

New York Life Insurance Company

Update

Key Rating Drivers

Leading Market Position: New York Life Insurance Company (New York Life) and its insurance subsidiaries are leading producers of whole life insurance and guaranteed income annuities, while also maintaining a strong market position in group life and disability insurance. New York Life's market position is strengthened by its loyal and productive career agency distribution channel, which Fitch Ratings believes reduces the risk of pricing pressure and adverse selection in competitive market environments.

Product Diversification: New York Life's diverse portfolio includes individual and group life insurance, annuities and asset management products, offering a balanced spread of mortality, longevity and interest rate risks, which Fitch views favorably. Although New York Life has a modest presence in product lines like long-term care (LTC) insurance, which Fitch considers as higher risk, the company maintains strong reserves and demonstrates strong risk management practices for these products.

Exceptionally Strong Capital: We view New York Life's statutory capitalization as exceptionally strong, based on an 'Extremely Strong' Prism capital model score, a 476% risk-based capital (RBC) ratio at year end (YE) 2024, and conservative operating leverage. In addition, the company adheres to the New York regulator's prescribed reserve calculations, which are more conservative than those based on the National Association of Insurance Commissioners (NAIC) standards. New York Life's financial leverage, as measured by surplus notes to total adjusted capital (TAC), remains relatively modest and stable at 12.3% compared to the previous year.

Stable Operating Results: New York Life's diverse earnings and the participating nature of its core products contribute to strong and stable financial performance. However, this performance is partially suppressed by exceptionally high capital levels and the company's commitment to returning profits to policyholders, highlighted by a record \$2.5 billion in dividends paid in 2024. As such, return metrics are modest and generally consistent, although the operating return on total adjusted capital declined modestly to 1.5% in 2024 from 2.1% in 2023.

Above-Average Risky Assets: New York Life's risky assets ratio slightly exceeds the broader life insurance industry average, standing at 98% at YE 2024. However, this ratio remains in line with similarly rated mutual peers offering participating products and has remained relatively stable in recent years. Credit impairments are low and below historical averages, although Fitch expects an upward trend in 2025 as a result of the less favorable macroeconomic environment.

Macroeconomic Environment: Continued market turbulence may lead to decreased assets under management and therefore lower earnings for New York Life Investment Management. However, Fitch anticipates no significant impact on New York Life's earnings or capital unless there is a prolonged or severe recession. While a sustained higher interest rate environment generally benefits underlying investment performance, it may also lead to adverse policyholder behavior. However, the participating nature of New York Life's life policies partially mitigates this effect.

Ratings

New York Life Insurance Company

Insurer Financial Strength	AAA
Long-Term IDR	AA+

Outlook

Insurer Financial Strength	Stable
Long-Term IDR	Stable

Debt Ratings

Subordinated Long-Term Rating	AA
-------------------------------	----

Financial Data

(\$ Mil.)	2023	2024
Total Adjusted Capital (TAC)	33,008	34,529
Surplus Notes Outstanding	4,232	4,233
Statutory Net Income	805	50
Operating Return on TAC (%)	2.1	1.5
RBC (%)	472	476

Note: Reported on a U.S. statutory basis.
Source: Fitch Ratings, New York Life Insurance Company

Applicable Criteria

[Insurance Rating Criteria \(March 2024\)](#)

Related Research

[Large and Highly Rated Mutual U.S. Life Insurers – Peer Review September 2024 \(September 2024\)](#)

Analysts

Foster Cheng
+1 647 933 0236
foster.cheng@fitchratings.com

Jamie Tucker, CFA, CPA
+1 212 612 7856
jamie.tucker@fitchratings.com

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- A decline in capitalization that includes a Prism capital model score below 'Extremely Strong' or an NAIC RBC ratio below 450%;
- A sustained increase in surplus notes to TAC above 15% could result in wider notching between New York Life's Insurer Financial Strength (IFS) rating and the ratings of the surplus notes, while an increase in surplus notes to total available capital to above 20% could result in a downgrade of all ratings;
- Statutory based fixed-charge coverage below 4.5x;
- An unexpected shift in tax, regulatory or market dynamics that weakens its competitive strengths.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

New York Life is at Fitch's highest rating level and therefore there are no positive rating sensitivities.

Latest Developments

In November 2024, New York Life declared a company-record \$2.5 billion dividend payout for 2025.

Key Rating Drivers - Scoring Summary

New York Life Insurance Company

ESG Relevance:



Insurance Navigator Life Insurance (US)

Driver Levels	Operational Profile		Capitalization & Leverage	Debt Service Capabilities and Financial Flexibility	Financial Performance & Earnings	Investment and Asset Risk	Asset/Liability & Liquidity Management	Reserve Adequacy	Reinsurance, Risk Mitigation & Catastrophe Risk	Other Criteria Elements (see below)	Insurer Financial Strength	
	Industry Profile & Operating Environment	Company Profile										
aaa											AAA	Stable
aa+								Driver	Driver		AA+	
aa								Not Applicable	Not Applicable		AA	
aa-											AA-	
a+											A+	
a											A	
a-											A-	
bbb+											BBB+	
bbb											BBB	
bbb-											BBB-	
bb+											BB+	
bb											BB	
bb-											BB-	
b+											B+	
b											B	
b-											B-	
ccc+											CCC+	
ccc											CCC	
ccc-											CCC-	
cc											CC	
c											C	
d or rd											D or RD	

Other Drivers & Criteria Elements				
Provisional Insurer Financial Strength Rating				AAA
Non-Insurance Attributes	Positive	Neutral	Negative	+0
Ownership / Group Support	Positive	Neutral	Negative	+0
Transfer & Convertibility / Country Ceiling	Yes	No	AAA	+0
Insurer Financial Strength Rating				Final: AAA
IFS Recovery Assumption	Good			-1
Issuer Default Rating (IDR)				Final: AA+

Bar Chart Legend:

Vertical Bars = Range of Rating Factor

Bar Arrows = Rating Factor Outlook

Bar Colors = Relative Importance

Higher Importance

Average Importance

Lower Importance

Positive

Negative

Evolving

Stable

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2025 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.