



**STATE OF NEW YORK
INSURANCE DEPARTMENT
160 WEST BROADWAY
NEW YORK, NEW YORK 10013**

**Supplement No. 1 To
Circular Letter No. 12 (1995)
November 1, 1995**

TO: All Licensed Life Insurers and Accredited Life Reinsurers

RE: Synthetic Guaranteed Investment Contracts

Circular Letter No. 12 rescinded Circular Letter No. 9 (1994) and advised insurers that synthetic guaranteed investment contracts can be considered ancillary activity to companies engaged in group life insurance or reinsurance.

Upon reviewing synthetic GICs recently submitted by several life insurance companies with annuity features, the Department has determined that the synthetic guaranteed investment contracts that include traditional group annuity features, including annuity purchase rights and guaranteed annuity purchase rates, can be considered substantially similar to annuities pursuant to Section 1113(a)(30) of the Insurance Law.

Please direct all inquiries concerning this supplement to Fred Bodner, Assistant Deputy Superintendent/Chief, Life and Health Bureau, Empire State Plaza, Agency Building One, Albany, NY 12257.