NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

FINANCIAL CONDITION REPORT ON EXAMINATION

OF THE

FIRST SECURITY BENEFIT LIFE INSURANCE AND ANNUITY COMPANY

OF NEW YORK

CONDITION:	DECEMBER 31, 2017
DATE OF REPORT:	JUNE 20, 2019

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EXAMINER:	GEORGE BROWN, CFE

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NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Linda A. Lacewell
Superintendent

June 20, 2019

The Honorable Linda A. Lacewell
Superintendent of Financial Services
New York, New York 10004

Madam:

In accordance with instructions contained in Appointment No. 31857, dated November 2, 2018 and annexed hereto, an examination has been made into the condition and affairs of First Security Benefit Life Insurance and Annuity Company of New York, hereinafter referred to as "the Company," at its home office located at 350 Park Avenue, 14th Floor, New York, New York 10022, and at the offices of its affiliate, Security Benefit Life Insurance Company, located at One Security Benefit Place, Topeka, Kansas 66636.

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. SCOPE OF EXAMINATION

The examination of the Company was a full-scope examination as defined in the National Association of Insurance Commissioners' ("NAIC") *Financial Condition Examiners Handbook, 2018 Edition* (the "Handbook"). The examination covers the four-year period from January 1, 2014, to December 31, 2017. 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, 2017, 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 affiliate, Security Benefit Life Insurance Company, by the Kansas Insurance Department. 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 2014 through 2017, by the accounting firm of Ernst & Young LLP. The Company received an unqualified opinion in all four years. Certain audit workpapers of the accounting firm were reviewed and relied upon in conjunction with this examination. The Company utilizes the audit department of its parent, SBL Holdings, LLC, that includes internal controls over financial reporting which is tasked with assessing the internal control structure and compliance with the Model Audit Rule (“MAR”). Where applicable, MAR workpapers and reports were reviewed and portions were relied upon for this examination.

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.

2. 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 8. 1994, and was licensed and commenced business on July 31, 1995. Initial resources of $6,000,000, consisting of common capital stock of $2,000,000 and paid in and contributed surplus of $4,000,000, were provided through the sale of 200,000 shares of common stock (with par value of $10 each) for $30 per share to Security Benefit Life Insurance Company ("SBL"), a Kansas life insurance company. On February 24, 1995, all of the stock was transferred to Security Benefit Group, Inc. ("SBG"), a wholly owned subsidiary of SBL.

On September 8, 1995, the Company merged with Pioneer National Life Insurance Company ("PNL"), a stock life insurance company organized under the laws of the State of Kansas. As of that date, PNL ceased to exist and First Security Benefit Life Insurance and Annuity Company of New York became the surviving company. As a result of this transaction, the Company's paid-in and contributed surplus increased to $4,600,000. In 2004, SBG contributed paid-in surplus to the Company in the amount of $2,000,000. The contribution increased the Company's gross paid-in and contributed surplus to $6,600,000. In August 2006, SBG merged with and into the Company's affiliate Security Benefit Corporation ("SBC"). In August 2006, SBC filed and the Department approved a cash surplus contribution of $2,000,000 to the Company, which increased gross paid in and contributed surplus to $8,600,000.

In February 2010, Security Benefit Mutual Holding Company ("SBMHC"), the previous ultimate parent of the Company, entered into a definitive agreement with Guggenheim SBC Holdings, LLC (the "Purchaser") whereby the Purchaser would purchase all of the outstanding capital stock of SBC, the Company's parent, and SBMHC would demutualize and be liquidated. All regulatory approvals were received and the transaction closed on July 30, 2010.

The Company received capital contribution in cash from its parent, SBC, in the amount of $5,000,000 on September 26, 2013, and $20,000,000 on December 20, 2013.

Effective January 31, 2017, SBC, the Company's direct parent, contributed to SBL Holdings, LLC, a Kansas limited liability company, all of the outstanding stock of the Company.

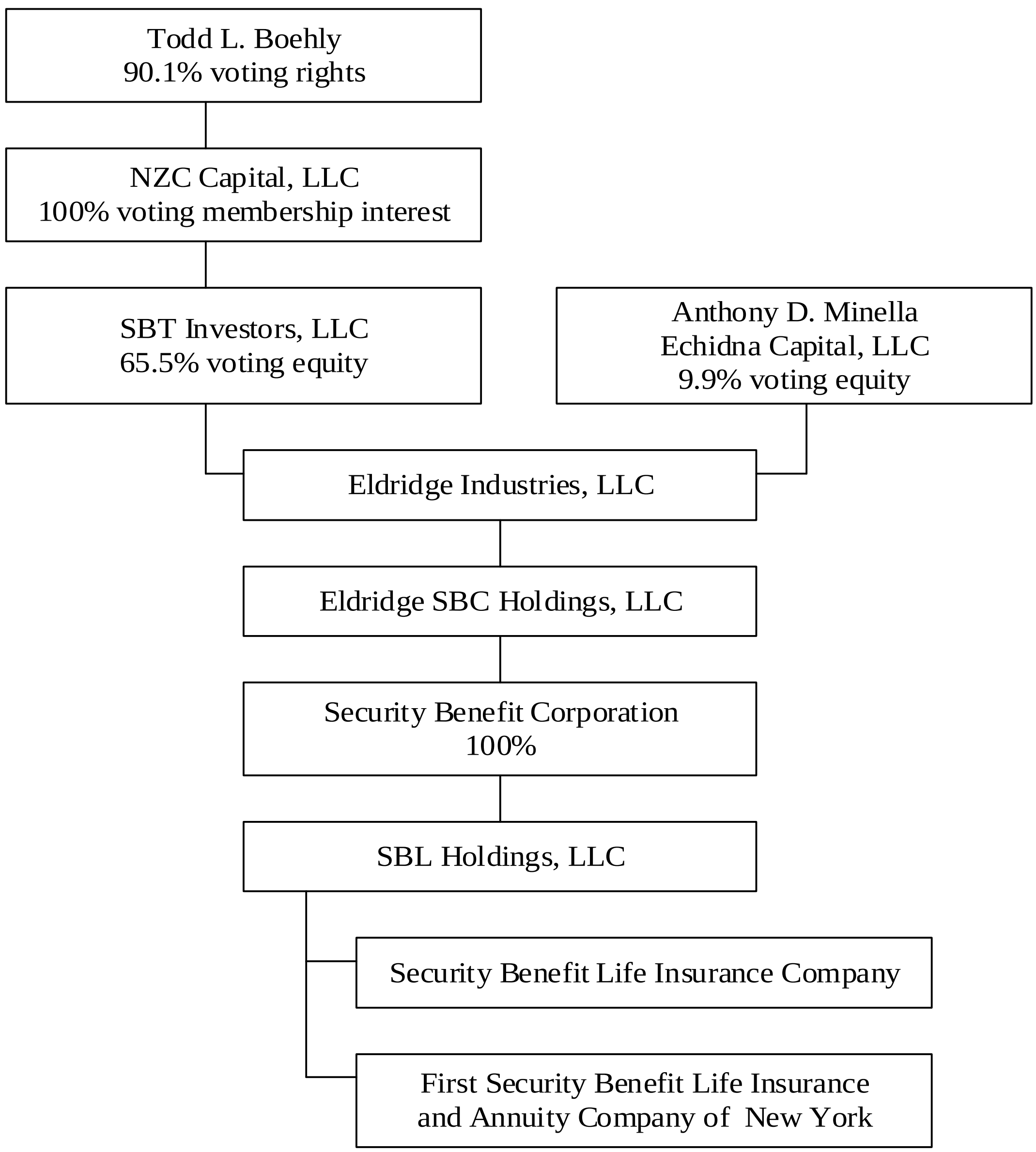
As of December 31, 2017, the Company's common capital stock and gross paid-in and contributed surplus was $2,000,000 and $33,600,00, respectively.

B. Holding Company

The Company became a wholly owned subsidiary of Eldridge Industries, LLC, and ultimately controlled by Mr. Todd L. Boehly effective January 31, 2017. This change of control terminated Sammons Enterprises as the ultimate parent 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, 2017, follows:



D. Service Agreements

The Company had seven 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 Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Administrative Services Agreement File No. 34730	01/01/2006	SBL	The Company	Underwriting, claims, actuarial	2017 $(1,237,900) 2016 $(1,630,006) 2015 $(1,085,418) 2014 $ (536,448)
Administrative Services Agreement File No. 33228	01/01/2005	Security Benefit Corporation ("SBC)	The Company	Accounting, marketing, advertising, functional support, and disaster recovery	2017 $(119,134) 2016 $(155,379) 2015 $(192,187) 2014 $(280,206)
Distribution Agreement File No. 30355	07/01/2002	Security Distributors, LLC	The Company	Distribution of variable annuity contracts	2017 $ (70) 2016 $ (2,357) 2015 $ (706) 2014 $(10,369)
Services Agreement File No. 35652	10/01/2006	The Company	Security Management Company, now Security Investors, LLC ("Security Investors")**	Administrative services	2017 $ 2,469 2016 $31,342 2015 $36,621 2014 $42,294
Services Agreement and Third-Party Investor Services Agreement File No. 42074 and File No. 42074A	01/01/2008	The Company	Rydex Distributors, Inc. ("Rydex")**	Recordkeeping	2017 $ 7,603 2016 $ 97,080 2015 $109,315 2014 $183,029

Type of Agreement and Department File Number	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Participation Agreement File No. 42074B and File No. 45350	01/01/2008	Rydex**	The Company	Offering of portfolio shares	2017 $0 2016 $0 2015 $0 2014 $0
Investment Management Agreement File No. 44289	08/08/2011	Guggenheim Partners Investment Management, LLC ("GPIM")**	The Company	Investment advisory services	2017 $ (61,661) 2016 $(684,999) 2015 $(616,223) 2014 $(672,067)

*Amount of Income or (Expense) Incurred by the Company
**Security Investors, Rydex, and GPIM were affiliated with the Company only until January 31, 2017.

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

E. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than 9 and not more than 21 directors. The number of directors shall be increased to not less than 13 members within one year following the end of the calendar year in which the Company's admitted assets exceed $1.5 billion. At least one-third of the directors, but not less than four shall not be officers or employees of the Corporation or its affiliates. Directors are elected for a period of one year at the annual meeting of the stockholders held in April of each year. As of December 31, 2017, the board of directors consisted of ten members. Meetings of the board are held in March and September.

The ten board members and their principal business affiliation, as of December 31, 2017, were as follows:

Name and Residence	Principal Business Affiliation	Year First Elected
Stephen A. Crane* New York, New York	Self-employed Insurance and reinsurance consultant	1999

Name and Residence	Principal Business Affiliation	Year First Elected
Wayne S. Diviney***** Clifton, Virginia	Chief Financial Officer The Sail Time Group, LLC	2007
John F. Guyot Lawrence, Kansas	Senior Vice President, General Counsel, and Secretary First Security Benefit Life Insurance and Annuity Company of New York	2008
Stephen R. Herbert* Pound Ridge, New York	Partner Locke & Herbert	1998
Michael P. Kiley Holmdel, New Jersey	Chairman and Chief Executive Officer First Security Benefit Life Insurance and Annuity Company of New York	2010
Roger S. Offermann Topeka, Kansas	Chief Actuary and Senior Vice President First Security Benefit Life Insurance and Annuity Company of New York	2012
Barry G. Ward Lawrence, Kansas	Chief Financial Officer, Chief Risk Officer Treasurer and Senior Vice President First Security Benefit Life Insurance and Annuity Company of New York	2013
Katherine P. White* New York, New York	Adjunct Professor of Law Fordham University of Law	1994
Joseph W. Wittrock Topeka, Kansas	Chief Investment Officer and Sr Vice President First Security Benefit Life Insurance and Annuity Company of New York	2017
Douglas G. Wolf Lawrence, Kansas	President First Security Benefit Life Insurance and Annuity Company of New York	2010

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

In March 2017, Anthony D. Minella resigned from the board and was replaced by Joseph W. Wittrock in April 2017.

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 most meetings.

The following is a listing of the principal officers of the Company as of December 31, 2017:

Name	Title
Douglas G. Wolff	President
Michael P. Kiley	Chief Executive Officer
John F. Guyot	Senior Vice President, General Counsel and Secretary
Barry G. Ward	Senior Vice President, Chief Financial Officer, Chief Risk Officer and Treasurer
Joseph W. Wittrock	Chief Investment Officer and Senior Vice President
Roger S. Offermann	Senior Vice President and Chief Actuary
Peggy S. Avey*	Chief Administrative Officer, Assistant Secretary and Second Vice President

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

3. 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 two states, namely New York and Kansas. In 2017, all annuity consideration was received from New York. Policies are written on a non-participating basis.

A. Statutory and Special Deposits

As of December 31, 2017, the Company had $580,000 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.

B. Direct Operations

The Company currently writes individual annuities through multiple distribution channels. The Company's sales consisted solely of non-participating individual flexible premium deferred annuities issued in the state of New York, making up 100% of the Company's total first-year premiums. Each of the Company's major products are offered in both qualified and non-qualified markets. Qualified markets consist of retirement plans qualified under Sections 403(b), 408(b) and 408A of the Internal Revenue Code ("IRC"), and non-qualified markets consist of individual annuities that are not qualified under the foregoing or similar IRC Sections.

The Company's sales of its SecureDesigns Variable Annuity, EliteDesigns Variable Annuity, and EliteDesigns II Variable Annuity were marketed through independent broker-dealers and agencies distribution system. In some cases, Security Distributors, LLC ("SD"), an affiliate of the Company, distributed the EliteDesigns Variable Annuity. The Premier Choice Fixed Annuity ("Choice-NY") was marketed during the exam period but is no longer available for new issues effective October 1, 2017. Prior to October 2017, the Choice-NY was marketed through independent agencies in the bank distribution system.

C. Reinsurance

As of December 31, 2017, the Company had three reinsurance treaties in effect; two with SBL, which is an unauthorized reinsurer, and one with Guggenheim Life and Annuity Company ("GLAC"), an unauthorized reinsurer.

One treaty with SBL, reinsured on a 100% coinsurance basis, is a block of life insurance with 57 policies currently in force. The treaty is closed to new issues. The business is ceded to SBL and retroceded to Kansas City Life Insurance Company. The reserve credit is supported by funds withheld.

The other treaty with SBL, effective October 1, 2004, reinsures on a 100% coinsurance basis the insurance risk of certain living benefit riders issued by the Company on its variable annuity policies, namely the Guarantee Minimum Income Benefit (GMIB) and Guaranteed Minimum Withdrawal Benefit (GMWB) riders. The reserve credit is supported by funds withheld.

The treaty with GLAC, effective January 26, 2012, is a retrocessional agreement whereby the Company cedes to GLAC a group fixed annuity for volunteer first responders where the units provide set contributions based on a plan and eligibility. Almost all converted to direct business, however, there is a small amount remaining that is assumed from Standard Security Life Insurance Company of New York ("Standard Security"). The treaty is closed to new groups; however, new entrants are allowed in existing groups. The Company cedes 100% to GLAC. The reserve credit is supported by funds withheld.

The total face amount of life insurance ceded as of December 31, 2017 was $133,093, which represents 100% of the total face amount of life insurance in force.

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 (decline) during the period under review:

	December 31, 2013	December 31, 2017	Increase (Decrease)
Admitted assets	$617,103,510	$674,977,293	$57,873,783
Liabilities	$586,465,386	$644,744,491	$58,279,105
Common capital stock	$ 2,000,000	$ 2,000,000	$ 0
Gross paid in and contributed surplus	33,600,000	33,600,000	0
Unassigned funds (surplus)	(4,961,876)	(5,367,198)	(405,322)
Total capital and surplus	$ 30,638,124	$ 30,232,802	$ (405,322)
Total liabilities, capital and surplus	$617,103,510	$674,977,293	$57,873,783

The Company's invested assets as of December 31, 2017, exclusive of separate accounts, were mainly comprised of bonds (84%) and cash and short-term investments (14%).

The majority (95.2%) of the Company's bond portfolio, as of December 31, 2017, was comprised of investment grade obligations.

Ordinary Annuities

	2014	2015	2016	2017
Outstanding, end of previous year	6,823	8,168	8,056	7,879
Issued during the year	1,732	336	196	115
Other net changes during the year	(387)	(448)	(373)	(710)
Outstanding, end of current year	8,168	8,056	7,879	7,284

Ordinary annuities issued decreased between 2014 to 2015 because of a decision made by the Company to taper growth and stopped selling its Choice-NY product in 2015 to effectively manage required capital. This also accounted for the subsequent decreases in 2016 and 2017.

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:

	2014	2015	2016	2017
Ordinary individual annuities	$(3,813,734)	$2,841,630	$2,809,924	$1,343,402
Group annuities	80,837	9,259	87,335	58,725
Net gain (loss) from operations	$(3,732,897)	$2,850,889	$2,897,259	$1,402,127

The increase in net gain from operations in ordinary individual annuities between 2014 and 2015 was primarily driven by a decrease in reserves of approximately $3.8 million, as the Company began tapering sales growth in its Choice-NY product, compared to an increase in reserves of $70.9 million in 2014. The decrease between 2016 and 2017 was due primarily to an increase in surrender benefits of approximately $20.1 million in 2017. In addition, net investment income decreased resulting from lower bond holdings and a slight decrease in the earned rate during 2017 to 3.1% from 3.3% in 2016.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2017, as contained in the Company's 2017 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, 2017 filed annual statement.

A. Independent Accountants

The firm of Ernst & Young, LLP was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31, 2017 and 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.

Ernst & Young, LLP 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	$447,308,575
Stocks:	
Preferred stocks	722,064
Cash, cash equivalents and short term investments	77,186,922
Contract loans	407,307
Other invested assets	1,888,170
Receivable for securities	50,975
Investment income due and accrued	2,754,055
Premiums and considerations:	
Other amounts receivable under reinsurance contracts	330,665
Current federal and foreign income tax recoverable and interest thereon	1,834,585
Net deferred tax asset	2,258,757
Miscellaneous Assets	45,171
From separate accounts, segregated accounts and protected cell accounts	$140,190,047
Total admitted assets	$674,977,293

C. Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	$310,905,638
Contract claims:	
Life	139,902
Interest maintenance reserve	509,427
General expenses due or accrued	953,885
Transfers to separate accounts due or accrued	(869,966)
Taxes, licenses and fees due or accrued, excluding federal income taxes	360,000
Amounts withheld or retained by company as agent or trustee	32,107
Remittances and items not allocated	114,499
Miscellaneous liabilities:	
Asset valuation reserve	2,857,635
Funds held under reinsurance treaties with unauthorized reinsurers	188,211,828
Payable to parent, subsidiaries and affiliates	239,489
Payable for Securities	1,100,000
From Separate Accounts statement	140,190,047
Total liabilities	$644,744,491
Common capital stock	2,000,000
Gross paid in and contributed surplus	33,600,000
Unassigned funds (surplus)	(5,367,198)
Less treasury stock, at cost:	
Surplus	$ 28,232,802
Total capital and surplus	$ 30,232,802
Total liabilities, capital and surplus	$674,977,293

D. Condensed Summary of Operations

	2014	2015	2016	2017
Premiums and considerations	$ 97,280,386	$23,546,609	$13,068,517	$14,098,937
Investment income	8,485,925	11,340,149	11,538,655	10,697,858
Commissions and reserve adjustments on reinsurance ceded	1,094,261	957,398	793,795	650,267
Miscellaneous income	2,688,988	2,297,609	2,150,267	2,087,201
Total income	$109,549,560	$38,141,765	$27,551,234	$27,534,263
Benefit payments	$ 47,155,116	$43,166,864	$36,864,739	$ 57,564,909
Increase in reserves	70,967,603	(3,794,764)	(7,893,768)	(28,711,810)
Commissions	3,831,014	1,647,928	1,362,351	1,380,829
General expenses and taxes	1,792,790	2,521,169	2,767,054	2,572,068
Net transfers to (from) separate accounts	(11,466,551)	(8,942,677)	(8,277,539)	(6,018,755)
Miscellaneous deductions	106,051	31,252	73,847	214,143
Total deductions	$112,386,023	$34,629,772	$24,896,684	$27,001,384
Net gain (loss)	$ (2,836,463)	$ 3,511,993	$ 2,654,550	$ 532,879
Federal and foreign taxes Incurred	896,434	661,104	(242,457)	(869,248)
Net gain (loss) from operations before net realized capital gains	$ (3,732,897)	$ 2,850,889	$ 2,897,007	$ 1,402,127
Net realized capital gains (losses)	(50,803)	(376,687)	(2,113,966)	(16,452)
Net income (loss)	$ (3,783,700)	$ 2,474,202	$ 783,041	$ 1,385,675

Premium and annuity considerations decreased by approximately $73.7 million or 76% from 2014 to 2015 due to the Company's tapering sales growth in its Choice-NY product. The tapering of sales growth in the Choice-NY product continued throughout 2016 and 2017.

Investment income increased in 2015 from 2014 primarily because of a decrease in the level of assets held in cash and short-term investments during 2015 and an increase in the earned rate during 2015 to 3.2% from 2.59% in 2014. The earned rate increased slightly in 2016 to 3.3% and dropped to 3.1% in 2017, which was the primarily driven in the fluctuations from 2015 to 2017.

The fluctuations in payments benefits from 2014 to 2017 were driven primarily by the varied degrees of surrender activities.

The decreases in reserves from 2015 to 2017 are attributable to the Company's planned moderation of sales growth in its Choice NY-product.

E. Capital and Surplus Account

	2014	2015	2016	2017
Capital and Surplus December 31, prior year	$30,638,124	$25,564,712	$27,096,991	$28,965,396
Net Income	$(3,783,700)	$ 2,474,202	$ 783,041	$ 1,385,675
Change in net unrealized capital gains (losses)	0	(174,862)	117,929	17,770
Change in net deferred income tax	2,114,870	(136,725)	(345,553)	(2,503,103)
Change in non-admitted assets and related items	(2,437,153)	159,613	1,172,853	2,780,786
Change in asset valuation reserve	(967,429)	(789,949)	140,135	(413,722)
Net change in capital and surplus for the year	$(5,073,412)	$ 1,532,279	$ 1,868,405	$ 1,267,406
Capital and Surplus December 31, current year	$25,564,712	$27,096,991	$28,965,396	$30,232,802

The 2014 change in net deferred income tax was primarily driven by policyholder reserves. There was a $2.6 million increase in the policyholder reserves component included in the calculations from 2013 to 2014. The 2017 change was driven primarily by changes associated with the Tax Cuts and Job Act enacted on December 22, 2017. The Act reduced the rate from 35% to 21%, along with other changes, including how tax reserves are computed.

The 2014 change in non-admitted assets and related items was driven primarily by a $2.5 million decrease in non-admitted net deferred tax asset from 2013 to 2014. The 2017 change was driven primarily by a $2.8 million increase in non-admitted deferred tax asset from 2016 to 2017.

Respectfully submitted,

George Brown

George Brown, CFE
Global Insurance Enterprises, Inc.

COMMONWEALTH OF VIRGINIA)
)SS:
COUNTY OF HENRICO)

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

George Brown

George Brown

Subscribed and sworn to before me on this
25th day of July 2019
by ___George Brown___, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Kathryn R Howard

KATHRYN RUTH HOWARD
NOTARY PUBLIC
REG # 7564584
MY COMMISSION EXPIRES 4/30/2021
COMMONWEALTH OF VIRGINIA

Respectfully submitted,

_____________/s/____________
Courtney Williams
Principal Insurance Examiner

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

<u>Courtney Williams</u>, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

_____________/s/____________
Courtney Williams

Subscribed and sworn to before me

this__________ day of ____________________

APPOINTMENT NO. 31857

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

*I, **MARIA T. VULLO**, 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:*

GEORGE BROWN
(GLOBAL INSURANCE ENTERPRISES, INC.)

as a proper person to examine the affairs of the

FIRST SECURITY BENEFIT LIFE INSURANCE AND ANNUITY 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 2nd day of November, 2018

MARIA T. VULLO
Superintendent of Financial Services

By:

MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU