

BEST'S RATING REPORT

New York Life Insurance Company

51 Madison Avenue, Room 353, New York, New York, United States 10010

AMB #: 006820

NAIC #: 66915

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New York Life Insurance Company

Disclosure Information: View A.M. Best's [Rating Disclosure Form](#)

Ultimate Parent: [006820 - New York Life Insurance Company](#)

A.M. Best Rating Unit: [069714 - New York Life Group](#)

Best's Credit Ratings:

Rating Effective Date: July 24, 2019

Best's Financial Strength Rating:	A++	Outlook:	Stable	Action:	Affirmed
Best's Issuer Credit Rating:	aaa	Outlook:	Stable	Action:	Affirmed

Five Year Credit Rating History:

Date	Best's Financial Strength Ratings			Best's Issuer Credit Ratings		
	Rating	Outlook	Action	Rating	Outlook	Action
07/24/2019	A++	Stable	Affirmed	aaa	Stable	Affirmed
07/25/2018	A++	Stable	Affirmed	aaa	Stable	Affirmed
07/20/2017	A++	Stable	Affirmed	aaa	Stable	Affirmed
07/15/2016	A++	Stable	Affirmed	aaa	Stable	Affirmed
07/01/2015	A++	Stable	Affirmed	aaa	Stable	Affirmed

Corporate Overview:

New York Life Insurance Company (NYLIC), a mutual life insurer, and its subsidiaries (collectively referred to as NYL), offers a wide range of insurance and investment products and services including life, long term care (LTC) insurance, annuities, pension products, mutual funds and other investments and investment advisory services. NYL maintains strong market positions in the life insurance, annuities and executive benefits markets for middle and upper income individuals, as well as institutions of all sizes throughout the United States and abroad. NYL is one of the largest ordinary life writers in the country. The company's vast career agency distribution network, with a wide geographic reach, helped establish this strong competitive position, which has been enhanced in recent years by new distribution sources. NYL includes New York Life Insurance and Annuity Corporation (NYLIAC), a wholly owned subsidiary through which NYL offers variable and interest-sensitive products, and NYLIFE Insurance Company of Arizona (NYLAZ). The company intends to maintain its status as a mutual company in order to remain uniquely aligned with its customers, with sufficient capital available to support its growth strategies. NYL's businesses are managed under two primary segments: Insurance & Agency Group and Investments Group.

Corporate Structure

AMB#	Company Name	Domicile	Percentage Own (%)
006820	New York Life Ins Co	NY	
059229	New York Life Capital Corp		
055369	New York Life Enterprises LLC	DE	100
085870	Seg Monterrey NY Life SA de CV	Mexico	99.99
059220	New York Life Funding	Cayman Islands	
059221	New York Life Global Funding	DE	
009054	New York Life Ins & Annuity	DE	100
068015	NYLIFE Ins Co of Arizona	AZ	100

Rating Rationale:

The following text is derived from Best's Credit Report on New York Life Group (AMB#069714)

Balance Sheet Strength: Strongest

- Very strong risk-adjusted capital with ample financial flexibility along with continued strong liquidity to meet any demand for obligations even under extreme stress scenarios drives balance sheet strength.
- Rigorous annual liquidity stress testing performed and designed to capture tail-risk events.
- Reserve profile is weighted towards annuity products, which are exposed to the continued low interest rate environment. However, this reserve profile is partially driven by the reserving dynamics between life insurance and annuity products, which generate higher reserves for annuity products in the earlier years.
- A well-diversified investment portfolio following a consistent approach and taking a long-term view.

Operating Performance: Very Strong

- Consistent, very strong operating performance driven by profitable growth that has been more stable than peers.
- Sales growth attributed to the ordinary life business that is above the industry average, and overall earnings are derived from diverse sources, including individual insurance, annuities, and third-party investment management.
- Majority of annuity sales have market value adjustment (MVA) features that reduce interest rate risk, offset with vulnerability to spread compression given the persistent low interest rate environment.

Business Profile: Very Favorable

- Very strong and established industry-leading managerial career agency distribution channel, although the agency network has higher fixed costs compared to other distribution channels.
- Continues to maintain favorable spread margins in a difficult interest rate environment, while balancing annuity risk with market value adjustment features.
- Strong brand recognition and leading market position in retail life and guaranteed income annuities, with a continued top three ranked position in overall U.S. individual annuity sales.

Enterprise Risk Management: Very Strong

- Company maintains a very disciplined enterprise-wide approach to risk management that ensures risks are properly identified, evaluated, and controlled in line with the company's risk strategy and capacity.
- Overall, very conservative investment policies and guidelines, with risk appetite constraints in place incorporating capital, earnings, liquidity, and franchise value.
- Company-wide stress testing designed to capture significant tail-risk events and emerging risks that are constantly monitored.

Outlook

The stable outlooks reflect the group's strongest balance sheet strength assessment, very strong operating performance and very favorable business profile.

Rating Drivers

Negative rating action may occur if New York Life Group were to alter its business profile further away from its core profitable ordinary life insurance niche and add measurable balance sheet risk.

Negative rating action could result if the New York Life Group exhibits a significant and sustained decline in its risk-adjusted capital position.

Negative rating action could also occur from a significant and sustained drop in operating performance.

Financial Statements:

Balance Sheet:

Balance Sheet:

Admitted Assets	Year End - December 31	
	2018 (\$000)	2017 (\$000)
Bonds	106,076,790	98,176,055
Preferred Stocks	65,091	70,678
Common Stocks	10,252,633	10,736,656
Mortgage Loans	17,553,604	15,675,729
Real Estate	1,486,020	1,524,369
Contract Loans	11,208,497	10,876,789
Cash & short-term Investments	2,835,015	2,420,436
Other Invested Assets	9,580,690	9,456,949
Funds held by reinsurance companies	...	4,014,885
Premiums & Consideration Due	1,937,571	1,950,227
Investment income due & accrued	1,493,739	1,285,130
Other Assets	7,093,141	7,223,862
Total assets excluding separate accounts	169,582,791	163,411,766
Separate account assets	10,453,434	13,353,781
Total Assets	180,036,224	176,765,548

Liabilities & Surplus	Year End - December 31	
	2018 (\$000)	2017 (\$000)
Net policy reserves (see components below)	109,515,984	107,201,325
Liabilities for deposit type contracts	21,908,899	17,922,307
Policy Claims	747,167	785,847
Interest maintenance reserve	534,590	657,539
Commissions, taxes and expenses	2,157,837	2,083,949
Asset Valuation Reserve	2,593,994	2,651,610
Funds held under coinsurance	4,047,938	4,227,539
Contingency Reserve	462,778	365,984
Other Liabilities	6,607,135	7,158,715
Total liabilities excluding separate accounts	148,576,320	143,054,816
Separate account liabilities	10,453,434	13,353,781
Total Liabilities	159,029,754	156,408,597

YE 2018: Life \$77,044,486; annuities \$26,594,972; supplementary contracts with life contingencies \$10,082; accidental death benefits \$50,857; disability active lives \$386,792; disability disabled lives \$467,757; miscellaneous reserves \$823,715; accident & health \$4,137,322.

YE 2017: Life \$77,393,479; annuities \$24,466,178; supplementary contracts with life contingencies \$10,582; accidental death benefits \$50,401; disability active lives \$370,411; disability disabled lives \$537,280; miscellaneous reserves \$480,749; accident & health \$3,892,245.

Balance Sheet: (Continued...)**Balance Sheet: (Continued...)**

Capital & Surplus	Year End - December 31	
	2018 (\$000)	2017 (\$000)
Surplus Notes	1,993,633	1,993,231
Unassigned Surplus	19,012,837	18,363,720
Total Policyholders' Surplus	21,006,470	20,356,950
Total Liabilities & Surplus	180,036,224	176,765,548

Source: Bestlink - Best's Statement File - L/H, US

Company History:**Date Incorporated:** 05/21/1841**Date Commenced:** 04/12/1845**Domicile:** United States: New York

Originally incorporated as Nautilus Insurance Company, the company adopted its current title in 1849.

Company Management:

Last significant update on 09/20/2019

Officers**Chairman, President and CEO:** Ted Mathas**EVP and COO:** Craig DeSanto**EVP and COO:** Matthew Grove**EVP and Chief Investment Officer:** Anthony Malloy**EVP, General Counsel and Chief Legal Officer:** Sheila Kearney Davidson**EVP:** Mark J. Madgett (Insurance & Agency Group)**SVP, CFO and Chief Risk Officer:** Joel M. Steinberg (Interim)**SVP, Secretary and General Counsel:** Amy Miller (Deputy)**SVP and Treasurer:** Thomas A. Hendry**SVP and Chief Officer:** Carla Rutigliano (Human Resources & Corporate Affairs)**SVP and Chief Actuary:** Liz Brill**SVP and General Auditor:** Patricia Barbari**SVP and Controller:** Robert M. Gardner**SVP:** Julie Herwig (Office of Governmental Affairs)**Directors**

Betty C. Allewine

Michele G. Buck

Robert B. Carter

Ralph de la Vega

Mark L. Feidler

Robert F. Friel

Christina A. Gold

Donna H. Kinnaird

Company Management: (Continued...)

Directors (Continued...)

Ted Mathas (Chairman)

Thomas C. Schievelbein

Edward D. Shirley

Gerald B. Smith

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