

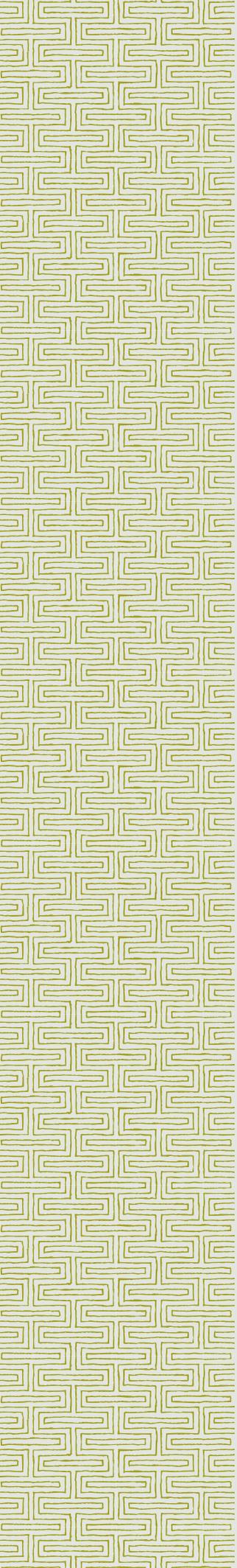


# Mutual Income Annuities and the value of dividends.

Confidence in retirement.



The Company You Keep®



# Mutual Income Annuities and the value of dividends.

Mutual Income Annuities provide guaranteed lifetime income with the opportunity for more through dividends. While dividends are not guaranteed, when they are declared, they can be taken in cash or used to purchase additional income that can help you take your retirement dreams further.

## So, how do dividends work? Let's take a look.

### What is a dividend?

When you purchase a Mutual Income Annuity, you pay premiums to New York Life in exchange for a stream of guaranteed lifetime income. New York Life then invests those policy premiums to help ensure we will deliver on our promises to our policyholders. After paying claims and expenses, and putting aside the needed reserves for future benefits—as well as surplus to cushion against unforeseen events—we then determine the amount of remaining surplus to distribute to our policyholders.

The portion of surplus you may receive is the dividend.\* Please keep in mind though that dividends are not guaranteed.

### Why dividends are so valuable?

Dividends from the Mutual Income Annuities can be used to purchase additional lifetime income, taken in cash, or they can be taken in a combination of both. If you use the dividends to purchase additional income, it will increase the level of guaranteed income in the policy. Plus, these additional guaranteed income amounts are also eligible for dividends. If you take the dividend in cash, there will be no long-term additional lifetime benefit.

\* No dividends are payable on the first policy anniversary. Dividends, if declared, are payable beginning on the second policy anniversary (i.e. 24 months after issue). Cash dividends, if elected, are paid in a lump-sum.

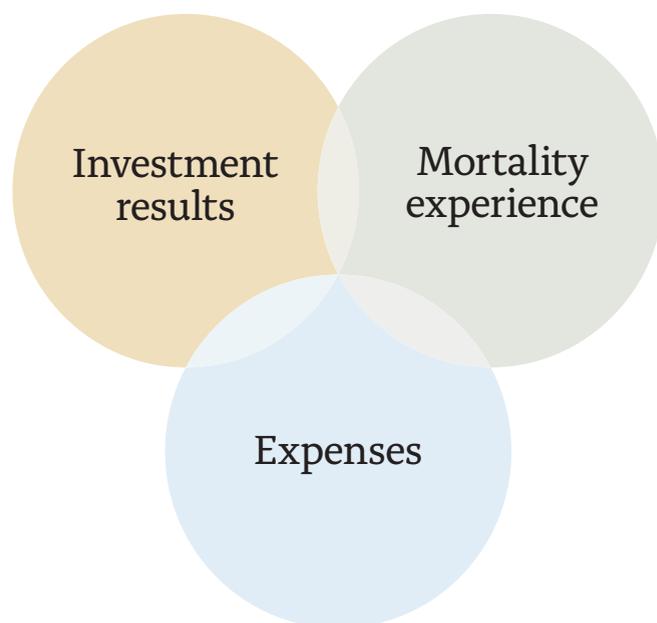
# How dividends are calculated.

There are three major components that enter into a dividend calculation.

**01. Investment results:** Our prudent investment strategy balances return with appropriate risk. We invest participating annuity policy premiums in a portfolio composed mostly of high-grade corporate, mortgage-related, and government bonds and loans. The balance of the portfolio is invested in equity-type assets. Because we invest in bonds, interest rates are the primary determinant of our investment returns, and thus affect the dividends distributed to policyholders.

**02. Mortality experience:** Insurance companies have to make assumptions about mortality—how long people are likely to live—to determine how much income your premiums can buy. If the mortality experience for the Mutual Income Annuity differs from what we anticipated, this may be reflected in the dividend we distribute to policyholders.

**03. Expenses:** Like any other company, New York Life incurs operating costs, taxes, and other expenses. If these expenses differ from what was assumed, this may be factored into the dividend.



## Putting policyholders first.

As a mutual company, we don't have shareholders. So we can make every decision with one simple focus: doing what's in our policyholders' best interest.

Why is this important? When you purchase a Mutual Income Annuity from New York Life, you're taking an important step to plan for what matters most to you—building a solid financial future.

But it's more than that. Clients who purchase participating products—such as Mutual Income Annuities—are entitled to vote in our Board of Directors elections and to share in annual dividends when they are declared.

## Why New York Life?

For nearly 170 years, New York Life has been dedicated to serving the needs of its policyholders — dividend payments to our life insurance policyholders have been a consistent part of that experience. We're proud of our long history of paying dividends, but we're even more proud of our history of financial strength.<sup>1</sup>

In any given year, New York Life's goal is to pay the highest possible dividend consistent with the company's number one priority of preserving long-term financial strength.

<sup>1</sup> Please note that the company's previous history of dividend declarations and payments has primarily been in connection with its participating life insurance business. Mutual Income Annuities are participating annuity products, meaning they are also eligible to receive dividends when they are declared. However, the dividend scale for the annuity product will not be based on or related to the life insurance dividend scale. Mutual Income Annuities are new, and have no dividend history. Annuity premiums will be invested in a new portfolio that is separate and distinct from the existing life insurance portfolio. You should not compare the dividend paying history of our life insurance policies or use that history in your decision to purchase this annuity. Guaranteed income payments, and dividend scales, can vary based on different factors, including the date we receive the premium payment or the date we apply a dividend to purchase additional income. Total income you receive may reflect different guaranteed amounts and different dividend scales for each income purchase.

## New York Life Lifetime Mutual Income Annuity New York Life Future Mutual Income Annuity

Mutual Income Annuities are issued by New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010. Products are available in jurisdictions where approved. Annuity guarantees are backed solely by the claims-paying ability of New York Life Insurance Company. The policy form number for the New York Life Lifetime Mutual Income Annuity is 214-P200. The policy form number for the New York Life Future Mutual Income Annuity is 215-P200.

### **New York Life Insurance Company**

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