

BLACKROCK MUNIHOLDINGS NEW YORK INSURED FUND, INC.

Form SC 13D/A

June 24, 2010

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549 SCHEDULE 13D/A

(Amendment No. 3)

Under the Securities Exchange Act of 1934

BlackRock MuniHoldings New York Insured Fund, Inc. (MHN)

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**(Name of Issuer)** Auction Market Preferred Stock

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**(Title of Class of Securities)** 09255C403

09255C304

09255C502

09255C601

09255C205

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**(CUSIP Number)** Karpus/ Bulldog Group

183 Sully's Trail

Pittsford, New York 14534

(585) 586-4680

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**(Name, Address and Telephone Number of Person**

**Authorized to Receive Notices and Communications)** June 23, 2010

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**(Date of Event which Requires Filing of this Statement)** If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D&#47A, and is filing this schedule because of &#167&#167 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. &#127

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CUSIP No.&#58 09255C403; 09255C304; 09255C502; 09255C601; 09255C205

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only). Karpus/ Bulldog Group

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

- (a)  X
  - (b)  &#32&#32&#127
- 

3. SEC Use Only

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4. Source of Funds (See Instructions) WC

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5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) N/A

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6. Citizenship or Place of Organization USA

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Number of Shares Beneficially Owned by Each reporting Person With:

7. Sole Voting Power N/A 8. Shared Voting Power N/A 9. Sole Dispositive Power N/A 10. Shared Dispositive Power N/A

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 2,079

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) N/A

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13. Percent of Class Represented by Amount in Row (11) 21.33%\*

\*Item 13, above, is calculated based on the aggregate amount of 9745 outstanding auction rate preferred shares indicated by the Issuer's Annual Statement filed with the U.S. Securities and Exchange Commission on May 6, 2010, dated as of February 28, 2010.

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14. Type of Reporting Person (See Instructions) N/A

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CUSIP No. &#58 09255C403; 09255C304; 09255C502; 09255C601; 09255C205

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only). Karpus Management, Inc., d/b/a Karpus Investment Management

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  X

(b)  &#32&#32&#127

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3. SEC Use Only

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4. Source of Funds (See Instructions) WC

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5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) N/A

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6. Citizenship or Place of Organization USA

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Number of Shares Beneficially Owned by Each reporting Person With:

7. Sole Voting Power 2,048 8. Shared Voting Power 0 9. Sole Dispositive Power 2,048 10. Shared Dispositive Power 0

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 2,048

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) N/A

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13. Percent of Class Represented by Amount in Row (11) 21.02%\*

\*Item 13, above, is calculated based on the aggregate amount of 9745 outstanding auction rate preferred shares indicated by the Issuer's Annual Statement filed with the U.S. Securities and Exchange Commission on May 6, 2010, dated as of February 28, 2010.

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14. Type of Reporting Person (See Instructions) IA

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CUSIP No. &#58 09255C403; 09255C304; 09255C502; 09255C601; 09255C205

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only). Bulldog Investors, Phillip Goldstein and Andrew Dakos

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  X

(b)  &#32&#32&#127

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3. SEC Use Only

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4. Source of Funds (See Instructions) WC

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5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) N/A

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6. Citizenship or Place of Organization USA

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Number of Shares Beneficially Owned by Each reporting Person With:

7. Sole Voting Power 20 8. Shared Voting Power N/A 9. Sole Dispositive Power 20 10. Shared Dispositive Power N/A

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 20

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) N/A

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13. Percent of Class Represented by Amount in Row (11) 0.21%\*

\*Item 13, above, is calculated based on the aggregate amount of 9745 outstanding auction rate preferred shares indicated by the Issuer's Annual Statement filed with the U.S. Securities and Exchange Commission on May 6, 2010, dated as of February 28, 2010.

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14. Type of Reporting Person (See Instructions) N/A

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CUSIP No. 09255C403; 09255C304; 09255C502; 09255C601; 09255C205

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**1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).** Brooklyn Capital Management, Phillip Goldstein and Andrew Dakos

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**2. Check the Appropriate Box if a Member of a Group (See Instructions)**

(a)  X

(b)   $\frac{1}{2}$

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**3. SEC Use Only**

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**4. Source of Funds (See Instructions)** WC

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**5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)** N/A

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**6. Citizenship or Place of Organization** USA

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**Number of Shares Beneficially Owned by Each reporting Person With:**

**7. Sole Voting Power** 11 **8. Shared Voting Power** N/A **9. Sole Dispositive Power** 11 **10. Shared Dispositive Power** N/A

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**11. Aggregate Amount Beneficially Owned by Each Reporting Person** 11

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**12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)** N/A

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**13. Percent of Class Represented by Amount in Row (11)** 0.11%\*

\*Item 13, above, is calculated based on the aggregate amount of 9745 outstanding auction rate preferred shares indicated by the Issuer's Annual Statement filed with the U.S. Securities and Exchange Commission on May 6, 2010, dated as of February 28, 2010.

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**14. Type of Reporting Person (See Instructions)** N/A

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The following constitutes Amendment No. 3 ("Amendment No. 3") to the Schedule 13D filed by the undersigned. This Amendment amends the original Schedule 13D as specifically set forth.

**Item 3. Source and Amount of Funds or Other Considerations.** KIM, an independent investment advisor, has accumulated 2048 shares of MHN Auction Market Preferred Stock on behalf of accounts that are managed by KIM (the "Accounts") under limited powers of attorney, which represents 21.02% of the outstanding shares. All funds that have been utilized in making such purchases are from such Accounts. Bulldog Investors, Phillip Goldstein, and Andrew Dakos have accumulated 20 shares of MHN Auction Market Preferred Stock on behalf of the accounts that are managed by them. Brooklyn Capital Management, Phillip Goldstein, and Andrew Dakos have accumulated 11 shares of MHN Auction Market Preferred Stock for the Special Opportunities Fund for which they manage. **Item 4. Purpose of Transaction.** The filing persons previously formed a formal group (the "Karpus/Bulldog Group"), originally submitted to the U.S. Securities and Exchange Commission on Schedule 13D on May 26, 2010, with the objective of affording all preferred shareholders of the issuer an opportunity to obtain full value for their preferred shares. On June 23, 2010, the nomination of Phillip Goldstein and Brad Orvieto for election as the directors of the Company to be elected by the vote of the Auction Market Preferred Shares was withdrawn. Due to the withdrawal of the director nominees', the Karpus/Bulldog Group has been terminated. **Item 5. Interest in Securities of the Issuer.** (a.) and (b.) The Karpus/ Bulldog Group is deemed to be the beneficial owners of 2073 shares of MHN Auction Market Preferred Stock or 21.27% of the outstanding shares. KIM has the sole power to dispose of and to vote all of such shares under limited powers of attorney. Karpus Investment Management represents beneficial ownership of 2048 shares or 21.02% of the outstanding shares. George W. Karpus presently owns 15 shares. Mr. Karpus purchased shares on March 3, 2009 at \$18,750 (4 shares), April 28, 2010 at \$21,250 (7 shares), May 13, 2010 at \$20,625 (6 shares), and on May 18, 2010 at \$21,000 (8 shares). JoAnn Van Degrieff presently owns 2 shares. Ms. Van Degrieff purchased shares on October 24, 2008 at \$22,000 (1 share), and on March 3, 2009 at \$18,750 (1 share). Dana R. Consler presently owns 1 share. Mr. Consler purchased 1 share on May 18, 2010 at \$21,000. The Estate of Sophie P. Karpus presently owns 1 share. The Estate purchased 1 share on May 18, 2010 at \$21,000. Karpus Investment Management Defined Benefit Plan presently owns 2 shares. The Benefit Plan purchased shares on October 24, 2008 at \$22,000 (2 shares). Karpus Investment Management Profit Sharing Plan Fund B presently owns 5 shares. The Plan purchased shares on October 24, 2008 at \$22,000 (5 shares). Karpus Investment Management Profit Sharing Plan Fund C presently owns 1 share. The Plan purchased 1 share on March 2, 2009 at \$18,750. None of the other principals of KIM presently own shares of MHN Auction Market Preferred Stock. Bulldog Investors, Phillip Goldstein and Andrew Dakos are deemed to be the beneficial owner of 20 shares of MHN Auction Market Preferred Stock or 0.21% of the outstanding shares. Power to vote and dispose of such securities resides with Mr. Goldstein and Mr. Dakos. Brooklyn Capital Management are deemed to be the beneficial owner of 11 shares of MHN Auction Market Preferred Stock or 0.11% of the outstanding shares. Power to vote and dispose of such securities resides with Mr. Goldstein and Mr. Dakos.

(c) During the last sixty days the following shares of auction rate preferred stock were traded:

**KIM**

<u>Date</u>	<u>Shares</u>	<u>Price</u>
4/28/2010	426	\$21,250
5/7/2010	9	\$20,750
5/13/2010	6	\$20,625
5/18/2010	553	\$21,000
6/8/2010	12	\$20,750
6/11/2010	(26)*	

\*- Shares transferred out due to account closing.

**Bulldog Investors, Phillip Goldstein and Andrew Dakos**

<u>Date</u>	<u>Shares</u>	<u>Price</u>
6/3/2010	20	\$20,625

**Brooklyn Capital Management, Phillip Goldstein and Andrew Dakos**

<u>Date</u>	<u>Shares</u>	<u>Price</u>
5/20/2010	11	\$21,375



(d) Beneficiaries of managed accounts are entitled to receive any dividends or sales proceeds. **Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.** The filing persons previously formed a group (the "Karpus/ Bulldog Group"), originally submitted to the U.S. Securities and Exchange Commission on a Schedule 13D on May 26, 2010, with the objective of affording all preferred shareholders of the issuer an opportunity to obtain full value for their preferred shares. The Group has recently withdrawn their directors nominated for BlackRock MuniHolding New York Insured Fund Inc., and is hereby terminating the Karpus/Bulldog Group. **Item 7. Materials to be Filed as Exhibits.** On June 23, 2010, Karpus sent a letter to the Fund withdrawing their directors nominated for the BlackRock MuniHolding New York Insured Fund Inc, a copy of which is attached as Exhibit 1.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete, and correct.

**Karpus Management, Inc.**

By: /s/  
Name: Cody B. Bartlett Jr., CFA  
Title: Managing Director of Investments  
Date: June 24, 2010

**Brooklyn Capital Management**

By: /s/  
Name: Phillip Goldstein  
Date: June 24, 2010

By: /s/  
Name: Andrew Dakos  
Date: June 24, 2010

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**EXHIBIT 1**

**Withdraw Director Nomination Letter Submitted to the Fund  
Transmitted June 23, 2010**

**DEMAND TO WITHDRAW DIRECTOR NOMINATION**

The Depository Trust Company  
June 17, 2010  
55 Water Street  
New York, New York 10041  
Attn: Proxy Department

RE: BlackRock Muniholdings New York Insured Fund Inc. (NYSE: MHN)  
Auction Market Preferred Stock, CUSIP 09255C601  
U.S. Bank N.A. Participant account #2803

Gentlemen:

Please have your nominee, Cede & Co., sign the attached letter, withdrawing the nomination of Phillip Goldstein and Brad Orvieto for election as the directors of the Company to be elected by the vote of the Auction Market Preferred Stock, voting separately as a class to elect two board members, at the 2010 Annual Meeting with respect to 5 shares of the above-referenced securities credited to our DTC Participant account on the date hereof. In addition to acknowledging that this request is subject to the indemnification provided for in DTC Rule 6; the undersigned certifies to DTC and Cede & Co. that the information and facts set forth in the attached Demand are true and correct; including the number of shares credited to our DTC Participant account that are beneficially owned by our customer. Please Federal Express the signed nomination to: U.S. Bank  
Attn: Megan Condon  
1555 N. RiverCenter Dr.  
Milwaukee, WI 53212

Very truly yours,  
U.S. BANK N.A.

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Cede & Co. C/o The Depository Trust Company 55 water Street New York, NY 10041

Date: June 17, 2010 Blackrock Closed-End Funds 40 East 52nd Street New York, New York 10022 Attention: Howard B. Surloff, Secretary **RE: Demand with respect to Withdrawing Directors Nominated for BlackRock Muniholdings New York Insured Fund Inc. (NYSE: MHN), Auction Market Preferred Shares, CUSIP 09255C601** Mr. Surloff: Cede & Co., the nominee of The Depository Trust Company ("Cede & Co."), is a holder of record of shares of auction market preferred stock, \$25,000 par value per share (The "Auction Market Preferred Stock"), of BlackRock Muniholdings New York Insured Fund Inc., (the "Company", "Fund" or "MHN"). These shares are registered on the stock transfer books of the Company in the name of Cede & Co.. Cede & Co. is informed by its Participant U.S. Bank N.A. (the "Participant"), that on the date hereof 5 shares of the Auction Market Preferred Stock, CUSIP 09255C601, which are credited to the Participant's account are beneficially owned by Karpus Management, Inc., d/b/a Karpus Investment Management ("Karpus"). At the request of Participant, on behalf of Karpus, Cede, as holder of record of shares of Auction Market Preferred Stock, is hereby submitting this notice (the "Notice") to the

Company to withdraw the nomination of Phillip Goldstein and Brad Orvieto for election as the directors of the Company to be elected by the vote of the Auction Market Preferred Stock, voting separately as a class to elect two board members at the 2010 Annual Meeting. While Cede & Co. is furnishing this Notice as the stockholder of record of the shares of auction market preferred stock, it does so at the request of Participant and Karpus, and only as a nominal party for the true party in interest, Karpus. Cede & Co. has no interest in this matter other than to take those steps which are necessary to ensure that Karpus is not denied its rights as the owner of Auction Market Preferred Stock, and Cede & Co. assumes no further responsibility in this matter.

Sincerely yours,

Cede & Co.