



FINANCIAL CONDITION REPORT ON EXAMINATION

OF THE

NATIONAL INTEGRITY LIFE INSURANCE COMPANY

AS OF DECEMBER 31, 2022

EXAMINER:

PABLO RAMOS

DATE OF REPORT:

JUNE 27, 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	13
	A. Statutory and special deposits	13
	B. Direct operations	13
	C. Reinsurance	14
5.	Financial statements	15
	A. Independent accountants	15
	B. Net admitted assets	15
	C. Liabilities, capital and surplus	17
	D. Condensed summary of operations	18
	E. Capital and surplus account	19
6.	Prior report summary and conclusions	20
7.	Summary and conclusions	21

KATHY HOCHUL
Governor



ADRIENNE A. HARRIS
Superintendent

June 27, 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. 32537, dated May 4, 2023, and annexed hereto, an examination has been made into the condition and affairs of National Integrity Life Insurance Company, hereinafter referred to as “the Company.” The Company’s home office is located at 400 Broadway, Cincinnati, OH 45202. The Company’s statutory home office was located at 14 Main Street, Suite 100, Greenwich, NY 12834. As of 2024, the Company’s statutory home office is located at Gerber Life Insurance Company, 1311 Mamaroneck Avenue, Suite 350, White Plains, NY 10605.

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 bill or charge for services provided to an affiliate on a regular and systematic basis, contrary to the filed administrative service agreement. (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, through 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 coordinated and conducted with the examination of the Company's parent, Integrity Life Insurance Company ("Integrity"). The examination was led by the State of Ohio with participation from the State of New York. Since the lead and participating state are 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 2018 through 2022, 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 has an internal audit department that, along with a separate internal control department, was given the task of assessing the internal control structure and the compliance with the Model Audit Rule (“MAR”). Where applicable, MAR workpapers and reports were reviewed, and portions were relied upon for this examination.

The examiner reviewed the corrective actions taken by the Company with respect to the violation contained in the prior report on examination. The results of the examiner’s review are contained in item 6 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.

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 November 22, 1968, under the name Merchants Life Insurance Company. The Company was licensed and commenced business on December 30, 1968. 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 sales of 100,000 shares of common stock (with a par value of \$10 each) for \$30 per share. Capital stock was increased to \$1,100,000 as a result of the issuance of an additional 10,000 shares of stock in 1972.

Monumental Life Insurance Company acquired the Company in July 1981 and the Company's name was changed to Monumental National Life Insurance Company of New York. The Equitable Life Assurance Society of the United States ("Equitable") purchased the Company from Monumental Life Insurance Company in November 1985. In 1985, capital stock was again increased to \$2,000,000 as a result of the issuance of 90,000 additional shares of stock. The Company adopted its present name on January 21, 1986.

In September 1988, Equitable sold the Company to The National Mutual Life Association of Australasia Ltd. ("Australasia"), an Australian life insurance company. On November 26, 1993, ARM Financial Group, Inc., a Kentucky publicly traded financial services holding company, acquired the Company and its immediate parent, Integrity, from Australasia; and in March 2000, The Western and Southern Life Insurance Company ("WSLIC") acquired the Company and Integrity from ARM Financial Group, Inc.

Capital stock and paid in and contributed surplus were \$2,000,000 and \$312,227,768, respectively, as of December 31, 2022.

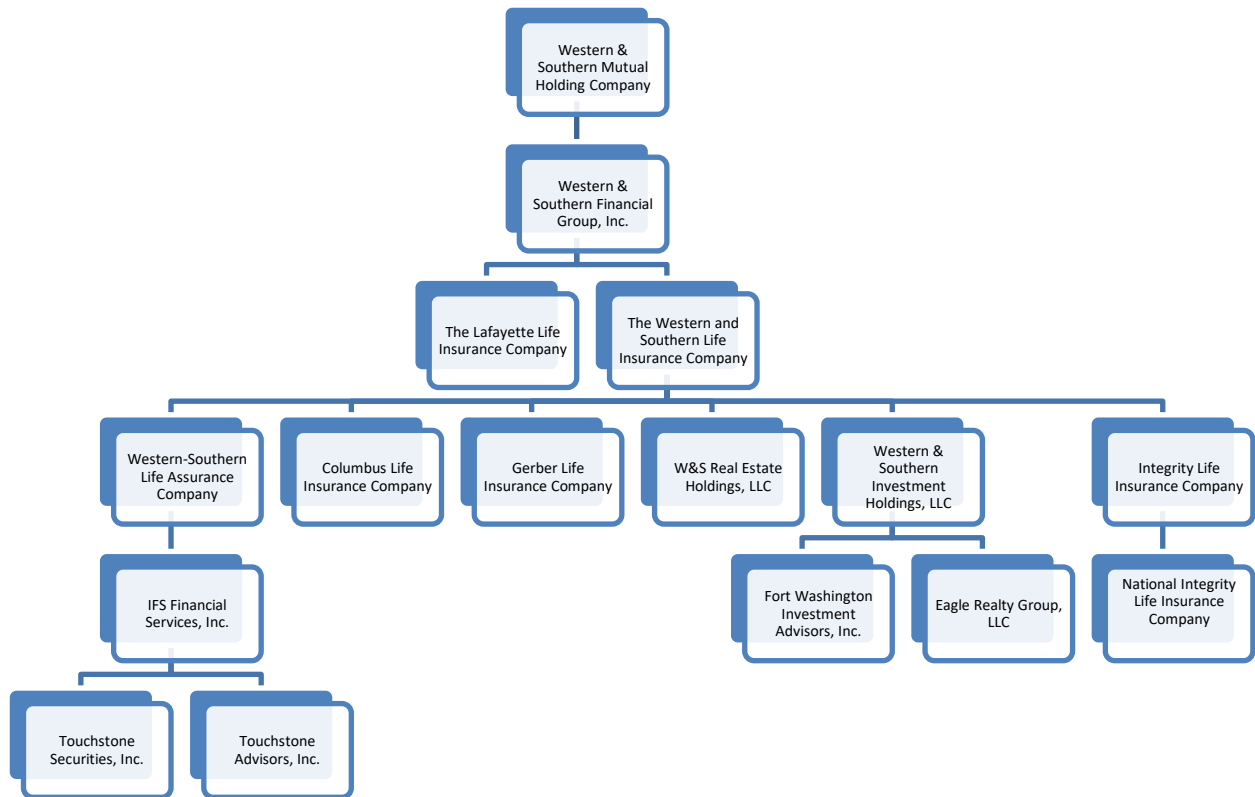
B. Holding Company

The Company is a wholly owned subsidiary of Integrity, an Ohio life insurance company. Integrity is owned by WSLIC, also an Ohio life insurance company, which in turn is a wholly owned subsidiary of Western & Southern Financial Group, Inc. ("WSFG"), a diversified group of financial services companies offering life and health insurance, annuities, mutual funds, and a

variety of other investment management products and services. The ultimate parent of the Company is Western & Southern Mutual Holding Company, an Ohio mutual holding 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, 2022, follows:



D. Service Agreements

The Company had 13 service agreements in effect with affiliates during the examination period.

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* for as of Year of the Examination
Shareholder Services Agreement File No. 38398	01/01/2008	The Company	Touchstone Advisors, Inc.	Administrative services to shareholders of Touchstone Funds through National Integrity Variable Annuities	2018 \$112,093 2019 \$103,510 2020 \$ 95,283 2021 \$118,604 2022 \$118,170
Investment Advisory File No. 29281 Amendment No. 1 File No. 29281G Amendment No. 2 File No. 47397 Amendment No. 3 File No. 47397A	02/10/2001	Fort Washington Investment Advisors.	The Company	Investment Advisor Services Fees were amended to 4.375% Fees were amended to 4.375%	2018 \$(1,779,231) 2019 \$(1,755,100) 2020 \$(1,726,015) 2021 \$(1,768,785) 2022 \$(1,739,219)
Broker-Dealer Sales Agreement File No. 29517	03/17/2002	Touchstone Securities, Inc.	The Company	Sales	2018 \$(112,497) 2019 \$(103,377) 2020 \$ (80,504) 2021 \$(155,807) 2022 \$(110,200)
Asset Management and Related Services Agreement File No. 57865 Amendment No. 1	06/20/2019	Eagle Realty Group, LLC	The Company	Asset management, mortgage loan and other mortgage loan administration	2018 \$(180,108) 2019 \$(222,045) 2020 \$(367,580) 2021 \$(247,436) 2022 \$(304,662)

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* for as of Year of the Examination
File No. 57865A					
Selling Agreement File No. 60065	11/01/2020	Gerber Life Agency	The Company	Sales	2022 \$0 2021 \$0 2020 \$0
Legal and Corporate Secretary Services Agreement File No. 61923	03/15/2022	Gerber Life Insurance Company	The Company	General legal services	2022 \$(7,500)
Distribution Agreement File No. 60066	02/28/2022	Western & Southern Financial Group Distributors	The Company	Sales	2022 \$0
Principal Underwriter File No. 34710	05/01/2006 Agreement replaced by File No. 58671	Touchstone Securities, Inc.	The Company	Distribution and underwriting services	2018 \$(2,484,474) 2019 \$(2,229,165)
Variable Product Agreement File No. 58671	04/01/2020	Touchstone Securities, Inc.	The Company	Distribution and underwriting services	2020 \$(1,720,176) 2021 \$(2,227,004) 2022 \$(2,157,949)
Real Estate Asset Management and Related Services Agreement File No. 61693	12/30/2021	The Western and Southern Life Insurance Company	The Company	Asset management	2022 \$(6,981)
Administrative Services File No. 34708	01/01/2006 Agreement replaced by File No. 49657A	The Western and Southern Life Insurance Company	The Company	Administrative, management, professional and information technology services, payroll and office space	2018 \$(16,570,390)

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* for as of Year of the Examination
Amended and Restated Administrative Services Agreement Between National Integrity Life Insurance Company and The Western and Southern Life Insurance Company File No. 49657A Amendment No. 1 File No. 49657B	05/01/2019	The Western and Southern Life Insurance Company	The Company	Administrative, management, professional and information technology services, payroll and office space	2019 \$(15,408,892) 2020 \$(13,384,295) 2021 \$(11,546,782) 2022 \$(17,340,122)
Administrative Cost Sharing Agreement between Lafayette Life Insurance Company and National Integrity Life Insurance Company File No. 60605	04/15/2021	The Lafayette Life Insurance Company	The Company	Administrative Services	2022 \$0

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

The Company participates in a federal income tax allocation agreement with its parent 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, or such shorter period as he may permit, and he has not disapproved it within such period . . .

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

Article VI of the Shareholder Services Agreement between the Company and Touchstone Advisors, Inc. states, in part, that:

“ARTICLE VI - Charges for Services

The Service Recipient and the Service Provider wish to assure that all charges for services to be rendered by the Service Provider as provided in this Agreement are reasonable and in accordance with all applicable legal requirements. The Service Recipient, or its authorized affiliates, shall pay the Service Provider an annualized fee for its services at the rates set forth in Exhibit A. Such fee is payable on a quarterly basis. All such quarterly fees will be payable within thirty (30) days after the last day of each calendar quarter. In the event of commencement of this Agreement on a date other than the first day of a fiscal quarter of the Company, the fees provided in this Section shall be prorated based on the number of days remaining in the then current fiscal quarter as a percentage of the total number of days in such quarter. . . .”

For Shareholder Services Agreement under Department file no. 38398, an intercompany agreement between the Company (as provider) and Touchstone Advisors, Inc. (as recipient), the Company indicated that due to resource turnover, the quarterly fee was not charged timely from Q1 2021 through Q3 2022 and that in the Q4 2022 billing, this charge retroactively caught up and billed and the funds of \$28,123 were remitted in January 2023. Thus, the Company failed to bill or charge for services rendered to the affiliate on a regular and systematic basis in a timely manner, as required under the terms of the intercompany services agreement.

The Company violated Section 1505(d)(3) of the New York Insurance Law by failing to bill or charge for services provided to an affiliate on a regular and systematic basis, contrary to the filed administrative service agreement.

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 12 directors. Directors are elected for a period of one year at the annual

meeting of the stockholders held in February of each year. As of December 31, 2022, the board of directors consisted of nine members. Meetings of the board are held annually following the annual stockholders' meeting.

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>
John F. Barrett Cincinnati, Ohio	Chairman of the Board Western & Southern Financial Group, Inc.	2000
George R. Bunn Jr.* New York, New York	Owner George R. Bunn Jr., Attorney at Law	2003
Daniel J. Downing Cincinnati, Ohio	Senior Vice President National Integrity Life Insurance Company	2000
Leslie V. Godridge* New York, New York	Retired, Vice Chair U.S. Bank	2021
Cameron F. MacRae III* New York, New York	Retired Partner Duane Morris LLP	2000
Jill T. McGruder Cincinnati, Ohio	President and Chief Executive Officer National Integrity Life Insurance Company	2006
Newton P.S. Merrill* Lyme, Connecticut	Retired, Former Senior Executive Vice President Bank of New York	2000
Jonathan D. Niemeyer Cincinnati, Ohio	Senior Vice-President, Chief Administrative Officer and General Counsel Western & Southern Financial Group, Inc.	2015
Donald J. Wuebbeling Cincinnati, Ohio	Secretary and Counsel Western & Southern Financial Group, Inc.	2000

* 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, 2022:

<u>Name</u>	<u>Title</u>
John F. Barrett	Chairman of the Board
Jill T. McGruder	President and Chief Executive Officer
Brendan M. White	Senior Vice President, Co-Chief Investment Officer
James J. Vance	Senior Vice President, Co-Chief Investment Officer
D. Todd Henderson	Senior Vice President, Chief Actuary, Risk and Data Officer
Bradley J. Hunkler	Senior Vice President, Chief Financial Officer
James J. Fitzgerald	Senior Vice President, Chief Information Officer
Jay V. Johnson	Senior Vice President, Corporate Finance and Treasurer
Kevin L. Howard*	Vice President, Deputy General Counsel and Head of Government Relations

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

Effective January 8, 2024, James J. Vance retired from the Company and is no longer an officer of the Company and Christopher D. Shipley was elected as a Senior Vice President and Co-Chief Investment Officer of the Company.

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 eight states, namely, Connecticut, Florida, Maine, New Hampshire, New York, Ohio, Rhode Island, and Vermont, and the District of Columbia. In 2022, 98.1% of annuity considerations and 99.7% of all life insurance premiums were received from New York. Policies are written on a non-participating basis.

A. Statutory and Special Deposits

As of December 31, 2022, the Company had \$239,361 (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's principal products sold during the examination period were fixed and variable annuities, which included single premium deferred and immediate annuities and flexible premium variable annuity contracts. The Company offers guaranteed rate options with both its fixed and variable annuities. The guaranteed rate option allows a fixed annuity contract holder to lock in a fixed rate for a one to ten-year period. In addition, the Company offers a systematic transfer option on its variable annuity contracts. The systematic transfer option provides the contract holder with a guaranteed interest rate on contributions; however, contributions must be transferred to other investment options in equal monthly or quarterly installments within six months or one year. Policies are written on a non-participating basis.

The Company's target market for both its fixed and variable annuity products is generally middle to upper income individuals over the age of fifty who want to save for retirement using financial products that provide the benefit of tax-deferred growth.

The Company's agency operations are conducted on a general agency basis. The Company's products are marketed through independent broker-dealer firms, stock brokerage firms, independent agents, and financial institutions.

C. Reinsurance

As of December 31, 2022, the Company had reinsurance treaties in effect with five companies, all of which were authorized or accredited. The Company's life business is reinsured on a yearly renewable term basis. Reinsurance is provided on an automatic basis.

The maximum retention limit for individual life contracts is \$2,000,000. The total face amount of life insurance ceded as of December 31, 2022, was \$94,049,026, which represents 18.2% of the total face amount of life insurance in force.

The Company does not assume any business.

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 E&Y was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31 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	\$3,346,348,413
Stocks:	
Preferred stocks	1,028,528
Common stocks	19,135,505
Mortgage loans on real estate:	
First liens	237,105,687
Cash, cash equivalents and short-term investments	37,529,406
Contract loans	52,172,502
Other invested assets	94,557,785
Receivable for securities	595,528
Investment income due and accrued	29,108,889
Reinsurance:	
Amounts recoverable from reinsurers	21,511
Current federal and foreign income tax recoverable and interest thereon	2,341,153
Net deferred tax asset	21,043,331
Guaranty funds receivable or on deposit	587,145

Receivables from parent, subsidiaries and affiliates	522,638
Health care and other amounts receivable	213,782
From separate accounts, segregated accounts and protected cell accounts	<u>\$1,388,011,572</u>
Total admitted assets	<u><u>\$5,230,323,375</u></u>

C. Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	\$3,185,098,717
Aggregate reserve for accident and health contracts	3,894
Liability for deposit-type contracts	165,718,426
Contract claims:	
Life	1,345,361
Contract liabilities not included elsewhere:	
Other amounts payable on reinsurance	143,034
Commissions to agents due or accrued	640,841
General expenses due or accrued	37,706
Transfers to separate accounts due or accrued	4,897,094
Taxes, licenses and fees due or accrued, excluding federal income taxes	242,263
Amounts withheld or retained by company as agent or trustee	33,953
Remittances and items not allocated	56,890,060
Miscellaneous liabilities:	
Asset valuation reserve	50,592,407
Payable to parent, subsidiaries and affiliates	2,773,485
Payable for Securities	14,101,713
Uncashed drafts and checks that are pending escheatment to the state	611,124
From Separate Accounts statement	<u>1,388,011,572</u>
 Total liabilities	 <u>\$4,871,141,650</u>
 Common capital stock	 \$ 2,000,000
Gross paid in and contributed surplus	312,227,768
Unassigned funds (surplus)	<u>44,953,957</u>
Surplus	<u>\$ 357,181,725</u>
Total capital and surplus	<u>\$ 359,181,725</u>
 Total liabilities, capital and surplus	 <u>\$5,230,323,375</u>

D. Condensed Summary of Operations

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Premiums and considerations	\$ 257,506,499	\$ 217,051,001	\$ 184,809,347	\$ 367,406,761	\$ 945,096,694
Investment income	118,648,614	132,688,994	115,093,223	118,819,192	142,611,522
Miscellaneous income	<u>8,659,433</u>	<u>8,149,183</u>	<u>7,885,966</u>	<u>8,890,268</u>	<u>9,526,162</u>
Total income	<u>\$ 384,814,546</u>	<u>\$ 357,889,178</u>	<u>\$ 307,788,536</u>	<u>\$ 495,116,221</u>	<u>\$1,097,234,378</u>
Benefit payments	\$ 500,012,839	\$ 482,424,494	\$ 372,280,423	\$ 400,996,711	\$ 430,404,208
Increase in reserves	5,769,678	(33,829,388)	80,158,467	156,073,364	559,625,230
Commissions	12,226,877	11,214,059	8,953,093	11,426,046	25,218,104
General expenses and taxes	17,835,618	16,626,018	14,769,938	13,057,115	15,881,470
Net transfers to (from)					
Separate Accounts	(183,273,589)	(167,394,597)	(144,233,194)	(182,615,744)	111,476,568
Miscellaneous deductions	<u>437,808</u>	<u>604,893</u>	<u>685,830</u>	<u>806,911</u>	<u>713,280</u>
Total deductions	<u>\$ 353,009,231</u>	<u>\$ 309,645,479</u>	<u>\$ 332,614,557</u>	<u>\$ 399,744,403</u>	<u>\$1,143,318,860</u>
Net gain (loss)	\$ 31,805,315	\$ 48,243,699	\$ (24,826,021)	\$ 95,371,818	\$ (46,084,482)
Federal and foreign income taxes incurred	<u>9,148,159</u>	<u>10,162,917</u>	<u>7,411,746</u>	<u>10,619,562</u>	<u>9,110,384</u>
Net gain (loss) from operations before net realized capital gains	\$ 22,657,156	\$ 38,080,782	\$ (32,237,767)	\$ 84,752,256	\$ (55,194,866)
Net realized capital gains (losses)	<u>2,745,908</u>	<u>(2,485,174)</u>	<u>(10,122,025)</u>	<u>1,187,579</u>	<u>(1,783,663)</u>
Net income	<u>\$ 25,403,064</u>	<u>\$ 35,595,608</u>	<u>\$ (42,359,792)</u>	<u>\$ 85,939,835</u>	<u>\$ (56,978,529)</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>\$315,929,164</u>	<u>\$339,004,814</u>	<u>\$377,138,579</u>	<u>\$343,675,966</u>	<u>\$426,317,075</u>
Net income	\$ 25,403,064	\$ 35,595,608	\$(42,359,792)	\$ 85,939,835	\$(56,978,529)
Change in net unrealized capital gains (losses)	(8,632,699)	(3,964,389)	2,379,981	2,618,915	(7,174,425)
Change in net deferred income tax	4,891,661	988,067	14,683,624	(7,552,138)	21,766,011
Change in non-admitted assets and related items	(6,204,406)	6,253,490	(8,679,343)	10,749,020	(23,929,491)
Change in asset valuation reserve	7,618,030	(992,115)	524,374	(9,119,237)	(825,660)
Other changes in surplus in Separate Accounts statement	0	0	(11,457)	4,714	6,744
Cumulative effect of changes in accounting principles	<u>0</u>	<u>253,104</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in capital and surplus for the year	<u>\$ 23,075,650</u>	<u>\$ 38,133,765</u>	<u>\$ (33,462,613)</u>	<u>\$ 82,641,109</u>	<u>\$ (67,135,350)</u>
Capital and surplus, December 31, current year	<u>\$339,004,814</u>	<u>\$377,138,579</u>	<u>\$343,675,966</u>	<u>\$426,317,075</u>	<u>\$359,181,725</u>

6. PRIOR REPORT SUMMARY AND CONCLUSIONS

Following is the violation contained in the prior report on examination and the subsequent actions taken by the Company in response to the citation:

<u>Item</u>	<u>Description</u>
A	<p>The Company violated Section 1505(d)(3) of the New York Insurance Law by receiving various mortgage loan services on a regular and systematic basis from an affiliated Company without notifying the Superintendent in writing of its intention to enter into such transaction at least thirty days prior thereto.</p> <p>The Company filed its intercompany agreement with Eagle Realty Group, LLC for asset management and related services by letter dated May 17, 2019, and revised on June 25, 2019, and the Department non-disapproved the agreement on July 18, 2019. However, the Company again violated Section 1505(d)(3) of the New York Insurance Law under a different intercompany agreement by failing to bill or charge for services provided to an affiliate on a regular and systematic basis, contrary to the filed administrative service agreement. See item 3D of this report.</p>

7. 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 bill or charge for services provided to an affiliate on a regular and systematic basis, contrary to the filed administrative service agreement.	10

Respectfully submitted,




Pablo Ramos
Associate Insurance Examiner

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

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



Pablo Ramos

Subscribed and sworn to before me
this 27th day of June, 2024


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

APPOINTMENT NO. 32537

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:

PABLO RAMOS

*as a proper person to examine the affairs of the
NATIONAL INTEGRITY LIFE INSURANCE COMPANY
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 4th day of May, 2023

*ADRIENNE A. HARRIS
Superintendent of Financial Services*

By:

mark mcLeod

*MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU*

