

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

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In the Matter of
the Liquidation of

EXECUTIVE LIFE INSURANCE COMPANY OF
NEW YORK

**VERIFIED PETITION FOR
ORDER IN FURTHERANCE
OF THE COURT’S “ORDER
OF LIQUIDATION AND
APPROVAL OF ELNY
RESTRUCTURING
AGREEMENT” ENTERED ON
APRIL 19, 2012**

Index No.: 8023/1991

Assigned Justice:
Hon. Thomas Rademaker, J.S.C.

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TO THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NASSAU:

Guaranty Association Benefits Company (“GABC”), which was granted limited participation in this proceeding by order dated November 25, 2025, is a District of Columbia captive insurance company created and existing for the sole purpose of discharging certain annuity obligations of Executive Life Insurance Company of New York in Liquidation (“ELNY”) in accordance with the *Agreement of Restructuring in Connection with the Liquidation of Executive Life Insurance Company of New York* dated April 23, 2012 (a true copy of which, without attachments, is attached hereto as Exhibit A) (the “Restructuring Agreement”), as approved by this Court’s “Order of Liquidation and Approval of the ELNY Restructuring Agreement” entered on April 19, 2012 (a true and complete copy of which is attached hereto as Exhibit B) (the “Liquidation Order”), and through its undersigned counsel, respectfully petitions this Court for:

- (i) The issuance of an order in furtherance of the Liquidation Order and the requirements of the Restructuring Agreement that:
- a. Approves the Assumption Reinsurance Agreement among GABC (as the cedant) and Pacific Life Insurance Company and its wholly-owned subsidiary Pacific Life & Annuity Company (collectively, “Pacific Life”) (as the reinsurers), pursuant to which Pacific Life will assume all of the remaining GABC Liabilities, as attached hereto as Exhibit C (the “ARA”)¹, and the transactions it contemplates as satisfaction of the obligations of GABC, NOLHGA and the PGAs under the Liquidation Order and Sections 6.2.1 and 6.2.5 of the Restructuring Agreement;
 - b. Releases all Persons, including but not limited to GABC, NOLHGA, the PGAs, the Life Insurance Companies (as defined in the Restructuring Agreement), and the Supplemental Benefits Participating Companies, from any and all future obligations under or related to the Restructuring Agreement upon Closing except only the obligations of GABC and the Receiver (as defined in the Restructuring Agreement) under Sections 6.2.2 and 6.2.3 of the Restructuring Agreement;
 - c. Orders that, upon a transfer of all of the remaining GABC Liabilities to Pacific Life, the net proceeds, after deducting certain amounts as specified in Section 6.2.2 of the Restructuring Agreement, be remitted to ELNY as the Net Proceeds Transfer (as defined in the Restructuring Agreement) at a time and in the manner agreed upon by the Receiver and GABC;
 - d. Overrules any comment, suggestion, and/or objection presented to this Court to the extent any such comment, suggestion, and/or objection is inconsistent with the ARA,

¹ Capitalized terms not otherwise defined herein have the meaning ascribed to them in the ARA. Note that Schedules 1.1(a) and (b) are not included as they are separate Excel files.

- any related document, the Restructuring Agreement and/or the Liquidation Order, and denying any relief requested therein;
- e. Confirms that the order is issued pursuant to and under the Court’s subject matter jurisdiction over (i) the Restructuring Agreement as retained by the Court under the Liquidation Order and (ii) the liquidation of ELNY under Article 74 of the Insurance Law; and
- f. Grants such other and further relief as this Court deems just and proper.
- (ii) The issuance of a show cause order (the “Order to Show Cause”) in the form submitted concurrently with this Verified Petition that:
- a. Sets a hearing to be had before this Court on this Verified Petition (the “Hearing”) on or near the date that is ninety (90) days after the OTSC is entered (the “Return Date”);
- b. Approves a briefing schedule that provides for service of answering papers by any interested person upon GABC and the Receiver by the date that is twenty-five (25) days before the Return Date and filing of reply papers by GABC and the Receiver by the date that is five (5) days before the Return Date;
- c. Approves the form of notice attached to the proposed Order to Show Cause to be given to GABC Annuity Owners, GABC Annuity Payees and GABC Annuity Certificate Holders regarding this Verified Petition and the Hearing (the “Notice”);
- d. Approves the method of publication and service of the Notice; and

- e. Orders that except as expressly modified pursuant to the instant Verified Petition, the Liquidation Order is continued in full force and effect, including the injunctions provided for in the Liquidation Order.

SUPPORT FOR VERIFIED PETITION

In support of this Verified Petition, GABC, acting through its President, Katharine L. Wade, respectfully alleges and sets forth, upon information and belief, the following:

ELNY Insolvency and Liquidation

1. ELNY was a life insurance company incorporated under the laws of the State of New York on October 24, 1935, and licensed in March 1937, that was placed into rehabilitation under Section 7402 of the New York Insurance Law (“Insurance Law”) pursuant to an order of this Court entered on April 23, 1991.
2. A plan of rehabilitation was submitted to the Court on or about March 26, 1992, and was approved by an order of the Court dated December 16, 1992.
3. Following the global financial crisis of 2008, the Receiver determined that ELNY had become insolvent and that further efforts to rehabilitate ELNY would be futile pursuant to Section 7403(c) of the Insurance Law, and in collaboration with NOLHGA, on behalf of NOLHGA’s member state life and health insurance guaranty associations affected by ELNY’s insolvency, developed the Restructuring Agreement to deliver a comprehensive and coordinated liquidation plan for the payees, owners and certificate holders of annuity contracts and annuity certificates originally issued by ELNY to minimize, to the extent possible, the consequences of ELNY’s insolvency.
4. NOLHGA, acting on behalf of its member guaranty associations affected by the insolvency of ELNY, all of which agreed to participate in the Restructuring Agreement and

become PGAs under the Restructuring Agreement, formed GABC to accept and discharge the obligations designated under the Restructuring Agreement to be accepted and discharged by GABC (referred to in the Restructuring Agreement as “NEWCO”). After its formation, GABC executed a Joinder Agreement (attached hereto as Exhibit D) to become a party to the Restructuring Agreement for that purpose in accordance with Section 2.3 of the Restructuring Agreement.

5. Based upon a “Verified Petition for Order of Liquidation and Approval of Restructuring Agreement” from the Receiver, and after a full evidentiary hearing upon this Court’s September 1, 2011, Order to Show Cause, this Court entered its Liquidation Order that, among other things, approved the Restructuring Agreement and “retain[ed] subject matter jurisdiction over the Restructuring Agreement.” Liquidation Order ¶¶ 9 and 13.

6. Following an appeal by a small number of ELNY annuity payees, the Appellate Division, Second Department, unanimously affirmed the Liquidation Order on February 6, 2013. *In re Exec. Life Ins. Co. of New York*, 103 A.D.3d 631 (2d Dep’t. 2013). The Court of Appeals denied leave to appeal. 21 N.Y.3d 854 (2013). Consequently, the Restructuring Agreement closed on August 8, 2013, which became the Liquidation Date for ELNY (i.e., the date the rehabilitation of ELNY was converted to the liquidation of ELNY). See Liquidation Order ¶ 2.

7. On the Liquidation Date, GABC assumed the ELNY restructured annuity benefits and enhanced those annuity benefits, both as detailed in the Restructuring Agreement, and received funds from the PGAs, the Life Insurance Guaranty Corporation of New York, the estate of ELNY, and the Supplemental Benefits Participating Companies (along with additional reinsurance backing from the Supplemental Benefits Participating Companies and the Life Insurance Companies, both as defined in the Restructuring Agreement) to support the annuity

benefits GABC was obligated to discharge. In accordance with the Restructuring Agreement, GABC has made payments of those annuity benefits as they have become due from the assets it received and the investment yields thereon that GABC has achieved since the Liquidation Date.

Assumption Reinsurance Agreement – Process

8. Under the Restructuring Agreement, GABC, NOLHGA and the PGAs agreed to use their reasonable business efforts from time-to-time to transfer all of GABC's remaining annuity obligations to a third-party commercial life insurer ("Commercial Insurer") with adequate financial strength "to provide reasonable assurances that the Commercial Insurer will be able to discharge all [GABC] Liabilities," and GABC and NOLHGA were required to "solicit interest from potential Commercial Insurers during the calendar years of each twelfth (12th) anniversary of the Liquidation Date, unless [GABC] and NOLHGA reasonably determine, with the consent of the Receiver which shall not be unreasonably withheld, that a transfer of [GABC]'s Obligations is impracticable or impossible in such calendar year. " Restructuring Agreement §§ 6.2.1 and 6.2.4.

9. In order to satisfy its obligations, GABC retained the actuarial firm of Willis Towers Watson ("WTW") in 2022 to conduct a feasibility study to evaluate whether it would be practicable to attempt to sell GABC's remaining annuity obligations to a Commercial Insurer. After evaluating the completed WTW feasibility study, and upon the recommendation of WTW, the GABC Board concluded that it might be feasible to sell GABC's remaining annuity obligations to a Commercial Insurer and engaged WTW to conduct a mortality study and an actuarial appraisal in preparation for such an effort.

10. Based upon the WTW mortality study and actuarial appraisal, the GABC Board decided to move forward with efforts to sell GABC's remaining annuity obligations to a

Commercial Insurer and retained Piper Sandler & Co. in March of 2024 as GABC's financial advisor to engage in a confidential, competitive bid process among multiple prospective Commercial Insurers that had as minimum qualifications a financial strength rating of "Excellent" (A-) or better from AM Best (or an equivalent rating from any other rating agency widely recognized in the insurance industry) and insurance licenses in at least forty (40) states, including the state of New York.

11. As a result of the bidding process, GABC negotiated the ARA with Pacific Life. Both Pacific Life reinsurers have a financial strength rating of "A+" (Excellent) from AM Best.

12. GABC received support throughout the competitive bid and ARA negotiation process from its actuarial advisors, WTW, and legal advisors, Faegre Drinker Biddle & Reath LLP.

13. An affidavit in support of this Petition by Jack Gibson, Managing Director, Global Mergers & Acquisitions, Willis Towers Watson, dated December 5, 2025, which provides an overview of GABC's analysis and decision to pursue the sale of its annuity liabilities and the financial terms of the ARA, is attached as Exhibit E.

14. An affidavit in support of this Petition by Chris Cozza, Managing Director, Financial Services, Piper Sandler & Co., dated December 4, 2025, which provides an overview of the competitive bid process, the selection of Pacific Life, and the financial strength of Pacific Life, is attached as Exhibit F.

15. At a meeting held on April 9, 2025, the GABC Board of Directors unanimously adopted resolutions approving the ARA, finding that the financial strength of Pacific Life is adequate to provide reasonable assurances that Pacific Life will be able to discharge all GABC Liabilities, and recommending to the members of GABC, being all of the PGAs, that they vote to

approve the ARA. The GABC members present at the special meeting of the members on May 1, 2025, where a quorum of members was present, adopted, without any negative votes, resolutions approving the ARA.

16. Pacific Life Insurance Company's Board of Directors and Pacific Life & Annuity Company's Board of Directors each approved the ARA on April 14, 2025.

17. GABC has provided the Receiver with the ARA and all information GABC made available to Pacific Life and other interested bidders. As required by Sections 6.2.1 and 6.2.5 of the Restructuring Agreement, the Receiver has approved the ARA and has agreed that the financial strength of Pacific Life is adequate to provide reasonable assurances that Pacific Life will be able to discharge all GABC Liabilities.

Material Terms of the ARA

18. On the Closing Date:

- A. Pacific Life & Annuity Company, an Arizona-domiciled life insurance company authorized to issue annuity contracts in New York, will assume GABC's remaining annuity payment obligations under the Restructuring Agreement to make payments when due of all benefits under:
 - i. non-group GABC Annuities owned by New York residents and
 - ii. group GABC Annuities having certificates of benefits owned or held by New York residents, and
- B. Pacific Life Insurance Company, a Nebraska-domiciled life insurance company licensed in all states other than New York, will assume GABC's remaining annuity payment obligations under the Restructuring Agreement to make payments when due of all benefits under all other GABC Annuities.

There will be no change in any annuity benefits payable under any GABC Annuities.

19. GABC will transfer to each of the Pacific Life reinsurers cash and invested assets with a market value equal to the sum of:

A. the reserves calculated on a seriatim basis for each of the GABC Annuities in accordance with Article VII of the ARA, which will be based upon the specified:

i. Mortality Assumptions applicable to various types of the GABC annuities as described in ARA § 7.1(c) and

ii. Valuation Rates as described in ARA § 7.1(d), plus

B. the Pre-Paid Benefit Reserves as described in ARA § 7.1(e) to compensate GABC for any payments due on or after the Closing Date that were issued by GABC prior to the Closing Date to avoid disruption in annuity payments, minus

C. the Ceding Fee as determined and adjusted under ARA § 7.2.

20. Because the calculations of the values of the GABC Assumed Reserves, Ceding Fee and market value of GABC's invested assets cannot be calculated on the Closing Date as of the Closing Date, the Closing will be done using estimated values in accordance with ARA § 1.3, subject to an Initial Post-Closing True-Up to update all estimated values to final values as of the Closing Date in accordance with ARA § 1.9. A Final Post-Closing True-Up calculation and payment to GABC will be done as soon as reasonably practicable after the date that is six (6) months after the Closing Date in accordance with ARA § 1.11, in part to refund any payments GABC made related to life-contingent annuity benefits where the annuitant (e.g., the relevant

measuring life) died before the Closing Date but the death was not discovered prior to the Closing Date.

21. The Closing of the transactions contemplated by the ARA is subject to a number of conditions precedent set forth in Article V of the ARA, two of which are:

- A. The issuance of an approval order from this Court (as being sought pursuant to this Verified Petition) that approves the ARA and the transactions it contemplates as satisfaction of the obligations of GABC, NOLHGA and the PGAs under the Restructuring Agreement and releasing all Persons from any obligations under or related to the Restructuring Agreement upon Closing except for the obligations of GABC and the Receiver under Sections 6.2.2 and 6.2.3 of the Restructuring Agreement (related to the Net Proceeds Transfer) (ARA § 5.1(a)); and
- B. That GABC has assets as of the Closing Date with a sufficient total value to meet its payment obligations to Pacific Life under the ARA with no less than twenty million dollars (\$20,000,000.00) remaining with GABC out of which GABC can pay all of the costs and expenses of the transactions contemplated by the ARA (including both the Initial Post-Closing True-Up and the Final Post-Closing True-Up) and wind down, and then pay the balance remaining to the ELNY Estate (as defined in the Restructuring Agreement) as the Net Proceeds Transfer under the Restructuring Agreement. (ARA § 5.3(b)).

PROPOSED ORDER TO SHOW CAUSE

22. Pursuant to the Liquidation Order and the Restructuring Agreement, GABC seeks an Order to Show Cause in the form filed concurrently with this Verified Petition.

23. GABC proposes to give notice of this Verified Petition and the relief requested herein (in the form of the Notice) to GABC Annuity Owners, GABC Annuity Payees and GABC Annuity Certificate Holders under in-force GABC Annuities and to publicly publish the Notice, to allow interested parties the opportunity to present their objections, if any, to this Verified Petition.

24. GABC proposes to notify such interested persons by mailing the Notice and the entered Order to Show Cause via regular First-Class Mail to the last known address of each such interested person as reflected in GABC's records.

25. GABC proposes to mail the Notice within fifteen (15) days after the Order to Show Cause has been entered.

26. GABC also proposes to publish the Notice by:

- a. Posting the Notice and the entered Order to Show Cause and its supporting papers on the website maintained by GABC at <https://www.gabenefitsco.com> within five (5) days after the Order to Show Cause has been entered;
- b. Coordinating with the Receiver for the Receiver to post the Notice and the entered Order to Show Cause and its supporting papers on the website maintained by New York Liquidation Bureau at www.nylb.org/ELNY.html within five (5) days after the Order to Show Cause has been entered; and
- c. Publishing the Notice in the Wall Street Journal or New York Times, once a week for four (4) consecutive weeks commencing not later than ten (10) days after the Order to Show Cause has been entered.

27. GABC proposes a Return Date on or near the date that is ninety (90) days after the OTSC is entered, for a Hearing before this Court on this Verified Petition, as well as a

briefing schedule that provides for filing and service of answering papers upon GABC and the Receiver by the date that is twenty-five (25) days before the Return Date, and filing and service of reply papers from GABC and the Receiver by the date that is five (5) days before the Return Date. GABC submits that this schedule provides interested parties with adequate time to object to the Verified Petition, and provides GABC and the Receiver with adequate time to reply to such objections, sufficiently in advance of the Hearing.

28. GABC further requests that the Court order that, except as expressly modified, the provisions and injunctions provided for in the Liquidation Order shall remain in full force and effect to avoid any disruptions to the current administration of GABC's benefit payments in accordance with the Restructuring Agreement.

29. Therefore, GABC respectfully requests that the Court issue the Order to Show Cause filed concurrently with this Verified Petition, approving the proposed form, timing and method of notice, approving the proposed Return Date and briefing schedule, and continuing the injunctions set forth in the Liquidation Order.

RELIEF REQUESTED

30. Based on the foregoing, GABC respectfully requests that the Court issue an order in furtherance of the Liquidation Order, *inter alia*:

- a. approving the ARA among GABC (as the ceding company) and Pacific Life Insurance Company and its wholly-owned subsidiary Pacific Life and Annuity Company (as the reinsurers), pursuant to which Pacific Life will assume all of the remaining GABC Liabilities, as attached hereto as Exhibit C, and the transactions it contemplates as satisfaction of the obligations of GABC, NOLHGA and the

PGAs under the Liquidation Order and Sections 6.2.1 and 6.2.5 of the Restructuring Agreement;

- b. releasing all Persons, including but not limited to GABC, NOLHGA, the PGAs, the Life Insurance Companies, and the Supplemental Benefits Participating Companies, from any and all future obligations under or related to the Restructuring Agreement upon Closing except only the obligations of GABC and the Receiver under Sections 6.2.2 and 6.2.3 of the Restructuring Agreement (related to the Net Proceeds Transfer);
 - c. ordering that, upon a transfer of all of the remaining GABC Liabilities to Pacific Life, the net proceeds, after deducting certain amounts as specified in Section 6.2.2 of the Restructuring Agreement, be remitted to ELNY as the Net Proceeds Transfer at a time and in the manner agreed upon by the Receiver and GABC;
 - d. overruling any comment, suggestion, and/or objection presented to this Court to the extent any such comment, suggestion, and/or objection is inconsistent with the ARA, any related document, the Restructuring Agreement and/or the Liquidation Order, and denying any relief requested therein;
 - e. confirming that the order is issued pursuant to and under the Court's subject matter jurisdiction over (i) the Restructuring Agreement as retained by the Court under the Liquidation Order and (ii) the liquidation of ELNY under Article 74 of the Insurance Law; and
 - f. granting such other and further relief as this Court deems just and proper.
31. GABC further respectfully requests that the Court issue an Order to Show Cause:


- a. Approving a Return Date on or about the date that is ninety (90) days after the entry of the OTSC, for a hearing to be had before this Court on this Verified Petition;
 - b. Approving a briefing schedule that provides for filing and service of answering papers upon GABC and the Receiver by the date that is twenty-five (25) days before the Return Date, and filing and service of reply papers by GABC and the Receiver by the date that is five (5) days before the Return Date;
 - c. approving the form and timing of the Notice regarding this Verified Petition and the Hearing to be given via regular First-Class Mail, to the last known address of each GABC Annuity Owner, GABC Annuity Payee and GABC Annuity Certificate Holder reflected in GABC's records,
 - d. approving the form and timing of notice regarding this Verified Petition and the Hearing to be published in the Wall Street Journal or the New York Times once a week for four consecutive weeks;
 - e. approving the method of service of the Notice;
 - f. ordering that except as expressly modified, the Liquidation Order continues in force and effect, including the injunctive provisions contained therein; and
 - g. Granting such other and further relief as this Court deems proper and just.
32. GABC has made no previous application for the relief sought herein to this or any court or judge thereof.

WHEREFORE, GABC respectfully requests that the Court issue the proposed Order to Show Cause approving the form and method of notice of this Verified Petition and establishing a briefing schedule and hearing date on the Verified Petition, and that, upon such Hearing, the

Court issue an order granting the relief sought in this Verified Petition, along with such other relief as the Court deems just and proper.

Dated: Uniondale, New York
December 9, 2025

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VERIFICATION

I, Katharine L. Wade, am President of Guaranty Association Benefits Company, the petitioner. I have read the foregoing Verified Petition and know the contents thereof. The same is true to my knowledge, except as to matters therein stated to be alleged on information and belief and as to those matters, I believe them to be true.

I affirm under the penalties of perjury under the laws of New York, that the foregoing is true, and I understand that this document may be filed in an action or proceeding in a court of law.

12/9/25

Dated



Katharine L. Wade