year First Elected
Charles Emory Compton, III Scotch Plains, NJ	Vice President Chief Financial Officer/Treasurer	2005
Patrick Cozza Bernardsville, NJ	President and Chief Executive Officer First Central National Life Insurance Company of New York	1988
Gary Richard Esposito Somerset, NJ	Executive Vice President, Life Insurance First Central National Life Insurance Company of New York	2008
Lorraine Gash* Manhasset, NY	Retired	2003
Edward B. Kiffel Cedarhurst, NY	Senior Vice President, Chief Risk Officer First Central National Life Insurance Company of New York	2009
William David Latza* New York, NY	Associate Partner Stroock Stroock & Lavan LLP	1987

Name and Residence	Principal Business Affiliation	Year First Elected
Gerard Lunemann Hillsborough, NJ	Vice President and Chief Actuary First Central National Life Insurance Company of New York	1988
Daniel Richard O'Brien* Little Silver, NJ	Retired	1987
Reynolds Francis Sbrilli Martinsville, NJ	Vice President, Independent Agency Sales First Central National Life Insurance Company of New York	2007
Marilou Sullivan Annandale, NJ	Vice President and Chief Operating Officer First Central National Life Insurance Company of New York	2007
Philip Sullivan Toohey* Orchard Park, NY	Retired	2006

* Not affiliated with the Company or any other company in the holding company system.

The examiner's review of the minutes of the meetings of the board of directors and its committees indicated that meetings were well attended and that each director attended a majority of meetings.

It was determined that three (3) board members failed to sign conflict of interest questionnaires upon their appointment to the Board of Directors. All were appointed to the board after the regular annual board meeting.

The examiner recommends that newly elected directors be required to complete conflict of interest questionnaires shortly after their election.

The following is a listing of the principal officers of the Company as of December 31, 2009:

Name	Title
Patrick Anthony Cozza	President and CEO
Charles Emory Compton III	Vice President, Chief Financial Officer and Treasurer
Anthony Joseph Del Piano	Secretary
Marilou Sullivan	Vice President, Chief Operating Officer
Gerard Lunemann	Vice President and Chief Actuary
Margarita Echevarria *	Senior Vice President

* Designated consumer services officer per Section 216.4(c) of Department Regulation No. 64

3. TERRITORY AND PLAN OF OPERATIONS

The Company is authorized to write life insurance, annuities and accident and health insurance as defined in paragraphs 1, 2 and 3 of Section 1113(a) of the New York Insurance Law.

The Company is licensed to transact business in two states, namely New York and Delaware. In 2009, 99.50% of life premiums were received from New York. Policies are written on a non-participating basis.

A. Statutory and Special Deposits

As of December 31, 2009, the Company had $250,000 (par value) of United States Treasury Bond on deposit with the State of New York, its domiciliary state, for the benefit of all policyholders, claimants and creditors of the Company.

B. Direct Operations

Policies are written on a non-participating basis.

The principal business sold during the examination was group credit life insurance and group credit accident and health insurance.

The Company does not have an agency sales force. Insurance is offered through affiliated company loan offices.

During March 2007, the Company received Department approval to begin issuing a new term life product. The Company is utilizing three separate distribution channels to market this product: internet or web based sales, HSBC and affiliate branch sales and telephone sales.

In March 2009, HSBC Finance Corporation announced the closure of its consumer Finance division which offered credit life and accident and health insurance products. All new loan originations were ceased.

The Company utilizes a non-affiliated third party administrator (TPA) to conduct its telephone sales operation.

C. Reinsurance

As of December 31, 2009, the Company had three reinsurance treaties in effect with three companies, of which one was authorized or accredited. The Company's life business is reinsured on a coinsurance, modified-coinsurance, and/or yearly renewable term basis. Reinsurance is provided on an automatic and/or facultative basis.

The maximum retention limit for individual life contracts is $250,000. The total face amount of life insurance ceded as of December 31, 2009, was $1,278,665, which represents 10% of the total face amount of life insurance in force. Reserve credit taken for reinsurance ceded to unauthorized companies, totaling $420,000, was supported by letters of credit.

The total face amount of life insurance assumed as of December 31, 2009, was $689,429.

The Company has a 100% coinsurance agreement with Employers Reassurance Corporation. Under the agreement, the Company ceded 100% of its ordinary life business, a closed block of business, on a 100% coinsurance basis. In connection with this reinsurance transaction, the Company has also entered into an agreement with Americo Services, Inc., which serves as a third party administrator on behalf of the Company for the ordinary life business.

As of April 2008, the Company has entered into two contracts to cede risk on the simplified issue term life product to HSBC Reinsurance, Ltd, Dublin, Ireland and Munich American Reassurance Company, Atlanta, GA. Under the terms of the contracts, the Company will retain up to $250,000 of the policy face value, the remainder (in excess of $250,000) will be ceded to the two companies.

4. SIGNIFICANT OPERATING RESULTS

Indicated below is significant information concerning the operations of the Company during the period under examination as extracted from its filed annual statements. Failure of items to add to the totals shown in any table in this report is due to rounding.

The following table indicates the Company's financial growth (decline) during the period under review:

	December 31, 2006	December 31, 2009	Increase (Decrease)
Admitted assets	$60,855,978	$53,985,871	$ (6,870,107)
Liabilities	$22,108,380	$30,397,436	$ 8,289,056
Common capital stock	$ 1,000,000	$ 1,000,000	$ 0
Gross paid in and contributed surplus	9,200,000	9,200,000	0
Unassigned funds (surplus)	28,547,598	13,388,435	(15,159,163)
Total capital and surplus	$38,747,598	$23,588,435	$(15,159,163)
Total liabilities, capital and surplus	$60,855,978	$53,985,871	$ (6,870,107)

The Company's invested assets as of December 31, 2009, were mainly comprised of bonds (91%), and cash and short-term investments (9%).

The Company's entire bond portfolio as of December 31, 2009, was comprised of investment grade obligations.

The following indicates, for each of the years listed below, the amount of life insurance issued and in force by type (in thousands of dollars):

	Individual Whole Life		Individual Term		Credit Life	
Year	Issued	In Force	Issued	In Force	Issued	In Force
2007	$0	$1,642	$303,450	$ 296,185	$284,214	$920,866
2008	$0	$1,544	$689,250	$ 915,296	$120,036	$744,789
2009	$0	$1,552	$864,054	$1,416,749	$ 14,726	$546,967

The following is the net gain (loss) from operations by line of business after federal income taxes but before realized capital gains (losses) reported for each of the years under examination in the Company's filed annual statements:

	2007	2008	2009
Ordinary:			
Life insurance	$ (810,902)	$ 680,953	$(2,055,048)
Individual annuities	(692)	1,506	(9,782)
Total ordinary	$ (811,594)	$ 682,459	$(2,064,830)
Credit life	$3,708,109	$(828,541)	$ 976,713
Accident and health:			
Credit	$2,231,001	$(200,314)	$ 806,518
Other	7,384	178,306	14,761
Total accident and health	$2,238,385	$ (22,008)	$ 821,279
Total	$5,134,900	$(168,090)	$ (266,838)

Net operating losses in 2009 totaling $266,837 included a decrease in premium from 2008 to 2009 of $1.9 million primarily due to lower credit premiums, higher commission expenses in 2009 than the prior year due to commissions paid to third party providers for the sale of the simplified issue term life product and higher general expenses in 2009 than the same period last year. The primary drivers of the increased expenses were 1) more acquisition costs for higher sales of term life and 2) higher allocated administrative costs in connection with the start up of the simplified issue term life insurance product.

The decrease in net operating income from 2007 to 2008 was due to an increase in general insurance expenses during 2008. The primary driver of the increased expenses was the implementation of the simplified issue term life product which was rolled out in March 2007. The Company incurred costs related to the sale of the simplified issue term life product.

Net realized capital losses in 2008 resulted from bonds issued by Lehman Brothers of $4.1 million. The Company did not report any impairment as of fourth quarter 2009.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2009, as contained in the Company's 2009 filed annual statement, a condensed summary of operations and a reconciliation of the capital and surplus account for each of the years under review. The examiner's review of a sample of transactions did not reveal any differences which materially affected the Company's financial condition as presented in its financial statements contained in the December 31, 2009 filed annual statement.

A. Independent Accountants

The firm of KPMG, LLP was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31st of each year in the examination period, and the related statutory-basis statements of operations, capital and surplus, and cash flows for the year then ended.

KPMG, LLP concluded that the statutory financial statements presented fairly, in all material respects, the financial position of the Company at the respective audit dates. Balances reported in these audited financial statements were reconciled to the corresponding years' annual statements with no discrepancies noted.

B. Net Admitted Assets

Bonds	$46,752,516
Cash, cash equivalents and short term investments	2,867,713
Investment income due and accrued	695,858
Premiums and considerations:	
Deferred premiums, agents' balances and installments booked but deferred and not yet due	2,058,284
Reinsurance:	
Amounts recoverable from reinsurers	248,389
Current federal and foreign income tax recoverable and interest thereon	739,325
Net deferred tax asset	333,243
Receivables from parent	290,543
Total admitted assets	$53,985,871

C. Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	$ 5,932,056
Aggregate reserve for accident and health contracts	8,192,311
Liability for deposit-type contracts	715
Contract claims:	
Life	11,277,672
Accident and health	1,499,304
Interest maintenance reserve	45,404
Commissions to agents due or accrued	9,980
General expenses due or accrued	70,721
Taxes, licenses and fees due or accrued, excluding federal income taxes	143,132
Remittances and items not allocated	96,662
Miscellaneous liabilities:	
Asset valuation reserve	146,665
Reinsurance in unauthorized companies	1,391,145
Payable to parent, subsidiaries and affiliates	1,591,670
Total liabilities	$30,397,436
Common capital stock	$ 1,000,000
Gross paid in and contributed surplus	9,200,000
Unassigned funds (surplus)	$13,388,435
Surplus	$22,588,435
Total capital and surplus	$23,588,435
Total liabilities, capital and surplus	$53,985,871

D. Condensed Summary of Operations

	2007	2008	2009
Premiums and considerations	$13,058,637	$14,996,791	$13,096,066
Investment income	2,814,364	2,401,577	2,285,981
Amortization of Interest Maintenance Reserve	59,436	30,834	16,468
Commissions and reserve adjustments on reinsurance ceded	0	103,167	1,219,107
Miscellaneous income	0	0	205
Total income	$15,932,437	$17,532,369	$16,617,827
Benefit payments	$ 8,461,664	$ 7,778,591	$ 9,896,996
Increase in reserves	(1,578,082)	1,329,506	(1,205,789)
Commissions	736,452	779,140	1,383,125
General expenses and taxes	547,072	6,270,762	7,021,186
Increase in loading on deferred and uncollected premiums	0	335,957	168,082
Miscellaneous deductions	0	0	26,540
Total deductions	$ 8,167,106	$16,493,956	$17,290,140
Net gain (loss)	$ 7,765,331	$ 1,038,413	$ (672,313)
Federal and foreign income taxes incurred	2,630,431	1,206,504	(405,476)
Net gain (loss) from operations before net realized capital gains	$ 5,134,900	$ (168,091)	$ (266,837)
Net realized capital gains (losses)	0	(4,086,484)	130,688
Net income	$ 5,134,900	$(4,254,575)	$ (136,149)

E. Capital and Surplus Account

	2007	2008	2009
Capital and surplus, December 31, prior year	$38,747,598	$33,774,984	$25,256,923
Net income	$ 5,134,900	$ (4,254,575)	$ (136,149)
Change in net deferred income tax	(35,995)	2,274,819	(1,587,349)
Change in non-admitted assets and related items	(55,290)	(1,961,434)	1,370,156
Change in liability for reinsurance in unauthorized companies	0	(222,663)	(1,168,482)
Change in asset valuation reserve	(16,229)	145,791	(146,665)
Dividends to stockholders	(10,000,000)	(4,500,000)	0
Net change in capital and surplus for the year	$ (4,972,614)	$ (8,518,061)	$ (1,668,488)
Capital and surplus, December 31, current year	$33,774,984	$25,256,923	$23,588,435

F. Reserves

During the course of the examination the Department became concerned with the Company's mortality assumptions related to a new simplified issue life insurance product. The Department has required that the Company submit quarterly mortality studies for this product to allow the Department to the monitor mortality experience.

6. MARKET CONDUCT ACTIVITIES

The examiner reviewed various elements of the Company's market conduct activities affecting policyholders, claimants, and beneficiaries to determine compliance with applicable statutes and regulations and the operating rules of the Company.

A. Advertising and Sales Activities

The examiner reviewed a sample of the Company's advertising files and the sales activities of the agency force including trade practices, solicitation and the replacement of insurance policies.

Section 51.6(a)(2) of Department Regulation No. 60 states, in part:

> "(a) Each insurer shall...
> (2) Require with or as part of each application, a completed "Definition of Replacement" signed by the applicant and agent or broker;…"

The Company sold 1,952 policies via its website, 2,143 policies via telephone sales and 1,186 policies via HSBC branches during 2009. For its website sales, the Company received an approval to use alternate procedures for replacement under Section 51.4 of Department Regulation No. 60. For its telephone and branch sales, the Company is required to use the Definition of Replacement form prescribed in Department Regulation No. 60. The examiner selected a sample of 20 term life application files for policies issued. The sample contained 11 application files that were issued through the Company's telephone sale distribution channel. The examiners review revealed that 5 of the 11 (45.5%) policies issued through the Company's branch distribution channel were issued using alternate procedures for which the Company did not have approval.

The Company violated Section 51.6(a)(2) of Department Regulation No. 60 when the Company failed to require with or as part of each application a completed definition of replacement signed by the applicant and agent. A similar comment was contained in the prior report on examination.

B. Underwriting and Policy Forms

The examiner reviewed a sample of new underwriting files, both issued and declined, and the applicable policy forms.

Based upon the sample reviewed, no significant findings were noted.

C. Treatment of Policyholders

The examiner reviewed a sample of various types of claims, surrenders, changes and lapses. The examiner also reviewed the various controls involved, checked the accuracy of the computations and traced the accounting data to the books of account.

Based upon the sample reviewed, no significant findings were noted.

7. PRIOR REPORT SUMMARY AND CONCLUSIONS

Following are the violations and recommendations contained in the prior report on examination and the subsequent actions taken by the Company in response to each citation:

Item	Description
A	The Company violated Section 1505(d)(3) of the New York Insurance Law when it received services on a regular and systematic basis from HSBC Finance Corporation and BFC Insurance Agency of Nevada without having a filed service agreement in effect. The Company subsequently filed its service agreements with the Department.
B	The Company violated Section 1202(b)(1) of the New York Insurance Law by failing to maintain a minimum of unaffiliated directors equaling at least one third of the Company's board of directors. The Company maintained the requisite number of directors.
C	The examiner recommended that the Company and its TPA develop a naming convention for its phone log which more clearly identifies each call. The examiner also recommended that the Company develop monitoring and quality control procedures which can be accessed by the Company's internal audit staff and the examiners. The Company complied with this recommendation by maintaining customer service calls within an internal database.
D	The Company violated Section 51.6(a)(2) of Department Regulation No. 60 when the company failed to require with or as part of each application, a completed definition of replacement signed by the applicant and agent. The Company failed to take corrective action in response to this prior report comment. This is a repeat violation. (See item 7A of this report)).
E	The Company violated Section 51.6(a)(4) of Department Regulation No. 60 when the Company failed to require with or as part of each application, a statement signed by the agent or broker as to whether, to the best of his or her knowledge, replacement of a life insurance policy contract is involved in the transaction. The Definition of Replacement forms contained the proper signatures.

Item	Description
F	The Company violated Section 51.8 of Department Regulation No. 60 when the Company used modified definition of replacement form without the prior approval of the Superintendent. The Company received approval for the alternate replacement procedures and "Important Replacement Notice" form.
G	The Company violated Section 409(g) of the New York Insurance law by not filing the required annual fraud reports during the period under examination. The Company implemented a fraud plan, which was filed with and approved by the Department.

9. SUMMARY AND CONCLUSIONS

Following are the violations and recommendations contained in this report:

Item	Description	Page No.
A	The examiner recommends that the Company initiate immediate action to ensure that it adheres to all of the terms and conditions of its approved intercompany service agreement.	7
B	The examiner recommends that newly elected directors be required to complete conflict of interest questionnaires shortly after their election.	8
C	The Company violated Section 51.6(a)(2) of Department Regulation No. 60 when the Company failed to require with or as part of each application a completed definition of replacement signed by the applicant and agent. A similar comment was contained in the prior report on examination.	17

Respectfully submitted,

/s/
Jeffrey Good, CFE, CIE, MCM
Consultant

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

Jeffrey Good, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

/s/
Jeffrey Good, CFE, CIE, MCM

Subscribed and sworn to before me

this__________ day of ____________________

APPOINTMENT NO. 30519

STATE OF NEW YORK

INSURANCE DEPARTMENT

I, JAMES J. WRYNN, Superintendent of Insurance of the State of New York,

pursuant to the provisions of the Insurance Law, do hereby appoint:

JEFFREY GOOD

as a proper person to examine into the affairs of the

FIRST CENTRAL NATIONAL LIFE INSURANCE COMPANY OF NEW YORK

and to make a report to me in writing of the condition of the said

COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed by name
and affixed the official Seal of the Department
at the City of New York

this 28th day of April, 2010

JAMES J. WRYNN
Superintendent of Insurance

Superintendent