

STATE OF NEW YORK INSURANCE DEPARTMENT
REPORT ON EXAMINATION
OF THE
BANKERS LIFE INSURANCE COMPANY OF NEW YORK
AS OF
DECEMBER 31, 2003

DATE OF REPORT:

JULY 26, 2005

EXAMINER:

ANTHONY MAURO

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STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004

George E. Pataki
Governor

Howard Mills
Superintendent

July 26, 2005

Honorable Howard Mills
Superintendent of Insurance
Albany, New York 12257

Sir:

In accordance with instructions contained in Appointment No. 22260, dated September 29, 2004 and annexed hereto, an examination has been made into the condition and affairs of Bankers Life Insurance Company of New York, hereinafter referred to as "the Company" or "Bankers," at its home office located at 65 Froehlich Farm Boulevard, Woodbury, New York 11797.

Wherever "Department" appears in this report, it refers to the State of New York Insurance Department.

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

1. EXECUTIVE SUMMARY

The Company violated Section 127.2(a)(3) of Department Regulation No. 102 by entering into a reinsurance agreement which requires the Company to pay the reinsurer a portion of “extra allowances” for lapses up to two years. As a result, reserve credits taken under the reinsurance agreement totaling \$8,297,593 are hereby disallowed as of December 31, 2003.

The examiner’s review of the Company’s market conduct activities did not reveal significant instances which deviated from the New York Insurance Law, Department regulations and circular letters and the operating rules of the Company. (See item 6 of this report)

2. SCOPE OF EXAMINATION

The prior examination was conducted as of December 31, 2000. This examination covers the period from January 1, 2001 through December 31, 2003. As necessary, the examiner reviewed transactions occurring subsequent to December 31, 2003 but prior to the date of this report (i.e., the completion date of the examination).

The examination comprised a verification of assets and liabilities as of December 31, 2003 to determine whether the Company's 2003 filed annual statement fairly presents its financial condition. The examiner reviewed the Company's income and disbursements necessary to accomplish such verification and utilized the National Association of Insurance Commissioners' Examiners Handbook or such other examination procedures, as deemed appropriate, in such review and in the review or audit of the following matters:

- Company history
- Management and control
- Corporate records
- Fidelity bond and other insurance
- Territory and plan of operation
- Market conduct activities
- Growth of Company
- Business in force by states
- Mortality and loss experience
- Reinsurance
- Accounts and records
- Financial statements

The examiner reviewed the corrective actions taken by the Company with respect to violations and recommendations contained in the prior report on examination. (See item 7 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

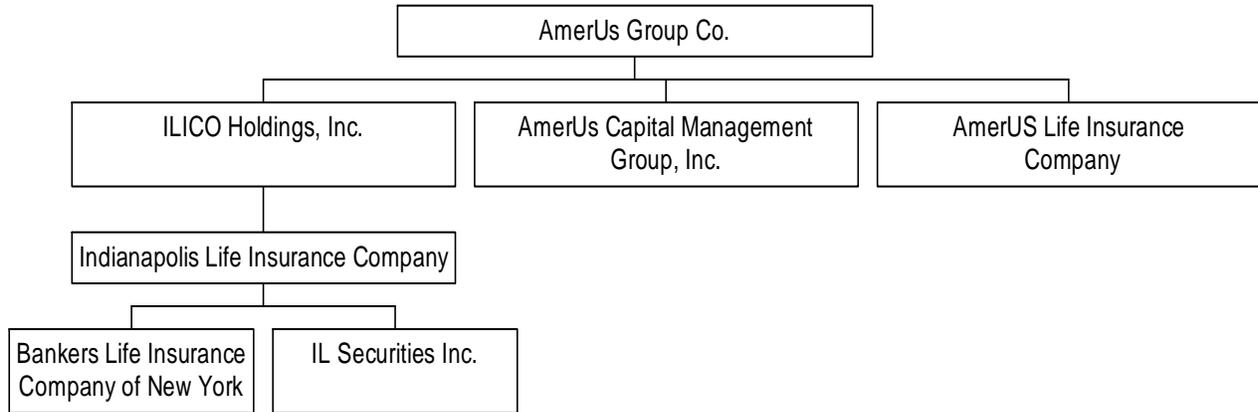
The Company was incorporated as a stock life insurance company under the laws of the State of New York on April 17, 1958, and was licensed and commenced business on November 25, 1958, under the name of the Gotham Life Insurance Company of New York. Initial resources of \$650,000, consisting of common capital stock of \$300,000 and paid in and contributed surplus of \$350,000, were provided through the sale of 3,000 shares of common stock (with a par value of \$100 each) for \$216.67 per share. In 1979, the Company changed its name to Bankers Life and Casualty Company of New York. In March 1994, the Company changed its name to its present name, Bankers Life Insurance Company of New York. In July 1995, Indianapolis Life Insurance Company (“ILICO”) purchased the Company from Southwestern Life Insurance Company. In 1998, the Company became a subsidiary of the Indianapolis Life Group of Companies (“IL Group”), which was the downstream holding company of ILICO. On May 18, 2001, ILICO became a wholly owned subsidiary of AmerUs Group Co. (“AGC”). AGC is the successor company resulting from a merger between American Mutual Holding Company and its subsidiary, AmerUs Life Holdings, Inc., following American Mutual Holding Company’s demutualization in September 2000. On March 5, 2002, IL Group was dissolved and all of the Company’s shares reverted to ILICO which became the Company’s immediate parent and AGC became the Company’s ultimate parent.

In 2002 ILICO made a capital contribution to the Company in the amount of \$5,000,000 and in 2003 they contributed an investment in bonds in the amount of \$3,957,937. Total changes in the capital and surplus of the Company since incorporation resulted in capital and paid in and contributed surplus of \$2,002,306 and \$22,732,600, respectively, as of December 31, 2003.

B. Holding Company

The Company is a wholly owned subsidiary of ILICO, which is in turn a wholly owned subsidiary of ILICO Holdings, Inc. (“IH”). The ultimate parent of the Company is AGC, a publicly-owned holding company of life insurance and annuity companies.

An organization chart reflecting the relationship between the Company and significant entities in its holding company system as of December 31, 2003 follows:



The Company had three service agreements and one investment advisory agreement in effect during the examination period.

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Administrative Services	3/11/98 Amended 8/15/03	the Company	ILICO	Underwriting, new business and policy-owner services	2001 \$2,388,558 2002 \$3,360,228 2003 \$3,433,853
Administrative Services	6/9/00	ILICO	the Company	Accounting, actuarial EDP, policy administration for certain block of business	2001 \$(857,414) 2002 \$(710,708) 2003 \$(336,395)
Administrative Services	1/1/02	AGC and AmerUs Life Insurance Company	the Company	Full range of services including: human resources, legal, tax, audit, IT, finance, actuarial, administration, etc.	2001 \$ 0 2002 \$(1,476,518) 2003 \$(4,477,737)
Investment Advisory Agreement	2/28/00	AmerUs Capital Management Group, Inc.	the Company	Investment advisory services	2001 \$(463,854) 2002 \$(466,873) 2003 \$(470,812)

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

The Company has a federal tax allocation agreement in effect among AGC, IH and ILICO which was filed with the Department in compliance with Department Circular Letter No. 33 (1979).

C. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than nine and not more than 13 directors, as may be determined from time to time by the board. Directors are elected for a period of one year at the annual meeting of the stockholders held on the second Thursday of May of each year. As of December 31, 2003, the board of directors consisted of 12 members. Meetings of the board are held four times a year.

The 12 board members and their principal business affiliation, as of December 31, 2003, were as follows:

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>	<u>Year First Elected</u>
David A. Arledge * Naples, FL	Director Realty Group of Naples, LLC	2003
Roger K. Brooks Des Moines, IA	Chairman and Chief Executive Officer AmerUs Group Co.	2001
Ralph J. Cargiulo * Massapequa, NY	Retired	2001
Thomas C. Godlasky West Des Moines, IA	President AmerUs Group Co.	2001
Paul K. Mariboe Babylon, NY	Vice President Bankers Life Insurance Company of New York	2003
Gary R. McPhail Des Moines, IA	President AmerUs Life Group	2001
Andrew J. Paine, Jr. * Indianapolis, IN	Retired	2003
Jack C. Pester * Houston, TX	Chairman Pester Marketing Group	2003
Garret P. Ryan Carmel, IN	Senior Vice President and Chief Marketing Officer Indianapolis Life Insurance Company.	1995
Stephen J. Shorrock Northport, NY	President and Chief Operating Officer Bankers Life Insurance Company of New York	2003
Melinda S. Urion Clive, IA	Executive Vice President and Chief Financial Officer AmerUs Group Co.	2002
F.A. Wittern, Jr. * West Des Moines, IA	Chairman and Chief Executive Officer The Wittern Group	2003

* 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, 2003:

<u>Name</u>	<u>Title</u>
Stephen J. Shorrock	President and Chief Operating Officer
Dorothy Bonett	Vice President
Maryann Ellis*	Vice President
James Kerwin	Vice President
Valerie Margolin	Vice President
Paul K. Mariboe	Vice President
Kenneth Roman	Controller and Treasurer
Andrew Smallenberger	Secretary
Jonathan Clark	Actuary

* Designated consumer services officer per Section 216.4(c) of Department Regulation No. 64

In January 2004, Stephen J. Shorrock retired as President, Chief Operating Officer and Director and was replaced by James Kerwin.

D. Territory and Plan of Operation

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 11 states. In 2003, 86.1% of life premiums, 94.9% annuity premiums, 98.9% of accident and health premiums and 81.6% of deposit type funds were received from New York. Policies are written on a participating and non-participating basis.

The Company's business is concentrated in individual life and individual annuity products. The products include universal life, interest sensitive whole life, group universal life, equity indexed universal life, survivor universal life, term life, and single and flexible premium deferred annuities.

In 2003, the Company introduced the "Empire Solution," an equity indexed universal life product with a no-lapse guarantee rider. The returns on the Empire Solution policy are intended

to mirror the S&P 500 Index based on a five year average and subject to an annual cap. In addition, the policy is guaranteed a minimum rate of return of 2%. The minimum face amount is \$100,000. Coverage is available to individuals ages 0-85 with a benefit period until age 100.

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

E. Reinsurance

As of December 31, 2003, the Company had reinsurance treaties in effect with 22 companies, of which 20 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 \$500,000. The total face amount of life insurance ceded as of December 31, 2003, was \$14,680,021,634 which represents 81.3% of the total face amount of life insurance in force. Reserve credit taken for reinsurance ceded to unauthorized companies, totaling \$55,068,709, was supported by letters of credit, trust agreements and funds withheld.

Section 127.2(a) of Department Regulation No. 102 states, in part:

“No insurer subject to this Part shall, for reinsurance ceded, take reserve credit by reducing a liability or establishing an asset in any financial statement filed with the superintendent if, by the terms of the reinsurance agreement, in substance or effect, any of the following conditions exists . . .

(3) The ceding insurer is required to reimburse the assuming reinsurer for negative experience under the reinsurance agreement . . .”

Exhibit II of the First Dollar Quota Share Coinsurance Agreement (No. 0900wPB1) between the Company and Transamerica International Re Ltd., indicates that there is a chargeback of a portion of first year allowances over 100% (“extra allowances”) for lapses up to two years. This provision should have been qualified such that the chargebacks did not exceed the amounts recovered by the Company from its producers. It does not appear that any chargebacks were recovered from producers.

As of December 31, 2003, the Company reported reserve credits under the aforementioned reinsurance agreement in the amount of \$8,297,593.

The Company violated Section 127.2(a)(3) of Department Regulation No. 102 by entering into a reinsurance agreement which requires the Company to pay the reinsurer a portion of “extra allowances” for lapses up to two years. As a result, reserve credits taken under the reinsurance agreement with Transamerica International Re Ltd., totaling \$8,297,593, are hereby disallowed as of December 31, 2003.

Subsequent to the examination period, the Company addressed the concerns raised by the Department by amending the aforementioned reinsurance agreement to eliminate the chargebacks for lapses. As a result, the Company will be able to take reserve credits under the reinsurance agreement with Transamerica International Re Ltd. effective July 1, 2005.

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 during the period under review:

	<u>December 31,</u> <u>2000</u>	<u>December 31,</u> <u>2003</u>	<u>Increase</u>
Admitted assets	<u>\$382,852,091</u>	<u>\$508,822,118</u>	<u>\$125,970,027</u>
Liabilities	<u>\$359,157,267</u>	<u>\$472,067,924</u>	<u>\$112,910,657</u>
Common capital stock	\$ 2,002,306	\$ 2,002,306	\$ 0
Gross paid in and contributed surplus	13,774,663	22,732,600	8,957,937
Group life contingency reserve	31,436	31,436	0
Unassigned funds (surplus)	<u>7,886,419</u>	<u>11,987,852</u>	<u>4,101,433</u>
Total capital and surplus	<u>\$ 23,694,824</u>	<u>\$ 36,754,194</u>	<u>\$ 13,059,370</u>
Total liabilities, capital and surplus	<u>\$382,852,091</u>	<u>\$508,822,118</u>	<u>\$125,970,027</u>

The Company's invested assets as of December 31, 2003, were mainly comprised of bonds (92.0%) and contract loans (4.0%). The majority (92.7%) of the Company's bond portfolio, as of December 31, 2003, was comprised of investment grade obligations.

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>2001</u>	<u>2002</u>	<u>2003</u>
Ordinary:			
Life insurance	\$(12,149)	\$(533,419)	\$3,673,791
Individual annuities	(21,997)	467,077	32,203
Supplementary contracts	<u>(748)</u>	<u>40,229</u>	<u>(91,165)</u>
Total ordinary	\$ <u>(34,894)</u>	\$ <u>(26,113)</u>	\$ <u>3,614,829</u>
Group:			
Life	\$(21,670)	\$ 521,071	\$ 931,960
Annuities	<u>21</u>	<u>(477)</u>	<u>(2,279)</u>
Total group	\$ <u>(21,649)</u>	\$ <u>520,594</u>	\$ <u>929,681</u>
Accident and health:			
Group	\$ (6)	\$ (1,671)	\$ 0
Other	<u>3,695</u>	<u>(82,813)</u>	<u>344,368</u>
Total accident and health	\$ <u>3,689</u>	\$ <u>(84,484)</u>	\$ <u>344,368</u>
Total	\$ <u>(52,854)</u>	\$ <u>409,997</u>	\$ <u>4,888,878</u>

Sales volume and product mix had a significant impact on ordinary life insurance earnings during the examination period. The statutory surplus strain associated with the increase in term and universal life product sales caused a larger loss in 2002 compared to the loss reported in 2001. In 2002 total life insurance sales increased 115.1% from \$10.3 million to \$22.1 million, universal life insurance sales increased by \$5.3 million (\$3.5 million of this increase was due to the fact that one of the Company's universal life products which was offered as a group product in previous years was re-filed as an individual product in late 2001) and term insurance sales increased by \$4.2 million.

In 2003 the Company placed an increased emphasis on permanent insurance sales. Term insurance sales decreased by \$1.6 million and the reduced strain of writing less new term business coupled with profitability from previous years sales were the driving factors behind the gain reported in 2003.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital, surplus and other funds as of December 31, 2003, as contained in the Company's 2003 filed annual statement, a condensed summary of operations and a reconciliation of the capital and surplus account for each of the years under review.

A. ASSETS, LIABILITIES, CAPITAL, SURPLUS AND OTHER FUNDS AS OF DECEMBER 31, 2003

Admitted Assets

Bonds	\$448,930,062
Stocks:	
Preferred stocks	311,520
Common stocks	2,602,106
Mortgage loans: first liens	13,393,570
Cash and short term investments	578,980
Contract loans	18,932,045
Receivable for securities	1,159,951
Investment income due and accrued	6,933,306
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	49,959
Deferred premiums, agents' balances and installments booked deferred and not yet due	10,583,627
Reinsurance ceded:	
Amounts recoverable from reinsurers	900,973
Other amounts receivable under reinsurance contracts	1,563,168
Net deferred tax asset	1,934,759
Electronic data processing equipment and software	654,548
Receivables from parent, subsidiaries and affiliates	22,166
Healthcare and other amounts receivable	8,632
Surrender value life insurance	199,785
Due from nonaffiliates	<u>62,961</u>
 Total admitted assets	 <u>\$508,822,118</u>

Liabilities, Capital, Surplus and Other Funds

Aggregate reserve for life policies and contracts	\$418,949,334
Aggregate reserve for accident and health policies	2,158,666
Liability for deposit-type contracts	13,099,833
Policy and contract claims:	
Life	5,520,933
Accident and health	99,212
Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:	1,213,802
Premiums and annuity considerations for life and accident and health policies and contracts received in advance	152,012
Policy and contract liabilities:	
Interest maintenance reserve	1,199,319
Commissions to agents due or accrued	465,181
General expenses due or accrued	2,207,017
Taxes, licenses and fees due or accrued	590,178
Federal and foreign income taxes	643,816
Unearned investment income	670,888
Amounts withheld or retained by company as agent or trustee	238,783
Amounts held for agents' account	852,729
Remittances and items not allocated	2,069,450
Liability for benefits for employees and agents	3,518,508
Miscellaneous liabilities:	
Asset valuation reserve	2,187,472
Funds held under reinsurance treaties with unauthorized reinsurers	15,777,606
Payable to parent, subsidiaries and affiliates	<u>453,184</u>
 Total liabilities	 <u>\$472,067,924</u>
 Common capital stock	 \$ 2,002,306
Gross paid in and contributed surplus	22,732,600
Group life contingency reserve	31,436
Unassigned funds (surplus)	<u>11,987,852</u>
 Total capital, surplus and other funds	 <u>\$ 36,754,194</u>
 Total liabilities, surplus and other funds	 <u>\$508,822,118</u>

B. CONDENSED SUMMARY OF OPERATIONS

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Premiums and considerations	\$ 79,679,796	\$ 90,959,836	\$107,736,291
Investment income	24,159,258	25,598,546	26,604,479
Commissions and reserve adjustments on reinsurance ceded	12,081,003	18,039,397	8,363,078
Miscellaneous income	<u>291,737</u>	<u>286,432</u>	<u>541,643</u>
Total income	<u>\$116,211,794</u>	<u>\$134,884,212</u>	<u>\$143,245,491</u>
Benefit payments	\$ 30,755,969	\$ 36,288,603	\$ 44,047,458
Increase in reserves	54,140,267	62,505,033	48,294,189
Commissions	13,547,971	16,343,610	17,507,764
General expenses and taxes	15,014,434	20,188,352	27,622,741
Increase in loading on deferred and uncollected premium	(408,136)	(1,706,229)	(2,242,410)
Miscellaneous deductions	<u>(62,236)</u>	<u>0</u>	<u>10,398</u>
Total deductions	<u>\$112,988,269</u>	<u>\$133,619,370</u>	<u>\$135,240,140</u>
Net gain (loss)	\$ 3,223,525	\$ 1,264,842	\$ 8,005,351
Dividends	1,140,506	1,167,216	1,070,244
Federal and foreign income taxes incurred	<u>2,135,872</u>	<u>(312,373)</u>	<u>2,046,228</u>
Net gain (loss) from operations before net realized capital gains	\$ (52,853)	\$ 409,999	\$ 4,888,878
Net realized capital gains (losses)	<u>(572,256)</u>	<u>(2,962,953)</u>	<u>925,639</u>
Net income (loss)	<u>\$ (625,109)</u>	<u>\$ (2,552,954)</u>	<u>\$ 5,814,517</u>

C. CAPITAL AND SURPLUS ACCOUNT

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Capital and surplus, December 31, prior year	\$ <u>23,694,837</u>	\$ <u>21,691,328</u>	\$ <u>24,701,064</u>
Net income (loss)	\$ (625,109)	\$ (2,552,954)	\$ 5,814,517
Change in net unrealized capital gains (losses)	8,176	(19,942)	58,432
Change in net deferred income tax	0	1,056,242	375,767
Change in non-admitted assets and related items	859,622	(6,872,719)	597,128
Change in liability for reinsurance in unauthorized companies	0	(2,538,755)	2,538,755
Change in reserve valuation basis	(204,583)	661,819	(1,289,420)
Cumulative effect of changes in accounting principles	339,418	9,017,452	0
Surplus adjustments:			
Paid in	0	5,000,000	3,957,937
Change in surplus as a result of reinsurance	(1,130,862)	(861,206)	0
Dividends to stockholders	(1,200,000)	0	0
Prior year adjustment – commissions	(4,049)	0	0
Prior year tax allocation	0	237,700	0
Rounding adjustment	(9)	(10)	14
Prior year expense adjustment	0	(117,888)	0
Policy loan correction	<u>(46,109)</u>	<u>0</u>	<u>0</u>
Net change in capital and surplus	\$ <u>(2,003,505)</u>	\$ <u>3,009,739</u>	\$ <u>12,053,130</u>
Capital and surplus, December 31, current year	\$ <u>21,691,331</u>	\$ <u>24,701,067</u>	\$ <u>36,754,194</u>

6. MARKET CONDUCT ACTIVITIES

The examiner reviewed various elements of the Company's market conduct activities affecting policyholders, claimants, and beneficiaries to determine compliance with applicable statutes and regulations and the operating rules of the Company.

A. Advertising and Sales Activities

The examiner reviewed a sample of the Company's advertising files and the sales activities of the agency force including trade practices, solicitation and the replacement of insurance policies.

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

B. Underwriting and Policy Forms

The examiner reviewed a sample of new underwriting files, and the applicable policy forms.

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

C. Treatment of Policyholders

The examiner reviewed a sample of various types of claims, surrenders, changes and lapses. The examiner also reviewed the various controls involved, checked the accuracy of the computations and traced the accounting data to the books of account.

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

7. PRIOR REPORT SUMMARY AND CONCLUSIONS

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

<u>Item</u>	<u>Description</u>
A	<p>The Company violated Section 1308(f)(1) of the New York Insurance Law by not obtaining the Superintendent's permission prior to entering into an agreement reinsuring a substantial portion of its existing annuities. The Company also violated Section 127.2(c) of Department Regulation No. 102 for not filing the agreement with the Superintendent within 30 days from its date of execution.</p> <p>The Company filed the coinsurance agreement with the Superintendent.</p>
B	<p>The examiner recommends that the Company file the coinsurance agreement with the Superintendent forthwith.</p> <p>The Company filed the coinsurance agreement with the Superintendent.</p>
C	<p>The Company violated Section 3201(b)(1) of the New York Insurance Law by using a policy form that was not filed with and approved by the Superintendent.</p> <p>The Company filed the policy form.</p>
D	<p>The Company violated Section 3227 of the New York Insurance Law by not paying interest on the proceeds of cash surrenders.</p> <p>The Company instituted procedures to ensure the payment of interest on the proceeds of cash surrenders. The examination revealed that proceeds on cash surrenders were paid correctly.</p>
E	<p>The examiner recommends that the Company remit the proceeds of checks outstanding for more than three years to the State Comptroller, Office of Unclaimed Funds or other appropriate jurisdiction.</p> <p>The Company instituted procedures to remit the proceeds of checks outstanding for more than three years to the Office of Unclaimed Funds. The examination revealed that the remittances were made.</p>

8. SUMMARY AND CONCLUSIONS

Following are the violation and the comment contained in this report:

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
A	The Company violated Section 127.2(a)(3) of Department Regulation No. 102 by entering into a reinsurance agreement which requires the Company to pay the reinsurer a portion of “extra allowances” for lapses up to two years.	8 – 9
B	Comment that reserve credits taken under the reinsurance agreement with Transamerica International Re Ltd., totaling \$8,297,593, are hereby disallowed as of December 31, 2003.	8 – 9

Respectfully submitted,

Anthony Mauro
Senior Insurance Examiner

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

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

Anthony Mauro

Subscribed and sworn to before me

this _____ day of _____

APPOINTMENT NO. 22260

STATE OF NEW YORK
INSURANCE DEPARTMENT

I, GREGORY V. SERIO, Superintendent of Insurance of the State of New York, pursuant to the provisions of the Insurance Law, do hereby appoint:

ANTHONY MAURO

as a proper person to examine into the affairs of the

BANKERS LIFE INSURANCE COMPANY OF NEW YORK

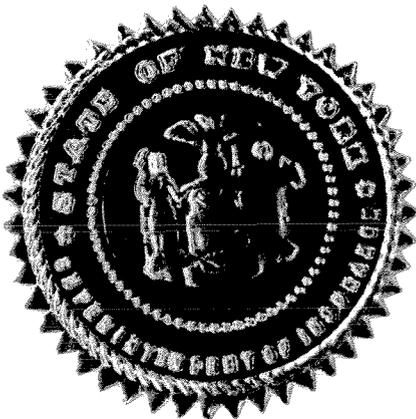
and to make a report to me in writing of the condition of the said

COMPANY

with such other information as he shall deem requisite.

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

this 29th day of September, 2004



GREGORY V. SERIO

Superintendent of Insurance

[Handwritten Signature]
Superintendent