

**EXAMINATION REPORT**  
**OF**  
**NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION**  
**AS OF**  
**DECEMBER 31, 2024**

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION  
OF  
NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION  
AS OF  
DECEMBER 31, 2024

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

A handwritten signature in blue ink, which appears to read "Trinidad Navarro", is written over a horizontal line.

Trinidad Navarro  
Insurance Commissioner

Dated this 9 day of June, 2026

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May 29, 2026

Honorable Trinidad Navarro  
Commissioner of Insurance  
Delaware Department of Insurance  
1351 West North Street, Suite 101  
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Examination Certification No. 25.027, dated February 24, 2025, an examination has been made of the affairs, financial condition and management of

**NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION**

hereinafter referred to as the Company or NYLIAC. The Company was incorporated under the laws of the State of Delaware as a stock company with its registered office located at 1209 Orange Street, Wilmington, Delaware 19801. The administrative offices of the Company are located at 51 Madison Avenue, New York, New York 10010.

**SCOPE OF EXAMINATION**

We have performed our multi-state examination of NYLIAC. The last examination was conducted as of December 31, 2019, by the Delaware Department of Insurance (Department) and covered the period of January 1, 2018 through December 31, 2019. This examination covers the period of January 1, 2020 through December 31, 2024.

Our examination was performed as part of the multi-state coordinated examination of the New York Life Group of regulated entities wherein New York is the lead state. The examination

was conducted concurrently with that of the Company's New York domiciled affiliates, New York Life Insurance Company (NYLIC) and New York Life Group Insurance Company of NY (GICNY), the Company's Pennsylvania domiciled affiliate, Life Insurance Company of North America (LINA) and the Company's Arizona domiciled affiliate, NYLIFE Insurance Company of Arizona (NYLAZ). To the fullest extent, the efforts, resources, project material and findings were coordinated and made available to all examination participants.

We conducted our examination in accordance with the *National Association of Insurance Commissioners (NAIC) Financial Condition Examiners Handbook* (Handbook) and generally accepted statutory insurance examination standards consistent with the Insurance Code and Regulations of the State of Delaware. The NAIC Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause and insurer's surplus to be materially misstated both currently and prospectively.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statement included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, pursuant to the General Corporation Law of the State of Delaware as required by 18 *Del. C.* § 321, along with general information about the insurer and its financial condition. There may be other items identified

during the examination that, due to their nature, are not included within the examination report but separately communicated to other regulators and/or the Company.

During the course of the examination, consideration was given to work performed by the Company's external accounting firm, PricewaterhouseCoopers LLC (PwC). Certain auditor work papers of the 2024 PwC audit of the Company and certain of its affiliates have been incorporated into the work papers of the examiners. The work papers have been utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

### **SUMMARY OF SIGNIFICANT FINDINGS**

There were no significant findings or material changes in financial statements as a result of this examination.

### **COMPANY HISTORY**

The Company was originally incorporated in the State of Delaware on November 3, 1980. A Certificate of Authority, issued by the Delaware Insurance Commissioner on December 26, 1980, and amended on September 12, 1983, authorizes the Company to transact the business of life insurance including annuities, variable annuities, credit life insurance, health insurance, credit health insurance and variable life insurance. The Company has been a direct, wholly-owned subsidiary of NYLIC since its inception.

### **Capitalization**

The Company's Certificate of Incorporation authorizes the issue of 20,000 shares of common stock with a \$10,000 par value. As of December 31, 2024, the Company had 2,500 common shares issued and outstanding totaling \$25,000,000. All outstanding common shares of

the Company are owned by NYLIC. As of December 31, 2024, the Company reported capital and surplus of \$8,416,745,681, including gross paid in and contributed surplus of \$4,457,575,310.

### Dividends

The Company's Board of Directors (Board) approved and authorized stockholder dividends in the amounts of \$932 million, \$942 million, \$400 million and \$890 million for the years 2020, 2021, 2022 and 2024, respectively.

## **MANAGEMENT AND CONTROL**

### Directors

Pursuant to the General Corporation Laws of the State of Delaware, as implemented by the Company's Amended and Restated Certificate of Incorporation and bylaws, the property and affairs of the Company must be managed by or under the direction of its Board. The Board shall not have less than one member and the total number of directors shall be determined by the Board.

Each Director shall be elected for a term of one year and until his or her successor is elected and qualified, except as otherwise provided or required by law. Directors duly elected and serving as of December 31, 2024, together with their principal business affiliation, were as follows:

<u>Name</u>	<u>Principal Business Affiliation</u>
Craig L. DeSanto	Chairman, President and Chief Executive Officer New York Life Insurance Company
Eric A. Feldstein	Executive Vice President and Chief Financial Officer New York Life Insurance Company
Robert M. Gardner	Senior Vice President and Controller New York Life Insurance Company
Francis M. Harte	Senior Vice President New York Life Insurance Company
Thomas A. Hendry	Senior Vice President and Treasurer New York Life Insurance Company

Jodi L. Kravitz	Senior Vice President and Actuary New York Life Insurance Company
Anthony R. Malloy	Executive Vice President and Chief Investment Officer New York Life Insurance Company
Michael K. McDonnell	Senior Vice President and General Counsel New York Life Insurance Company
Amy Miller	Senior Vice President, Deputy General Counsel, Secretary New York Life Insurance Company

### Officers

Officers were elected in accordance with the bylaws during the period under examination. The bylaws require election of a President, a Chief Financial Officer, three or more Vice Presidents, a Treasurer, a Chief Legal Officer, a Controller, a Chairman of the Board and one or more Secretaries, and such other officers as may from time to time be appointed by the Board, including one or more Vice Chairmen of the Company. Any number of offices may be held by the same person. The primary officers serving as of December 31, 2024, were as follows:

<u>Name</u>	<u>Title</u>
Craig L. DeSanto	Chairman, President and Chief Executive Officer
Eric A. Feldstein	Executive Vice President and Chief Financial Officer
Erik A. Anderson	Senior Vice President and Chief Actuary
Robert M. Gardner	Senior Vice President and Controller
Thomas A. Hendry	Senior Vice President and Treasurer
Colleen A. Meade	Associate General Counsel and Secretary

### Corporate Records

The recorded minutes of the shareholder and Board were reviewed for the period under examination. The recorded minutes of the Board adequately documented its meetings and

approval of Company transactions and events including approval of investment transactions in accordance with 18 *Del. C.* § 1304. In addition, review of Company files indicated that written correspondence was submitted to the Department with regards to the changes in officers and directors during the period under examination in compliance with 18 *Del. C.* § 4919.

### Insurance Holding Company System

The Company is a member of an insurance holding company system known as New York Life Group as defined under 18 *Del. C.* § 5001 (7) of the Delaware Insurance Code. The Company is a direct, wholly-owned subsidiary of NYLIC, which is a mutual life insurance company that was founded in 1841 and commenced insurance operations in 1845. NYLIC is the Ultimate Controlling Entity of the New York Life Group. An abbreviated organizational chart of the New York Life Group holding company system as of December 31, 2024, is as follows (ownership of subsidiaries is 100% unless otherwise noted):

<u>Company</u>	<u>Domicile</u>
New York Life Insurance Company	New York
<b>New York Life Insurance and Annuity Corporation</b>	<b>Delaware</b>
NYLIFE Insurance Company of Arizona	Arizona
New York Life Enterprises LLC	Delaware
NYLIFE LLC	Delaware
NYL Investors LLC	Delaware
New York Life Investment Management Holdings LLC	Delaware
NYLife Real Estate Holdings, LLC	Delaware
New York Life Group Insurance Company of NY	New York
Life Insurance Company of North America	Pennsylvania
LINA Benefit Payments, Inc.	Delaware

### Agreements with Affiliates

The following significant affiliated agreements within New York Life Group's organizational structure were identified and in effect as of December 31, 2024.

*Amended and Restated Agreement to Allocate Consolidated Tax Liability and Benefits*

Effective December 31, 2020, the Company entered into an Amended and Restated Agreement to Allocate Consolidated Tax Liability and Benefits amongst NYLIC and various of its subsidiaries. In accordance with the agreement, the parties agreed to join in the filing of a consolidated federal income tax return as well as the filing of one or more combined state or local income or franchise tax returns. The agreement sets forth the methodology and procedures for the allocation, filing, and settlement of the consolidated income tax liability or benefit among the participants in a fair and equitable manner and in compliance with applicable regulatory guidelines.

*Amended and Restated Note Funding Agreement*

Effective May 26, 2022, as amended December 31, 2022, the Company, NYLIC and LINA are a party to an Amended and Restated Note Funding Agreement with Madison Capital Funding LLC (MCF). In accordance with the Agreement, the Company, LINA and NYLIC agreed, severally and not jointly, to invest in Variable Funding Notes from MCF up to an aggregate amount on any date not to exceed the maximum funding limit of 2.25% multiplied by the cash and invested assets amount, as of such date of determination. All outstanding advances made to MCF under the Agreement, together with unpaid interest thereon, were due in full on December 31, 2025. Simultaneous to the effective date of the Agreement, the Company acquired an additional equity interest in MCF. As of December 31, 2024, the Company, LINA and NYLIC owned 65.6%, 12.5% and 21.9% of MCF's total equity, respectively.

*Amended and Restated Credit Agreements*

Effective June 5, 2020, as amended December 30, 2022, the Company entered into an Amended and Restated Credit Agreement with NYLIC. In accordance with this agreement, the Company may borrow up to \$3.5 billion from NYLIC.

Effective June 5, 2020, as amended December 30, 2022, the Company entered into an Amended and Restated Credit Agreement with NYLIC. In accordance with this agreement, the Company may lend up to \$900 million to NYLIC.

Effective June 5, 2020, as amended December 30, 2022, the Company entered into a Credit Agreement with New York Life Capital Corporation (NYLCC). In accordance with this agreement, the Company may borrow up to \$3.5 billion from NYLCC.

*Second Amended and Restated Service Agreement*

Effective October 1, 2022, the Company entered into a Second Amended and Restated Service Agreement with NYLIC. In accordance with the agreement, NYLIC provides the Company with certain services and facilities including, but not limited to, accounting, tax and auditing services; legal services; actuarial services; electronic data processing operations and communications operations. NYLIC charges the Company for the identified costs associated with these services and facilities in accordance with the terms of this agreement.

*Master Private Placement, Distribution and Underwriting and 12b-1 Service Agreements*

Effective December 18, 2001, April 27, 2006 and December 22, 2005, as amended and restated, April 29, 2011, the Company has a Master Private Placement, Distribution and Underwriting, and 12b-1 Service Agreement with NYLIFE Distributors, dated respectively. These agreements are in place in connection with the placement, underwriting and distribution of the Company's variable products.

*Master Participation Agreement*

Effective November 1, 2014, the Company entered into an agreement outlining the terms and conditions whereby the Company may participate in commercial real estate mortgage loan investments originated by NYLIC or its affiliates. In accordance with the agreement, the Company may invest in mortgage participations issued by NYLIC pursuant to the terms of a participation agreement and a written certificate of participation between the Company and NYLIC. The form of both the participation agreement and certificate of participation are specified within the agreement.

*Investment Advisory Agreement*

Effective April 1, 2000, as amended from time to time, the Company entered into an Investment Advisory Agreement with New York Life Investment Management (NYLIM). Effective March 31, 2014, NYLIM, with the Company's consent, assigned the agreement to NYL Investors LLC (NYL Investors). This agreement was further amended from time to time with the most recent amendment being effective August 21, 2024. In accordance with the amended agreement, NYL Investors acts as the Company's investment advisor with respect to assets specified by the agreement and subject to the investment guidelines, limitations and restrictions set forth by the agreement. Investment advisory services to be provided are defined by the agreement and may be performed directly by NYL Investors or through the retention of a sub-advisor or other agent. Investment advisory fees are defined by the agreement and may include account fees, asset base fees and performance fees.

*Tenancy in Common Agreement*

Effective June 11, 2012, the Company entered into a Tenancy in Common Agreement with NYLIC in connection with a \$150 million land acquisition of a fee simple estate in land underlying

an office building and related improvements and encumbered by a ground lease located at 1372 Broadway, New York, New York. This agreement sets forth the terms that govern, in part, each entity's interest in the property.

#### *Note Purchase Agreement*

Effective December 31, 2024, the Company entered into a Note Purchase Agreement with New York Life Investment Management Holdings LLC (NYLIM Holdings). Also, on this date, the Company purchased \$600 million in aggregate principal amount of NYLIM Holdings 5.17% senior note due in 2029.

#### *Structured Settlement Agreements*

Effective various dates, The Company is the assumed obligor for certain structured settlement agreements with unaffiliated insurance companies, beneficiaries and other non-affiliated entities. To satisfy its obligations under these agreements, the Company owns all rights, title and interest in and to certain structured settlement annuity contracts issued by New York Life. The obligations are based upon the actuarially determined present value of expected future payments. Interest rates used in establishing such obligations ranged from 3.50% to 7.65%. The Company has directed NYLIC to make the payments under the annuity contracts directly to the beneficiaries under the structured settlement agreements

### **TERRITORY AND PLAN OF OPERATION**

As of December 31, 2024, the Company is licensed and/or authorized to transact business in fifty states, the District of Columbia, Guam and the U.S. Virgin Islands.

The Company offers a wide variety of interest sensitive and variable life insurance and annuity products to a large cross section of the insurance market. The Company offers its insurance products and services through the following business operations: annuities business and

insurance business. The Company's annuities business manufactures and markets investment and income annuities. Investment annuities include fixed deferred and variable deferred annuities. Income annuities primarily include fixed income annuities intended to assist customers with guaranteed payments in their retirement years. The insurance business operations provide variable and universal life insurance products principally to middle- and upper-income individuals, small-to-medium-size business and their owners, and professionals. The insurance business also offers products specially designed for the bank-owned life insurance and corporate-owned life insurance markets. The Company markets its products primarily through NYLIC's career agency force, with certain products also marketed through independent brokers, brokerage agents and banks.

### **REINSURANCE**

The Company reported the following distribution of premiums written for the years ended December 31, 2024, and the prior examination date of December 31, 2019:

	<u>2024</u>	<u>2019</u>
Direct business	\$ 21,322,036,701	\$ 13,780,447,305
Reinsurance assumed (from affiliates)	1,211,558,032	-
Reinsurance assumed (from non-affiliates)	<u>6,634,947</u>	<u>4,773,921</u>
Gross direct and assumed business	22,540,229,680	13,785,221,226
Reinsurance ceded (to affiliates)	-	27,383,483
Reinsurance ceded (to non-affiliates)	<u>554,569,874</u>	<u>489,982,946</u>
Gross ceded business	554,569,874	517,366,429
Net premiums written	<u><u>\$ 21,985,659,806</u></u>	<u><u>\$ 13,267,854,797</u></u>

#### Assumed Reinsurance – Affiliates:

Effective December 31, 2020 the Company entered into an affiliated reinsurance agreement with LINA to reinsure mortality risk arising under LINA's group term life insurance business on a yearly renewable term basis. This transfer of life insurance mortality risk allows NYLIAC to diversify its risk profile, as the risk profile was previously weighted more heavily

toward interest rate and asset risk. The yearly renewable term treaty also reduces LINA's exposure to mortality risk.

Assumed Reinsurance – Non-Affiliates:

The Company has reinsurance agreements with New York Life Agents Reinsurance Company (NYLARC), which is a life insurance company wholly owned by NYLARC Holding Company, Inc. Shareholders consist of NYLIC's top agents who meet certain criteria and who may also be agents of NYLIAC, NYLAZ, LINA and GICNY. NYLARC reinsures a portion of certain life insurance products sold by its shareholders. NYLARC's purpose is to retain high production agents and increase the volume and quality of the business that they submit to NYLIC, LINA, GICNY, NYLAZ and NYLIAC.

Ceded Reinsurance – Affiliates:

The Company has no material ceded reinsurance agreements with affiliates as of December 31, 2024.

Ceded Reinsurance – Non-Affiliates

The Company enters into ceded reinsurance agreements in the normal course of its insurance business to reduce overall risk and to be able to issue individual life insurance policies in excess of its retention limits. Currently, NYLIAC primarily reinsures the mortality risk on life insurance policies on a quota share yearly renewable term basis, except for custom guarantee universal life, asset flex and certain variable universal life products. Most of the reinsurance ceded on new and inforce business is established on an automatic basis. The quota share currently ceded on new business generally ranges from 10 – 90%. All products are ceded from first dollar with the exception of reinsured variable universal life, which has a minimum sized policy ceded of \$1,000,000. Cases in excess of NYLIAC's retention and certain substandard cases are ceded on a

facultative reinsurance basis. The majority of NYLIAC's facultative reinsurance is for substandard cases in which it typically cedes 90%. Additionally, the Company cedes business to NYLARC in accordance with agreements referenced in the assumed reinsurance section.

### **FINANCIAL STATEMENTS**

The following financial statements, as reported and filed by the Company with the Department, are reflected in the following:

- Statement of Assets as of December 31, 2024
- Statement of Liabilities, Surplus and Other Funds as of December 31, 2024
- Summary of Operations for the year ended December 31, 2024
- Reconciliation of Capital and Surplus for the Period from the Prior Examination as of December 31, 2019 to December 31, 2024
- Separate Account Statement of Assets, Liabilities and Surplus as of December 31, 2024

Statement of Assets  
As of December 31, 2024

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 102,132,602,298	\$ -	\$ 102,132,602,298
Preferred Stocks	43,090,425	-	43,090,425
Common Stocks	732,344,920	-	732,344,920
Mortgage loans on real estate	17,450,210,707	-	17,450,210,707
Real estate	88,883,285	-	88,883,285
Cash, cash equivalents and short-term investments	3,363,256,891	-	3,363,256,891
Contract loans	1,045,509,995	21,205,005	1,024,304,990
Derivatives	1,519,143,792	-	1,519,143,792
Other invested assets	3,746,378,080	7,131,374	3,739,246,706
Receivables for securities	107,878	-	107,878
Aggregate write-ins for invested assets	100,785,016	-	100,785,016
Subtotals, cash and invested assets	<u>\$ 130,222,313,287</u>	<u>\$ 28,336,379</u>	<u>\$ 130,193,976,908</u>
Investment income due and accrued	1,032,472,906	1,582,799	1,030,890,107
Uncollected premiums and agents' balances in the course of collection	342,650,081	578	342,649,503
Deferred premiums, agents' balances and installments booked but deferred and not yet due	141,940	-	141,940
Amounts recoverable from reinsurers	61,035,771	6,394,571	54,641,200
Other amounts receivable under reinsurance contracts	2,574,900	-	2,574,900
Current federal and foreign income tax recoverable and interest thereon	62,218,488	-	62,218,488
Net deferred tax asset	1,494,295,898	788,869,579	705,426,319
Guaranty funds receivable or on deposit	44,858,353	-	44,858,353
Receivables from parent, subsidiaries and affiliates	40,485,345	-	40,485,345
Health care and other amounts receivable	19,293,160	19,293,160	-
Aggregate write-ins for other-than-invested assets	12,218,684,330	238,482,256	11,980,202,074
Total assets excluding Separate Accounts	<u>\$ 145,541,024,459</u>	<u>\$ 1,082,959,322</u>	<u>\$ 144,458,065,137</u>
From Separate Accounts	<u>60,358,084,498</u>	<u>-</u>	<u>60,358,084,498</u>
Total	<u><u>\$ 205,899,108,957</u></u>	<u><u>\$ 1,082,959,322</u></u>	<u><u>\$ 204,816,149,635</u></u>

Statement of Liabilities, Surplus and Other Funds  
As of December 31, 2024

		Notes
Aggregate reserve for life contracts	\$ 117,165,122,897	1
Liability for deposit-type contracts	1,967,907,689	1
Contract claims: Life	1,112,559,548	1
Premiums and annuity considerations for life and accident and health contracts received in advance	302	
Other amounts payable on reinsurance	95,585	
Commissions to agents due or accrued-life and annuity contracts	6,215,870	
General expenses due or accrued	4,253,846	
Transfers to Separate Accounts due or accrued (net)	(1,287,958,084)	
Taxes, licenses and fees due or accrued, excluding federal income taxes	1,009,118	
Unearned investment income	11,468,717	
Amounts withheld or retained by reporting entity as agent or trustee	1,380,545	
Remittances and items not allocated	503,065,638	
Liability for benefits for employees and agents if not included above	90,517,018	
Asset valuation reserve	2,085,799,828	
Reinsurance in unauthorized and certified companies	6,485,923	
Payable to parent, subsidiaries and affiliates	169,840,908	
Derivatives	271,440,173	
Payable for securities	258,387,678	
Payable for securities lending	1,003,570,333	
Obligations under structured settlement agreements	11,428,057,478	
Derivatives-collateral liability	1,240,684,850	
Other write-ins for liabilities	20,760,869	
Total liabilities excluding Separate Accounts business	\$ 136,060,666,729	
From Separate Accounts Statement	60,338,737,225	
Total liabilities	\$ 196,399,403,954	
Common capital stock	25,000,000	
Gross paid in and contributed surplus	4,457,575,310	
Aggregate write-ins for special surplus funds	528,131,646	
Unassigned funds (surplus)	3,406,038,725	
Surplus	\$ 8,391,745,681	
Total capital and surplus	\$ 8,416,745,681	
Total liabilities, surplus and other funds	\$ 204,816,149,635	

Summary of Operations  
For the Year Ended December 31, 2024

Premium and annuity considerations for life and accident and health contracts	\$ 21,985,659,806
Considerations for supplementary contracts with life contingencies	58,323,964
Net investment income	5,501,855,305
Amortization of Interest Maintenance Reserve	(28,354,219)
Separate Accounts net gain from operations excluding unrealized gains or losses	46,376,966
Commissions and expense allowances on reinsurance ceded	687,141
Reserve adjustments on reinsurance ceded	(1,269,432)
Income from fees associated with investment management, administration and contract guaranties from Separate Accounts	915,444,562
Aggregate write-ins for miscellaneous income	288,052,456
Total	<u>\$ 28,766,776,549</u>
Death benefits	2,260,978,263
Matured endowments	1,826,462
Annuity benefits	4,005,636,971
Disability benefits and benefits under accident and health contracts	289,558
Surrender benefits and withdrawals for life contracts	17,393,286,587
Group conversions	90,945
Interest and adjustments on contract or deposit-type contract funds	72,183,379
Payments on supplementary contracts with life contingencies	53,252,318
Increase in aggregate reserves for life and accident health contracts	4,222,051,055
Totals	<u>\$ 28,009,595,538</u>
Commissions on premiums, annuity considerations, and deposit-type contract funds	632,022,299
General insurance expenses and fraternal expenses	1,064,410,650
Insurance taxes, licenses and fees, excluding federal income taxes	117,868,834
Increase in loading on deferred and uncollected premiums	(34,602)
Net transfers to or (from) Separate Accounts net of reinsurance	(1,613,508,892)
Aggregate write-ins for deductions	11,853
Totals	<u>\$ 28,210,365,680</u>
Net gain from operations before dividends to policyholders, refunds to members and federal income taxes	\$ 556,410,869
Dividends to policyholders and refunds to members	-
Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes	\$ 556,410,869
Federal and foreign income taxes incurred	210,026,649
Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses)	\$ 346,384,220
Net realized capital gains (losses)	(70,980,429)
Net Income	<u>\$ 275,403,791</u>

**Reconciliation of Capital and Surplus  
For the Period from the Prior Examination  
December 31, 2019 to December 31, 2024**

	Common Capital Stock	Paid in & Contributed Surplus	Aggregate Write- ins for Special Surplus Funds	Unassigned Funds (Surplus)	Total
December 31, 2019	\$ 25,000,000	\$ 3,927,757,314	\$ -	\$ 5,401,849,993	\$ 9,354,607,307
2020 Net Income	-	-	-	183,437,175	183,437,175
2020 Other Changes <sup>(1)</sup>	-	-	-	312,031,573	312,031,573
2020 Paid in surplus adjustment <sup>(2)</sup>	-	529,817,997	-	-	529,817,997
2020 Dividends to stockholders <sup>(3)</sup>	-	-	-	(932,000,000)	(932,000,000)
Balance at December 31, 2020	<u>\$ 25,000,000</u>	<u>\$ 4,457,575,310</u>	<u>\$ -</u>	<u>\$ 4,965,318,742</u>	<u>\$ 9,447,894,052</u>
2021 Net Income	-	-	-	329,312,652	329,312,652
2021 Other Changes <sup>(1)</sup>	-	-	-	899,154,303	899,154,303
2021 Dividends to stockholders <sup>(3)</sup>	-	-	-	(942,000,000)	(942,000,000)
Balance at December 31, 2021	<u>\$ 25,000,000</u>	<u>\$ 4,457,575,310</u>	<u>\$ -</u>	<u>\$ 5,251,785,697</u>	<u>\$ 9,734,361,007</u>
2022 Net Income	-	-	-	(655,948,235)	(655,948,235)
2022 Other Changes <sup>(1)</sup>	-	-	-	(141,961,374)	(141,961,374)
2022 Dividends to stockholders <sup>(3)</sup>	-	-	-	(400,000,000)	(400,000,000)
Balance at December 31, 2022	<u>\$ 25,000,000</u>	<u>\$ 4,457,575,310</u>	<u>\$ -</u>	<u>\$ 4,053,876,089</u>	<u>\$ 8,536,451,399</u>
2023 Net Income	-	-	-	593,003,558	593,003,558
2023 Other Changes <sup>(1)</sup>	-	-	-	(528,289,122)	(528,289,122)
2023 Admitted negative IMR <sup>(4)</sup>	-	-	327,969,923	-	327,969,923
Balance at December 31, 2023	<u>\$ 25,000,000</u>	<u>\$ 4,457,575,310</u>	<u>\$ 327,969,923</u>	<u>\$ 4,118,590,525</u>	<u>\$ 8,929,135,758</u>
2024 Net Income	-	-	-	275,403,791	275,403,791
2024 Other Changes <sup>(1)</sup>	-	-	-	(97,955,591)	(97,955,591)
2024 Dividends to stockholders <sup>(3)</sup>	-	-	-	(890,000,000)	(890,000,000)
2024 Admitted negative IMR <sup>(4)</sup>	-	-	200,161,723	-	200,161,723
Balance at December 31, 2024	<u>\$ 25,000,000</u>	<u>\$ 4,457,575,310</u>	<u>\$ 528,131,646</u>	<u>\$ 3,406,038,725</u>	<u>\$ 8,416,745,681</u>

(1) Other Changes in Unassigned Funds included changes in: net unrealized capital gains (losses), net unrealized foreign exchange capital gain (loss), net deferred income tax, nonadmitted assets, liability for reinsurance in unauthorized and certified companies, reserve on account of change in valuation basis, asset valuation reserve, surplus in Separate Accounts Statement. Also includes: Surplus (contributed to) withdrawn from Separate Accounts during period, aggregate write-ins for gains and losses in surplus, and cumulative effect of changes in accounting principles.

(2) The Company received a capital contribution in the form of an interest in the equity of Madison Capital Funding LLC from its parent company, NYLIC in the amount of \$529,817,996.

(3) The Company paid dividends of \$932,000,000, \$942,000,000, \$400,000,000 and \$890,000,000 to its parent Company NYLIC in 2020, 2021, 2022, and 2024, respectively.

(4) In 2023, the Company began admitting negative IMR in the general account based on the NAIC adoption of INT 23-01. Under this INT, reporting entities are allowed to admit negative IMR if certain criteria are met.

Separate Account Statement of Assets, Liabilities and Surplus  
As of December 31, 2024

	General Account Basis	Fair Value Basis	Total
Bonds	\$ 4,899,854,909	\$ 110,851,539	\$ 5,010,706,448
Preferred stocks	316,080	-	316,080
Common stocks	-	50,425,984,535	50,425,984,535
Mortgage loans on real estate	1,138,777,593	-	1,138,777,593
Cash and cash equivalents	179,145,844	1,168,236,722	1,347,382,566
Short-term investments	189,803	-	189,803
Derivatives	7,482,042	-	7,482,042
Other invested assets	19,987,113	2,329,400,065	2,349,387,178
Aggregate write-ins for invested assets	2,356,777	-	2,356,777
Subtotals, cash and invested assets	<u>\$ 6,248,110,161</u>	<u>\$ 54,034,472,861</u>	<u>\$ 60,282,583,022</u>
Investment income due and accrued	\$ 49,497,965	\$ 2,731,459	\$ 52,229,424
Receivables for securities	7,113,880	-	7,113,880
Aggregate write-ins for other-than-invested assets	16,158,172	-	16,158,172
Total assets	<u>\$ 6,320,880,178</u>	<u>\$ 54,037,204,320</u>	<u>\$ 60,358,084,498</u>
Aggregate reserve for life, annuity and accident and health contracts	\$ 6,128,407,500	\$ 52,742,501,821	\$ 58,870,909,321
Investment expenses due or accrued	-	92,714	92,714
Unearned investment income	611,554	-	611,554
Other transfers to general account due or accrued (net)	(6,755,261)	1,294,635,735	1,287,880,474
Remittances and items not allocated	164,268,449	(25,950)	164,242,499
Derivatives	915,362	-	915,362
Payable for securities	2,250,000	-	2,250,000
Aggregate write-ins for liabilities	11,835,302	-	11,835,302
Total liabilities	<u>\$ 6,301,532,906</u>	<u>\$ 54,037,204,320</u>	<u>\$ 60,338,737,226</u>
Aggregate write-ins for special surplus funds	\$ 16,158,172	\$ -	\$ 16,158,172
Unassigned funds	3,189,100	-	3,189,100
Total surplus	<u>\$ 19,347,272</u>	<u>\$ -</u>	<u>\$ 19,347,272</u>
Total liabilities and surplus	<u>\$ 6,320,880,178</u>	<u>\$ 54,037,204,320</u>	<u>\$ 60,358,084,498</u>

**ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION**

There were no changes made to the financial statements as a result of this Examination.

**COMMENTS ON FINANCIAL STATEMENT ITEMS**

**Note 1:**

Aggregate reserve for life contracts	\$ 117,165,122,897
Liability for deposit-type contracts	1,967,907,689
Contract Claims: Life	1,112,559,548

The Department retained the actuarial services of INS Consultants Inc. (Consulting Actuary) to perform a risk-focused review of the Company's significant reserving activities. The Consulting Actuary assisted in review of the inherent risks, management oversight and other mitigating controls over the Company's actuarial processes and procedures. The Consulting Actuary performed an independent reserve analysis including an assessment of the Company's reserves for compliance with standard valuation laws, applicable NAIC Actuarial Guidelines and Model Regulations. The Consulting Actuary also reviewed the Company's asset adequacy analysis filed in accordance with the Actuarial Opinion Memorandum Regulation for the year ended December 31, 2024.

**SUBSEQUENT EVENTS**

Subsequent events were evaluated through the date that this examination report was available to be issued. Based on this evaluation, the following transactions were deemed material for disclosure in this examination report.

*Administrative Service, Lockbox, and Coinsurance Agreements*

Effective January 1, 2025, the Company entered into Administrative Service, Lockbox and Coinsurance Agreements with LINA in connection with certain voluntary benefits products.

*Amended and Restated Note Funding Agreement*

Effective May 16, 2025, the Company, NYLIC and LINA entered into an Amended and Restated Note Funding Agreement with MCF. The 2022 note was cancelled and reissued as of May 16, 2025. The 2025 note will continue to be reported as a bond. All outstanding advances made to MCF under the Restated MCF Note Agreement, together with unpaid interest thereon, will be due in full on December 31, 2035.

*Revolving Credit Facility*

Effective August 15, 2025, the Company, NYLIC and NYLCC entered into a five-year \$2.25 billion revolving credit facility with a syndicate of lenders. The Company, NYLCC and NYLIC are borrowers under the 2025 credit facility. As of December 31, 2025, the credit facility was not used and there was no outstanding balance.

*Second Amended and Restated Credit Agreement*

Effective October 31, 2025, the Company entered into the Second Amended and Restated Credit Agreement, as borrower, with NYLIC, as lender. This agreement was entered into to raise the aggregate credit limit from \$3.5 billion to \$4.5 billion.

*Amendment #2 to the Amended and Restated Credit Agreement*

Effective October 31, 2025, the Company entered into Amendment #2 to the Amended and Restated Credit Agreement, as borrower, with NYLCC, as lender. The agreement was entered into to raise the aggregate credit limit from \$3.5 billion to \$4.5 billion.

*Credit Agreement*

Effective December 31, 2025, the Company entered into a credit agreement with NYLIM Holdings whereby the Company may lend NYLIM Holdings up to \$200 million. On December 31, 2025, the Company made a \$162 million loan to NYLIM Holdings at an annual interest rate

of 4.78%. On January 28, 2026, the agreement was modified to reflect the \$162 million loan being issued in the form of a 4.78% interest rate note.

*Revolving Credit Facility*

Effective January 15, 2026, the Company entered into a revolving credit facility with NYLIM Holdings, as borrower, in the principal amount of \$23.5 million to be used solely for NYLIM's Holdings funding obligations to its subsidiary, Kartesia UK Ltd. On April 1, 2026, NYLIM Holdings borrowed \$23.5 million for a five-year term under to the agreement at an interest rate that is based on the 3-Month Term Secured Overnight Financing Rate (SOFR) rate plus 1.59%, the current all-in interest rate on the loan is 5.26387% (reflecting the SOFR rate of 3.67387 plus 1.59%). This rate will reset quarterly based on the 3-Month Term SOFR rate.

*Changes in Officers and Directors*

Effective December 8, 2025, Francis M. Harte and Anthony R. Malloy resigned from the Board.

Effective December 9, 2025, Erik A. Anderson and Craig A. Sabal were elected to the Board.

Effective March 31, 2026, Robert M. Gardner, Senior Vice President and Controller, retired from NYLIC and the Company.

Effective April 1, 2026, Angela Chen Bagtas, Senior Vice President and Chief Accounting Officer, became Senior Vice President and Controller of NYLIC and the Company.

**SUMMARY OF RECOMMENDATIONS**

There were no recommendations as a result of this examination.

The assistance and cooperation of examiners representing the states on the coordinated examination is acknowledged. In addition, the assistance of the Consulting Actuary, the Company's outside audit firm, PwC, and the Company's management and staff was appreciated and is acknowledged.

Respectfully submitted,



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Nicholas O'Dell, CPA, CFE  
Examiner-In-Charge  
State of Delaware



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Albert Piccoli, SR., CFE  
Supervising Examiner  
State of Delaware

I, Nicholas O'Dell, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 25.027.

A handwritten signature in black ink, appearing to read "Nicholas R. O'Dell", written over a horizontal line.

Nicholas O'Dell, CPA, CFE