



NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES
FINANCIAL CONDITION REPORT ON EXAMINATION
OF THE
LIFE INSURANCE COMPANY OF BOSTON & NEW YORK

CONDITION:

DECEMBER 31, 2016

DATE OF REPORT:

MAY 1, 2018

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

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EXAMINER:

ALEX QUASNITSCHKA, CFE

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NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Maria T. Vullo
Superintendent

November 26, 2018

Honorable Maria T. Vullo
Superintendent of Financial Services
New York, New York 10004

Dear Madam:

In accordance with instructions contained in Appointment No. 31647, dated July 13, 2017, an examination has been made into the condition and affairs of Life Insurance Company of Boston & New York, hereinafter referred to as “the Company,” at its home office located at 120 Royall Street, Canton, MA 02021.

Wherever “Department” appears in this report, it refers to the New York State Department of Financial Services.

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

1. SCOPE OF EXAMINATION

The examination of the Company was a full scope examination as defined in the NAIC *Financial Condition Examiners Handbook, 2017 Edition* (the “Handbook”). The examination covers the five-year period from January 1, 2012, through December 31, 2016. 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, 2016, but prior to the date of this report (i.e., the completion date of the examination) were also reviewed.

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 extent of the examination. 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 evaluated 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 New York statutes and Department guidelines, Statutory Accounting Principles as adopted by the Department, and annual statement instructions.

The examination was coordinated and conducted in conjunction with the examination of the Company’s parent, Boston Mutual Life Insurance Company (“Boston Mutual”), a Massachusetts domestic mutual life insurer. The coordinated examination was led by the Massachusetts Division of Insurance with participation from New York. Since the lead and participating state are both accredited by the NAIC, both states deemed it appropriate to rely on each other’s work.

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 2012 through 2016, by the accounting firm of Ernst & Young LLP ("E&Y"). The Company received an unqualified opinion in all years. Certain audit workpapers of the accounting firm were reviewed and relied upon in conjunction with this examination. The Company's parent, Boston Mutual, has an internal audit department that performs testing of various operational and functional areas on an enterprise-wide basis. Where applicable, internal audit workpapers and reports were reviewed and portions were relied upon for this examination.

The examiner reviewed the prior report on examination which did not contain any violations, recommendations or comments.

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 New York on May 25, 1988, and was licensed and commenced business on March 7, 1990. Initial resources of \$6,000,000, consisting of common capital stock of \$2,000,000 and paid in and contributed surplus of \$4,000,000, were provided through the sale of 20,000 shares of common stock (with a par value of \$100 each) for \$300 per share.

In June 1992, the Company received a \$500,000 cash contribution to surplus from Boston Mutual, increasing gross paid in and contributed surplus to \$4,500,000.

In September 1998, the Company received a \$2,000,000 cash contribution to surplus from Boston Mutual, increasing gross paid in and contributed surplus to \$6,500,000.

In December of 2002, the Company again received a \$1,000,000 cash contribution to surplus from Boston Mutual, increasing gross paid in and contributed surplus to \$7,500,000.

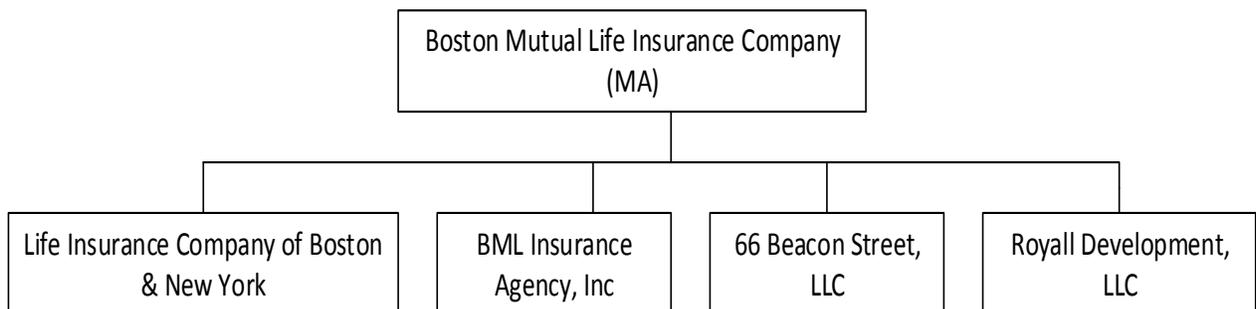
In December of 2013, the Company received a \$5,000,000 cash contribution to surplus from Boston Mutual, increasing the gross paid in and contributed surplus to \$12,500,000.

B. Holding Company

The Company is a wholly owned subsidiary of Boston Mutual, a Massachusetts domiciled mutual life insurance company.

C. Organizational Chart

An organization chart reflecting the relationship between the Company and significant entities in its holding company system as of December 31, 2016, follows:



D. Service Agreements

The Company had one service agreement in effect with affiliates during the examination period.

Type of Agreement and Department File Number	Effective Date	Provider of Services	Recipient of Services	Specific Services Covered	Expense* For Each Year of the Examination
Administrative Services Agreement File No. 29213	11/01/1999	Boston Mutual	The Company	Administrative Services including Accounting, Data Processing, Taxation, Auditing, Underwriting, Claims and Policyholder Services.	2012 (\$1,327,606) 2013 (\$1,582,759) 2014 (\$1,525,400) 2015 (\$1,639,316) 2016 (\$1,674,735)

*Amount of Expense Incurred by the Company

The Company participates in a federal tax allocation agreement with its parent.

E. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than 9 and not more than 15 directors. Directors are elected for a period of one year at the annual meeting of the stockholders held in June of each year. As of December 31, 2016, the board of directors consisted of 11 members. Meetings of the board are held annually and on such dates as the board may designate.

The 11 board members and their principal business affiliation, as of December 31, 2016, were as follows:

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>	<u>Year First Elected</u>
Christine T. Coughlin Arlington, MA	Treasurer Life Insurance Company of Boston & New York	2005
Clifford A. Lange Mattapoisett, MA	Vice President Life Insurance Company of Boston & New York	2011
Marnie W. Mueller* Hartford, CT	Retired Senior Vice President Connecticut Mutual Life Insurance Company	2004
John J. Murphy, Jr.* New York, NY	Managing General Partner Murphy & Partners, L.P.	2008
Catharine W. O'Rourke* New York, NY	Retired Associate Director of Development The Children's Aid Society	2011
Paul E. Petry* Osterville, MA	Retired President and Chief Executive Officer Boston Mutual Life Insurance Company	1996
Timothy L. Porter* New York, NY	Senior Counsel Proskauer Rose, LLP	2000
Austin T. Lydon* Bloomfield, CT	Retired Partner Deloitte & Touche	2012
Laurie M. Shahon* Brooklyn, NY	President Wilton Capital Group	2011
Paul A. Quaranto, Jr. Franklin, MA	President Life Insurance Company of Boston & New York	2012
John R. Flores Newington, CT	Secretary Life Insurance Company of Boston & New York	2012

*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.

The following is a listing of the principal officers of the Company as of December 31, 2016:

<u>Name</u>	<u>Title</u>
Paul A. Quaranto, Jr.	President
John R. Flores	Secretary
Christine T. Coughlin	Treasurer
Paul S. Painchaud	Appointed Actuary

Grant Ward, the Company's Chief Compliance Officer, is the designated consumer services officer per Section 216.4(c) of 11 NYCRR 216 (Insurance Regulation 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 the State of New York only. In 2016, 93% of life premiums and 97% of accident and health premiums were received from New York. Policies are written on a non-participating basis.

A. Statutory and Special Deposits

As of December 31, 2016, the Company had \$400,000 (Par Value) of United States Treasury Bonds 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

The Company primarily writes individual life, group life, individual long-term disability, group long-term disability, and group accidental death and dismemberment insurance. The Company did not write any new group business during the examination period but continued to service existing business.

The Company's agency operations are conducted on a general agency basis. The Company's individual and group products are marketed through independent producers to employer groups, trade organizations and professional organizations. Individual products are also marketed through a group of worksite marketing general agents. The Company has two worksite products. The first one is an Employee Life Option which is an interest sensitive whole life insurance product that offers voluntary life insurance coverage. The second one is an Employee Accident Option which offers voluntary supplemental accident insurance coverage. Both worksite products are offered to employees of manufacturing, healthcare, and municipal organizations throughout New York. Also, the Company briefly offered a worksite disability product, but it was discontinued at the end of 2013.

C. Reinsurance

As of December 31, 2016, the Company had reinsurance treaties in effect with five companies, all of which were authorized or accredited. The Company's life and accident and health business is reinsured on a coinsurance and yearly renewable term basis. Reinsurance is provided on an automatic and facultative basis.

The maximum retention limit for individual life contracts is \$50,000. The total face amount of life insurance ceded as of December 31, 2016, was \$137,747,496, which represents 11% of the total face amount of life insurance in force. The Company did not assume any insurance during the examination period.

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, <u>2011</u>	December 31, <u>2016</u>	Increase <u>(Decrease)</u>
Admitted assets	<u>\$93,650,888</u>	<u>\$141,392,030</u>	<u>\$47,741,142</u>
Liabilities	<u>\$76,491,073</u>	<u>\$112,518,627</u>	<u>\$36,027,554</u>
Common capital stock	\$ 2,000,000	\$ 2,000,000	\$ 0
Gross paid in and contributed surplus	7,500,000	12,500,000	5,000,000
Increase in Admitted Deferred Tax Asset pursuant to SSAP 10R	784,346	0	(784,346)
Unassigned funds (surplus)	<u>6,875,470</u>	<u>14,373,403</u>	<u>7,497,933</u>
Total capital and surplus	<u>\$17,159,816</u>	<u>\$ 28,873,403</u>	<u>\$11,713,587</u>
Total liabilities, capital and surplus	<u>\$93,650,889</u>	<u>\$141,392,030</u>	<u>\$47,741,142</u>

The Company's invested assets as of December 31, 2016, were mainly comprised of bonds (74%) and contract loans (21%). The majority (96.9%) of the Company's bond portfolio, as of December 31, 2016, 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):

<u>Year</u>	<u>Individual Whole Life</u>		<u>Individual Term</u>		<u>Group Life</u>	
	<u>Issued</u>	<u>In Force</u>	<u>Issued</u>	<u>In Force</u>	<u>Issued & Increases</u>	<u>In Force</u>
2012	\$134,285	\$1,095,317	\$4,006	\$ 53,034	\$7,168	\$46,250
2013	\$131,833	\$1,132,666	\$2,913	\$ 50,301	\$ 0	\$23,070
2014	\$110,151	\$1,118,759	\$4,152	\$ 48,999	\$ 0	\$20,524
2015	\$104,790	\$1,114,871	\$3,625	\$ 46,574	\$ 0	\$18,337
2016	\$163,182	\$1,179,446	\$5,475	\$ 47,306	\$6,490	\$22,634

The Company experienced a decline in individual whole life insurance sales from 2013 to 2014 resulting in a decrease in the number of policies issued in 2014. Policies issued in 2015 also decreased when compared with 2014 due primarily to a higher number of first-year lapses. Newly issued policies increased from 2015 to 2016 due to a favorable change in sales of \$2.4 million in 2016 compared with \$1.6 million in 2015.

The children's term life insurance riders represent over 95% of the Company's individual term life insurance products. In 2013, a large share of life policies was issued without the children's term life insurance rider, resulting in a decrease in individual term life issued when compared with 2012.

The Company ceased writing new group life insurance in 2007. The issued and increases in group life in 2012 and 2016 resulted from issuing new certificates to existing groups.

The following is the Exhibits of Accident and Health Insurance reported for each of the years under examination in the Company's filed annual statements:

	<u>Ordinary</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Outstanding, end of previous year	6,349	12,099	19,800	16,141	12,936
Issued during the year	6,672	11,697	2,519	2,185	1,301
Other net changes during the year	<u>(922)</u>	<u>(3,996)</u>	<u>(6,178)</u>	<u>(5,390)</u>	<u>(2,698)</u>
Outstanding, end of current year	<u>12,099</u>	<u>19,800</u>	<u>16,141</u>	<u>12,936</u>	<u>11,539</u>

The Company started selling the worksite disability income insurance product in late 2012, which is responsible for the increase in new issues reported in 2013. The Company discontinued the sale of this product at the end of 2013.

	<u>Group</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Outstanding, end of previous year	5,744	4,979	4,186	3,844	3,480
Issued during the year	159	1	0	1	67
Other net changes during the year	<u>(924)</u>	<u>(794)</u>	<u>(342)</u>	<u>(365)</u>	<u>(237)</u>
Outstanding, end of current year	<u>4,979</u>	<u>4,186</u>	<u>3,844</u>	<u>3,480</u>	<u>3,310</u>

The group life in force has steadily decreased throughout the examination period because of the Company's decision in early 2007 to stop selling group products to new groups and because of the termination of existing groups.

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:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Ordinary life insurance	\$ <u>1,340,683</u>	\$ <u>1,322,495</u>	\$ <u>1,246,891</u>	\$ <u>2,398,699</u>	\$ <u>1,010,873</u>
Group life	\$ <u>(93,318)</u>	\$ <u>(29,021)</u>	\$ <u>18,958</u>	\$ <u>19,406</u>	\$ <u>(5,243)</u>
Accident and health:					
Group	\$ 218,330	\$ 78,026	\$ 298,838	\$ 149,820	\$ 135,626
Other	<u>(81,764)</u>	<u>(2,852,265)</u>	<u>238,187</u>	<u>758,799</u>	<u>410,728</u>
Total accident and health	\$ <u>136,566</u>	\$ <u>(2,674,239)</u>	\$ <u>537,025</u>	\$ <u>908,619</u>	\$ <u>546,354</u>
Total	\$ <u>1,383,931</u>	\$ <u>(1,380,764)</u>	\$ <u>1,802,875</u>	\$ <u>3,326,724</u>	\$ <u>1,551,984</u>

The increase in net gain from ordinary life insurance from 2014 to 2015 was due to lower mortality and reserves increases. In addition, ordinary life insurance had a higher allocation of net investment income. The net gain from ordinary life insurance decreased from 2015 to 2016 due to a higher reserve change and a higher first-year reserve strain associated with new business.

The drastic decrease in net gain from accident and health insurance from 2012 to 2013 was due primarily to a \$3.5 million increase in benefit payments. The increase was due to many claims on the new worksite disability product. Additionally, commissions increased 56% or \$2.7 million in 2013, when compared with 2012, because of increased first-year premium from the disability business. The increase in net gains from accident and health insurance in 2014, compared with 2013, resulted primarily from a decrease of \$2.0 million in commissions. This decrease was mostly attributable to a lower first-year commissions since the Company stopped selling the disability product at the end of 2013. Disability premium also increased by \$1.1 million in 2014, compared with 2013, offset by an increase of \$1.4 million in disability benefit payments. Net gain from the disability business increased in 2015 as there was no new business strain. The decline in net gain in 2016 resulted primarily from a significantly higher reserve increase associated with the disability business.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2016, as contained in the Company's 2016 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, 2016 filed annual statement.

A. Independent Accountants

The firm of E&Y was retained by the Company to audit the Company's statutory basis statements of financial position 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.

E&Y 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	\$ 97,588,955
Stocks:	
Common stocks	2,128,884
Cash, cash equivalents and short-term investments	4,082,043
Contract loans	27,751,471
Other invested assets	331,878
Investment income due and accrued	2,080,766
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	1,503,548
Deferred premiums, agents' balances and installments booked but deferred and not yet due	3,371,364
Reinsurance:	
Amounts recoverable from reinsurers	166
Other amounts receivable under reinsurance contracts	752,258
Current federal and foreign income tax recoverable and interest thereon	226,703
Net deferred tax asset	1,304,047
Guaranty funds receivable or on deposit	108,121
Claim Fund with TPA	32,989
Prepaid Reinsurance Premium	<u>128,836</u>
 Total admitted assets	 <u>\$141,392,028</u>

C. Liabilities, Capital and Surplus

Aggregate reserve for life contracts	\$101,906,731
Aggregate reserve for accident and health contracts	
	3,802,931
Contract claims:	
Life	998,350
Accident and Health	449,271
Premiums and annuity considerations for life and accident and health contracts received in advance	34,305
Contract liabilities not included elsewhere:	
Interest maintenance reserve	2,265,241
Commissions to agents due or accrued	396,647
General expenses due or accrued	362,569
Taxes, licenses and fees due or accrued, excluding federal income taxes	(68,888)
Amounts withheld or retained by company as agent or trustee	251,790
Remittances and items not allocated	700,113
Miscellaneous liabilities:	
Asset valuation reserve	616,391
Payable to parent, subsidiaries and affiliates	270,157
Uncashed checks pending escheatment	529,946
Accrued trustee interest	<u>3,072</u>
Total liabilities	<u>\$112,518,627</u>
Common capital stock	\$ 2,000,000
Gross paid in and contributed surplus	12,500,000
Unassigned funds (surplus)	<u>14,373,403</u>
Surplus	<u>\$ 26,873,403</u>
Total capital and surplus	<u>\$ 28,873,403</u>
Total liabilities, capital and surplus	<u>\$141,392,030</u>

D. Condensed Summary of Operations

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Premiums and considerations	\$18,849,758	\$23,880,591	\$24,763,016	\$21,495,375	\$21,959,439
Investment income	4,663,801	4,990,217	5,537,260	5,856,967	6,119,161
Commissions and reserve adjustments on reinsurance ceded	2,041,152	1,861,319	1,842,172	1,601,304	1,557,145
Miscellaneous income	<u>551</u>	<u>784</u>	<u>680</u>	<u>672</u>	<u>828</u>
 Total income	 <u>\$25,555,252</u>	 <u>\$30,732,911</u>	 <u>\$32,143,128</u>	 <u>\$28,954,318</u>	 <u>\$29,636,573</u>
 Benefit payments	 \$ 7,317,715	 \$10,869,291	 \$14,022,169	 \$11,509,922	 \$11,835,505
Increase in reserves	7,566,373	9,606,377	5,421,155	4,334,938	6,423,331
Commissions	4,795,439	7,485,821	5,458,386	4,106,456	4,026,700
General expenses and taxes	3,715,083	4,240,049	4,116,938	3,944,685	4,165,938
Increase in loading on deferred and uncollected premiums	<u>191,183</u>	<u>222,250</u>	<u>(107,088)</u>	<u>237,579</u>	<u>362,247</u>
 Total deductions	 <u>\$23,585,790</u>	 <u>\$32,423,788</u>	 <u>\$28,911,560</u>	 <u>\$24,133,580</u>	 <u>\$26,813,721</u>
 Net gain (loss)	 \$ 1,969,459	 \$(1,690,877)	 \$ 3,231,568	 \$ 4,820,738	 \$ 2,822,852
Federal and foreign income taxes incurred	585,530	(310,114)	1,428,694	1,494,013	1,270,868
 Net gain (loss) from operations before net realized capital gains	 <u>\$ 1,383,928</u>	 <u>\$(1,380,763)</u>	 <u>\$ 1,802,874</u>	 <u>\$ 3,326,725</u>	 <u>\$ 1,551,984</u>
Net realized capital gains (losses)	<u>(1,286)</u>	<u>(6,733)</u>	<u>1</u>	<u>(1,143)</u>	<u>(67,425)</u>
 Net income	 <u>\$ 1,382,642</u>	 <u>\$(1,387,496)</u>	 <u>\$ 1,802,876</u>	 <u>\$ 3,325,581</u>	 <u>\$ 1,484,559</u>

Premiums and considerations increased from 2012 to 2014 due to the new disability income product that the Company began selling in late 2012 and decreased from 2014 to 2015 because the Company stopped selling the product as of late 2013.

Benefit payments increased from 2012 to 2014 because of the sale growth of the disability income product in 2013 and the increase of the loss ratio from 44% in 2012 to 71% in 2013. Benefit payments also increased in 2014 due to increased surrenders in the worksite life insurance line of business. The disability income block of business had a higher loss ratio of 88% in 2014, compared with 71% in 2013, because of the higher number of claims as the block became larger in 2014. Benefit payments decreased in 2015 due to improved worksite life insurance mortality. The loss ratio also decreased from 21.5% to 16.2% due to a lower number of claims. In addition, the worksite disability income business reported less claims from a corresponding decrease in the in force premiums since the Company stopped selling this product.

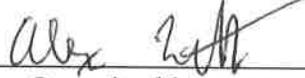
Reserves increased from 2012 to 2013 primarily due to the new disability income product. Reserves decreased from 2013 to 2015 because worksite life business had lower reserve changes in 2014 and 2015 when compared with 2013. The worksite disability income business also had fewer open claims coupled with the shrinking block of business. In 2016, reserves increased as both worksite disability income and worksite life insurance had higher reserve changes.

Commissions increased from 2012 to 2013 due to the introduction of the disability income product, where premiums grew from \$1.2 million to \$5.4 million and related commissions grew by \$2.7 million. Commissions decreased from 2013 to 2015 because worksite life and disability income had \$3 million and \$2 million decrease in first-year premiums in 2014 and 2015, respectively, where commissions are the highest percentage.

E. Capital and Surplus Account

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital and surplus, December 31, prior year	\$ <u>17,159,816</u>	\$ <u>18,301,208</u>	\$ <u>21,810,589</u>	\$ <u>23,915,889</u>	\$ <u>26,551,556</u>
Net income	\$ 1,382,642	\$ (1,387,496)	\$ 1,802,876	\$ 3,325,581	\$ 1,484,559
Change in net unrealized capital gains (losses)	0	0	9,890	(43,282)	197,245
Change in net deferred income tax	32,222	195,917	243,244	116,463	6,813
Change in non-admitted assets and related items	(223,727)	(261,197)	124,390	(697,127)	819,031
Change in asset valuation reserve	(49,745)	(37,844)	(75,100)	(65,968)	(185,801)
Surplus adjustments:					
Paid in	<u>0</u>	<u>5,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in capital and surplus for the year	\$ <u>1,141,392</u>	\$ <u>3,509,380</u>	\$ <u>2,105,300</u>	\$ <u>2,635,668</u>	\$ <u>2,321,847</u>
Capital and surplus, December 31, current year	\$ <u>18,301,208</u>	\$ <u>21,810,589</u>	\$ <u>23,915,889</u>	\$ <u>26,551,556</u>	\$ <u>28,873,403</u>

Respectfully submitted,



Alex Quasnitschka, CFE
Risk & Regulatory Consulting, LLC

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

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



Alex Quasnitschka

Subscribed and sworn to before me

this 11th day of February, 2019

Audrey Hall

AUDREY HALL
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01HA6274900
Qualified in Kings County
Commission Expires January 28, 2021

APPOINTMENT NO. 31647

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

I, MARIA T. VULLO, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:

ALEX QUASNITSCHKA
(RISK & REGULATORY CONSULTING, LLC)

as a proper person to examine the affairs of the
LIFE INSURANCE COMPANY OF BOSTON & NEW YORK
and to make a report to me in writing of the condition of said
COMPANY

with such other information as he shall deem requisite.

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

this 13th day of July, 2017

MARIA T. VULLO
Superintendent of Financial Services

By:

Mark McLeod

MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU

