

# Why Choose New York Life Stable Value For 529 Programs?

BROUGHT TO YOU BY NEW YORK LIFE STABLE VALUE INVESTMENTS



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## Stability. Strength. Leadership.

For over 175 years, New York Life Insurance Company's (New York Life) unsurpassed financial strength and long-term investment approach have provided consistent value and financial security for our customers. New York Life is the largest mutual insurance company in the United States.<sup>1</sup> As a mutual company, we are focused on delivering on our long-term promises, and not on the need to answer to outside investors or Wall Street. In other words, our mutuality provides strong alignment with the needs and interests of our clients. Financial strength, stability, and permanence have been our prime objectives since 1845.

New York Life has earned the highest ratings for financial strength currently awarded to any U.S. life insurer by all four major credit rating agencies.<sup>2</sup> We have earned these ratings, in part, because of our leading position in the U.S. insurance market, well capitalized balance sheet, favorable liability profile, and commitment to mutuality. New York Life is built to successfully weather challenging times.

<b>A++</b>	A.M. Best	<b>Aaa</b>	Moody's
<b>AAA</b>	Fitch	<b>AA+</b>	Standard & Poor's

**Source:** Individual third-party ratings reports as of November 17, 2023.

**Note:** The financial strength of New York Life Insurance Company applies only to its insurance products and not to investment products which are subject to market risk and fluctuation in value.

An insurer's ability to maintain a high level of financial stability while meeting financial objectives is another clear indicator of its long-term security. One way to assess an insurer's strength in this area is to consider its total surplus. For life insurance companies, no measure of financial strength is more important than surplus. This is capital above and beyond the funds we have already set aside to pay the benefits we promise to our customers. It provides a cushion against potential future adverse economic events, so we can continue to meet our obligations for the long-term.

New York Life has remained financially strong through depressions, recessions, world wars, and natural disasters. As of December 31, 2022, New York Life had a total surplus, including investment reserves, of more than \$30.1 billion.<sup>3</sup> This is the highest surplus that New York Life has accumulated. We are prepared to meet all our commitments. We are committed to maintaining strong capitalization and to retaining ample financial surplus—being able to provide guarantees without financially straining the organization is always a top priority.



While we may not have been able to predict when a global pandemic would strike, we have been stress testing our balance sheet against such a scenario for decades to ensure we would withstand the resultant challenges and continue to have the financial strength to meet our obligations. The recent COVID-19 pandemic-related economic environment is reminiscent of that experienced during the Great Recession in 2007–2009. Following the Great Recession, New York Life demonstrated its commitment to the stable value marketplace by creating new stable value investment strategies to accommodate market shortages caused by capacity restrictions and the exit of most of the bank-based wrap issuers. New York Life is built for times like these.<sup>SM</sup> We have weathered the Civil War, the 1918 flu pandemic, the Great Depression, two World Wars, and more, and have always come out strong from these crises.

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*"Our ongoing success and the sustained growth and stability of our business remains grounded in our long-term orientation as a mutual life insurer.*

*Not having to answer to Wall Street or meet the short-term demands of shareholders means we can focus on delivering value to our clients."*

*— New York Life President and CEO Craig DeSanto*  
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## **New York Life Stable Value and 529 Programs**

For more than 40 years, New York Life has been a provider of stable value solutions and has over \$35 billion of stable value assets under management.<sup>4</sup> We are committed to the asset class and have dedicated ourselves to providing solutions to fit all sizes and types of programs. We do not have a bias for one type of structure over another and offer general account, separate account, and collective investment trust solutions, as well as synthetic guaranteed investment contracts. All the guarantees behind our proprietary stable value solutions are backed 100% by New York Life.<sup>4</sup>

Specific to 529 programs, New York Life currently offers stable value capabilities on behalf of many 529 college savings programs across the United States, most of which have been customized to meet the needs of each plan. We are highly relationship-driven and strive to understand our customers so that we may serve them better and more consistently. Our dedicated team of stable value specialists can provide guidance for the prudent review and appropriate selection process of stable value as a capital preservation option, as well as the post-implementation monitoring process and detailed annual reviews.

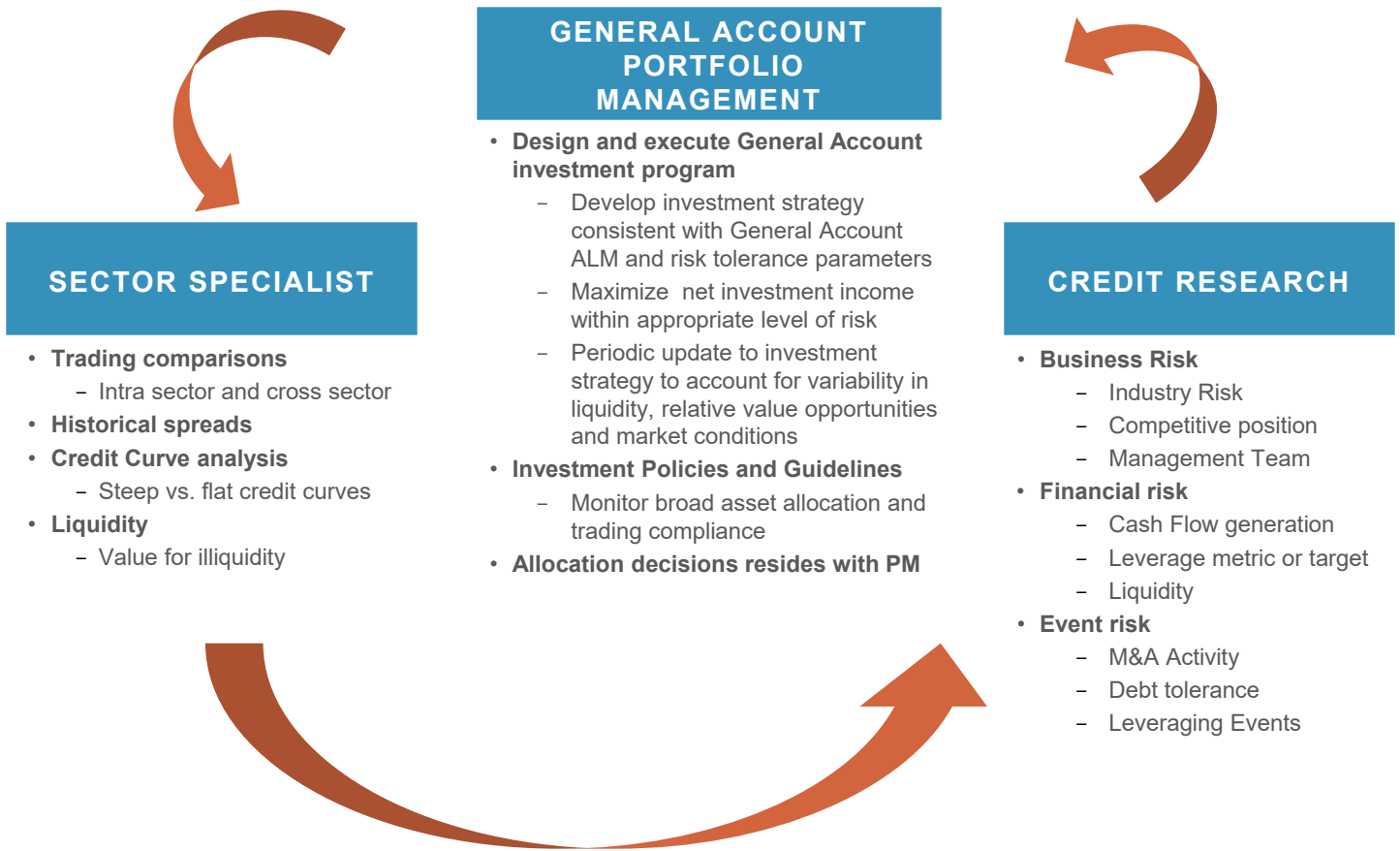
Currently, we believe the New York Life Guaranteed Interest Account (GIA) is a suitable capital preservation solution for 529 programs. GIA is a general account stable value solution that guarantees principal and accumulated interest.<sup>4</sup> GIA provides a guaranteed minimum crediting rate, and its crediting rates are set biannually (January 1 and July 1). Contributions to GIA are directed to a broadly diversified fixed income portfolio within New York Life’s general account.

The GIA is not managed to a specific benchmark. Rather, New York Life utilizes a disciplined and highly collaborative investment process that is grounded on the following key principles:

- Portfolio diversification
- Long-term focus
- Bottom-up fundamental research
- Appropriate level of liquidity

New York Life may use affiliated and/or unaffiliated investment managers in the implementation of the overall General Account investment strategy.

## Collaborative Team Approach



## Comprehensive Approach to Managing Risk



Definition: Risk management includes an effort to manage risk but should not be confused with and doesn't imply low risk. Past performance is not indicative of future returns, which will vary.

## New York Life Differentiators for 529 Programs

### Mutual Structure

New York Life has been a mutual company since its inception. We are accountable to our customers, not to outside investors.

### Financial Strength

New York Life has been meeting its obligations for over 175 years, in good times and bad. Our enduring financial strength, along with our \$30.1 billion surplus<sup>3</sup> helps us to be prepared to meet all our commitments.

### Commitment to the 529 Marketplace

Our solutions and services are present in many states' programs.

### Stable Value Experience

New York Life has over 40 years of experience managing stable value solutions. We have teams of individuals whose focus is dedicated to the stable value asset class. We are proud to be a long-standing Gold Value Program Member of the Stable Value Investment Association.

### Meaningful Guarantees

All the guarantees behind our proprietary stable value solutions, including the minimum crediting rate for GIA, are backed by the full faith and credit of New York Life.<sup>5</sup>

*With New York Life as the investment manager and the sole wrap provider for GIA, our deeply experienced investment teams may uncover opportunities, navigate market volatility, and stay true to their time-tested investment strategies. Our investment professionals are not bound to mandated limitations set by third parties, and this allows investment decisions to be made in accordance with proven investment and risk management processes.*

BUILT FOR TIMES LIKE THESE is a trademark of New York Life Insurance Company.

1. Based on revenue as reported by "Fortune 500 ranked within Industries, Insurance: Life, Health (Mutual)," Fortune magazine, June 2023. For methodology, please see [fortune.com/franchise-list-page/fortune-500-methodology-2022/](https://fortune.com/franchise-list-page/fortune-500-methodology-2022/).
2. Individual independent rating agency commentary as of November 17, 2023: A.M. Best (A++), Fitch (AAA), Moody's Investors Service (Aaa), and Standard & Poor's (AA+).
3. Source: New York Life Insurance Company 2022 Policy Owner Report. NYLIC's statutory surplus was \$23.89 billion and \$24.57 billion at December 31, 2022 and 2021, respectively. Included in NYLIC's statutory surplus is NYLIAC's statutory surplus totaling \$8.54 billion and \$9.73 billion at December 31, 2022 and 2021, respectively, and LINA's statutory surplus of \$1.65 billion and \$1.67 billion at December 31, 2022 and 2021, respectively. AVR for NYLIC was \$4.23 billion and \$4.17 billion at December 31, 2022 and 2021, respectively. AVR for NYLIAC was \$1.89 billion and \$1.87 billion at December 31, 2022 and 2021, respectively. AVR for LINA was \$0.09 billion and \$0.08 billion at December 31, 2022 and 2021, respectively.
4. Guarantees are based on the claims-paying ability of New York Life Insurance Company.

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