



P.O. Box 7066
Allentown, PA 18105-7066
(800) 362-0700
penntreaty.com/ainic

July 30, 2024

{PHName}
{PHAddress1}
{PHAddress2}
{PHCity}, {PHState} {PHZipCode}

Re: Court Order Approving Closing Report and Dissolution of American Independent Network Insurance Company of New York (“AINIC”)

Dear {FirstName} {LastName},

The purpose of this letter is to inform you that the Supreme Court of the State of New York (“Court”) approved AINIC’s Closing Report and the dissolution of AINIC on July 24, 2024.

In the enclosed Closing Order approving the Closing Report you will find, among other things, information about:

- The Court’s approval of AINIC’s Closing Report, financial summary, closing budget, and related financial transactions;
- The distribution of AINIC’s assets to the Life and Health Insurance Company Guaranty Corporation of New York (“Guaranty Corporation”);
- The payment of administrative expenses;
- The dissolution of AINIC;
- The termination and closing of AINIC’s liquidation proceeding; and
- Other details related to the liquidation proceeding.

For updated information about the AINIC liquidation proceeding or for an electronic copy of the Closing Order, visit AINIC’s website at penntreaty.com/ainic.

What Will Not Change

Effective October 1, 2023, the Guaranty Corporation assumed responsibility for AINIC’s policies. The Guaranty Corporation provides policyholders with protection when an insurer is placed into a liquidation proceeding, including continuing coverage and payment of eligible claims, subject to a \$500,000 coverage limit and the terms and conditions of your policy. If your benefit limit is \$500,000 or less, your policy will be fully covered. If your benefit limit is more than \$500,000, the Guaranty Corporation will cover only up to \$500,000 in benefits. Coverage will not be provided for benefits in excess of the Guaranty Corporation coverage limit of \$500,000. Benefits paid before October 1, 2023, do not count against the Guaranty Corporation coverage limit.

Important Reminders

Your Policy Number: Your policy number stays the same.

Benefits Coverage: You will continue to have coverage for covered claims up to the limits discussed above, as long as you continue to pay your policy premiums on time.

Phone Numbers and Mailing Addresses: All policy/claims administration phone numbers and mailing addresses will remain the same. The current AINIC policy/claims administrator, Davies Life and Health, Inc., has contracted with the Guaranty Corporation to continue to pay claims and administer your policy.

Payment of Premiums: The process to pay premiums is the same.

- **Bank drafts:** No changes are necessary. Your premiums will continue to be deducted from your bank account based on your existing agreement.
- **Mailed payments:** No changes are necessary. Premium payments should continue to be mailed to AINIC, PO Box 7066, Allentown, PA 18105-7066.
- **Important note:** To continue your coverage, it is very important to continue paying your policy premiums on time and in full. Failure to pay applicable premiums on time may cause your policy to terminate and the loss of Guaranty Corporation coverage protection.

Submission of Claims: The process to submit claims will remain the same unless you hear otherwise from the Guaranty Corporation in the future.

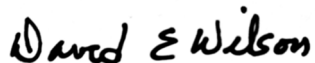
- **File a new claim, ask questions about the claims process, or ask questions about existing claims:** Continue to call (800) 362-0700 (Monday–Friday, 8:30 a.m.–6:00 p.m. EST).
- **Submit claim information:** Continue to send your documents to the same address: AINIC, Attn: Claims Department, PO Box 7066, Allentown, PA 18105-7066. Or continue to send by fax to (610) 965-6962.

How Do I Receive More Information?

For updated information about AINIC or for an electronic copy of the Closing Order and/or Closing Report, visit AINIC's website at www.penntreaty.com/ainic. For information about the Guaranty Corporation, visit its website at www.nylifega.org.

If you have further questions or need clarification of any of this information, please call Policyholder Services at (800) 362-0700. For information about the Guaranty Corporation, visit its website at nylifega.org. We expect call volume to be heavy for the next few weeks, and we will answer your call as quickly as possible.

Sincerely,



David E. Wilson
Special Deputy Receiver of AINIC

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

In the Matter of

the Liquidation of

AMERICAN INDEPENDENT NETWORK
INSURANCE COMPANY OF NEW YORK.

Index. No. 151761/2023

IAS Part 56

Hon. John J. Kelley

NOTICE OF ENTRY

PLEASE TAKE NOTICE that annexed hereto is a true copy of a Decision and Order on Motion signed by the Hon. John J. Kelley, J.S.C. on July 24, 2024 and entered by the Clerk of the Court on the 24th day of July, 2024. The Decision and Order grants AINIC’s motion for, among other things, approval of its closing report and financial summary. The Decision and Order further grant the relief requested by AINIC which includes termination and closure of the liquidation proceeding in accordance with the Closing Order dated July 24, 2024, attached, and that AINIC be deemed to be dissolved in accordance therewith.

Dated: New York, NY
July 24, 2024

Respectfully submitted,

BRESSLER, AMERY & ROSS, P.C.
*Attorneys for Petitioner
Superintendent of Financial Services
of the State of New York*

By: _____

Cynthia J. Borrelli, Esq.
17 State Street, 34th Floor
New York, New York 10004
(212) 425-3900

**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY**

PRESENT: HON. JOHN J. KELLEY PART IAS MOTION 56EFM

Justice

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In the Matter of the liquidation of
AMERICAN INDEPENDENT NETWORK
INSURANCE COMPANY OF NEW YORK.

INDEX NO. 151761/2023

MOTION DATE 07/05/2024

MOTION SEQ. NO. 003

**DECISION AND ORDER ON
MOTION**

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The following e-filed documents, listed by NYSCEF document number 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67 (Motion 003)

were read on this motion to/for APPROVE CLOSING REPORT AND FINANCIAL STATEMENTS IN LIQUIDATION PROCEEDING.

In this insurance company liquidation proceeding, the liquidator moves for the approval of its closing report and financial summary in connection with American Independent Network Insurance Company of New York (AINICNY), as the insurer in liquidation, to confirm that the policyholder inception date for the Life and Health Insurance Company Guaranty Corporation of New York is October 1, 2023, for the authorization to file a final tax return and other required filings, and for the approval of the final distribution of the assets of AINICNY pursuant to Insurance Law § 7434, subject to a holdback for Class One administrative expenses in the sum of approximately \$1.25 million, which is to be transferred to Penn Treaty Plus as a special purpose vehicle. The liquidator further seeks authorization for the payment of any additional and necessary administrative expenses, the termination of this proceeding, a declaration that AINICNY is dissolved pursuant to Insurance law § 7416, authorization to dispose of or destroy all of AINICNY's books and records, and the release of the liquidator from any further obligation.

Upon the foregoing papers, the motion is granted, without opposition, the relief requested by the liquidator is granted in full, the proceeding is terminated and closed in accordance with the Closing Order dated July 24, 2024, attached, and the American

Independent Network Insurance Company of New York is deemed to be dissolved in accordance therewith.

This constitutes the Decision and Order of the court.

JOHN J. KELLEY, J.S.C.

7/24/2024

DATE

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE

At IAS Part 56 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 71 Thomas Street, in the City, County, and State of New York, on the 24th day of July _____, 2024.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of :

Index No.: 151761/2023

the Liquidation of :

CLOSING ORDER

AMERICAN INDEPENDENT NETWORK
INSURANCE COMPANY OF NEW YORK :

----- X

Upon the application of the Superintendent of Financial Services of the State of New York as liquidator (“Liquidator”) of American Independent Network Insurance Company of New York (“AINIC”), for an order (“Closing Order”), *inter alia*: (i) approving the Closing Report and Financial Summary that are annexed as Exhibits 2 and 3, respectively, to the Affirmation of David E. Wilson (“Wilson Aff.”), Special Deputy Receiver (“Special Deputy”) for the liquidation of AINIC and the financial transactions detailed therein, including the closing budget; (ii) terminating and closing the AINIC liquidation proceeding (“Liquidation Proceeding”); and (iii) providing such other relief as is requested herein and in the Liquidator’s Order to Show Cause filed simultaneously herewith;

NOW, on the application of the Liquidator, and no opposition having been filed with the Court, it is hereby:

ORDERED, that the application is granted; and it is further

ORDERED, that the Closing Report, Financial Summary, which details all financial transactions, including a closing budget, are hereby approved as to all matters therein; and it is further

ORDERED, that the policyholder obligation inception date to the GC is October 1, 2023, based upon the written agreement between the GC and the Special Deputy; and it is further

ORDERED, that the preparation and filing of a final tax return and such other filings and actions necessary to closing of the Liquidation Proceeding are approved and is authorized; and it is further

ORDERED, that the Liquidator is authorized to distribute all AINIC assets, consistent with the priorities set forth in Insurance Law § 7434, to the GC, subject to a holdback for Class One administrative expenses of approximately \$1.25 million, which funds shall be transferred to a special purpose vehicle, Penn Treaty Plus (“PT Plus”), subject to a trust agreement, for the payment of such administrative expenses, with the residual funds being remitted to the GC; and it is further

ORDERED, that the payment of any actual and necessary administrative expenses of the Liquidation Proceeding from March 31, 2024 through the dissolution of AINIC, including those related to the filing of a final tax return and the payment of consultants, employees, and attorneys relating thereto, and the transfer of any remaining funds from PT Plus to the GC at the conclusion of winding up the affairs of AINIC, is authorized; and it is further

ORDERED, that the Liquidation Proceeding is terminated and closed, and that all future claims under policies and other obligations are barred against AINIC, the Liquidator, the Special Deputy, the New York Liquidation Bureau, their predecessors and successors, and their employees, agents, consultants, and attorneys, except as set forth in the Closing Report; and it is further

ORDERED, that AINIC is hereby dissolved under Insurance Law § 7416 without need for further action; and it is further

ORDERED, that the destruction or disposal of any and all books, files, records (paper or electronic) and other property of the AINIC estate is authorized, after termination of the Liquidation Proceeding and without further order of this Court; and it is further

ORDERED, that the Liquidator, her predecessors and successors in office, their agents, consultants, attorneys, and employees, including the Special Deputy and the New York Liquidation Bureau, are released and discharged from any and all liability arising from their acts or omissions in connection with the AINIC receivership proceeding or wind-up of its business; and it is further

ORDERED, that the Liquidator shall provide notice of this Closing Order, with each form of service to occur within five (5) business days following the Liquidator's receipt of an entered copy of the Closing Order by: (i) posting this Closing Order on the Internet web page maintained by AINIC at <https://www.penntreaty.com/ainic/home.aspx>, (ii) mailing a copy of the entered Closing Order and accompanying court-approved notice to all known policyholders and creditors of AINIC, and (iii) mailing a copy of the entered Closing Order and accompanying court-approved notice to the persons or entities identified below:

- a. American Independent Network Insurance Company of New York, c/o David E. Wilson, Special Deputy Receiver, D.E. Wilson & Associates, LLC, 2266 S. Norse Street, Lakewood, CO 80228;
- b. Penn Treaty, 3440 Lehigh Street, Allentown, PA 18103;
- c. Davies Group, 1500 Main Street, Suite 1400, Springfield, MA 01115;
- d. Risk Strategies Consulting, 160 Federal Street, 4th Floor, Boston, MA 02110; and
- e. Any person or entity who has responded in these proceedings previously; and it is further

ORDERED, that the form and method of service of notice specified herein are hereby approved as in accordance with the law and as the best notice practicable and shall therefore constitute due and sufficient notice of this Closing Order to all persons and entities entitled to receive such notice.

ENTER



JOHN J. KELLEY, J.S.C.