New York Life Global Funding

$30,000,000,000

GLOBAL DEBT ISSUANCE PROGRAM

This supplement ("Third Offering Memorandum Supplement") is supplemental to and must be read in conjunction with the Offering Memorandum, dated March 25, 2022, as supplemented by the First Offering Memorandum Supplement, dated May 27, 2022 and the Second Offering Memorandum Supplement, dated August 19, 2022 (the "Offering Memorandum"), prepared by New York Life Global Funding (the "Issuer") under the Issuer's $30,000,000,000 Global Debt Issuance Program (the "Program") for the issuance of senior secured medium-term notes (the "Notes").

This Third Offering Memorandum Supplement constitutes a "Base Listing Particulars Supplement" for the purposes of listing on the Official List and trading on the Global Exchange Market. The Irish Stock Exchange Plc, now trading as Euronext Dublin, has approved this Third Offering Memorandum Supplement. References herein to this document are to this Third Offering Memorandum Supplement incorporating Annex 1 and Annex 2 hereto.

On November 29 2022, New York Life Insurance Company ("New York Life") published its interim condensed unaudited financial statements as of September 30, 2022 (including any notes thereto, the "Third Quarter 2022 Financial Statements") and on November 29, 2022 made available New York Life's Summary of Certain Third Quarter Financial Information, Certain Financial and Accounting Matters, Statutory Capitalization of New York Life, and Selected Historical Statutory Financial Information of New York Life (collectively, the "Third Quarter 2022 Financial Information"). Annex 1 to this document sets out the Third Quarter 2022 Financial Information at pages 3 to 21 and the Third Quarter 2022 Financial Statements at pages 22 to 36 Copies of the Third Quarter 2022 Financial Information and the Third Quarter 2022 Financial Statements will be made available for inspection at the offices of the parties at whose offices documents are to be available for inspection as identified in "General Information" in the Offering Memorandum.

Annex 2 to this document, set out at page 37 should be read in conjunction with, and supplements and amends, the factors described under "Risk Factors—Risk Factors Relating to the Notes" at pages 11 to 18 of the Offering Memorandum and is inserted in replacement of the risk factor "There Is No Previous Market for the Notes to Be Issued, and Future Liquidity of the Notes May Be Limited" at page 11 of the Offering Memorandum.

Except as disclosed in this document, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Offering Memorandum, nor has there been any significant change in the financial or trading position of New York Life since September 30, 2022 (the date of the Third Quarter 2022 Financial Statements).

Each of the Issuer and New York Life accepts responsibility for the information contained in this Third Offering Memorandum Supplement. To the best of the knowledge of each of the Issuer and New York Life (having taken all reasonable care to ensure that such is the case) the information contained in this Third Offering Memorandum Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Where there is any inconsistency among the Offering Memorandum and this Third Offering Memorandum Supplement, the language used in this Third Offering Memorandum Supplement shall prevail.

Third Offering Memorandum Supplement dated November 29, 2022

ANNEX 1

SUMMARY OF CERTAIN THIRD QUARTER FINANCIAL INFORMATION

Results of Operations – For the Nine Months Ended September 30, 2022 Compared to the Nine Months Ended September 30, 2021

Impact of COVID-19

New York Life continues to monitor the economic environment and other potential impacts relating to the COVID-19 pandemic. New York Life has maintained effective operations and levels of policyholder service throughout the course of the pandemic. For additional information about the risks to New York Life's business related to the COVID-19 pandemic, see "Risk Factors—Risk Factors Relating to New York Life—The COVID-19 Pandemic Has Adversely Affected, and Could Continue to Adversely Affect, New York Life's Business."

Net Income

New York Life's net income, which is comprised of net gain from operations after dividends to policyholders and federal and foreign income taxes plus net realized capital gains (losses) (after-tax and transfers to the interest maintenance reserve ("**IMR**")), was $127 million for the nine months ended September 30, 2022, representing a $578 million decrease from a net gain of $705 million reported for the nine months ended September 30, 2021.

The decrease in net income year over year was driven by a lower net gain from operations of $781 million, offset by lower net realized capital losses of $203 million for the nine months ended September 30, 2022.

Net Gain from Operations

As a mutual insurance company, all dividends paid by New York Life to participating policyholders are included in net gain from operations. However, not all of the sources that support dividends are reported in pre-dividend net gain (such as capital gains (losses) and undistributed earnings from subsidiaries). Therefore, focusing on net gain from operations before dividends to policyholders and federal and foreign income taxes provides the best insight into New York Life's performance.

Net gain from operations before dividends to policyholders and federal and foreign income taxes for the nine months ended September 30, 2022 was $1,843 million, representing a decrease of $689 million, or 27%, when compared to the net gain from operations before dividends to policyholders and federal and foreign income taxes of $2,532 million reported for the nine months ended September 30, 2021. This decrease was primarily due to lower U.S. insurance subsidiary dividends and lower distributed income from limited partnerships ("**LPs**") (see "—Net Investment Income (including amortization of IMR)").

Dividends to policyholders and federal and foreign income tax expense for the nine months ended September 30, 2022 were $1,558 million and $57 million, respectively, and for the nine months ended September 30, 2021 were $1,489 million and $35 million, respectively (see "—Dividends to Policyholders" and "—Federal and Foreign Income Taxes").

Net gain from operations after dividends to policyholders and federal and foreign income taxes was $227 million for the nine months ended September 30, 2022 and $1,008 million for the nine months ended September 30, 2021.

Premium Income

Premiums are primarily generated from sales of life insurance, annuities, LTC insurance and disability insurance. In addition, sales of Institutional Annuities, with annuity purchase rate guarantees, are counted as premium since there is mortality risk in these products.

Premium income from the insurance business primarily consists of recurring premiums from New York Life's agency sold life business, while premium income from the annuities business is generally single premium and can be more volatile from year to year.

The following table shows premium income by business operation for the nine months ended September 30, 2022 and 2021 ($ in millions):

			Change	
	2022	2021	$	%
Agency Life	$ 6,841	$ 6,547	$ 294	4 %
New York Life Direct	1,187	1,189	(2)	—
Group Membership	488	511	(23)	(5)
LTC	260	237	23	10
Closed Block Reinsurance	101	105	(4)	(4)
Total Insurance Business[1]	8,877	8,589	288	3
Institutional Annuities	4,441	4,135	306	7
Retail Annuities	293	335	(42)	(13)
Total Annuities Business	4,734	4,470	264	6
Total	**$ 13,611**	**$ 13,059**	**$ 552**	**4 %**

1 Recurring premiums account for 84% of the total insurance business for the nine months ended September 30, 2022 and 2021, respectively.

Agency Life premiums for the nine months ended September 30, 2022 increased $294 million from the nine months ended September 30, 2021 primarily due to recurring premiums on whole life and term products.

Institutional Annuities premiums for the nine months ended September 30, 2022 increased $306 million from the nine months ended September 30, 2021 primarily due to higher sales of guaranteed investment contracts ("**GICs**") of $640 million and stable value products of $328 million, partially offset by lower sales of single premium buy-out contracts for pension risk transfer of $564 million.

Net Investment Income (including amortization of IMR)

The following table illustrates investment income based on components of New York Life's investment portfolio for the nine months ended September 30, 2022 and 2021 ($ in millions):

			Change	
	2022	2021	$	%
Bonds	$ 3,525	$ 3,458	$ 67	2 %
Other Invested Assets	794	1,098	(304)	(28)
Mortgage Loans	636	595	41	6
U.S. Insurance Subsidiary Dividends[1]	400	942	(542)	(58)
Policy Loans	452	451	1	—
Other	402	354	48	14
Equity Securities	16	20	(4)	(20)
Gross Investment Income	6,225	6,918	(693)	(10)
Investment Expenses[2]	(606)	(537)	(69)	13
Net Investment Income	5,619	6,381	(762)	(12)
Amortization of IMR	85	89	(4)	(4)
Total	**$ 5,704**	**$ 6,470**	**$ (766)**	**(12)%**

1 Dividends from the wholly owned U.S. insurance subsidiaries of New York Life.

2 Investment expenses include interest expense on surplus notes.

Net investment income was $5,704 million for the nine months ended September 30, 2022, a decrease of $766 million from the $6,470 million reported for the nine months ended September 30, 2021. The decrease in net investment income was primarily due to a decrease in LP income, as there were less distributions for the nine months ended September 30, 2022. Income from bonds increased as New York Life had a higher average ending assets on fixed income investments.

Other Income

The following table shows the primary components of other income for the nine months ended September 30, 2022 and 2021 ($ in millions):

	2022	2021	Change $	Change %
Investment in COLI Policies	$ (125)	$ 166	$ (291)	nm %
Other	26	40	(14)	(35)
Total	**$ (99)**	**$ 206**	**$ (305)**	**nm %**

nm = not meaningful

New York Life has purchased various COLI policies from NYLIAC for the purpose of informally funding non-qualified pension and postretirement plans and deferred compensation plans. NYLIAC holds the underlying assets supporting these policies. The change in cash surrender value of these policies was primarily driven by the performance of these underlying assets. The decrease in investment in COLI policies was due to lower equity returns during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021. This was primarily passed on to participants in certain deferred compensation plans, and therefore, was partially offset by lower interest credited expense included in general operating expenses.

Benefit Payments

New York Life's benefit payments primarily include death benefits, annuity benefits, LTC benefits, disability benefits, surrender benefits (including scheduled maturities and withdrawals on Institutional Annuities) and interest on policy claims and deposit funds.

The following table shows benefit payments by business operation for the nine months ended September 30, 2022 and 2021 ($ in millions):

	2022	2021	Change $	Change %
Agency Life	$ 3,829	$ 3,984	$ (155)	(4) %
New York Life Direct	819	884	(65)	(7)
Group Membership	309	324	(15)	(5)
LTC	108	94	14	15
Closed Block Reinsurance	346	357	(11)	(3)
Total Insurance Business	5,411	5,643	(232)	(4)
Institutional Annuities	4,350	5,540	(1,190)	(21)
Retail Annuities	74	67	7	10
Total Annuities Business	4,424	5,607	(1,183)	(21)
Total	**$ 9,835**	**$ 11,250**	**$ (1,415)**	**(13)%**

Agency Life benefit payments for the nine months ended September 30, 2022 decreased $155 million from the nine months ended September 30, 2021, primarily related to a decrease in death benefits.

Institutional Annuities benefit payments for the nine months ended September 30, 2022 decreased $1,190 million from the nine months ended September 30, 2021, primarily driven by $1,001 million of lower withdrawals related to stable value products and $215 million of lower withdrawals related to New York Life's defined benefit pension plans ("**Pension Plans**").

Additions to Reserves

The following table shows additions to reserves by business operation for the nine months ended September 30, 2022 and 2021 ($ in millions):

			Change	
	2022	2021	$	%
Agency Life	$ 3,389	$ 3,134	$ 255	8 %
New York Life Direct	114	107	7	7
Group Membership	(2)	4	(6)	(150)
LTC	238	203	35	17
Closed Block Reinsurance	(181)	(161)	(20)	12
Total Insurance Business	3,558	3,287	271	8
Institutional Annuities	826	534	292	55
Retail Annuities	253	301	(48)	(16)
Total Annuities Business	1,079	835	244	29
Total	**$ 4,637**	**$ 4,122**	**$ 515**	**12 %**

Agency Life additions to reserves for the nine months ended September 30, 2022 increased $255 million from the nine months ended September 30, 2021, primarily due to recurring premiums on whole life and term products.

Institutional Annuities additions to reserves for the nine months ended September 30, 2022 increased $292 million from the nine months ended September 30, 2021. The increase was primarily driven by net sales of GICs and higher net flows (premiums, benefits, and net transfers to (from) separate accounts) from stable value products. This is partially offset by lower net sales of single premium buy-out contracts for pension risk transfer and lower net flows into general account contracts of the Pension Plans (see "—Net Transfers to (from) Separate Accounts").

Net Transfers to (from) Separate Accounts

The following table shows the components of the net transfers to (from) separate accounts for the nine months ended September 30, 2022 and 2021 ($ in millions):

			Change	
	2022	2021	$	%
Transfers to separate accounts	$ 2,105	$ 1,793	$ 312	17 %
Transfers from separate accounts	(1,685)	(2,618)	933	(36)
Total	**$ 420**	**$ (825)**	**$ 1,245**	**nm %**

nm = not meaningful

Changes in net transfers to (from) separate accounts during the nine months ended September 30, 2022 increased $1,245 million from the nine months ended September 30, 2021, primarily related to higher net transfers of $843 million into stable value products and $402 million of lower withdrawals from separate account contracts of the Pension Plans (see "—Addition to Reserves").

Operating Expenses

The following table shows the components of operating expenses for the nine months ended September 30, 2022 and 2021 ($ in millions):

	2022	2021	Change $	Change %
General operating expenses[1]	$ 1,863	$ 2,003	$ (140)	(7) %
Variable sales expenses[2]	524	532	(8)	(2)
Total	**$ 2,387**	**$ 2,535**	**$ (148)**	**(6)%**

1 General operating expenses include, but are not limited to, salaries, incentive compensation, licenses and fees, charitable contributions and rent expense.

2 Variable sales expenses include agents' commissions and premium tax expense.

Dividends to Policyholders

The following table shows dividends to policyholders for the nine months ended September 30, 2022 and 2021 ($ in millions):

	2022	2021	Change $	Change %
Dividends - New York Life policyholders	$ 1,538	$ 1,461	$ 77	5 %
Dividends - Closed Block Reinsurance[1]	20	28	(8)	(29)
Total	**$ 1,558**	**$ 1,489**	**$ 69**	**5 %**

1 Dividends for the Closed Block Reinsurance are approved by the ceding company.

Dividends to New York Life policyholders are approved by New York Life's board of directors (the "**Board of Directors**") annually and primarily factor in investment experience (interest earnings, credit loss experience and equity returns), mortality results and expense levels that develop over a period of time (see "Certain Financial and Accounting Matters—Dividends to Policyholders").

Federal and Foreign Income Taxes

Under Statutory Accounting Principles ("**SAP**") prescribed or permitted by the New York State Department of Financial Services ("**NYSDFS**")**,** current federal and foreign income taxes are reflected in net income, whereas deferred tax items are reflected as a component of surplus. Therefore, differences between the statutory tax rate and book income to tax expense includes temporary book/tax differences in addition to permanent differences. The following table reconciles the tax expense calculated at the statutory rate to the tax benefit reflected in New York Life's results of operations for the nine months ended September 30, 2022 and 2021 (in millions):

	2022	2021	Change
Tax on net gain from operations	**$ 60**	**$ 219**	**$ (159)**
Tax credits[1]	(44)	(39)	(5)
Dividends from subsidiaries[2]	(90)	(211)	121
Tax exempt income	5	(56)	61
Amortization of IMR	(18)	(21)	3
Excess of book over tax reserves	117	99	18
Deferred acquisition costs ("**DAC**") tax	25	18	7
Other	2	26	(24)
Total federal and foreign income tax expense	**$ 57**	**$ 35**	**$ 22**

1 Tax credits result primarily from investments in low income housing and alternative energy.

2 Dividends from subsidiaries represent after-tax earnings of the subsidiaries and are not subject to tax when received by New York Life.

Net Realized Capital Gains (Losses)

New York Life reported net realized capital losses after taxes and transfers to the IMR of $100 million for the nine months ended September 30, 2022, a decrease of $203 million from the net realized capital losses of $303 million reported for the nine months ended September 30, 2021.

The following table represents net realized capital gains (losses) for the nine months ended September 30, 2022 and 2021 (in millions):

	2022	2021	Change
Bonds	$ (39)	$ 343	$ (382)
Common and preferred stocks	52	23	29
Derivatives	(266)	(394)	128
Other[1]	(3)	2	(5)
Total before OTTI and capital gains (losses) tax	**(256)**	**(26)**	**(230)**
OTTI[2]	(133)	(133)	—
Capital gains tax expense	(17)	(40)	23
Net realized capital losses after-tax and before transfers to the IMR	**(406)**	**(199)**	**(207)**
Capital (gains) losses transferred to the IMR[3]	306	(104)	410
Net realized capital losses after-tax	**$ (100)**	**$ (303)**	**$ 203**

1 Other includes foreign exchange gains and losses on funding agreements related to the Issuer's Notes.

2 OTTI losses are generally not subject to current tax treatment; however, current year tax includes benefits on current year OTTI on residential mortgage-backed securities and sales of other securities impaired in prior years.

3 Capital gains tax benefit (expense) transferred to the IMR was $81 million and $(28) million for the nine months ended September 30, 2022 and 2021, respectively.

Realized capital gains (losses) on bonds of $(39) million and $343 million for the nine months ended September 30, 2022 and September 30, 2021, respectively, were primarily interest rate related and the majority of the gains and losses were transferred to the IMR.

Realized capital losses on derivatives of $266 million for the nine months ended September 30, 2022 were primarily due to losses on derivative strategies used to hedge against the low interest rate environment, partially offset against gains on currency swaps and futures. $282 million of realized capital losses on derivatives were transferred to the IMR for the nine months ended September 30, 2022. The losses that will amortize through the IMR should be significantly offset by higher net income in a rapidly rising interest rate environment. Realized capital losses on derivatives of $394 million for the nine months ended September 30, 2021, was primarily due to losses on total return swaps used to hedge against equity exposure and losses on derivative strategies used to hedge against the low interest rate environment. Derivative losses related to equity hedges are significantly offset by unrealized gains on common stocks reported as a direct increase in surplus which will not be recognized in net income until the common stocks are sold.

The following table shows the distribution of OTTI and the year-over-year change in OTTI by asset type for the nine months ended September 30, 2022 and 2021 (in millions):

	2022	2021	Change
Bonds	$ (64)	$ (35)	$ (29)
Mortgage loans	(8)	—	(8)
Other invested assets	(61)	(98)	37
Total OTTI	**$ (133)**	**$ (133)**	**$ —**

OTTI for bonds of $64 million for the nine months ended September 30, 2022 was primarily due to Russian securities impaired due to the war in Ukraine and the subsequent sanctions. OTTI for other invested assets of $61 million and $98 million for the nine months ended September 30, 2022 and September 30, 2021, respectively, was primarily due to LPs approaching the end of their lifecycle. LP expenses and fees through December 31, 2018 that were recorded as unrealized losses are recorded as realized losses at the end of the life of the partnership.

Financial Position - At September 30, 2022 Compared to December 31, 2021

Assets

New York Life's total assets at September 30, 2022 were $221,368 million, which was $7,672 million, or 4%, higher than the $213,696 million reported at December 31, 2021. The increase was primarily reflected in the following assets:

- $7,344 million higher cash and invested assets primarily driven by the investment of operating cash flow with the increase primarily in fixed income investments.

Liabilities

New York Life's total liabilities, including asset valuation reserve ("**AVR**"), at September 30, 2022 were $197,437 million, which was $8,307 million, or 4%, higher than the $189,130 million reported at December 31, 2021. The increase is primarily reflected in the following liabilities:

- $6,793 million increase in policy reserves and deposit funds as premiums received exceeded benefits paid. The table below presents policy reserves and deposit funds by business operation at September 30, 2022 and December 31, 2021 ($ in millions):

			Change	
	2022	**2021**	**$**	**%**
Agency Life	$ 87,490	$ 83,989	$ 3,501	4 %
New York Life Direct	3,415	3,304	111	3
Group Membership	2,099	2,108	(9)	—
LTC	4,171	3,934	237	6
Closed Block Reinsurance	4,862	5,072	(210)	(4)
Total Insurance Business	102,037	98,407	3,630	4
Institutional Annuities	58,024	55,111	2,913	5
Retail Annuities	2,539	2,289	250	11
Total Annuities Business	60,563	57,400	3,163	6
Total	**$ 162,600**	**$ 155,807**	**$ 6,793**	**4 %**

Statutory Surplus

Statutory surplus was $23,931 million at September 30, 2022, a decrease of $635 million, or 3%, from the $24,566 million reported at December 31, 2021. The main drivers of the change in New York Life's statutory surplus are presented in the following table (in millions):

		2022
Beginning surplus	$	24,566
Net income		127
Change in net unrealized capital gains/(losses)[1]		(1,195)
Change in deferred taxes		180
Change in AVR		(132)
Change in nonadmitted assets[2]		351
Pension and postretirement impacts		35
Ending surplus		**23,931**
AVR		4,299
Surplus and AVR[3]	**$**	**28,230**

1 Excludes deferred capital gains tax expense on net unrealized capital gains of $10 million reclassified to "Change in deferred taxes."

2 Excludes the nonadmittance of prepaid pension assets of $9 million reclassified to "Pension and postretirement impacts."

3 Consolidated statutory surplus and AVR, which includes the AVR of New York Life's wholly owned U.S. insurance subsidiaries, totaled $30,208 million at September 30, 2022.

Change in Net Unrealized Capital Gains/(Losses)

The following table shows the components of the change in net unrealized capital gains/(losses) at September 30, 2022 from December 31, 2021 (in millions):

		2022
Affiliated:		
Domestic insurance subsidiaries:		
Operations	$	(517)
Dividend from NYLIAC		(400)
Amortization of goodwill[1]		(313)
Total domestic insurance subsidiaries		(1,230)
Asset management subsidiaries		182
Insurance subsidiary in Mexico and other		(190)
Total affiliated		(1,238)
Unaffiliated:		
Common stocks		(215)
Other invested assets		235
Other[2]		23
Total unaffiliated-		43
Total change in net unrealized capital gains/(losses)	**$**	**(1,195)**

1 Goodwill associated with the acquisition of Cigna's group life and group disability insurance business (now known as New York Life Group Benefit Solutions ("GBS")) in 2020.

2 Other primarily includes derivatives and foreign exchange.

The decrease in net unrealized capital gains associated with domestic insurance subsidiary operations of $517 million was primarily driven by higher policyholder reserves due to higher strain as a result of significantly higher fixed annuity sales in a rapidly rising interest rate environment and higher variable annuity reserves as a result of the decline in equity markets.

The decrease in net unrealized capital gains associated with New York Life's insurance subsidiary in Mexico and other of $190 million was primarily driven by a decrease in the equity of the insurance subsidiary in Mexico on an adjusted generally accepted accounting principles in the United States ("**GAAP**") basis, the SAP value used to determine the carrying value of New York Life's investment in the subsidiary. The decrease in the adjusted GAAP equity of the subsidiary is primarily due to rising interest rates, which impacts the fair value of fixed income securities.

Change in Deferred Taxes

The following table shows the components of the change in deferred taxes at September 30, 2022 from December 31, 2021 (in millions):

	2022
Deferred income tax benefit on operating results	$ 189
Deferred capital gains tax expense on change in net unrealized capital gains	(9)
Total change in deferred taxes	$ 180

Change in AVR

The AVR liability represents a portion of New York Life's surplus set aside to offset potential non-interest related investment losses. Changes in AVR are recorded directly to surplus. The AVR liability is based on a formula prescribed by the NAIC and is largely influenced by the size and quality of the investment portfolio. Changes in the AVR are driven by non-interest related gains and losses on the investment portfolio and an annual contribution based on factors set by the NAIC. Factors are also used to set a reserve objective and a maximum reserve. The AVR liability increased by $132 million at September 30, 2022 from December 31, 2021, which reduced surplus and is currently at its maximum reserve.

Change in Nonadmitted Assets

Certain assets are not allowed as admitted assets under SAP. Generally, these are assets with economic value, but which cannot be readily used to pay policyholder obligations. New York Life had a net decrease in nonadmitted assets that resulted in an increase to surplus of $351 million during the nine months ended September 30, 2022, primarily due to the change in nonadmitted goodwill associated with the GBS acquisition as a result of the amortization of goodwill that is included in change in net unrealized gains/(losses).

Pension and Postretirement Impacts

The calculation of pension and other postretirement benefits obligations requires management to select demographic and economic assumptions that affect the reported amounts of assets and liabilities at December 31 of each year. Assumptions include, but are not limited to, interest rates, return on plan assets, mortality, withdrawal and retirement rates, and healthcare cost trend rate. The selected actuarial assumptions comply with the NAIC guidance, which requires New York Life to use its best estimate for each assumption, and are reviewed regularly for reasonableness, comparing assumed results to actual plan experience with adjustments made when necessary. New York Life uses a December 31 measurement date for these plans, as required.

Pension and postretirement related impacts reported as a direct adjustment to surplus do not include the expenses (annual service costs, amortization of unrecognized actuarial losses and prior service costs) reported in net gain/(loss) from operations. These adjustments increased surplus by $35 million.

Liquidity Sources and Requirements

New York Life's cash inflows from its insurance activities include life insurance premiums, annuity considerations and GICs and deposit funds. New York Life's cash inflows from investments result from proceeds on sales, repayments of principal, maturities of invested assets and investment income. The following table sets forth the total available liquidity of New York Life from liquid assets and other funding sources at the end of the specified periods (in millions). Liquid assets include cash and cash equivalents, short-term investments and publicly traded securities, excluding assets that are pledged or otherwise committed. Other funding sources includes the available capacity at short-term borrowing facilities.

New York Life's Available Liquidity at Market Value
(in millions)

	September 30, 2022	December 31, 2021
Cash and short-term investments:		
Cash and cash equivalents	$ 1,993	$ 2,371
Short-term investments	963	365
Less: securities lending and other short-term liabilities	(1,922)	(1,583)
Net cash and short-term investments	**1,034**	**1,153**
Liquid bonds:		
U.S. government and agency bonds	7,494	10,005
Public corporate investment-grade bonds & collateralized mortgage obligations ("**CMOs**")	47,971	60,480
Liquid bonds	**55,465**	**70,485**
Equities:		
Public equities portfolio	707	940
Total liquid assets[1]	**57,206**	**72,578**
Other funding sources:		
Bank facility/commercial paper capacity	2,502	2,504
Federal Home Loan Bank available capacity[2]	8,657	8,223
Total other funding sources	**11,159**	**10,727**
Total available liquidity	**$ 68,365**	**$ 83,305**

1 The decline in total liquid assets is primarily due to the decrease in the market value of the assets.

2 Available capacity represents 5% of New York Life's total admitted assets. At September 30, 2022, New York Life's borrowing capacity with the Federal Home Loan Bank was $11,068 million, of which $2,411 million had been used. At December 31, 2021, New York Life's borrowing capacity with the Federal Home Loan Bank was $10,684 million, of which $2,461 million had been used.

New York Life's U.S. insurance subsidiaries are subject to certain insurance department regulatory restrictions as to the payment of dividends to New York Life. These restrictions pose no short-term or long-term liquidity concerns for New York Life, as it does not rely on subsidiary dividends as a significant source of liquidity.

Liquidity Uses

New York Life's principal cash outflows primarily relate to the payment of liabilities associated with its various life insurance, annuity and group pension (GICs and funding agreements) products, operating expenses and income taxes. Liabilities arising from New York Life's insurance activities primarily relate to benefit payments, policy surrenders, withdrawals from GICs and maturities of funding agreements, and loans and dividends to policyholders. See "—Investment Risk Management" for a discussion of liquidity risk.

A primary liquidity concern with respect to life insurance and annuity products is the risk of early policyholder and contractholder withdrawals. New York Life includes provisions in certain of its contracts that are designed to limit withdrawals from general account institutional pension products (group annuities, GICs and certain deposit fund liabilities) sold to employee benefit plan sponsors. Such provisions include surrender charges, market value adjustments and prohibitions or restrictions on withdrawals. New York Life closely monitors its liquidity requirements in order to match cash inflows with expected cash outflows, and employs an asset/liability management approach tailored to the specific requirements of each product line based upon the return objectives, risk tolerance, liquidity, tax and regulatory requirements of the underlying products. It also regularly conducts liquidity stress tests and monitors early warning indicators of potential liquidity issues.

New York Life participates in a securities lending program for its general account whereby fixed income securities are loaned to third parties, primarily major brokerage firms and commercial banks. The borrowers of its securities provide New York Life with collateral, typically in cash. New York Life separately manages this collateral and invests such cash collateral in a portfolio of highly rated fixed income securities with short maturities. Securities on loan under the program could be returned to New York Life by the borrowers, or New York Life could call such securities at any time. Returns of loaned securities would require New York Life to return the cash collateral associated with such loaned securities. New York Life was liable for cash collateral under its control of $547 million at September 30, 2022 and $604 million at December 31, 2021, respectively. See "Risk Factors—Risk Factors Relating to New York Life—New York Life's Securities Lending Program Subjects It to Potential Liquidity and Other Risks."

New York Life is committed to maintaining adequate capitalization for its insurance and non-insurance subsidiaries to fund growth opportunities and support new products, and, with respect to its U.S. insurance subsidiaries, to maintain targeted RBC levels. In addition, New York Life may make loans to its affiliates to provide additional funds to meet the business needs of these entities. New York Life received returns of capital (net of capital contributions) of $46 million from its subsidiaries during the nine months ended September 30, 2022 and received returns of capital (net of capital contributions) of $84 million from its subsidiaries during the year ended December 31, 2021.

CERTAIN FINANCIAL AND ACCOUNTING MATTERS

Accounting Policies and Principles

Statutory Accounting Practices

The financial statements of New York Life included in this Offering Memorandum are presented in accordance with NAIC SAP prescribed or permitted by the NYSDFS. SAP differs from GAAP in that SAP is primarily designed to reflect the ability of the insurer to satisfy its obligations to policyholders, contract holders and beneficiaries, whereas under GAAP, revenues and expenses are recorded in financial reporting periods to match revenues and expenses and reflect the ongoing financial results of the insurer. For example, under SAP, commissions and other costs incurred in connection with acquiring new business are charged to operations in the year incurred; whereas under GAAP, certain of these expenses are deferred and amortized on a basis to match them against appropriate revenues.

Under SAP, New York Life's financial statements are not consolidated and investments in subsidiaries are generally shown at net equity value. Accordingly, the assets, liabilities and results of operations of New York Life's subsidiaries are not consolidated with the assets, liabilities and results of operations, respectively, of New York Life. However, New York Life's financial statements do reflect, in New York Life's assets, the net equity value of New York Life's subsidiaries and, in New York Life's surplus, the current year change in net equity value of subsidiaries, less contributions received from or returns of capital paid to New York Life, as an unrealized gain or loss on investments. Dividends declared by subsidiaries to New York Life are included in New York Life's net investment income.

Discussion of Certain Differences between SAP and GAAP

The financial information of New York Life is presented in accordance with SAP. Statutory accounting is used by state insurance regulators to monitor the operations of insurance companies. Financial statements prepared under SAP as determined under New York Insurance Law vary from those prepared under GAAP in certain material respects, primarily as follows:

- investments in subsidiaries and other controlled entities, including partnerships, limited liability companies ("**LLCs**") and joint ventures, are not consolidated with the financial statements of New York Life, whereas under GAAP, consolidated financial statements are prepared;

- contracts that have any mortality or morbidity risk, regardless of significance, and contracts with life contingent annuity purchase rate guarantees are classified as insurance contracts, whereas under GAAP, only contracts that have significant mortality or morbidity risk are classified as insurance contracts otherwise they are accounted for in a manner consistent with the accounting for interest bearing or other financial instruments;

- the costs related to acquiring insurance contracts (principally commissions), policy issue expenses and sales inducements are charged to income in the period incurred, whereas under GAAP, these costs are deferred when related to successful sales and amortized over the periods benefited;

- life insurance and annuity reserves are based on different statutory methods and assumptions than they are under GAAP;

- dividends on participating policies are recognized for the full year when approved by the Board of Directors, whereas under GAAP, they are accrued when earned by policyholders;

- certain policies which do not pass through all investment gains and losses to policyholders are maintained in separate accounts, whereas GAAP reports these policies in the general account assets and liabilities of New York Life;
- reinsurance agreements are accounted for as reinsurance on an SAP and GAAP basis if certain risk transfer provisions have been met. SAP requires the reinsurer to assume insurance risk, regardless of the

significance of the loss potential, whereas GAAP requires that there is a reasonable possibility that the reinsurer may realize significant loss from assuming insurance risk; assets and liabilities from reinsurance transactions are reported net of reinsurance, whereas under GAAP, assets and liabilities from reinsurance transactions are reported gross of reinsurance;

- GAAP requires that for certain reinsurance agreements, whereby assets are retained by the ceding insurer (such as funds withheld or modified coinsurance) and a return is paid based on the performance of underlying investments, the liabilities for these reinsurance arrangements must be adjusted to reflect the fair value of the invested assets; SAP does not contain a similar requirement;

- investments in subsidiaries, controlled and other affiliated entities as defined in SSAP No. 97, "Investments in Subsidiary, Controlled and Affiliated Entities," including partnerships, LLCs and joint ventures, are accounted for under the equity method. Under the equity method, domestic insurance subsidiaries are recorded at their underlying audited statutory surplus. Nonpublic non-insurance subsidiaries and other controlled entities are recorded at their underlying audited GAAP equity. Foreign insurance subsidiaries are recorded at their underlying audited GAAP equity with certain adjustments. In the absence of an admissible audit, the entire investment is nonadmitted. Changes in the value of such investments are recorded as unrealized gains or losses. The earnings of such investments are recorded in net investment income only when dividends are declared. Under GAAP, these investments are consolidated;

- investments in noncontrolled partnerships and LLCs are accounted for under the equity method for both SAP and GAAP. Under the statutory equity method, undistributed income and capital gains and losses for these investments are reported in surplus as unrealized gains or losses, whereas under GAAP, in many cases, for investment companies, unrealized gains and losses are included in net investment income;

- investments in bonds are generally carried at amortized cost or values as prescribed by the NYSDFS, whereas under GAAP, investments in bonds that are classified as available for sale or securities at fair value are carried at fair value, with changes in fair value of bonds classified as available for sale reflected in equity, and changes in fair value of bonds classified as securities at fair value reflected in earnings;

- an AVR based on a formula prescribed by the NAIC is established as a liability to offset potential non-interest related investment losses. Changes in the AVR are recorded directly to surplus, whereas under GAAP, no AVR is recognized;

- realized gains and losses resulting from changes in interest rates are deferred in the IMR and amortized into investment income over the remaining life of the investment sold, whereas under GAAP, the gains and losses are recognized in income at the time of sale;

- corporate securities deemed to be other-than-temporarily impaired are written down to fair value, whereas under GAAP, if certain conditions are met, credit impairments on corporate securities are recorded based on the net present value of future cash flows expected to be collected, discounted at the current book yield. Also, if certain conditions are met, the non-credit portion of the impairment on a loan-backed or structured security is not accounted for whereas under GAAP, if certain conditions are met, the non-credit portion of the impairment on a debt security is recorded through other comprehensive income. A non-credit loss exists when the fair value of a security is less than the present value of projected future cash flows expected to be collected;

- deferred income taxes exclude state income taxes and are admitted to the extent they can be realized within three years subject to a 15% limitation of capital and surplus with changes in the net deferred tax reflected as a component of surplus, whereas under GAAP, deferred income taxes include federal and state income taxes and changes in deferred taxes are reflected in either earnings or other comprehensive income;

- a tax loss contingency is required to be established if it is more likely than not that a tax position will not be sustained upon examination by taxing authorities. If a loss contingency is greater than 50 percent of the tax benefit associated with a tax position, the loss contingency is increased to 100 percent, whereas under GAAP the amount of the benefit for any uncertain tax position is the largest amount that is greater than 50 percent likely of being realized upon settlement;

- certain assets, such as intangible assets, overfunded pension plan assets, furniture and equipment, and unsecured receivables are considered nonadmitted and excluded from assets, whereas they are included in assets under GAAP subject to a valuation allowance, as appropriate;

- goodwill held by an insurance company is admitted subject to a 10% limitation on surplus and amortized over the useful life of the goodwill, not to exceed 10 years, and goodwill held by non-insurance subsidiaries is assessed in accordance with GAAP, subject to certain limitations for holding companies and foreign insurance subsidiaries, whereas under GAAP goodwill is not amortized unless the GAAP private company accounting alternative is elected where goodwill is amortized over the useful life of the goodwill, not to exceed 10 years, and is tested for impairment, but it is not subject to the 10% limitation on equity;

- fair value is required to be used in the determination of the expected return on the plan assets component of the net periodic benefit cost of pension and other postretirement obligations, whereas under GAAP, the market-related value of plan assets is used. The market-related value of plan assets can be either fair value or a calculated value that recognizes asset gains or losses over a period not to exceed five years;

- surplus notes are included as a component of surplus, whereas under GAAP, they are presented as a liability;

- contracts that contain an embedded derivative are not bifurcated between components and are accounted for consistent with the host contract or the whole instrument is accounted for as a derivative if certain criteria are met, whereas under GAAP, either the contract is recorded at fair value with changes in the fair value included in earnings or the embedded derivative needs to be bifurcated from the host contract and accounted for separately;

- certain derivative instruments are carried at amortized cost, whereas under GAAP, all derivative instruments are carried at fair value; and

- changes in the fair value of derivative instruments not carried at amortized cost are recorded as unrealized capital gains or losses and reported as changes in surplus, whereas under GAAP, these changes are generally reported through earnings unless they qualify and are designated for cash flow or net investment hedge accounting.

The effects on the financial statements of the above variances between SAP as determined under New York Insurance Law and GAAP are material to New York Life.

Adjustments for Impaired Investments

The cost basis of bonds and equity securities is adjusted for impairments in value deemed to be other-than-temporary, with the associated realized loss reported in net income. For a discussion of how New York Life determines whether an impairment is appropriate, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—New York Life’s Investment Portfolio.”

Statutory Investment Reserves

SAP requires a life insurance company to maintain both an AVR and an IMR to absorb both realized and unrealized gains and losses on a portion of New York Life’s investments. The AVR is an investment reserve established to provide for default risk on fixed income assets and market value fluctuation on equity-type investments. The amount of the AVR is determined by formula, which considers the type of investment, the credit rating (where applicable) and current year changes in realized and unrealized capital gains and losses (other than those resulting from changes in interest rates). Changes in the AVR are accounted for as direct increases or decreases in surplus.

The IMR applies to interest sensitive investments including bonds, preferred stocks, mortgage-backed securities, asset-backed securities, mortgage loans and certain derivatives. The IMR is designed to capture the after-tax capital gains or losses which are realized upon the sale of such investments and which result from changes in the overall level of interest rates. The captured after-tax net realized gains or losses are then amortized into income. The IMR is not treated under SAP as part of total adjusted capital for RBC purposes. New York Life's IMR was $311 million and $703 million at September 30, 2022 and December 31, 2021, respectively.

Dividends to Policyholders

New York Life annually determines the amount of dividends payable to eligible policyholders. These dividends have the effect of reducing the cost of insurance to policyholders and should be distinguished from the dividends paid on shares of capital stock by other types of business corporations or by stock life insurance companies. Policies on which such dividends may be payable are referred to as participating policies; policies on which such dividends are not payable are referred to as non-participating policies.

Annually, the Board of Directors approves the divisible surplus[1] of New York Life to be paid out to eligible policyholders in accordance with an actuarially determined dividend scale. New York Life has discretion, subject to statutory requirements as to the source of dividends, to vary the amount of dividends payable to policyholders, even many years after the issuance of a particular policy. In determining the policyholder dividends payable in any year, the Board of Directors considers, among other things, the amounts necessary to meet New York Life's future policy obligations, maintain reserves and operate the business. To the extent authorized by the Board of Directors, New York Life has the right to continue to declare policyholder dividends and to make dividend payments on its participating policies.

Policy Reserves

Life insurance companies price their insurance products based upon assumptions regarding certain future events, including investment income, expenses incurred and use of mortality and morbidity tables. SAP prescribes methods for providing for future benefits to be paid on a conservative basis, primarily by charging current operations with amounts necessary to establish appropriate reserves for anticipated future claims. Thus, under applicable state law, New York Life must maintain reserves in amounts which are actuarially calculated to be sufficient to meet its various policy and contract obligations as they become due. Such reserves appear as liabilities on New York Life's financial statements.

New York Life is required under the New York Insurance Law to conduct annually an analysis of the sufficiency of all life insurance and annuity statutory reserves. New York Life conducts its annual analysis as of December 31. See "Regulation and Supervision—Insurance Regulation—Policy and Contract Reserve Sufficiency Analysis."

Reinsurance

New York Life uses a variety of reinsurance agreements with insurers to control its loss exposure. Generally, these agreements are structured either on an automatic basis, where all risks meeting prescribed criteria are automatically covered, or on a facultative basis, where the reinsurer must accept the specific reinsurance risk before the reinsurer becomes liable on that risk. The amount of each risk retained by New York Life on a facultative basis depends on its evaluation of the specific risk, its maximum retention limits and the amount of reinsurance available.

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1 Divisible surplus is the portion of New York Life's total surplus that is available, following each year's operations, for distribution in the form of dividends.

Under the terms of the reinsurance agreements, the reinsurers will be liable to reimburse New York Life for the ceded amount in the event a claim on a reinsured policy is paid. New York Life remains primarily liable for all claims payable on reinsured policies, even if the reinsurer fails to meet its obligations under the reinsurance agreement. New York Life routinely collects amounts due from its reinsurers on a timely basis. For more information, see "Description of the Business of the Company—Reinsurance."

New York Life is a party to a reinsurance agreement (the "**Closed Block Reinsurance**") with John Hancock Life Insurance Company (U.S.A.) and one of its affiliates ("**John Hancock**") in which New York Life assumes on a coinsurance basis 100% of John Hancock's obligations and liabilities under the policies included in the closed block of participating whole life policies established in connection with the demutualization of John Hancock Mutual Life Insurance Company (the "**Closed Block**"). New York Life retrocedes 40% of those obligations and liabilities to John Hancock on a funds-withheld arrangement. The assets received from this transaction are held in a reinsurance trust as security for New York Life's obligations to John Hancock and are contractually restricted. The majority of such assets are allocated to the Closed Block and are held for the exclusive benefit of the policies included in the Closed Block.

The insurance related revenue from the Closed Block policies, including net investment income from the assets allocated to the Closed Block, after satisfying certain related expenses and taxes, inure solely to the benefit of those reinsured policyholders and will not be available to New York Life's policyholders. Dividends for the Closed Block are approved by the ceding company.

Separate Accounts

Under state insurance laws, insurers are permitted to establish separate investment accounts in which assets backing certain policies, including certain group annuity contracts, are held. The investments in each separate account (which may be pooled or customer specific) are maintained separately from those in other separate accounts and the general account. Generally, the investment results of the separate account assets pass through to separate account policyholders and contract holders, so that an insurer derives management and other fees from, but bears no investment risk on, these assets. In separate accounts for products with minimum interest rate guarantees, the risk that the investment results of the separate account assets will not meet the minimum rate guaranteed on these products is borne by the insurer.

STATUTORY CAPITALIZATION OF NEW YORK LIFE

New York Life is a mutual insurance company incorporated under the laws of the State of New York, United States. New York Life was incorporated on May 21, 1841 under the name Nautilus Insurance Company, was licensed to transact business in the State of New York on April 17, 1845 and changed its name to New York Life Insurance Company on April 5, 1849. The U.S. federal employer identification number of New York Life is 13-5582869. The registered office of New York Life is 51 Madison Avenue, New York, New York 10010. The telephone number of New York Life is +1 (800) 692-3086.

As a mutual company, New York Life has no capital stock and no shareholders. New York Life's participating policyholders generally have certain rights to receive policy dividends, and they and certain other policyholders may have rights to receive distributions in a proceeding for its rehabilitation, liquidation or dissolution. Policyholders also have certain rights to vote in the election of directors as provided by New York law.

New York Life's balance sheet includes its surplus and an AVR. The amount by which the admitted assets of New York Life exceed its liabilities is referred to as surplus. The AVR stabilizes surplus from fluctuations in the value of the investment portfolio (see "Certain Financial and Accounting Matters—Accounting Policies and Principles—Statutory Investment Reserves.")

The following table sets forth the capitalization of New York Life at September 30, 2022. The AVR is included in the following table even though such reserve is shown as a liability on New York Life's balance sheet. This treatment is consistent with the general view of the insurance industry. In addition, this reserve is included as part of total adjusted capital for RBC purposes.

	September 30, 2022 (in millions)
Total Short-Term Debt (less than 1 year)	**$ 571**
AVR	$ 4,299
Surplus:	
Surplus notes	4,232
Unassigned funds	19,699
Surplus and AVR	**$ 28,230**

SELECTED HISTORICAL STATUTORY FINANCIAL INFORMATION OF NEW YORK LIFE

The table presented below sets forth selected financial information for New York Life. Prospective investors should read it in conjunction with "Certain Financial and Accounting Matters" and New York Life's Statutory Financial Statements included in the Offering Memorandum. The selected financial information for New York Life's Statement of Financial Position at and Statement of Operations at and for the years ended December 31, 2021, 2020 and 2019 has been derived from the annual audited statutory financial statements. The selected financial information for New York Life at and for the nine months ended September 30, 2022 and 2021 has been derived from the quarterly unaudited statutory financial statements.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results may differ from estimates. Historical results are not necessarily indicative of results for any future period.

	At or for the Nine Months ended September 30,		At or for the Year ended December 31,		
	2022	**2021**	**2021**	**2020**	**2019**
			(in millions)		
Statement of Operations Data:					
Total income	$ 19,216	$ 19,736	$ 26,686	$ 28,662	$ 23,336
Dividends to policyholders[1]	$ 1,558	$ 1,489	$ 2,021	$ 1,963	$ 2,043
Net gain from operations	$ 227	$ 1,008	$ 1,309	$ 745	$ 495
Net income/(loss)	$ 127	$ 705	$ 949	$ (76)	$ 378
Statement of Financial Position Data:					
Total assets	$ 221,368	$ 212,048	$ 213,696	$ 201,337	$ 189,231
Total liabilities	$ 197,437	$ 188,355	$ 189,130	$ 179,609	$ 167,199
Surplus:					
Surplus notes	$ 4,232	$ 4,231	$ 4,231	$ 4,230	$ 2,987
Unassigned funds	19,699	19,462	20,335	17,498	19,045
Surplus	23,931	23,693	24,566	21,728	22,032
Asset valuation reserve[2]	4,299	4,099	4,167	3,589	3,371
Surplus and asset valuation reserve	$ 28,230	$ 27,792	$ 28,733	$ 25,317	$ 25,403
Other Data:					
Equity investment in subsidiaries[3]	$ 13,797	$ 14,802	$ 14,911	$ 15,247	$ 10,591

1 Dividends to policyholders (excluding dividends on assumed reinsurance) are discretionary and subject to the approval of the Board of Directors and dividends for the Closed Block are approved by the ceding company.

2 These amounts are included in Total liabilities but are treated as part of adjusted capital in the calculation of RBC.

3 Included in Total assets above.

NEW YORK LIFE INSURANCE COMPANY

CONDENSED STATUTORY FINANCIAL STATEMENTS

For the quarterly period ended September 30, 2022

NEW YORK LIFE INSURANCE COMPANY

CONDENSED STATUTORY STATEMENTS OF FINANCIAL POSITION
(UNAUDITED)

	September 30, 2022	December 31, 2021
	(in millions)	
Assets		
Bonds	$ 126,817	$ 122,778
Common and preferred stocks	13,751	14,871
Mortgage loans	22,231	20,112
Policy loans	11,621	11,386
Other invested assets	15,201	13,729
Cash, cash equivalents and short-term investments	1,994	2,616
Derivatives	2,109	1,048
Real estate	2,302	2,142
Total cash and invested assets	196,026	188,682
Deferred and uncollected premiums	2,418	2,071
Investment income due and accrued	1,639	1,628
Other assets	6,951	6,866
Separate accounts assets	14,334	14,449
Total assets	$ 221,368	$ 213,696
Liabilities and surplus		
Liabilities:		
Policy reserves	$ 131,030	$ 126,433
Deposit funds	31,571	29,375
Dividends payable to policyholders	2,063	1,958
Policy claims	1,279	950
Borrowed money	571	475
Amounts payable under security lending agreements	547	604
Derivatives	1,554	318
Funds held under coinsurance	3,404	3,549
Other liabilities	6,474	6,149
Interest maintenance reserve	311	703
Asset valuation reserve	4,299	4,167
Separate accounts liabilities	14,334	14,449
Total liabilities	197,437	189,130
Surplus:		
Surplus notes	4,232	4,231
Unassigned surplus	19,699	20,335
Total surplus	23,931	24,566
Total liabilities and surplus	$ 221,368	$ 213,696

NEW YORK LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF OPERATIONS
(UNAUDITED)

	Nine Months ended September 30, 2022	Nine Months ended September 30, 2021
	(in millions)	
Income		
Premiums	$ 13,611	$ 13,059
Net investment income	5,704	6,471
Other income	(99)	206
Total income	19,216	19,736
Benefits and expenses		
Benefit payments:		
Death benefits	3,576	3,796
Annuity benefits	1,105	1,035
Health and disability insurance benefits	229	208
Surrender benefits	1,517	1,552
Payments on matured contracts	2,958	4,277
Other benefit payments	450	382
Total benefit payments	9,835	11,250
Additions to reserves	4,637	4,122
Net transfers to (from) separate accounts	420	(825)
Adjustment in funds withheld	95	122
Operating expenses	2,387	2,535
Total benefits and expenses	17,374	17,204
Gain from operations before dividends to policyholders and federal and foreign income taxes	1,842	2,532
Dividends to policyholders	1,558	1,489
Gain from operations before federal and foreign income taxes	284	1,043
Federal and foreign income taxes	57	35
Net gain from operations	227	1,008
Net realized capital gains (losses), after tax and transfers to interest maintenance reserve	(100)	(303)
Net income	$ 127	$ 705

NEW YORK LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF CHANGES IN SURPLUS
(UNAUDITED)

	September 30, 2022	December 31, 2021
	(in millions)	
Surplus, beginning of year	$ 24,566	$ 21,728
Net income	127	949
Change in net unrealized capital gains on investments	(891)	1,980
Change in liability for pension and postretirement plans	26	514
Change in nonadmitted assets	360	189
Change in reserve valuation basis	—	(3)
Change in asset valuation reserve	(132)	(578)
Change in accounting principles	—	21
Change in net deferred income tax	190	184
Other adjustments, net	(315)	(418)
Surplus, end of period	$ 23,931	$ 24,566

NEW YORK LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months ended September 30, 2022	Nine Months ended September 30, 2021
	(in millions)	
Cash flows from operating activities:		
Premiums received	$ 13,270	$ 8,233
Net investment income received	5,450	3,575
Other	(54)	157
Total received	18,666	11,965
Benefits and other payments	9,199	7,715
Net transfers to (from) separate accounts	445	(927)
Operating expenses	2,252	1,686
Dividends to policyholders	1,453	976
Federal income taxes paid	88	38
Total paid	13,437	9,488
Net cash from operating activities	5,229	2,477
Cash flows from investing activities:		
Proceeds from investments sold, matured or repaid	13,697	11,470
Cost of investments acquired	(22,033)	(15,498)
Net change in policy loans and premium notes	(233)	92
Net cash used in investing activities	(8,569)	(3,936)
Cash flows from financing and miscellaneous activities:		
Borrowed funds	15	—
Net inflows from deposit contracts	3,613	2,939
Other miscellaneous uses	(910)	(118)
Net cash from financing and miscellaneous activities	2,718	2,821
Net increase (decrease) in cash, cash equivalents and short-term investments	(622)	1,362
Cash, cash equivalents and short-term investments, beginning of year	2,616	2,505
Cash, cash equivalents and short-term investments, end of period	$ 1,994	$ 3,867

NOTE 1 - NATURE OF OPERATIONS

BASIS OF PRESENTATION

The accompanying financial statements have been prepared using accounting practices prescribed by the New York State Department of Financial Services ("NYSDFS" or "statutory accounting practices"), which is a comprehensive basis of accounting other than accounting principles generally accepted in the U.S. ("U.S. GAAP").

NYSDFS recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial position and results of operations of an insurance company and for determining its solvency under New York Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") has been adopted as a component of prescribed practices by the State of New York. Prescribed statutory accounting practices include state laws and regulations. Permitted statutory accounting practices encompass accounting practices that are not prescribed; such practices differ from state to state, may differ from company to company within a state, and may change in the future. The Company has no permitted practices.

A reconciliation of the Company's net income and capital and surplus at September 30, 2022 and December 31, 2021 between practices prescribed or permitted by the State of New York and NAIC SAP is shown below (in millions):

		SSAP #	F/S Page	F/S Line #	2022	2021
	Net Income					
(1)	Net income, New York State basis	XXX	XXX	XXX	$ 127	$ 949
(2)	State prescribed practices that increase/(decrease) NAIC SAP:					
	NYSDFS Regulation No. 213 principle-based reserving and No. 151 minimum life and annuity reserves*	51R	3	1	(51)	(39)
	NYSDFS Circular Letter No. 11 (2010) impact on deferred premiums**	61	2, 4, 5	15.2, 1, 1	5	1
	NYSDFS Seventh Amendment to Regulation No. 172 impact on admitted unearned reinsurance premium***	61	2, 4, 5	15.2, 1, 1	(6)	9
(3)	State permitted practices that increase/(decrease) NAIC SAP:					
(4)	Net income, NAIC SAP (1-2-3=4)	XXX	XXX	XXX	$ 179	$ 979
	Capital and Surplus					
(5)	Statutory capital and surplus, New York State basis	XXX	XXX	XXX	$ 23,931	$ 24,566
(6)	State prescribed practices that increase/(decrease) NAIC SAP:					
	NYSDFS Regulation No. 213 principle-based reserving and No. 151 minimum life and annuity reserves*	51R	3	1	(106)	(55)
	NYSDFS Circular Letter No. 11 (2010) impact on deferred premiums**	61	2, 4, 5	15.2, 1, 1	(129)	(134)
	NYSDFS Seventh Amendment to Regulation No. 172 impact on admitted unearned reinsurance premium***	61	2, 4, 5	15.2, 1, 1	59	65
(7)	State permitted practices that increase/(decrease) NAIC SAP:					
(8)	Capital and surplus, NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$ 24,107	$ 24,691

* NYSDFS Regulation 213 subjects principle-based valuations as prescribed by the valuation manual to minimum New York State requirements; NYSDFS Regulation 151 prescribes rules and guidelines for performing valuations of annuity, single premium life insurance, guaranteed interest contract and other deposit reserves.

** NYSDFS Circular Letter No. 11 (2010) clarified the accounting for deferred premium assets when reinsurance is involved.

*** NYSDFS Regulation 172 was amended to allow for the admission of an unearned reinsurance premium asset.

Note 2 - Fair Value Measurements

A. The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP No. 100, *Fair Value Measurements*. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This guidance establishes a framework for measuring fair value that includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

(1) The levels of the fair value hierarchy are based on the inputs to the valuation as follows:

Level 1 Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market. Active markets are defined as a market in which many transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Observable inputs other than level 1 prices, such as quoted prices in active markets for similar assets or liabilities; quoted prices in markets that are not active for identical or similar assets or liabilities, or other model driven inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Valuations are generally obtained from third-party pricing services for identical or comparable assets or liabilities or through the use of valuation methodologies using observable market inputs.

Level 3 Instruments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management’s own assumptions in pricing the asset or liability. Pricing may also be based upon broker quotes that do not represent an offer to transact. Prices are determined using valuation methodologies such as option pricing models, discounted cash flow models and other similar techniques. Non-binding broker quotes, which are utilized when pricing service information is not available, are reviewed for reasonableness based on the Company’s understanding of the market, and are generally considered Level 3. To the extent the internally developed valuations use significant unobservable inputs, they are classified as Level 3.

The following table represents the balances of assets and liabilities measured at fair value or net asset value ("NAV") as of September 30, 2022 (in millions):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
1. Preferred stocks	$ —	$ 4	$ 98	$ —	$ 102
2. Bonds					
SVO Identified Bond ETF	96	—	—	—	96
U.S. corporate	—	5	—	—	5
Non-agency residential mortgage-backed securities	—	—	—	—	—
Non-agency asset-backed securities	—	12	46	—	58
Total bonds	96	17	46	—	159
3. Common stocks	714	—	253	—	967
4. Derivative assets					
Interest rate swaps	—	456	—	—	456
Foreign currency swaps	—	1,352	—	—	1,352
Inflation swaps	—	2	—	—	2
Interest rate options	—	113	5	—	118
Foreign currency forwards	—	97	—	—	97
Futures	8	—	—	—	8
Total derivative assets	8	2,020	5	—	2,033
5. Separate accounts assets	931	3,662	1	1,688	6,282
6. Other invested assets	—	—	163	—	163
Total assets at fair value	$ 1,749	$ 5,703	$ 566	$ 1,688	$ 9,706
b. Liabilities at fair value					
1. Derivative liabilities					
Interest rate swaps	$ —	$ 228	$ —	$ —	$ 228
Foreign currency swaps	—	606	—	—	606
Inflation swaps	—	39	—	—	39
Interest rate options	—	—	4	—	4
Foreign currency forwards	—	—	—	—	—
Futures	10	—	—	—	10
Total derivative liabilities	10	873	4	—	887
2. Separate accounts liabilities - derivatives[1]	1	—	—	—	1
Total liabilities at fair value	$ 11	$ 873	$ 4	$ —	$ 888

[1] Separate accounts contract holder liabilities are not included in the table as they are reported at contract value and not fair value in the Company's Annual Statement.

(2) The table below presents a rollforward of level 3 assets and liabilities for the three months ended September 30, 2022 (in millions):

	Balance at 07/01/2022	Transfers into Level 3	Transfers out of Level 3	Total gains or (losses) included in Net Income	Total gains or (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance at 09/30/2022
Preferred stocks	$ 114	$ —	$ —	$ —	$ (16)	$ —	$ —	$ —	$ —	$ 98
Bonds										
Non-agency residential mortgage-backed securities	1	—	(1)	—	—	—	—	—	—	—
Non-agency asset-backed securities	27	1	(6)	—	(3)	27	—	—	—	46
Total bonds	28	1	(7)	—	(3)	27	—	—	—	46
Common stocks	242	—	(6)	—	18	32	—	(33)	—	253
Derivatives	4	—	—	(3)	4	—	—	—	—	5
Separate accounts assets[1]	2	—	—	—	(1)	—	—	—	—	1
Other invested assets	163	—	—	—	—	—	—	—	—	163
Total Assets:	$ 553	$ 1	$ (13)	$ (3)	$ 2	$ 59	$ —	$ (33)	$ —	$ 566
Liabilities:										
Derivatives	$ 3	$ —	$ —	$ —	$ 1	$ —	$ —	$ —	$ —	$ 4
Total Liabilities	$ 3	$ —	$ —	$ —	$ 1	$ —	$ —	$ —	$ —	$ 4

[1] The total gains or (losses) included in surplus for separate accounts assets are offset by an equal amount for separate accounts liabilities, which results in a net zero impact on surplus for the Company.

Transfers between levels

Transfers between levels may occur due to changes in valuation sources, changes in the availability of market observable inputs, which generally are caused by changes in market conditions such as liquidity, trading volume or bid/ask spreads, or as a result of a security measured at amortized cost at the beginning of the period, but measured at estimated fair value at the end of the period, or vice versa, due to a ratings downgrade or upgrade.

Transfers into and out of Level 3

The Company's basis for transferring assets and liabilities into and out of Level 3 is based on changes in the observability of data or change in the security's measurement.

Transfers into Level 3 totaled $1 million for the three months ended September 30, 2022, which relates to $1 million of non-agency residential mortgage backed securities that were non-agency asset backed securities last quarter. Transfers out of Level 3 totaled $13 million for the three months ended September 30, 2022, which includes $6 million of non-agency asset backed securities which were measured at fair value at the beginning of the period and measured at amortized cost at the end of the period, and common stock of $7 million which relates to price level change.

(3) Determination of fair value

The Company has an established and well-documented process for determining fair value. Security pricing is applied using a hierarchy approach whereby publicly available prices are first sought from nationally recognized third-party pricing services. For most private placement securities, the Company applies a market approach such as a matrix-based pricing methodology, which uses spreads derived from third-party benchmark bond indices. For private placement securities that cannot be priced through these processes, the Company uses internal models and calculations. All other securities are submitted to independent brokers for prices. The Company performs various analyses to ascertain that the prices represent fair value. Examples of procedures performed include, but are not limited to, back testing recent trades, monitoring trading volumes, and performing variance analysis of monthly price changes using different thresholds based on asset type. The Company also performs an annual review of all third-party pricing services. During this review, the Company obtains an understanding of the process and sources used by the pricing service to ensure that they maximize the use of observable inputs, the pricing service's frequency of updating prices, and the controls that the pricing service uses to ensure that their prices reflect market assumptions. The Company also selects a sample of securities and obtains a more detailed understanding from each pricing service regarding how they derived the price assigned to each security. Where inputs or prices do not reflect market participant assumptions, the Company will challenge these prices and apply different methodologies that will enhance the use of observable inputs and data. The Company may use non-binding broker quotes or internal valuations to support the fair value of securities that go through this formal price challenge process.

At September 30, 2022, the Company challenged the price it received from third party pricing services on general account securities with book value of $2 million and market value of $2 million. The Company did not have price challenges on separate account securities for what is received from third party pricing services.

In addition, the Company has a pricing committee that provides oversight over the Company's prices and fair value process for securities. The committee is comprised of representatives from the Company's Investment Management group, Controller's, Compliance and Security Operations. The committee meets quarterly and is responsible for the review and approval of the Company's valuation procedures. The committee is also responsible for the review of pricing exception reports as well as the review of significant inputs used in the valuation of assets that are valued internally.

For Level 1 investments, valuations are generally based on observable inputs that reflect quoted prices for identical assets in active markets.

The fair value for Level 2 and Level 3 valuations are generally based on a combination of the market and income approach. The market approach generally utilizes market transaction data for the same or similar instruments, while the income approach involves determining fair values from discounted cash flow methodologies.

The following represents a summary of significant valuation techniques for assets and liabilities used to determine fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Level 1 measurements

SVO identified bond ETF

For U.S. SAP, certain SVO approved ETF and mutual funds ("SVO-Identified Investments") are eligible for classification as bonds as identified in the NAIC's SVO Purposes and Procedure Manual if they meet certain criteria stipulated by the NYSDFS. Valuation of these securities is based on unadjusted quoted prices in active markets that are readily and regularly available. All other ETFs and mutual funds are classified and accounted for as common stock.

Common stocks

These securities are comprised of exchange traded U.S. and foreign common stock and mutual funds. Valuation of these securities is based on unadjusted quoted prices in active markets that are readily and regularly available.

Derivatives (including separate accounts liabilities – derivatives)

These derivatives are comprised of exchange traded future contracts. Valuation of these securities is based on unadjusted quoted prices in active markets that are readily and regularly available.

Separate accounts assets

These assets are comprised of cash and common stocks. Common stocks are generally traded on an exchange.

Level 2 measurements

Preferred stocks

The fair value of preferred stock is obtained from third-party pricing services. Vendors generally use an income-based valuation approach by using a discounted cash flow model or it may use a market approach to arrive at the security's fair value or a combination of the two.

Bonds

The fair value of bonds is obtained from third-party pricing services, matrix-based pricing, internal models or broker quotes. Third-party pricing services generally use an income-based valuation approach by using a discounted cash-flow model or it may also use a market approach by looking at recent trades of a specific security to determine fair value on public securities or a combination of the two. Typical inputs used by these pricing sources include, but are not limited to: benchmark yields, reported trades, issuer spreads, bids, offers, benchmark securities, estimated cash flows and prepayment speeds, which the Company has determined are observable inputs.

Private placement securities are primarily priced using a market approach such as a matrix-based pricing methodology, which uses spreads derived from third-party benchmark bond indices. Specifically, the Barclays Investment Grade Credit Index is used for investment-grade securities and the Citi High Yield Cash Index is used for below investment-grade securities. These indices are two widely recognized, reliable, and well regarded benchmarks by participants in the financial services industry, which represent the broader U.S. public bond markets.

Certain private placement securities that cannot be priced using the matrix pricing described above, are priced by an internally developed discounted cash flow model or are priced based on internal calculations. This model uses observable inputs with a discount rate based off spreads of comparable public bond issues, adjusted for liquidity, rating and maturity. The Company assigns a credit rating for private placement securities based upon internal analysis. The liquidity premium is based upon observable market transactions, while the maturity and rating adjustments are based upon data obtained from Bloomberg. These securities are classified as Level 2.

For some of the private placement securities priced through the model, the liquidity adjustments may not be based on market data, but rather, calculated internally. If the impact of the liquidity adjustment, which usually requires the most judgment, is not significant to the overall value of the security, the security is still classified as Level 2.

Derivatives

The fair value of derivative instruments is generally derived using valuation models that use an income approach, except for derivatives, which are either exchange-traded, or the fair value is priced using broker quotations. The selection of a particular model depends upon the contractual terms of, and specific risks inherent in the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation model inputs include contractual terms, yield curves, foreign exchange rates, equity prices, credit curves, measures of volatility, and other factors. OTC derivatives that trade in liquid markets, where model inputs are observable for substantially the full term, are classified as Level 2.

Separate accounts assets

These are assets primarily related to investments in U.S. government and treasury securities, corporate bonds, and mortgage-backed securities. These separate accounts assets are valued and assigned within the fair value hierarchy, consistent with the methodologies described herein for similar financial instruments held within the general account of the Company. This also relates to investments in limited partnerships and hedge funds that use NAV where the investment can be redeemed at NAV at the measurement date or in the near-term (generally 90 days).

Level 3 measurements

Bonds

The valuation techniques for most Level 3 bonds are generally the same as those described in Level 2. However, if the investments are less liquid or are lightly traded, there is generally less observable market data, and therefore these investments will be classified as Level 3. Circumstances where observable market data are not available may include events such as market illiquidity and credit events related to the security. In addition, certain securities are priced based upon internal valuations using significant unobservable inputs.

If the price received from third-party pricing services does not appear to reflect market activity, the Company may challenge the price. For securities which go through this formal price challenge process, a non-binding broker quote or internal valuation is used to support the fair value instead. The Company also uses non-binding broker quotes to fair value certain bonds, when the Company is unable to obtain prices from third-party vendors.

Private placement securities where adjustments for liquidity are considered significant to the overall price are classified as Level 3.

Preferred and common stocks

These securities include equity investments with privately held entities, including a government organization, where the prices are derived from internal valuations.

Derivatives

Derivatives that are valued based upon models with any significant unobservable market inputs or inputs from less actively traded markets, or where the fair value is solely derived using broker quotations, are classified as Level 3.

Other Invested Assets

Other Invested Assets include preferred units of a limited partnership. The fair value of these preferred units is derived internally based on market comparables and recent transactions by the limited partnership. The valuation technique used required inputs that were both unobservable and significant and therefore classified as Level 3.

B. The following table presents the carrying amounts and estimated fair values of the Company's financial instruments at September 30, 2022. Since the SSAP 100 hierarchy only applies to items that are measured at fair value at the reporting date, the items in the tables above are subsets of the amounts reported in the following table (in millions).

	Fair Value	Carrying Amount	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Assets:							
Bonds	$ 111,257	$ 126,817	$ 96	$ 106,214	$ 4,947	$ —	$ —
Preferred stocks	102	102	—	4	98	—	—
Common stocks	967	967	714	—	253	—	—
Mortgage loans	20,146	22,231	—	—	20,146	—	—
Cash, cash equivalents and short-term investments	1,995	1,994	617	1,378	—	—	—
Derivatives	2,104	2,109	8	2,091	5	—	—
Other invested assets[1]	619	688	—	152	467	—	—
Derivatives collateral	923	923	—	923	—	—	—
Investment income due and accrued	1,639	1,639	—	1,639	—	—	—
Separate accounts assets	13,651	14,334	931	11,018	14	1,688	—
Total assets	$ 153,403	$ 171,804	$ 2,366	$ 123,419	$ 25,930	$ 1,688	$ —
Liabilities:							
Deposit fund contracts:							
Funding agreements	$ 26,669	$ 28,816	$ —	$ —	$ 26,669	$ —	$ —
Annuities certain	16	16	—	—	16	—	—
Other deposit funds	760	760	—	—	760	—	—
Premiums paid in advance	115	115	—	115	—	—	—
Derivatives	2,210	1,554	10	2,196	4	—	—
Derivatives - collateral	769	769	—	769	—	—	—
Borrowed money	571	571	—	571	—	—	—
Payable to parent and affiliates	49	—	—	49	—	—	—
Amounts payable under securities lending	547	—	—	547	—	—	—
Separate accounts liabilities	1	1	1	—	—	—	—
Total liabilities	$ 31,707	$ 32,602	$ 11	$ 4,247	$ 27,449	$ —	$ —

[1] Excludes investments accounted for under the equity method.

Bonds

The fair value of bonds is determined by considering one of four primary sources: (1) security pricing is applied using a hierarchy approach whereby publicly available prices are first sought from nationally recognized third-party pricing services, (2) securities are priced using a matrix-based pricing methodology, which uses spreads derived from third-party benchmark bond indices, (3) securities are priced using an internal pricing model or methodology, and (4) securities are submitted to independent brokers for prices.

The pricing service generally uses an income-based valuation approach by using a discounted cash-flow model or it may also use a market approach by looking at recent trades of a specific security to determine fair value or a combination of the two. Typical inputs used by these pricing services include, but are not limited to: benchmark yields, reported trades, issuer spreads, bids, offers, benchmark securities, estimated cash flows and prepayment speeds.

Independent pricing vendors do not supply prices for private placement bonds. These securities are primarily priced using a market approach such as a matrix-based pricing methodology, which uses spreads derived from third-party benchmark bond indices. Any private securities that cannot be priced using this methodology, are priced using an internally developed model based upon assigned comparable public issues adjusted for liquidity, maturity and rating, or are priced based on internal calculations. The Company assigns a credit rating based upon internal analysis.

Prices from pricing services and broker quotes are validated on an ongoing basis to ensure the adequacy and reliability of the fair value measurement. The Company performs both quantitative and qualitative analysis of the prices including initial and ongoing review of third-party pricing methodologies, back testing of recent trades, and a thorough review of pricing trends and statistics.

Included in bonds are affiliated bonds from MCF and NYL Investments. The affiliated bond from MCF had a carrying value of $3,696 million and a fair value of $3,623 million at September 30, 2022. The fair value of this security is calculated internally and may include inputs that may be not observable. Therefore, this security is classified as Level 3.

Preferred and common stocks

The fair value of unaffiliated equity securities is determined by considering one of three primary sources: (1) security pricing is applied using a hierarchy approach whereby publicly available prices are first sought from third-party pricing services, (2) the remaining un-priced securities are submitted to independent brokers for prices, and (3) securities are priced using an internal pricing model or methodology.

Prices from pricing services and broker quotes are validated on an ongoing basis to ensure the adequacy and reliability of the fair value measurement. The Company performs both quantitative and qualitative analysis of the prices including, initial and ongoing review of third-party pricing methodologies, back testing of recent trades, and a thorough review of pricing trends and statistics.

Mortgage loans

The estimated fair value of mortgage loans is determined using an income approach based upon the present value of the expected cash flows discounted at an interpolated treasury yield plus a spread. The spread is based on management's judgment and assumptions, which takes into account matters such as property type, loan to value and remaining term of each loan, etc. The spread is a significant component of the pricing inputs, and therefore, these investments are classified as Level 3.

Cash, cash equivalents, short-term investments and investment income due and accrued

Cash on hand, cash sweeps and money market mutual funds are classified as Level 1. Cash overdrafts (i.e. outstanding checks) are classified as Level 2. Due to the short-term maturities, the carrying value of short-term investments, other cash equivalents and investment income due and accrued is presumed to approximate fair value and is classified as Level 2.

Derivatives (including separate accounts liabilities)

The fair value of derivative instruments is generally derived using valuation models that use an income approach, except for derivatives that are exchange-traded, which are valued using a market approach as fair value is based on quoted prices in an active market. Where valuation models are used, the selection of a particular model depends upon the contractual terms of, and specific risks inherent in the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation model inputs include contractual terms, yield curves, foreign exchange rates, equity prices, credit curves, measures of volatility, and other factors.

Other invested assets

Other invested assets are principally comprised of LIHTC investments, affiliated loans, preferred units of a limited partnership, and certain other investments with characteristics of debt. The fair value of the affiliated loans and the LIHTC investments are derived using an income valuation approach, which is based on a discounted cash flow calculation using a discount rate that is determined internally. These investments are classified as Level 3 because the discount rate used is based on management's judgment and assumptions. Refer to Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties, for details on intercompany loans and Note 5 - Investments, for details on LIHTC investments. The fair value of investments with debt characteristics is derived using an income valuation approach, which is based on a discounted cash flow calculation that may or may not use observable inputs and therefore is classified as Level 3. The fair value of the preferred units in a limited partnership is derived internally based on market comparable preferred units and recent transactions by the limited partnership. The valuation technique used required inputs that were both unobservable and significant and therefore classified as Level 3.

Derivatives – collateral (including separate accounts liabilities collateral)

The carrying value of these instruments approximates fair value since these assets and liabilities are generally short-term in nature.

Separate accounts assets (including separate account assets - collateral)

Assets within the separate accounts are primarily invested in bonds and common stock. The fair value of investments in the separate accounts is calculated using the same procedures as are used for bonds and common stocks in the general account.

The separate accounts also invest in limited partnerships and hedge fund investments. The fair value of such partnerships is determined by reference to the limited partnership's NAV. The valuation of the hedge funds is based upon the hedge funds' latest financial statements adjusted for cash activity since that date and estimates of market valuations.

Deposit fund contracts

For funding agreements backing medium term notes, fair values are based on available market prices for the notes. For other funding agreements and annuities certain liabilities, fair values are estimated using discounted cash flow calculations based on interest rates currently being offered for similar contracts with maturities consistent with those remaining for the contracts being valued.

For all other deposit funds, estimated fair value is equal to account value.

Premiums paid in advance

For premiums paid in advance, the carrying value of the liability approximates fair value.

Amounts payable under securities lending

Amounts payable under securities lending consists of cash collateral received under securities lending agreements. The carrying value approximates fair value.

C. If it is not practicable for an entity to estimate the fair value of that financial instrument or a class of financial instruments, the following shall be disclosed:

(1) – (2) Not applicable.

D. The following table provides additional information for investments that are measured at fair value using NAV as a practical expedient, as allowed under authoritative guidance, for investments that meet specified criteria:

September 30, 2022					
Category of Investment	**Investment Strategy**	**Fair Value Determined Using NAV**	**Unfunded Commitments**	**Redemption Frequency**	**Redemption Notice Period**
Hedge fund	Long/short equity, futures, options, foreign exchange arbitrage	$ 366	$ —	Annual, Semi-Annual, Quarterly, Monthly, Daily	0 - 90 days (Assets subject to lock-up periods)
Hedge fund	Distressed securities, multi-strategy	$ 4	$ —	N/A	N/A
Private equity	Leverage buyout, mezzanine financing, distressed securities	$ 1,318	$ 300	N/A	N/A

Note 3 - Business Combinations and Goodwill

On December 31, 2020 (the "acquisition date"), the Company acquired Cigna's group life and group disability insurance business, now named New York Life Group Benefit Solutions ("GBS"), which is comprised of two insurance companies through which the business is primarily conducted, Life Insurance Company of North America ("LINA") and New York Life Group Insurance Company of NY ("NYLGICNY").

At the acquisition date, the Company paid total initial consideration of $6,309 million to Cigna which was subject to the Company's review of assets and liabilities transferred based on the purchase and sale agreement between the Company and Cigna. The cost of acquisition of $6,309 million was reduced by $59 million in 2021, which resulted in a corresponding decrease in goodwill. The purchase price was finalized in March 2022 and resulted in an additional $55 million decrease in goodwill.

The following table represents goodwill generated under the statutory purchase method of accounting:

Purchased Entity	Acquisition Date	Cost of Acquisition	Original Amount of Goodwill	Original Amount of Goodwill Admitted	Admitted Goodwill at 9/30/22	Amortization for the Quarter Ended 9/30/22 [1]	Book Value at 9/30/22	Admitted Goodwill as a % of Book Adjusted Carrying Value, Gross of Admitted Goodwill
Life Insurance Company of North America	December 31, 2020	$5,975	$4,101	$1,932	$1,873	$101	$1,614	116%
New York Life Group Insurance Company of NY	December 31, 2020	$220	$126	$126	$101	$3	$112	90%
Stone Ridge Holdings Group LLC	January 3, 2017	$150	$132	$132	$56	$3	$102	55%

[1] The term "Quarter Ended" refers to the three months preceding the end of the reporting period.

Note 4 - Other Items

The Company continues to monitor the economic environment and other potential impacts relating to the COVID-19 pandemic. The Company has maintained effective operations and levels of policyholder service throughout the course of the pandemic. Although the Company has taken certain steps to mitigate some of the adverse impacts resulting from the pandemic, these events could have an adverse effect the Company’s results of operations and cash flows in any period and, depending on their severity and duration, could also adversely affect the Company’s financial condition.

Note 5 - Subsequent Events

At November 11, 2022, the date the financial statements were available to be issued, there have been no events occurring subsequent to the close of the Company’s books or accounts which would have a material effect on the financial condition of the Company.

ANNEX 2

AMENDMENT TO RISK FACTORS

The following should be read in conjunction with, and supplements and amends, the factors described under "Risk Factors—Risk Factors Relating to the Notes" at pages 11 to 18 of the Offering Memorandum and is inserted in replacement of the risk factor "There Is No Previous Market for the Notes to Be Issued, and Future Liquidity of the Notes May Be Limited" at page 11 of the Offering Memorandum.

There Is No Previous Market for the Notes to Be Issued, and Future Liquidity of the Notes May Be Limited.

This Offering Memorandum has been approved by Euronext Dublin as a Listing Particulars. Application will be made to Euronext Dublin for any Series of Notes issued during the twelve months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. Moreover, no previous market exists for the Notes of any particular Series and no assurances can be given that any market will develop with respect to the Notes of any particular Series. The Purchasing Agents and the Arranger are under no obligation to make a market in the Notes and to the extent that such market making is commenced, it may be discontinued at any time. In addition, recent regulatory actions by the SEC under Rule 15c2-11 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") may restrict the ability of brokers and dealers to publish quotations on the Notes on any interdealer quotation system or other quotation medium after January 3, 2023, which may materially adversely affect the liquidity and trading prices for the Notes. There is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with liquidity of investment or that it will continue for any period of time. The Notes have not been and will not be registered under the Securities Act or any state or foreign securities law and transfers of Notes are subject to substantial transfer restrictions. A holder of Notes of any Series may not be able to liquidate its investment readily and even if such Notes are liquidated it may be at a loss. Additionally, the Notes may not be readily accepted as collateral for loans. It is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to offer, sell or transfer the Notes in a secondary market transaction or otherwise would be substantially impaired and, to the extent any such sale or transfer could be effected, the proceeds realized from such sale or transfer could be materially and adversely affected. Investors should proceed on the assumption that they may have to hold the Notes until their Stated Maturity Date. See "Purchase and Transfer Restrictions."The COVID-19 pandemic continues to spread in the United States and throughout the world. The extent of the impact of the COVID-19 pandemic will depend on numerous factors, all of which are highly uncertain and cannot be predicted. These factors include the length and severity of the outbreak, the responses to the pandemic taken by governments and private sector businesses, and the impacts on New York Life's customers, employees and vendors.