REPORT ON EXAMINATION
OF THE
SEGREGATED GIFT ANNUITY FUND
OF THE
NEW YORK UNIVERSITY

AS OF DECEMBER 31, 2023

EXAMINER: Hasan Ahmed

DATE OF REPORT: October 17, 2025

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January 5, 2026

Honorable Kaitlin Asrow
Acting Superintendent of Financial Services
New York, New York 10004

Dear Kaitlin Asrow:

In accordance with instructions contained in Appointment No. 32636 dated April 10th, 2024, and annexed hereto, an examination has been made into the condition and affairs of the Segregated Gift Annuity Fund of the New York University. The Fund's home office is located at Washington Square, New York, NY 10003.

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

1. SCOPE OF EXAMINATION

This Scope of Examination summarizes the nature of the Superintendent of the Department of Financial Services' (the "Department") examination and assessment of the New York University Segregated Annuity Fund (the "Fund") through which the New York University (the "University") provides annuity benefits.

The prior examination was conducted as of December 31, 2018. This examination covers the period from January 1, 2019 through December 31, 2023. As necessary, the examiner reviewed transactions occurring subsequent to December 31, 2023 but prior to the date of this report (i.e., the completion date of the examination).

This report outlines DFS's supervisory expectations or priorities and articulates DFS's general views regarding the exceptional circumstances where the University or Fund, in relation to their annuity activities, could have better satisfied statutory standards or to adhered to practices or methods of dealing that are regularly observed among similar circumstances.

The Fund is subject to the solvency and examination requirements of New York Insurance Law § 1110 and of New York Insurance Law articles 1, 2, 3, 25, and 74.

The investment of the Fund's required admitted assets is subject to N.Y. Estates, Powers and Trust Law § 11-2.3. The investment of the remainder of the Fund's admitted assets is subject to N.Y. Not-for-Profit Corporation Law Article 5-a. Both establish that the trustees are to invest the assets consistent with prudent person standards.

The examination comprised a verification of assets and liabilities as of December 31, 2023 to determine whether the Fund's filed 2023 annual statement fairly presents its financial condition. The examiner reviewed the Fund's income and disbursements necessary to accomplish such verification. The examiner also reviewed the corrective actions taken by the Fund with respect to the violation and recommendations contained in the prior report on examination. The results of such review are contained in item 5 of this report.

2. DESCRIPTION OF FUND

A. History

New York University was chartered in 1831 and is organized for the purpose of providing higher learning in liberal arts and sciences. The University established the Fund to issue gift annuity agreements in return for gifts from donors in 1973. The Superintendent of Insurance granted to the University a Charitable Annuity Society special permit on July 19, 1974.

B. Structure

The Fund is overseen by the University's board of trustees. All operations related to the issuance, maintenance and settlement of annuity agreements are handled by the Fund.

C. Assets under the Board of Trustees

As of the August 31, 2023 audited financial statement, the University's Board of Trustees oversaw an endowment comprising $5.89 billion in assets and $32.6 billion in total assets overall. The Fund, as of December 31, 2023, held total admitted assets of $17,927,651.

D. Third Party Service Providers

BNY Mellon is the Fund's custodian and investment manager. The Fund also has a service agreement with BNY Mellon. Under the service agreement, BNY Mellon is responsible for investment management services, Fund accounting, beneficiary distributions, and the preparation of tax returns, with the University's input, oversight and review.

3. ASSETS AND LIABILITIES SUMMARY

The following summary table indicates the growth (decline) in various categories of the Fund's assets, liabilities, and fund balance during the period under review:

	December 31, 2018	December 31, 2023	Increase (Decrease)
Admitted assets	$19,495,258	$17,927,651	$(1,567,607)
Liabilities	$16,040,728	$11,054,634	$(4,986,094)
Minimum required fund balance	$ 1,604,073	$ 1,105,463	$ (498,610)
Excess fund balance (surplus)	1,850,458	5,767,554	3,917,096
Total annuity fund balance	$ 3,454,530	$ 6,873,017	$ 3,418,487
Total liabilities and annuity fund balance	$19,495,258	$17,927,651	$(1,567,607)

The decrease in admitted assets is largely due to disbursements being greater than investment income during the exam period. The disbursements were primarily annuity payments and distributions to the University following the termination of annuities. The decrease in liabilities reflects a decrease in the total number of annuities in force. Annuities decreased from 611 with annual payment amounts of $2,029,355 as of December 31, 2018, to a total of 384 with annual payment amounts of $1,181,244 as of December 31, 2023. The increase in annuity fund balance was due to reductions in liabilities resulting from annuity terminations.

The Fund's admitted assets, as of December 31, 2023, were invested in mainly in equity securities (66.87%) and bonds (30.61%).

4. TREATMENT OF ANNUITANTS

The examiner reviewed a sample of annuity files to determine whether the annuitants were treated fairly and in accordance with the provisions of the annuity agreements. The examination also consisted of a review of the various controls involved, a check of the accuracy of the computations and the tracing of accounting data to the books of account.

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

5. PRIOR REPORT VIOLATION & RECOMMENDATIONS

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

Item	Description
A	The examiner recommends that upon the death of an annuitant, the Fund obtain and maintain a death certificate or other reliable documentary evidence that supports such information terminating an annuity contract. The Fund obtained and maintained death certificates or other reliable documentary evidence that supports such information terminating an annuity contract.
B	The Fund violated New York Insurance Law § 1110(b) by failing to maintain segregation of the assets of the Fund separate from the assets of the University. The Fund maintains segregation of the assets of the Fund separate from the assets of the University.
C	The examiner recommends that the proceeds from the gifts received for the gift annuity program be deposited directly into the Fund's account upon receipt of the gift. The proceeds from the gift received for the gift annuity program are deposited directly into the Fund's account upon receipt of the gift.

Respectfully submitted,

/s/
Hasan Ahmed
Senior Insurance Examiner

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

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

/s/
Hasan Ahmed

Subscribed and sworn to before me

this _____ day of _____

APPOINTMENT NO. 32636

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:*

HASAN AHMED

as a proper person to examine the affairs of the

SEGREGATED GIFT ANNUITY FUND OF THE NEW YORK UNIVERSITY

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

FUND

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 10th day of April, 2024

ADRIENNE A. HARRIS
Superintendent of Financial Services

By: Mark McLeod

MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU