



FINANCIAL CONDITION REPORT ON EXAMINATION

OF THE

STANDARD SECURITY LIFE INSURANCE COMPANY

OF NEW YORK

AS OF DECEMBER 31, 2022

EXAMINER:

KINGS ANKRAH

DATE OF REPORT:

JUNE 12, 2024

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1.	Executive summary	2
2.	Scope of examination	3
3.	Description of Company	5
	A. History	5
	B. Holding company	5
	C. Organizational chart	6
	D. Service agreements	7
	E. Management	10
4.	Territory and plan of operations	12
	A. Statutory and special deposits	12
	B. Direct operations	12
	C. Reinsurance	13
5.	Financial statements	14
	A. Independent accountants	14
	B. Net admitted assets	15
	C. Liabilities, capital and surplus	16
	D. Condensed summary of operations	17
	E. Capital and surplus account	18
6.	Summary and conclusions	19

KATHY HOCHUL
Governor



ADRIENNE A. HARRIS
Superintendent

June 13, 2024

Honorable Adrienne A. Harris
Superintendent of Financial Services
New York, New York 10004

Dear Adrienne A. Harris:

In accordance with instructions contained in Appointment No. 32541, dated May 18, 2023, and annexed hereto, an examination has been made into the condition and affairs of Standard Security Life Insurance Company of New York, hereinafter referred to as “the Company.” The Company’s home office is located at 488 Madison Avenue, Suite 803, New York, NY 10022.

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. EXECUTIVE SUMMARY

The material violation contained in this report is summarized below.

The Company violated Section 1505(d)(3) of the New York Insurance Law by failing to notify the superintendent in writing of its intention to enter into the Cost Sharing Agreements with its parent and an affiliate at least thirty days prior to the implementation of each of the agreements and the superintendent has not disapproved it within such period. (See item 3D of this report.)

2. SCOPE OF EXAMINATION

The examination of the Company was a full-scope examination as defined in the National Association of Insurance Commissioners' ("NAIC's") *Financial Condition Examiners Handbook, 2023 Edition* (the "Handbook"). The examination covers the five-year period from January 1, 2018 to December 31, 2022. 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, 2022 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 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 conducted in conjunction with the coordinated examination of the Company's parent, Reliance Standard Life Insurance Company ("RSLIC"). The examination was led by the State of Illinois, with participation from the states of New York and Texas. Since the lead and participating states are all accredited by the NAIC, all 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 2018 through 2021, by the accounting firm of RSM US LLP (“RSM”), and for the year ended 2022 by the accounting firm of PricewaterhouseCoopers, LLP (“PwC”). The Company received an unqualified opinion in all years under examination. Certain audit workpapers of the accounting firms were reviewed and relied upon in conjunction with this examination. The Company utilizes the internal audit department of its parent, Delphi Financial Group, Inc. (“Delphi”), to assess the internal control function and to ensure compliance with the Sarbanes-Oxley Act of 2002 (“SOX”). The internal audit department also relied on the assessment and testing of controls by the external auditor. Where applicable, SOX workpapers and reports were reviewed, and parts were relied upon for this examination. Ernst & Young, LLP (“EY”) provides internal audit services and is responsible for identifying, assessing, and testing all significant risks related to financial reporting, operations, compliance, and fraud. EY reports to the Delphi Audit Committee.

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

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.

3. 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 June 28, 1957, under the name American Security Life Insurance Company of New York. It was licensed and commenced business on December 22, 1958. The present name was adopted in 1958. Initial resources of \$500,000, consisting of common capital stock of \$500,000, were provided through the sale of 250,000 shares of common stock with a par value of \$2.00 each.

On April 14, 2021, RSLIC, an indirect wholly owned subsidiary of Tokio Marine, Inc., entered into a Stock Purchase Agreement with Independence Holding Company (“IHC”), and its wholly owned subsidiary, Independence Capital Corporation (“ICC”), and as amended and restated on July 29, 2021, to sell all of the issued and outstanding capital stock of the Company, previously a wholly subsidiary of ICC to RSLIC for an aggregate price of \$180 million, with such amount subject to upward or downward adjustment to the extent that the Company’s statutory capital and surplus of the closing date exceeded or was less than \$57 million. The transaction closed effective January 1, 2022, whereupon the Company became a wholly owned subsidiary of RSLIC.

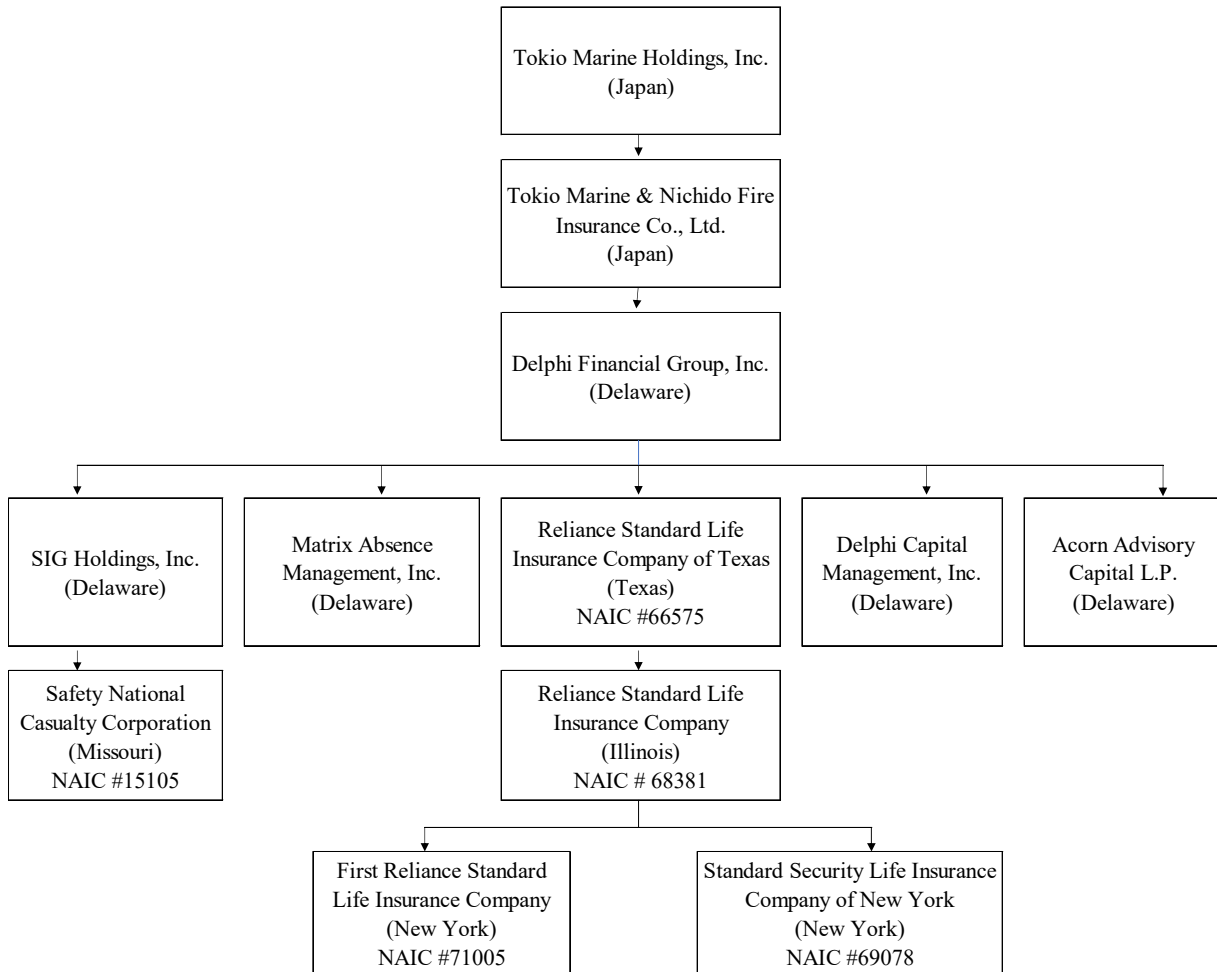
As of December 31, 2022, the Company has common capital stock of \$2,586,845 and gross paid in and contributed surplus of \$24,774,503 and unassigned funds (surplus) of \$74,050,513.

B. Holding Company

The Company is a wholly owned subsidiary of RSLIC, a life insurance company domiciled in Illinois. The parent of RSLIC is Reliance Standard Life Insurance Company of Texas (“RSLT”), a life insurance company domiciled in Texas. RSLT is a wholly-owned subsidiary of Delphi, a holding company organized as a Delaware corporation. Delphi is in turn a wholly owned subsidiary of Tokio Marine Holdings, Inc.

C. Organizational Chart

An organization chart reflecting the relationship between the Company and significant entities in its holding company system as of December 31, 2022, follows:



D. Service Agreements

The Company had eight significant service agreements in effect with affiliates during the examination period.

Type of Agreement and Department File Number	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Services Covered	Income/ (Expense)* For Each Year of the Examination
Investment Service Agreement Amended and Restated File No. 48885	08/01/1989 01/01/2002 and 01/01/2004	IHC	The Company	Investment advisory services	2018 \$(359,077) 2019 \$(350,109) 2020 \$(260,275) 2021 \$(347,081) 2022 \$ 0**
Service Agreement File No. 35491	06/01/1998	The Company	Independence American Insurance Company ("IAIC")	Accounting, payroll, tax, actuary, audit, human resource, legal and compliance, information technology services, third party administrator services, producer contracting, and management.	2018 \$ 864,891 2019 \$2,538,655 2020 \$ 61,792 2021 \$ 332,265 2022 \$ 0**
Second Amended and Restated Service Agreement File No. 35491B	07/01/2007	AMIC Holdings Inc. IHC	The Company The Company	Accounting, payroll, tax management, legal and compliance, and information technology services. Accounting, audit, tax, payroll, policy insurance, premium, marketing, and management.	2018 \$(409,181) 2019 \$(310,182) 2020 \$(191,382) 2021 \$(161,772) 2022 \$ 0** 2018 \$(41,073) 2019 \$ 0 2020 \$ 0 2021 \$ 0 2022 \$ 0

Type of Agreement and Department File Number	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Services Covered	Income/ (Expense)* For Each Year of the Examination
Third Amended and Restated Service Agreement File No. 56671	10/01/2018	The Company	Madison National Life Insurance Company, Inc. ("MNL")	Accounting, actuarial services payroll, tax, information technology services, and management.	2018 \$ 95,569 2019 \$155,826 2020 \$ 0*** 2021 \$ 0 2022 \$ 0
Fourth Amended and Restated Service Agreement File No. 58561	01/01/2020	The Company	IHC Specialty Benefits, Inc.	Accounting, payroll, tax, and management.	2018 \$ 0 2019 \$ 0 2020 \$374,067*** 2021 \$265,153 2022 \$ 0**
Service Agreement File No. 41464	06/01/2019	IHC Carrier Solutions, Inc. (formerly Actuarial Management Corporation)	The Company	Actuarial services	2018 \$(905,108)**** 2019 \$ 0 2020 \$ 0 2021 \$ 0 2022 \$ 0
Investment Management Agreement File No. 61425	01/01/2022	Delphi Capital Management, Inc. ("DCM")	The Company	Investment advisory services	2022 \$(502,000)
General Service Cost Sharing Agreement File No. 62853	01/01/2022	RSLIC	The Company	Executive management, information technology function, information technology migration, human resources, finance and legal.	2022 \$(1,579,000)
General Service Cost Sharing Agreement File No. 63206	12/01/2022	The Company	First Reliance Standard Life Insurance Company	Office space, telephone equipment, and EDP infrastructure.	2022 \$20,802

* Amount of Income or (Expense) Incurred by the Company

** RSLIC acquired the Company on January 1, 2022. Delphi is the parent company of RSLIC, and Delphi subsidiary, DCM. DCM is the asset manager of the Company as well as many other Tokio Marine subsidiaries. The above agreements previously in place with IHC or its affiliates (the Company, MNL and IAIC) were terminated, and services were either contained within the Company or provided by RSLIC in 2022.

*** The third amended and restated Service Agreement (File No 56671, effective October 1, 2019) between the Company and MNL superseded the second amended and restated Service Agreement File No 35491B. The fourth amended and restated Service Agreement (File No. 58561, effective January 1, 2020) between the Company and IHC Specialty Benefits Inc superseded Service Agreement File No. 56671.

**** In the third quarter of 2018, the Company exited the specialty health business and no longer required the same level of actuarial services from IHC Carrier Solutions. This actuarial function merged into IAIC, and any minimal actuarial services required for the in-force business was performed under Service Agreements 56671 and 58561. The actuarial function is now insured with RSLIC and is included in Cost Sharing Agreement 62853.

The Company participates in a federal income tax allocation agreement with its ultimate parent, Delphi and affiliates.

Section 1505(d)(3) of the New York Insurance Law states, in part:

“The following transactions between a domestic controlled insurer and any person in its holding company system may not be entered into unless the insurer has notified the superintendent in writing of its intention to enter into any such transaction at least thirty days prior thereto, . . . and the superintendent has not disapproved it within such period: . . .

(3) rendering of services on a regular or systematic basis;”

The examiner’s review of the Company’s Cost Sharing Agreement (File No. 62853) with its parent, RSLIC, revealed that the Company received certain services from RSLIC prior to the review and approval by the Superintendent. Subsequently, this agreement was filed and approved by the Superintendent.

The examiner’s review of the Company’s Cost Sharing Agreement (File No. 63206) with First Reliance Standard Life Insurance Company (“FRSLIC”), an affiliate, revealed that the Company provided use of its facilities to FRSLIC prior to the review and approval by the Superintendent.

The Company violated Section 1505(d)(3) of the New York Insurance Law by failing to notify the superintendent in writing of its intention to enter into the Cost Sharing Agreements with its parent and an affiliate at least thirty days prior to the implementation of each of the agreements and the superintendent has not disapproved it within such period.

E. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than 7 and not more than 13 directors. Directors are elected for a period of one year at the annual meeting of the stockholders held in December of each year. As of December 31, 2022, the board of directors consisted of nine members. Meetings of the board are held quarterly.

The nine board members and their principal business affiliation, as of December 31, 2022, were as follows:

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>	<u>Year First Elected</u>
Gary J. Balzofiore Staten Island, New York	President Standard Security Life Insurance Company of New York	2007
Christopher A. Fazzini Philadelphia, Pennsylvania	President and Chief Executive Officer First Reliance Standard Life Insurance Company	2022
Steven A. Hirsh* Highland Park, Illinois	President and Chairman Astro Communications	2022
Stephan A. Kiratsous New York, New York	Executive Vice President and Chief Financial Officer Delphia Financial Group, Inc.	2022
James Litvack* Princeton, New Jersey	Retired Lecturer Princeton University	2022
James N. Meehan* Arlington Heights, Illinois	Retired Officer Bank of America	2022
Nita A. Savage New York, New York	Senior Vice President Delphi Financial Group, Inc.	2022
Donald A. Sherman New York, New York	Chief Executive Officer and President Delphi Financial Group, Inc.	2022
Yukiyoshi Tanakamaru Riverside, Connecticut	Senior Vice President and Chief Risk Officer Delphi Capital Management, Inc.	2022

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

In February 2023, Gary J. Balzofiore retired from the board and was replaced by Scott H. Boutin.

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, 2022:

<u>Name</u>	<u>Title</u>
Gary J. Balzofiore	President
Christopher A. Fazzini	Chief Executive Officer
Daniel M. Keesey	Vice President and Chief Financial Officer
Charles T. Denaro*	Vice President, General Counsel, Chief Compliance Officer, and Secretary
Thomas A. Lutter	Vice President, Treasurer
John Staub	Assistant Vice President, Chief Information Security Officer

*Designated consumer services officer per Section 216.4(c) of 11 NYCRR 216 (Insurance Regulation 64)

In February 2023, Gary J. Balzofiore retired as President and was replaced in such position by Scott H. Boutin.

4. 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 all 50 states, the District of Columbia, and the U.S. territories of Puerto Rico and the U.S. Virgin Islands. In 2022, 60.6% of life premiums, 75.3% of annuity considerations, and 99.4% of accident and health premiums were received from New York. Policies are written on a non-participating basis.

The following tables show the percentage of direct premiums received, by state, and by major lines of business for the year 2022:

<u>Life Insurance Premiums</u>		<u>Annuity Considerations</u>	
New York	60.6%	New York	75.3%
New Jersey	12.6	Washington	13.3
Pennsylvania	6.1	Pennsylvania	<u>11.4</u>
Connecticut	3.9		
Florida	<u>2.4</u>	Subtotal	100.0%
		All others	<u>0.0</u>
Subtotal	85.6%		
All others	<u>14.4</u>	Total	<u>100.0%</u>
Total	<u>100.0%</u>		

A. Statutory and Special Deposits

As of December 31, 2022, the Company had \$1,515,000 (par value) of United States Treasury Notes on deposit with the State of New York, its domiciliary state, for the benefit of all policyholders, claimants, and creditors of the Company. As reported in Schedule E of the 2022 filed annual statement, an additional \$1,629,794 (book value) was being held by the states of Arkansas, Georgia, New Mexico, North Carolina, and South Carolina, and the U.S. territory of the U.S. Virgin Islands.

B. Direct Operations

The Company primarily sells short-term statutory disability benefit product commonly known as New York Disability Benefits Law (“DBL”) and Paid Family Leave (“PFL”) in the State of New York through general agents, agents, and brokers.

The Company is no longer actively selling specialty health products, such as short-term medical as well as some dental, vision, critical illness, and hospital indemnity. In addition, the Company has existing business in force which are in runoff in the following lines of business: individual accident and health, individual life, single premium immediate annuities, and miscellaneous insurance business.

The Company's agency operations are conducted on a general agency, agency, and brokerage basis.

C. Reinsurance

As of December 31, 2022, the Company had reinsurance treaties in effect with 14 companies, of which 7 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 limits as of December 31, 2022, are \$150,000 each for individual life and corresponding disability waiver of premium policies, no retention limit on accidental death benefits provided by a rider to individual life policies and \$5,000 of monthly benefits on disability income policies. The Company also maintains catastrophe reinsurance to protect against particularly adverse mortality which might occur to its overall life business.

The total face amount of life insurance ceded as of December 31, 2022, was \$18,843,000, which represents 50.8% of the total face amount of life insurance in force. The total amount of accident and health premiums ceded, as of December 31, 2022 was \$211,573 which represent less than 1.0% of the total accident and health premiums in force.

Reserve credit taken for reinsurance ceded to unauthorized companies, totaling \$12,731,181 was supported by letters of credit, trust agreements and funds withheld. The Company also established a liability of \$771,507 for reinsurance ceded to an unauthorized company that was not supported by letters of credit, trust agreements, funds withheld or other miscellaneous balances.

There was no life insurance nor accident and health assumed as of December 31, 2022.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2022, as contained in the Company's 2022 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, 2022 filed annual statement.

A. Independent Accountants

The firm of PwC was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31, 2022, and the related statutory-basis statements of operations, capital and surplus, and cash flows for the year then ended. RSM was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31, 2018, through December 31, 2021, and the related statutory-basis statements of operations, capital and surplus, and cash flows for the year then ended.

Both PwC and RSM 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	\$149,484,583
Cash, cash equivalents and short-term investments	11,902,535
Contract loans	19,377
Receivable for securities	15,863
Investment income due and accrued	1,832,861
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	25,964,375
Deferred premiums, agents' balances and installments booked but deferred and not yet due	48,281
Reinsurance:	
Amounts recoverable from reinsurers	6,900
Other amounts receivable under reinsurance contracts	14,614
Current federal and foreign income tax recoverable and interest thereon	349,029
Net deferred tax asset	4,201,057
Guaranty funds receivable or on deposit	25,222
Electronic data processing equipment and software	1,449,717
Claim funds	<u>418,804</u>
Total admitted assets	<u>\$195,733,218</u>

C. Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	\$ 11,763,239
Aggregate reserve for accident and health contracts	27,824,603
Liability for deposit-type contracts	4,191
Contract claims:	
Life	56,455
Accident and health	3,494,333
Premiums and annuity considerations for life and accident and health contracts received in advance	3,740
Commissions to agents due or accrued	3,972,578
General expenses due or accrued	2,250,494
Taxes, licenses and fees due or accrued, excluding federal income taxes	1,106,519
Amounts withheld or retained by company as agent or trustee	27,107
Remittances and items not allocated	1,923,102
Miscellaneous liabilities:	
Asset valuation reserve	738,737
Reinsurance in unauthorized companies	771,507
Funds held under reinsurance treaties with unauthorized reinsurers	10,812
Payable to parent, subsidiaries and affiliates	1,720,562
Payable for Securities	2,857,993
Reserve for unrepresented checks	1,466,653
Premium deposit funds	15,513
PFL risk adjustment payable	<u>33,776,326</u>
 Total liabilities	 \$ <u>93,784,463</u>
 Common capital stock	 \$ 2,586,845
Gain on coinsurance treaty	394,333
Gross paid in and contributed surplus	24,774,503
Group life contingency reserve	142,561
Unassigned funds (surplus)	<u>74,050,513</u>
Surplus	\$ <u>99,361,910</u>
Total capital and surplus	\$ <u>101,948,755</u>
 Total liabilities, capital and surplus	 \$ <u>195,733,218</u>

D. Condensed Summary of Operations

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Premiums and considerations	\$89,006,342	\$81,233,314	\$114,640,455	\$173,715,098	\$214,365,134
Investment income	4,096,633	3,978,651	2,997,876	2,538,329	5,312,376
Commissions and reserve adjustments on reinsurance ceded	2,633,218	2,296,818	2,143,731	3,182,748	85,302
Miscellaneous income	<u>(16,003)</u>	<u>6,720</u>	<u>1,696,011</u>	<u>8,549</u>	<u>4,718</u>
Total income	<u>\$95,720,190</u>	<u>\$87,515,503</u>	<u>\$121,478,073</u>	<u>\$179,444,724</u>	<u>\$219,767,530</u>
Benefit payments	\$51,182,434	\$51,114,583	\$ 51,177,846	\$ 66,876,201	\$ 88,137,630
Increase in reserves	(1,884,242)	(4,080,678)	(691,233)	6,865,381	3,244,767
Commissions	15,842,831	11,290,920	12,571,109	16,551,002	19,032,502
General expenses and taxes	20,627,103	12,261,837	16,603,435	16,255,452	19,262,896
Increase in loading on deferred and uncollected premiums	20,134	(3,867)	(491)	(2,473)	0
Miscellaneous deductions	<u>0</u>	<u>10,732,556</u>	<u>25,016,020</u>	<u>15,745,007</u>	<u>32,201,775</u>
Total deductions	<u>\$85,788,260</u>	<u>\$81,315,351</u>	<u>\$104,676,686</u>	<u>\$122,290,570</u>	<u>\$161,879,570</u>
Net gain (loss)	\$ 9,931,930	\$ 6,200,152	\$ 16,801,387	\$ 57,154,154	\$ 57,887,960
Federal and foreign income taxes incurred	<u>1,641,259</u>	<u>954,245</u>	<u>3,899,304</u>	<u>12,865,943</u>	<u>10,797,624</u>
Net gain (loss) from operations before net realized capital gains	\$ 8,290,671	\$ 5,245,907	\$ 12,902,083	\$ 44,288,211	\$ 47,090,336
Net realized capital gains (losses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>476,371</u>	<u>0</u>
Net income	<u>\$ 8,290,671</u>	<u>\$ 5,245,907</u>	<u>\$ 12,902,084</u>	<u>\$ 44,764,582</u>	<u>\$ 47,090,336</u>

E. Capital and Surplus Account

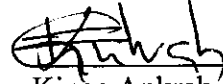
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Capital and surplus, December 31, prior year	\$ <u>65,599,564</u>	\$ <u>70,792,428</u>	\$ <u>57,069,127</u>	\$ <u>64,604,006</u>	\$ <u>73,576,853</u>
Net income	\$ 8,290,671	\$ 5,245,907	\$12,902,084	\$ 44,764,582	\$ 47,090,336
Change in net unrealized capital gains (losses)	(51,893)	216,324	239,320	(346,157)	0
Change in net deferred income tax	(562,951)	(477,915)	71,976	731,383	19,573,334
Change in non-admitted assets and related items	564,334	437,066	98,666	(539,905)	(17,974,283)
Change in liability for reinsurance in unauthorized companies	(7,834)	(4,210)	(27,098)	(406,401)	(26,190)
Change in reserve valuation basis	47,400	(601,980)	(436,080)	(722,850)	2,569,000
Change in asset valuation reserve	(34,863)	13,507	(61,989)	544,195	(735,296)
Dividends to stockholders	(3,000,000)	(18,500,000)	(5,200,000)	(35,000,000)	(22,073,000)
Gain on coinsurance treaty	<u>(52,000)</u>	<u>(52,000)</u>	<u>(52,000)</u>	<u>(52,000)</u>	<u>(52,000)</u>
Net change in capital and surplus for the year	\$ <u>5,192,864</u>	\$ <u>(13,723,301)</u>	\$ <u>7,534,879</u>	\$ <u>8,972,847</u>	\$ <u>28,371,902</u>
Capital and surplus, December 31, current year	\$ <u>70,792,428</u>	\$ <u>57,069,127</u>	\$ <u>64,604,006</u>	\$ <u>73,576,853</u>	\$ <u>101,948,755</u>

6. SUMMARY AND CONCLUSIONS

Following is the violation contained in this report:

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
A	The Company violated Section 1505(d)(3) of the New York Insurance Law by failing to notify the superintendent in writing of its intention to enter into the Cost Sharing Agreements with its parent and an affiliate at least thirty days prior to the implementation of each of the agreements and the superintendent has not disapproved it within such period.	9

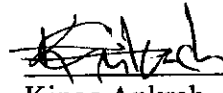
Respectfully submitted,



Kings Ankrah
Senior Insurance Examiner

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

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



Kings Ankrah

Subscribed and sworn to before me

this 13th day of June, 2024

Audrey Hall

Audrey Hall
Notary Public, State of New York
Reg. No. 01HA0010698
Qualified in Kings County
Commission Expires 07/07/2027

APPOINTMENT NO. 32541

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

I, ADRIENNE A. HARRIS, 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:

KINGS ANKRAH

as a proper person to examine the affairs of the

STANDARD SECURITY LIFE INSURANCE COMPANY OF 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 18th day of May, 2023

*ADRIENNE A. HARRIS
Superintendent of Financial Services*

By:

mal McLeod

*MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU*

