NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of
New York Life Insurance Company)

STATUTORY FINANCIAL STATEMENTS

December 31, 2024, 2023 and 2022

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Report of Independent Auditors

To the Board of Directors of New York Life Insurance and Annuity Corporation

Opinions

We have audited the accompanying statutory financial statements of New York Life Insurance and Annuity Corporation (the "Company"), which comprise the statutory statements of financial position as of December 31, 2024 and 2023, and the related statutory statements of operations, of changes in capital and surplus, and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the "financial statements").

Unmodified Opinion on Statutory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in accordance with the accounting practices prescribed or permitted by the Delaware Department of Insurance described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2024 and 2023, or the results of its operations or its cash flows for each of the three years in the period ended December 31, 2024.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 to the financial statements, the financial statements are prepared by the Company on the basis of the accounting practices prescribed or permitted by the Delaware Department of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the statutory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices prescribed or permitted by the Delaware Department of Insurance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

New York, New Yorks
February 28, 2025

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of New York Life Insurance Company)

STATUTORY STATEMENTS OF FINANCIAL POSITION

	December 31, 2024	December 31, 2023
	(in millions)	
Assets		
Bonds	$ 102,133	$ 102,056
Common and preferred stocks	775	659
Mortgage loans	17,450	15,484
Policy loans	1,024	928
Other invested assets	3,930	3,583
Cash, cash equivalents and short-term investments	3,363	1,696
Derivatives	1,519	1,196
Total cash and invested assets	130,194	125,602
Investment income due and accrued	1,031	1,005
Admitted disallowed interest maintenance reserve	528	328
Interest in annuity contracts	11,428	10,774
Other assets	1,277	1,201
Separate accounts assets	60,358	55,405
Total assets	$ 204,816	$ 194,315
Liabilities, capital and surplus		
Liabilities:		
Policy reserves	$ 117,165	$ 112,990
Deposit funds	1,968	1,583
Policy claims	1,112	1,041
Separate accounts transfers due and accrued	(1,288)	(1,114)
Obligations under structured settlement agreements	11,428	10,774
Amounts payable under security lending agreements	1,004	678
Other liabilities	2,585	2,106
Asset valuation reserve	2,086	1,939
Separate accounts liabilities	60,339	55,388
Total liabilities	196,399	185,385
Capital and Surplus:		
Capital stock - par value $10,000 (20,000 shares authorized, 2,500 issued and outstanding)	25	25
Gross paid in and contributed surplus	4,458	4,458
Special surplus for admitted disallowed interest maintenance reserve	528	328
Unassigned surplus	3,406	4,119
Total capital and surplus	8,417	8,930
Total liabilities, capital and surplus	$ 204,816	$ 194,315

See accompanying notes to financial statements.

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of New York Life Insurance Company)

STATUTORY STATEMENTS OF OPERATIONS

	Years Ended December 31,		
	2024	**2023**	**2022**
		(in millions)	
Income			
Premiums	$ 22,044	$ 20,726	$ 24,742
Net investment income	5,520	5,276	4,304
Other income	1,204	1,129	1,093
Total income	28,768	27,131	30,139
Benefits and expenses			
Benefit payments:			
Death benefits	2,263	2,275	2,345
Annuity benefits	4,006	3,664	3,431
Surrender benefits	17,393	16,019	12,965
Other benefit payments	125	103	93
Total benefit payments	23,787	22,061	18,834
Additions to policy reserves	4,223	3,334	9,721
Net transfers (from)/to separate accounts	(1,614)	(648)	444
Operating expenses	1,816	1,710	1,645
Total benefits and expenses	28,212	26,457	30,644
Gain/(loss) from operations before federal and foreign income taxes	556	673	(505)
Federal and foreign income taxes	210	268	114
Net gain/(loss) from operations	346	405	(619)
Net realized capital (losses)/gains, after taxes and transfers to interest maintenance reserve	(71)	188	(37)
Net income/(loss)	$ 275	$ 593	$ (656)

See accompanying notes to financial statements.

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of New York Life Insurance Company)

STATUTORY STATEMENTS OF CHANGES IN CAPITAL AND SURPLUS

	Years Ended December 31,		
	2024	**2023**	**2022**
		(in millions)	
Capital and surplus, beginning of year	$ 8,930	$ 8,537	$ 9,734
Net increase/(decrease) due to:			
Net income/(loss)	275	593	(656)
Change in net unrealized capital (losses)/gains on investments	157	(268)	(153)
Change in nonadmitted assets	(264)	(89)	(300)
Change in reserve valuation basis	183	31	—
Change in asset valuation reserve	(147)	(49)	(16)
Change in net deferred income tax	167	189	311
Dividends to parent	(890)	—	(400)
Prior period corrections	—	—	—
Other adjustments, net	6	(14)	17
Net (decrease)/increase	(513)	393	(1,197)
Capital and surplus, end of year	$ 8,417	$ 8,930	$ 8,537

See accompanying notes to financial statements.

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of New York Life Insurance Company)

STATUTORY STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2024	2023	2022
		(in millions)	
Cash flows from operating activities:			
Premiums received	$ 18,059	$ 16,730	$ 20,995
Net investment income received	5,102	4,878	3,888
Other	1,204	1,130	1,095
Total received	24,365	22,738	25,978
Benefits and other payments	19,657	18,054	15,140
Net transfers (from)/to separate accounts	(1,574)	(635)	334
Operating expenses	1,769	1,548	1,580
Federal income taxes	234	235	101
Total paid	20,086	19,202	17,155
Net cash from/(used in) operating activities	4,279	3,536	8,823
Cash flows from investing activities:			
Proceeds from investments sold	8,233	4,331	6,998
Proceeds from investments matured or repaid	15,028	9,850	8,889
Cost of investments acquired	(25,514)	(21,917)	(20,237)
Net change in policy loans	(97)	(66)	(9)
Net cash (used in)/from investing activities	(2,350)	(7,802)	(4,359)
Cash flows from financing and miscellaneous activities:			
Dividends to New York Life	(890)	—	(400)
Other miscellaneous uses	627	(438)	574
Net cash (used in)/from financing and miscellaneous activities	(263)	(438)	174
Net increase/(decrease) in cash, cash equivalents and short-term investments	1,666	(4,704)	4,638
Cash, cash equivalents and short-term investments, beginning of year	1,697	6,401	1,763
Cash, cash equivalents and short-term investments, end of year	$ 3,363	$ 1,697	$ 6,401

See accompanying notes to financial statements.

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A wholly-owned subsidiary of New York Life Insurance Company)

STATUTORY STATEMENTS OF CASH FLOWS (supplemental)

	Years Ended December 31,		
	2024	2023	2022
	(in millions)		
Non-cash activities during the year not included in the Statutory Statements of Cash Flows:			
Transfer of bond investment to bond investment	$ 914	$ 556	$ 6,760
Transfer of other invested assets investment to insurance affiliate in exchange for bonds	$ —	$ —	$ 250
Transfer of assets between bond investment and other invested assets	$ 25	$ 23	$ 146
Capitalized interest on bonds and mortgage loans	$ 79	$ 76	$ 95
Depreciation/amortization on fixed assets	$ 91	$ 92	$ 73
Low-income housing tax credit future commitments	$ 43	$ 10	$ 68
Transfer of mortgage loans to other invested assets	$ 31	$ 3	$ 44
Transfers between equity investment and equity investment	$ 6	$ 40	$ 34
Bonds to be announced commitments - purchased/sold	$ —	$ —	$ 19
Other invested assets stock distribution	$ —	$ —	$ 6

See accompanying notes to financial statements.

NOTE 1 - NATURE OF OPERATIONS

New York Life Insurance and Annuity Corporation ("the Company"), domiciled in the State of Delaware, is a direct, wholly-owned subsidiary of New York Life Insurance Company ("New York Life"). The Company's primary business operations are its life and annuity business and its investment management activities. 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 markets its products in all 50 states of the United States of America and the District of Columbia, primarily through New York Life's career agency force, with certain products also marketed through independent brokers, brokerage general agents and banks.

NOTE 2 - BASIS OF PRESENTATION

The accompanying financial statements have been prepared using accounting practices prescribed or permitted by the Delaware State Insurance Department ("the Department" or "statutory accounting practices"), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America ("U.S. GAAP").

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Delaware for determining and reporting the financial position and results of operations of an insurance company and for determining its solvency under the Delaware State Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State of Delaware. 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.

Changes in Accounting Policy

On September 30, 2024, the Company changed its accounting policy on the reporting of premiums and benefits on internal replacement transactions. Internal replacements refer to transactions whereby a policyholder transfers the cash surrender value from their current policy into a similar policy. Premiums and benefits from these types of exchanges are now reported gross in the statement of operations. Our previous policy, which was discussed with the Department and to which they had no objection, was to net the benefit expense against the premium income in the statement of operations. Premium income and benefit expense include 4,011 million, 3,982 million and 3,709 million from internal replacements for 2024, 2023, and 2022, respectively. The Company's annual statement does not reflect this change in the 2023 and 2022 reported premium and benefit amounts. Therefore, premium and benefit for 2023 and 2022 are understated in the Company's annual statement by $3,982 million and $3,709 million, respectively. This change in accounting policy has no net impact on the Company's profit or loss, nor does it affect surplus, as the gross reporting of premiums and benefits is offset by corresponding amounts in both income and expense.

Change in Reserve Valuation Basis

For the year ended December 31, 2024, the Department granted approval for the Company to change the reserve valuation basis for variable deferred annuities to VM-21. Prior to this change, reserves for these policies were computed in accordance with the minimum statutory reserve standard required under the New York State Department of Financial Services ("NYSDFS") Regulation 213, which results in reserves that are higher than those computed pursuant to VM-21, which is the Delaware minimum reserve standard. For the index-linked account corresponding to a variable annuity product, the Company still applies Actuarial Guideline XXXV. As of December 31, 2024, the impact of this change in reserve valuation basis resulted in a reduction of policy reserves of $47 million and an increase in expense allowances recognized in reserves (included in Separate Accounts transfers due and accrued) of $136 million, thereby increasing statutory surplus by $183 million, In 2023, there were no changes in reserve valuation basis.

NOTE 2 - BASIS OF PRESENTATION (continued)

Statutory vs. U.S. GAAP Basis of Accounting

Financial statements prepared under NAIC SAP as determined under Delaware State Insurance Law vary from those prepared under U.S. GAAP. The effects of those differences are material to the Company's financial statements. The primary differences that would most likely be material are as follows:

Investments

- investments in bonds are generally carried at amortized cost or values as prescribed by the Department, whereas under U.S. GAAP, investments in bonds that are classified as available for sale or trading 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 trading reflected in earnings;

- investments in noncontrolled partnerships and limited liability companies are accounted for under the equity method for both NAIC SAP and U.S. 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 U.S. GAAP, in many cases, for investment companies, unrealized gains and losses are included in net investment income;

- credit loss-related bond impairments that are deemed to be other than temporary are recorded as a direct write-down to the security without the ability to reverse those losses in the future if expected cash flows increase. Under U.S. GAAP, estimated credit losses on bonds classified as available for sale are recorded through an allowance for credit losses subject to future reversals if expected cash flows increase;

specific valuation allowances are established for the excess carrying value of a mortgage loan over the estimated fair value of the collateral as an unrealized loss in surplus when it is probable that based on current information and events, the Company will be unable to collect amounts due under the contractual terms of the loan agreement. Under U.S. GAAP, a valuation allowance is established for expected credit losses. The valuation allowance under U.S. GAAP is based on historical experience, current economic conditions and reasonable and supportable forecasts;

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

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

Insurance Contracts

- 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 U.S. 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;

- payments received for universal and variable life insurance products, certain variable and fixed deferred annuities and group annuity contracts are reported as premium income and corresponding change in reserves, whereas U.S. GAAP would treat these payments as deposits to policyholders' account balances;

- 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 U.S. GAAP, these costs are deferred when related directly to successful sales and amortized over the periods benefited;

NOTE 2 - BASIS OF PRESENTATION (continued)

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

- reinsurance agreements are accounted for as reinsurance on an NAIC SAP and U.S. GAAP basis if certain risk transfer provisions have been met. NAIC SAP requires the reinsurer to assume insurance risk, regardless of the significance of the loss potential, whereas U.S. 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 U.S. GAAP, assets and liabilities from reinsurance transactions are reported gross of reinsurance;

Taxes

- 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 U.S. 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% of the tax benefit associated with a tax position, the loss contingency is increased to 100%, whereas under U.S. GAAP the amount of the benefit for any uncertain tax position is the largest amount that is greater than 50% likely of being realized upon settlement;

Surplus

- an asset valuation reserve ("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 U.S. GAAP, no AVR is recognized;

- certain assets, such as deferred taxes as noted above, intangible assets, furniture and equipment, and unsecured receivables are considered nonadmitted and excluded from assets, whereas they are included in assets under U.S. GAAP subject to a valuation allowance, as appropriate.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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. Management is also required to disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from those estimates.

Bonds

Bonds are stated at amortized cost using the interest method. Bonds in or near default (rated NAIC 6) are stated at the lower of amortized cost or fair value. Residual interests in securitizations are reported as other invested assets at the lower of cost or fair value. Refer to Note 9 - Fair Value Measurements for discussion on the valuation approach and methods for bonds.

Under NAIC SAP, Securities Valuation Office ("SVO")-identified investments, which include certain SVO approved exchange traded funds ("ETFs") and mutual funds, are eligible for classification as bonds as identified in the SVO's Purposes and Procedures Manual. SVO-identified bond ETFs are stated at fair value.

The interest method for loan-backed and structured securities, which are included in bonds, uses current assumptions of projected cash flows. Amortization of premium or accretion of discount from the purchase of these securities considers the estimated timing and amount of cash flows of the underlying loans, including prepayment assumptions based on data obtained from external sources or internal estimates. Projected future cash flows are updated monthly, and the amortized cost and effective yield of the securities are adjusted as necessary to reflect historical prepayment experience and changes in estimated future prepayments. For high credit quality loan-backed and structured securities backed by the U.S. government (those rated AA or above at the date of acquisition), the adjustments to amortized cost are recorded as a charge or credit to net investment income in accordance with the retrospective method. For all other securities, including all loan-backed and structured securities that are not of high credit quality (those rated below AA at date of acquisition), floating rate securities and securities with the potential for a loss of a portion of the original investment due to contractual prepayments (e.g., interest only securities), the effective yield is adjusted prospectively for any changes in estimated cash flows.

All acquisitions of securities are recorded in the financial statements on a trade date basis except for the acquisitions of private placement bonds, which are recorded on the funding date.

Preferred Stocks

Redeemable preferred stocks in “good standing” (NAIC designation of 1 to 3) are valued at amortized cost. Redeemable preferred stocks “not in good standing” (NAIC designation of 4 to 6) are valued at the lower of amortized cost or fair value. Perpetual preferred stock and mandatory convertible preferred stock are valued at fair value, not to exceed any currently effective call price. Refer to Note 9 - Fair Value Measurements for discussion on the valuation approach and methods for preferred stocks.

Common Stocks

Common stocks include the Company's investments in unaffiliated stocks, which includes investments in shares of investment funds registered with the U.S. Securities and Exchange Commission ("SEC"), as well as regulated foreign open-end investment funds, which are carried at fair value. Unrealized gains and losses are reflected in surplus, net of deferred taxes. Refer to Note 9 - Fair Value Measurements for a discussion on the valuation approach and methods for common stocks.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Other than Temporary Impairments

The cost basis of bonds and equity securities is adjusted for impairments in value that are deemed to be other than temporary. An other-than-temporary loss is recognized in net income when it is anticipated that the amortized cost will not be recovered. Factors considered in evaluating whether a decline in value is other than temporary include: (1) whether the decline is substantial; (2) the duration that the fair value has been less than cost; (3) the financial condition and near-term prospects of the issuer; and (4) the Company's ability and intent to retain the investment for a period of time sufficient to allow for an anticipated recovery in value.

When a bond (other than loan-backed and structured securities), preferred stock or common stock is deemed other-than-temporarily impaired, the difference between the investment's amortized cost and its fair value is recognized as a realized loss and reported in net income if the loss is credit related, or deferred in the IMR if interest related for bonds.

For loan-backed and structured securities, the entire difference between the security's amortized cost and its fair value is recognized in net income only when the Company (a) has the intent to sell the security or (b) it does not have the intent and ability to hold the security to recovery. If neither of these two conditions exists, a realized loss is recognized in net income for the difference between the amortized cost basis of the security and the net present value of projected future cash flows expected to be collected. The net present value is calculated by discounting the Company's best estimate of projected future cash flows at the effective interest rate implicit in the loan-backed or structured security prior to impairment.

The determination of cash flow estimates in the net present value calculation is subjective and methodologies will vary, depending on the type of security. The Company considers all information relevant to the collectability of the security, including past events, current conditions, and reasonably supportable assumptions and forecasts in developing the estimate of cash flows expected to be collected. This information generally includes, but may not be limited to, the remaining payment terms of the security, estimated prepayment speeds, defaults, recoveries upon liquidation of the underlying collateral securing the notes, the financial condition of the issuer(s), credit enhancements and other third-party guarantees. In addition, other information, such as industry analyst reports and forecasts, sector credit ratings, the financial condition of the bond insurer for insured fixed income securities and other market data relevant to the collectability may also be considered, as well as the expected timing of the receipt of insured payments, if any. The estimated fair value of the collateral may be used to estimate recovery value if the Company determines that the security is dependent on the liquidation of the collateral for recovery.

The new cost basis of an impaired security is not adjusted for subsequent increases in estimated fair value. In periods subsequent to the recognition of an other-than-temporary impairment ("OTTI"), the impaired bond security is accounted for as if it had been purchased on the measurement date of the impairment. Accordingly, the discount (or reduced premium) based on the new cost basis may be accreted (or amortized) into net investment income in future periods based on prospective changes in cash flow estimates, to reflect adjustments to the effective yield.

Mortgage Loans

Mortgage loans on real estate are carried at unpaid principal balances, net of discounts, premiums, deferred origination fees related to points, and specific valuation allowances, and are collateralized. Specific valuation allowances are established for the excess carrying value of the mortgage loan over the estimated fair value of the collateral as an unrealized loss in surplus when it is probable that based on current information and events, the Company will be unable to collect amounts due under the contractual terms of the loan agreement. Fair value of the collateral is estimated by performing an internal or external current appraisal. If impairment is deemed to be other-than-temporary, which can include a loan modification that qualifies as a troubled debt restructuring ("TDR"), a direct write-down is recognized as a realized loss reported in net income, and a new cost basis for the individual mortgage loan, which is equal to the fair value of the collateral, less costs to obtain and sell, is established. Refer to Note 9 - Fair Value Measurements for a discussion of the valuation approach and methods for mortgage loans.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company accrues interest income on mortgage loans to the extent it is deemed collectible. The Company places loans on non-accrual status, and ceases to recognize interest income when management determines that the collection of interest and repayment of principal is not probable. Any accrued but uncollected interest is reversed out of interest income once a loan is put on non-accrual status. Interest payments received on mortgage loans where interest payments have been deemed uncollectible are recognized on a cash basis and recorded as interest income. If a determination is made that the principal will not be collected, the interest payment received is used to reduce the principal balance. If a mortgage loan has any investment income due and accrued that is 90 days past due and collectible, the investment income will continue to accrue but all accrued interest related to the mortgage loan is reported as a nonadmitted asset, until such time that it has been paid or is deemed uncollectible.

Policy Loans

Policy loans are stated at the aggregate balance due. The excess of the unpaid balance of a policy loan that exceeds the cash surrender value is nonadmitted.

Other Invested Assets

Investments in limited partnerships and limited liability companies, including equity investments in affiliated entities organized as limited liability companies, which have admissible audits are carried at the underlying audited equity of the investee. In the absence of an admissible audit, the entire investment is nonadmitted. The financial statements of equity method investees are usually not received in time for the Company to apply the equity method at each reporting period. Therefore, the equity pick-up on these investments has been recorded on a one to three-month lag.

The cost basis of limited partnerships and limited liability companies is adjusted for impairments in value deemed to be other-than-temporary, with the difference between cost and carrying value, which approximates fair value, recognized as a realized loss reported in net income. The new cost basis of an impaired limited partnership or limited liability company is not adjusted for subsequent increases in the underlying audited equity of the investee.

Dividends and distributions from limited partnerships and limited liability companies, other than those deemed a return of capital, are recorded in net investment income. Undistributed earnings are included in unrealized gains and losses and are reflected in surplus, net of deferred taxes.

Effective October 1, 2024, residual tranches of securitizations are reported using a cost recovery method, which is a practical expedient allowed under statutory accounting rules. Under the cost recovery method, distributions received are treated as a reduction of the residual's book value. Investment income is not recognized until the book value of the residual has been reduced to zero. An OTTI is recorded when fair value of the residual is below its book value. Prior to October 1, 2024, most residuals were reported at the lower of cost or market and income was accrued using an effective yield method.

Low-Income Housing Tax Credit ("LIHTC") investments, which are included in other invested assets, are recorded at proportional amortized cost and include remaining unfunded commitments. The carrying value of the investment is amortized into income in proportion to the actual and projected future amounts of tax credits and deductible losses. The amortization is recorded through net investment income.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Real Estate

Real estate includes properties that are directly-owned and real estate property investments that are directly and wholly-owned through a limited liability company and meet certain criteria. Real estate held for the production of income is stated at cost less accumulated depreciation and encumbrances. Real estate held for sale is stated at the lower of cost less accumulated depreciation or fair value, less encumbrances and estimated costs to sell. If there is an indication that the carrying amount of the real estate may not be recoverable, then it must be tested for impairment. If the carrying amount of a real estate investment exceeds its undiscounted cash flows, an OTTI is recorded as a realized loss in net income, calculated as the difference between the carrying amount of the real estate investment and the fair value of the real estate investment. Depreciation of real estate held for the production of income is calculated using the straight-line method over the estimated lives of the assets, generally 40 years. Costs of permanent improvements are depreciated over the shorter of their estimated useful life, or the remaining estimated life of the real estate. Rental revenue from leased real estate is recognized on a straight-line basis over the lease term.

Derivative Instruments

Derivative instruments that qualify and are designated for hedge accounting are valued in a manner consistent with the items being hedged. Periodic payments and receipts on these derivatives are recorded on an accrual basis within net investment income for hedges of fixed income securities, and within other income for hedges of liabilities. Net realized gains and losses are recognized upon termination or maturity of these contracts in a manner consistent with the hedged item and when subject to the IMR, are transferred to the IMR, net of taxes.

To qualify for hedge accounting, the hedge relationship is designated and formally documented at inception, which means any time prior to the first quarterly hedge effectiveness assessment date, by detailing the particular risk, management objective and strategy for the hedge. This includes the item and risk that is being hedged, the derivative that is being used, as well as how effectiveness is being assessed. A derivative must be highly effective in accomplishing the objective of offsetting either changes in fair value or cash flows for the risk being hedged. The hedging relationship is considered highly effective if the changes in fair value or cash flows of the hedging instrument are within 80% to 125% of the inverse changes in the fair value or cash flows of the hedged item. For foreign currency swaps used under a fair value hedge designation, the Company excludes the cross-currency basis spread in its calculation of effectiveness as allowed under statutory accounting guidance. The Company formally assesses effectiveness of its hedging relationships both at the hedge inception and on a quarterly basis over the life of the hedge relationship in accordance with its risk management policy. The Company assesses hedge effectiveness qualitatively on a quarterly basis if (1) the initial quantitative prospective assessment demonstrates that the relationship is expected to be highly effective and (2) at inception, the Company is able to reasonably support an expectation of high effectiveness on a qualitative basis in subsequent periods. The Company continually assesses the credit standing of the derivative counterparty and, if the counterparty is deemed to be no longer creditworthy, the hedge relationship will no longer be considered effective.

The Company discontinues hedge accounting prospectively if: (1) it is determined that the derivative is no longer effective in offsetting changes in the fair value or cash flows of a hedged item; (2) the derivative expired or is sold, terminated, or exercised; (3) it is probable that the forecasted transaction will not occur, or (4) management determines that designation of the derivative as a hedge instrument is no longer appropriate.

Derivative instruments that do not qualify or are not designated for hedge accounting are carried at fair value and changes in fair value are recorded in surplus as unrealized gains and losses, net of deferred taxes. Periodic payments and receipts on these derivatives are recorded on an accrual basis within net investment income for hedges of fixed income securities and within other income for hedges of liabilities. Upon termination or maturity, the gains or losses on these contracts are recognized in net realized capital gains and losses, net of taxes. Realized gains or losses on terminated or matured derivatives, which are subject to the IMR, are transferred to the IMR, net of taxes.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company also uses derivatives as part of replication transactions. Replication transactions refer to derivative transactions entered into in conjunction with other investments in order to reproduce the investment characteristics of otherwise permissible investments. The accounting for derivatives used in replication transactions depends upon how the underlying cash instrument is accounted for, as well as how the replicated asset would be accounted for if acquired directly; alternatively, the Company can elect to carry the derivative at fair value. The Company uses bonds as the referenced cash instrument in its current replication transactions, and therefore, the derivatives are carried at amortized cost. The Company accrues investment income for the replicated synthetic asset throughout the life of the replication transaction. Realized gains or losses at maturity of the replication transaction, which are subject to the IMR, are transferred to the IMR, net of tax.

The Company reports cash flows from the purchase or termination of derivative instruments as cash flows from investing activities unless there is a significant financing element. Income payments, which include all cash settlements and foreign exchange payments are classified as cash flows from operating activities. Changes in receivables and payables related to collateral are reported in investing activities.

Cash, Cash Equivalents and Short-term Investments

Cash and cash equivalents includes cash on hand, amounts due from banks and highly liquid debt instruments that have original maturities of three months or less at date of purchase and are carried at amortized cost. Cash and cash equivalents also include money market mutual funds which are stated at fair value. Short-term investments consist of securities with remaining maturities of one year or less, but greater than three months at the time of acquisition and are carried at amortized cost, which approximates fair value.

AVR and IMR

The AVR is used to stabilize surplus from fluctuations in the fair value of bonds, stocks, mortgage loans, real estate and other invested assets. Changes in the AVR are accounted for as direct increases or decreases in surplus. The IMR captures interest related realized gains and losses on sales (net of taxes) of bonds, preferred stocks, mortgage loans, interest related other-than-temporary impairments (net of taxes) and realized gains or losses (net of taxes) on terminated interest rate related derivatives which are amortized into net income over the expected years to maturity of the investments sold or the item being hedged using the grouped method. An interest related other-than-temporary impairment occurs when the Company has the intent to sell an investment at the reporting date, before recovery of the cost of the investment. For loan-backed and structured securities, the non-interest related other-than-temporary impairment is booked to the AVR, and the interest related portion to the IMR. The Company admits negative IMR up to 10% of its capital and surplus as required to be shown on the balance sheet of the statutory financial statements most recently filed with its domiciliary state insurance regulator, adjusted to exclude any net positive goodwill, electronic database processing equipment and operating system software, net deferred tax assets and admitted net negative IMR.

Loaned Securities and Repurchase Agreements

The Company enters into securities lending agreements whereby certain investment securities are loaned to third-parties. Securities loaned are treated as financing arrangements. With respect to securities loaned, in order to reduce the Company’s risk under these transactions, the Company requires initial cash collateral equal to 102% of the fair value of domestic securities loaned. The Company records an offsetting liability in amounts payable under security lending agreements. The Company monitors the fair value of securities loaned with additional collateral obtained as necessary. The borrower of the loaned securities is permitted to sell or repledge those securities.

The Company enters into dollar roll repurchase agreements to sell and repurchase securities. Assets to be repurchased are the same, or substantially the same, as the assets sold. The Company agrees to sell securities at a specified price and repurchase the securities at a lower price. The Company receives cash in the amount of the sales proceeds and establishes a liability equal to the repurchase amount. The difference between the sale and repurchase amounts represents deferred income which is earned over the life of the agreement. The liability for repurchasing the assets is included in other liabilities.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company enters into tri-party reverse repurchase agreements to purchase and resell short-term securities. The Company receives securities as collateral, having a fair value at least equal to 102% of the purchase price paid by the Company for the securities and the Company's designated custodian takes possession of this collateral. The Company is not permitted to sell or repledge these securities. The collateral is not recorded on the Company's financial statements. However, if the counterparty defaults, the Company would then exercise its rights with respect to the collateral, including a sale of the collateral. The fair value of the securities held as collateral is monitored daily and additional collateral is obtained, where appropriate, to protect against credit exposure. The Company records the amount paid for securities purchased under agreements to resell in cash, cash equivalents and short-term investments.

Premiums and Related Expenses

Life premiums are recognized as revenue when due. Annuity considerations are recognized as revenue when received. Commissions and other costs associated with acquiring new business are charged to operations as incurred. Amounts received or paid under deposit type contracts without mortality or morbidity risk are not reported as income or benefits but are recorded directly as an adjustment to the liability for deposit funds. Internal replacements refer to transactions whereby a policyholder transfers the surrender value from their current policy into a similar policy. Premiums and benefits from internal replacements are reported gross in the accompanying Statutory Statement of Operations

Net Investment Income

Income from investments, including amortization of premium, accrual of discount and similar items, as well as income from prepayment penalties, is recorded within net investment income, unless otherwise stated herein.

Policy Reserves

Policy reserves are based on mortality tables and valuation interest rates, which are consistent with statutory requirements and are designed to be sufficient to provide for contractual benefits. The Company holds reserves greater than those developed under the minimum statutory reserving rules when the valuation actuary determines that the minimum statutory reserves are inadequate. Actual results could differ from these estimates and may result in the establishment of additional reserves. The valuation actuary monitors actual experience and, where circumstances warrant, revises assumptions and the related estimates for policy reserves. Refer to Note 12 - Insurance Liabilities for a discussion of reserves in excess of minimum NAIC requirements.

Deposit Funds

Deposit funds relate to contracts that do not subject the Company to mortality and/or morbidity risk. Amounts received as payment for these contracts, benefits paid and interest credited are reported as adjustments to the deposit fund liability. The Company's deposit fund liability primarily relates to fixed period annuities and supplemental contracts without life contingencies. Refer to Note 12 - Insurance Liabilities for further details on this liability.

Federal Income Taxes

The Company is a member of an affiliated group which files a consolidated federal income tax return with New York Life. The consolidated income tax provision or benefit is allocated among the members of the group in accordance with a tax allocation agreement. The tax allocation agreement provides that the Company computes its share of consolidated tax provision or benefit, in general, on a separate company basis, and may, where applicable, include the tax benefits of operating or capital losses utilizable in New York Life's consolidated returns. Intercompany tax balances are settled quarterly on an estimated basis with a final settlement occurring within 30 days of the filing of the consolidated tax return. Current federal income taxes are charged or credited to operations based upon amounts estimated to be payable or recoverable as a result of taxable operations for the current year and any adjustments to such estimates from prior years.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company generally recognizes deferred federal income tax assets (“DTAs”) and deferred federal income tax liabilities (“DTLs”) for expected future tax consequences of temporary differences between statutory and taxable income. Changes in DTAs and DTLs are recognized as a separate component of surplus (except for the net deferred taxes related to investments, which are included in unrealized gains and losses). Limitations on the admitted amount of DTA are calculated in accordance with Statement of Statutory Accounting Principles ("SSAP") No. 101, "Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10". Gross DTAs are reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross DTA will not be realized. The Company is required to establish a tax loss contingency if it is more likely than not that a tax position will not be sustained. The amount of the contingency reserve is management's best estimate of the amount of the original tax benefit that could be reversed upon audit, unless the best estimate is greater than 50% of the original tax benefit, in which case the reserve is equal to the entire tax benefit. Refer to Note 16 - Income Taxes for more detailed information about the Company's income taxes.

Separate Accounts

The Company has established both non-guaranteed and guaranteed separate accounts with varying investment objectives which are segregated from the Company’s general account and are maintained for the benefit of separate accounts policyholders. Assets held in non-guaranteed separate accounts are stated at market value. Assets held in guaranteed separate accounts are carried at the same basis as the general account up to the value of policyholder reserves and at fair value thereafter.

The liability for separate accounts represents policyholders’ interests in the separate accounts assets, excluding liabilities representing due and accrued transfers to the general account. The liability for non-guaranteed separate accounts represents policyholders’ interests in the separate accounts assets, including accumulated net investment income and realized and unrealized gains and losses on those assets. For the guaranteed separate accounts, the liability represents amounts due to policyholders pursuant to the terms of the contract.

Other Assets and Liabilities

Other assets primarily consist of net DTAs and other receivables.

Other liabilities primarily consist of derivative liabilities, reinsurance payables, amounts payable for undelivered securities and payable to parent.

Nonadmitted Assets

Under statutory accounting practices, certain assets are designated as nonadmitted assets and are not included in the accompanying Statutory Statements of Financial Position since these assets are not permitted by the Department to be taken into account in determining the Company’s financial condition.

Nonadmitted assets typically include agents’ debit balances, DTAs not realizable within three years, and receivables over ninety days past due. Changes to nonadmitted assets are reported as a direct adjustment to surplus in the accompanying Statutory Statements of Changes in Surplus.

Fair Value of Financial Instruments and Insurance Liabilities

Fair value of various assets and liabilities is included throughout the notes to the financial statements. Specifically, fair value disclosure of investments held is reported in Note 6 - Investments. Fair values for derivative instruments are included in Note 7 - Derivative Instruments and Risk Management. Fair values for insurance liabilities are reported in Note 12 - Insurance Liabilities. The aggregate fair value of all financial instruments summarized by type is included in Note 9 - Fair Value Measurements.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Contingencies

Amounts related to contingencies are accrued if it is probable that a liability has been incurred and an amount is reasonably estimable.

At the inception of a guarantee, the Company recognizes an initial liability at fair value for the obligations it has undertaken, regardless of the probability of performance under the guarantee.

Foreign Currency Transactions

For foreign currency items, income and expenses are translated at the average exchange rate for the period while assets and liabilities are translated using the spot rate in effect at the date of the statements. Changes in the asset and liability values due to fluctuations in foreign currency exchange rates are recorded as unrealized capital gains and losses in surplus until the asset is sold or exchanged or the liability is settled. Upon settlement, previously recorded unrealized capital gains and losses are reversed, and the foreign exchange gain or loss for the entire holding period is recorded as a realized capital gain or loss in net income.

NOTE 4 - BUSINESS RISKS AND UNCERTAINTIES

The Company is exposed to various risks, including, but not limited to, insurance, financial, operational, and regulatory risks.

The Company is regulated by the insurance departments of the states and territories where it is licensed to do business. Although the federal government does not directly regulate the business of insurance, federal legislation and administrative policies can significantly and adversely affect the insurance industry and the Company. The Company is unable to predict whether any administrative or legislative proposals, at either the federal or state level, will be adopted in the future, or the effect, if any, such proposals would have on the Company.

The Company's insurance liabilities and assets under management are exposed to market risk, policyholder behavior risk, and mortality/longevity risk. Market volatility and other equity market conditions may affect the Company’s exposure to risks related to guaranteed death benefits and guaranteed living benefits on variable annuity ("VA") and certain variable universal life ("VUL") products issued by the Company. Furthermore, the level of sales of the Company’s insurance and investment products is influenced by many factors, including general market rates of interest, the strength, weakness and volatility of equity markets, and terms and conditions of competing products.

The Company is exposed to the risks normally associated with an investment portfolio, which include general risk of loss of investment, market volatility, interest rate, liquidity, credit, valuation, regulatory change, currency, geographic and counterparty risks. In addition, the investment portfolio is exposed to climate risk, which may affect the value of the Company’s investments.

The Company is subject to various operational risks that could adversely impact its profitability, notably technology risks, which include cybersecurity. Technology risks may involve failures or inadequacies in the Company’s technology systems, including the risk of damage to or theft of Company information, whether in digital or physical formats, or breaches of the Company’s technology platforms. Operational risks also include business disruption risks, which may involve disruptions to mission-critical business functions as a result of system or infrastructure failures, malicious activity, pandemics, and natural and man-made disasters. Climate change may increase the frequency and severity of certain natural disasters that can lead to operational risks.

The Company continues to monitor the economic environment and other potential impacts that could result from current or future outbreaks of infectious diseases, viruses (including COVID-19), epidemics or pandemics.

NOTE 5 - RECENT ACCOUNTING PRONOUNCEMENTS

Changes in Accounting Principles

Accounting changes adopted to conform to the provisions of NAIC SAP or other state prescribed accounting practices are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is generally reported as an adjustment to unassigned surplus in the period of the change in accounting principle. Generally, the cumulative effect is the difference between the amount of capital and surplus at the beginning of the year and the amount of capital and surplus that would have been reported at that date if the new accounting principles had been applied retroactively for all prior periods.

During 2024, the NAIC adopted changes to SSAP No. 21 "Other Admitted Assets," which revise the accounting guidance for residual tranches of securitizations. The new guidance provides a practical expedient that allows for the use of a cost recovery method. Under the cost recovery method, distributions received from the investment are treated as a reduction of the residual's book value. Investment income is not recognized until the book value of the residual has been reduced to zero. The Company early adopted the new guidance on a prospective basis on October 1, 2024. There was no impact to surplus upon adoption. The Company reclassified $1 million from unrealized gains to realized gains upon adoption.

During 2023, the NAIC adopted revisions to SSAP No. 48 "Joint Ventures, Partnerships and Limited Liability Companies", SSAP No. 30 "Common Stock" and SSAP No. 32 "Preferred Stock" regarding residual investments. The amended guidance clarified that equity investments issued from entities that are in substance securitization vehicles are to be reported as residual investments. The adoption of this guidance had no impact to the Company's surplus, but required the reclassification of $3 million at December 31, 2023 of investments in limited partnerships as residual investments.

In 2023, the NAIC adopted Interpretation ("INT") 23-01, which prescribes limited-time, optional, statutory accounting guidance as an exception to the existing guidance detailed in SSAP No. 7 “Asset Valuation Reserve and Interest Maintenance Reserve” and the annual statement instructions that requires non-admittance of a negative IMR. Under the INT, reporting entities are allowed to admit negative IMR if certain criteria are met. The adoption of this guidance allowed the Company to admit $544 million (including $16 million from Separate Accounts) and $328 million of negative IMR at December 31, 2024 and December 31, 2023, respectively, which increased the Company's total assets. There was no impact to net income from this change. New disclosures required under the INT have been included in Note 6 – Investments.

In 2023, the NAIC adopted revisions to SSAP No. 86 “Derivatives”, which adopt with modification U.S. GAAP guidance in determining hedge effectiveness. More specifically, SSAP No. 86 was modified to incorporate measurement guidance for excluded components when measuring hedge effectiveness of foreign currency swaps and foreign currency forwards. In addition, new guidance was added regarding the portfolio layer method and partial term hedges for fair value hedges. The Company adopted this guidance on January 1, 2023 with no impact to surplus at adoption. New disclosures related to this guidance were added to Note 7 - Derivative Instruments and Risk Management.

The NAIC adopted revisions to SSAP No. 43R “Loan-Backed and Structured Securities” to require residual tranches of securitizations to be reported as other invested assets at the lower of cost or market. Residual tranches have been defined under SSAP No. 43R as those investments in a securitization that have no contractual payments, whether principal or interest, or both and where payment to the holders of the instruments only occurs after contractual interest and principal payments have been made to the other tranches in the securitization based on any remaining funds. The Company adopted this guidance at December 31, 2022 and reclassified residual tranches with a book value of $94 million from Bonds to Other invested assets. The reclassification had no impact on income or surplus.

NOTE 5 - RECENT ACCOUNTING PRONOUNCEMENTS (continued)

The NAIC adopted revisions to SSAP No. 25 “Affiliates and Other Related Parties” in 2022, with additional revisions issued in 2023, to clarify that for entities not controlled by voting interests, such as limited partnerships, trusts and other special purpose entities, control may be held by a general partner, servicer, or by other arrangements. The ability of the reporting entity or its affiliates to direct the management and policies of an entity through such arrangements shall constitute control as defined in SSAP No. 25. Updates were also adopted in SSAP No. 43R to clarify that investments from any arrangement that results in direct or indirect control of an investee, which include but are not limited to control through a servicer or other controlling arrangement, shall be reported as affiliated in accordance with SSAP No. 25. The Company invests in asset-backed securities issued by securitization vehicles that are managed by its asset management affiliates. These investments do not have any credit risk exposure to affiliates, but are now reported as affiliated investments in Note 6 - Investments based on the revisions adopted. Reporting these investments as affiliated only impacted disclosures and had no impact on the Company’s income or surplus.

In 2020, the NAIC issued Interpretation 20-01 to provide statutory accounting and reporting guidance for the adoption of ASU 2020-04 *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* under U.S. GAAP. This Interpretation adopts, with minor modification, the U.S. GAAP adopted guidance, which provides optional expedients and exceptions for applying current accounting guidance to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met, through December 31, 2024. The Company is performing an ongoing evaluation of the impact of reference rate reform on its contracts and hedging relationships. Since most of the Company's contracts and hedging relationships are expected to meet the criteria for applying the accounting expedients listed in the Interpretation, reference rate reform has no material impact to the Company's surplus or net income at December 31, 2024.

NOTE 6 - INVESTMENTS

Bonds

The carrying value and estimated fair value of bonds by maturity at December 31, 2024 and 2023, were as follows (in millions):

	2024		2023	
	Carrying Value	**Estimated Fair Value**	**Carrying Value**	**Estimated Fair Value**
Due in one year or less	$ 10,551	$ 10,455	$ 7,562	$ 7,396
Due after one year through five years(1)	37,460	36,415	40,965	39,741
Due after five years through ten years	24,871	23,273	25,625	23,810
Due after ten years	29,251	24,372	27,905	24,094
Total	$ 102,133	$ 94,516	$ 102,056	$ 95,041

(1) Includes an affiliated bond issued by Madison Capital Funding LLC (“MCF”) and two affiliated bonds issued by NYL Investment Management Holdings LLC ("NYL Investments"). Refer to Note 11 - Related Party Transactions for a more detailed discussion of related party investments.

Corporate bonds are shown based on contractual maturity. Expected maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties. Mortgage and asset-backed securities ("ABS") are not due at a single maturity date and therefore are shown based on the expected cash flows of the underlying loans, which includes estimates of anticipated future prepayments.

In addition to the information disclosed above, short-term investments with a carrying value of $150 million and $44 million at December 31, 2024 and 2023, respectively, and cash equivalents with a carrying value of $3,398 million and $1,875 million at December 31, 2024 and 2023, respectively, are due in one year or less. Carrying value approximates fair value for these investments.

NOTE 6 - INVESTMENTS (continued)

At December 31, 2024 and 2023, the distribution of gross unrealized gains and losses on bonds were as follows (in millions):

	2024			
	Carrying Value	Unrealized Gains	Unrealized Losses	Estimated Fair Value
U.S. governments	$ 5,127	$ 2	$ 1,412	$ 3,717
All other governments	260	1	19	243
U.S. special revenue and special assessment	9,345	23	1,129	8,238
Industrial and miscellaneous unaffiliated	83,183	456	5,550	78,089
Parent, subsidiaries, and affiliates[1]	3,298	22	6	3,314
Hybrid securities	358	5	9	353
SVO identified funds	562	—	—	562
Total	$ 102,133	$ 509	$ 8,126	$ 94,516

[1] The carrying value includes $267 million of ABS investments that are managed by affiliates of the Company but have no credit risk exposure to those affiliates.

	2023			
	Carrying Value	Unrealized Gains	Unrealized Losses	Estimated Fair Value
U.S. governments	$ 5,663	$ 12	$ 1,237	$ 4,438
All other governments	247	3	17	233
U.S. special revenue and special assessment	10,509	59	1,011	9,557
Industrial and miscellaneous unaffiliated	81,442	611	5,370	76,683
Parent, subsidiaries, and affiliates[1]	3,120	1	34	3,087
Hybrid securities	319	2	31	289
SVO identified funds	755	—	—	755
Total	$ 102,056	$ 687	$ 7,702	$ 95,041

[1] The carrying value includes $241 million of ABS investments that are managed by affiliates of the Company but have no credit risk exposure to those affiliates.

Common and Preferred Stocks

The following table presents the carrying value and change in unrealized gains (losses) of common and preferred stocks at December 31, 2024 and 2023 (in millions):

	2024		2023	
	Carrying Value	Change in Unrealized Gains (Losses)	Carrying Value	Change in Unrealized Gains (Losses)
Common stocks	$ 732	$ (9)	$ 615	$ (172)
Preferred stocks	43	—	44	(3)
Total	$ 775	$ (9)	$ 659	$ (175)

NOTE 6 - INVESTMENTS (continued)

Mortgage Loans

The Company's mortgage loans are diversified by property type, location and borrower, and are collateralized. The maximum and minimum lending rates for new commercial mortgage loans funded during 2024 were 11.5% and 5.0% and funded during 2023 were 12.7% and 5.5%, respectively. For 2024 and 2023, the maximum percentage of any one commercial loan to the value of the collateral at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages, was 92.4% (average percentage was 58.1% and 58.0% at December 31, 2024 and 2023, respectively). For 2024 and 2023, the maximum percentage of any residential loan to the value of the collateral at the time of the loan was 80.0% (average percentage was 43.4% and 46.4% at December 31, 2024 and 2023, respectively). The Company has no significant credit risk exposure to any one individual borrower.

The majority of the Company's commercial mortgage loans were held in a form of participations with the carrying value of $17,447 million and $15,185 million at December 31, 2024 and 2023, respectively. These loans were originated or acquired by New York Life. Refer to Note 11 - Related Party Transactions for more detail on these transactions.

At December 31, 2024 and 2023, the distribution of the mortgage loan portfolio by property type and geographic location was as follows ($ in millions):

	2024		2023	
	Carrying Value	**% of Total**	**Carrying Value**	**% of Total**
Property Type:				
Industrial	$ 6,162	35.3 %	$ 4,713	30.4 %
Apartment buildings	4,968	28.5	4,225	27.3
Office buildings	2,881	16.5	3,304	21.3
Retail facilities	2,627	15.1	2,742	17.7
Hotels	356	2.0	301	1.9
Other	453	2.6	195	1.3
Residential	4	—	4	—
Total	$ 17,450	100.0 %	$ 15,484	100.0 %

	2024		2023	
	Carrying Value	**% of Total**	**Carrying Value**	**% of Total**
Geographic Location:				
Central	$ 5,086	29.1 %	$ 4,331	28.0 %
Pacific	3,956	22.7	3,641	23.5
South Atlantic	4,185	24.0	3,530	22.8
Middle Atlantic	3,516	20.1	3,215	20.8
New England	607	3.5	673	4.3
Other	100	0.6	93	0.6
Total	$ 17,450	100.0 %	$ 15,484	100.0 %

At December 31, 2024 and 2023, mortgage loans of $82 million and $110 million, respectively, were past due 90 days and over.

NOTE 6 - INVESTMENTS (continued)

The Company maintains a watchlist of commercial mortgage loans that may potentially be impaired. Some of the general guidelines analyzed to include commercial loans within the watchlist are loan-to-value ratio ("LTV"), asset performance such as debt service coverage ratio, lease rollovers, income and expense hurdles, major tenant or borrower issues, the economic climate, and catastrophic events, among others. Collateral securing loans placed on the watchlist generally take priority in being revalued in the Company's inspection/evaluation commercial loan program that revalues properties securing commercial mortgage loans.

Fair value of the collateral for commercial mortgages (excluding credit loans) over $10 million is generally updated every three years, unless a more current appraisal is warranted. For portfolio loans, which are collateralized by multiple commercial properties, inspections are done every three years for approximately 50% of the property value in the portfolio. Commercial mortgages less than $10 million have an on-site inspection performed by an external inspection service generally every three years. If the loan is determined to be potentially troubled, the loan is more frequently monitored as to its status. Certain properties that serve as collateral for commercial mortgages have been placed on a different schedule to address additional risks that resulted from rising interest rates or distress in the market due to return to work issues. LTV, which is based on collateral values, is deemed as one of the key mortgage loan indicators to assess credit quality and to assist in identifying problem loans. At December 31, 2024 and 2023, LTVs on the Company's mortgage loans were as follows (in millions):

	2024							
Loan to Value % (By Class)	**Apartment Buildings**	**Office Buildings**	**Industrial**	**Retail Facilities**	**Hotels**	**Residential**	**Other**	**Total**
Above 95%	$ —	$ 161	$ —	$ —	$ —	$ —	$ 8	$ 170
91% to 95%	86	108	—	72	13	—	—	280
81% to 90%	76	346	—	13	—	—	—	434
71% to 80%	486	569	195	345	23	—	16	1,635
Below 70%	4,321	1,696	5,967	2,197	319	4	428	14,932
Total	$ 4,968	$ 2,881	$ 6,162	$ 2,627	$ 356	$ 4	$ 453	$ 17,450

	2023							
Loan to Value % (By Class)	**Apartment Buildings**	**Office Buildings**	**Industrial**	**Retail Facilities**	**Hotels**	**Residential**	**Other**	**Total**
Above 95%	$ —	$ 254	$ —	$ —	$ —	$ —	$ —	$ 254
91% to 95%	6	47	—	110	—	—	8	171
81% to 90%	70	462	—	203	36	—	—	771
71% to 80%	91	394	110	254	—	—	14	862
Below 70%	4,059	2,147	4,603	2,176	265	4	173	13,426
Total	$ 4,225	$ 3,304	$ 4,713	$ 2,742	$ 301	$ 4	$ 195	$ 15,484

NOTE 6 - INVESTMENTS (continued)

At December 31, 2024 and 2023, impaired mortgage loans were as follows (in millions):

	2024					
Type	Impaired Loans with Allowance for Credit Losses	Related Allowance	Impaired Loans Without Allowance for Credit Losses	Average Recorded Investment	Interest Income Recognized	Interest Income on a Cash Basis During the Period
Residential	$ —	$ —	$ —	$ —	$ —	$ —
Commercial	63	15	98	150	5	1
Total	$ 63	$ 15	$ 98	$ 150	$ 5	$ 1

	2023					
Type	Impaired Loans with Allowance for Credit Losses	Related Allowance	Impaired Loans Without Allowance for Credit Losses	Average Recorded Investment	Interest Income Recognized	Interest Income on a Cash Basis During the Period
Residential	$ —	$ —	$ —	$ —	$ —	$ —
Commercial	191	72	110	150	14	11
Total	$ 191	$ 72	$ 110	$ 150	$ 14	$ 11

Other Invested Assets

The carrying value of other invested assets at December 31, 2024 and 2023 consisted of the following (in millions):

	2024	2023
Limited partnerships and limited liability companies[(1)]	1,723	1,424
Affiliated non-insurance subsidiaries	1,372	1,238
Other investments	239	324
Derivative collateral	102	137
Residuals	155	139
Tax credit investments	330	308
Loan to affiliates	9	13
Total other invested assets	$ 3,930	$ 3,583

[(1)] At December 31, 2024 and 2023, the Company had $7 million and $4 million, respectively, of investments in other invested assets that were nonadmitted, and therefore, excluded from the amounts above.

NOTE 6 - INVESTMENTS (continued)

Net investment income (loss) and change in unrealized gains (losses) for other invested assets for the years ended December 31, 2024 and 2023 consisted of the following (in millions):

	2024		2023		2022	
	Net Investment Income (Loss)	**Change in Unrealized Gains (Losses) [1]**	**Net Investment Income (Loss)**	**Change in Unrealized Gains (Losses) [1]**	**Net Investment Income (Loss)**	**Change in Unrealized Gains (Losses) [1]**
Limited partnerships and limited liability companies	$ 53	$ 10	$ 47	$ (58)	$ 41	$ (12)
Affiliated non-insurance subsidiaries	98	134	345	(79)	176	29
Other Invested Assets	9	—	8	—	9	—
Real estate investment property	17	—	17	—	22	—
Residuals	11	4	17	(5)	2	(7)
Tax credit Investments	(38)	—	(36)	—	(40)	—
Loans to affiliates	1	—	1	—	1	—
Total other invested assets	$ 151	$ 148	$ 399	$ (142)	$ 211	$ 10

[1] Includes unrealized foreign exchange gains (losses) of $8 million, $2 million and $(18) million in 2024, 2023 and 2022 respectively.

Affiliated non-insurance subsidiaries consist of the Company's limited liability company investment in (MCF). The Company owns a majority interest in MCF. Dividends are recorded in Net investment income in the accompanying Statutory Statements of Operations when declared and changes in the equity of this investment are recorded in Change in unrealized capital gains on investments in the accompanying Statutory Statements of Financial Position.

Limited partnerships and limited liability companies primarily consist of limited partnership interests in leveraged buy-out funds, real estate funds, and other private equity investments. Distributions, other than those deemed a return of capital, are recorded as Net investment income in the accompanying Statutory Statements of Operations. Undistributed earnings are included in Change in net unrealized capital gains on investments in the accompanying Statutory Statements of Changes in Capital and Surplus.

Effective October 1, 2024, residual tranches of securitizations are reported using a cost recovery method where distributions received are treated as a reduction of the residual's book/adjusted carrying value. Investment income is not recognized until the book/adjusted carrying value of the residual has been reduced to zero. Prior to October 1, 2024, most residuals were reported at the lower of cost or market and income was accrued using an effective yield method. Interest earned on these investments is included in Net Investment Income in the accompanying Statutory Statement of Operations.

Other investments consist primarily of investments in surplus notes and other investments with characteristics of debt. Interest earned on these investments is included in Net investment income in the accompanying Statutory Statements of Operations. Included are two collateral loans, one backed by the US government and the other backed by US government securities with a total carrying value of $12 million at December 31, 2024. Interest earned on these investments is included in Net investment income in the accompanying Statutory Statements of Operations.

The Company has equity investments in Low Income Housing Tax Credit ("LIHTC") and wind energy LLCs and debt investments in New Market Tax Credit ("NMTC") LLCs, which have the primary purpose of generating tax credits for the Company. Investments in LIHTC and NMTC tax credit structures are initially recorded at cost and carried at amortized cost unless considered impaired. The amortization of these investments is reported in Net investment income in the accompanying Statutory Statement of Operations. Wind energy investments are reported under the equity method of accounting and the equity pick up is reported in Net investment income in the accompanying Statutory Statement of Operations. The tax credits received on all tax credit investments are recorded in Income Tax Expense in the accompanying Statutory Statement of Operations.

NOTE 6 - INVESTMENTS (continued)

The Company's unexpired tax credits on its investments in LIHTC expire within a range of 1 year to 13 years. During 2024, 2023 and 2022, the Company recorded amortization on these investments under the proportional amortized cost method of $22 million, $17 million, and $10 million, respectively. The Company recorded tax credits and other tax benefits on these investments of $25 million, $20 million, and $12 million for 2024, 2023 and 2022, respectively. The minimum holding period required for the Company's LIHTC investments extends from 1 years to 15 years. The LIHTC investments are periodically subject to regulatory reviews by housing authorities where the properties are located. The Company is not aware of any adverse issues related to such regulatory reviews.

Admitted Goodwill

The following table represents goodwill generated under the statutory purchase method of accounting ($ in millions):

Purchased Entity	Financial Statement Line	Acquisition Date	Cost of Acquisition	Original Amount of Goodwill	Original Amount of Goodwill Admitted	Admitted Goodwill at 12/31/24	Amortization for the Year Ended 12/31/24	Book Value	Admitted Goodwill as a % of Book Adjusted Carrying Value, Gross of Admitted Goodwill
Stone Ridge Holdings Group LLC	Other invested assets	1/19/2024	$ 250	$ 153	$ 153	$ 138	$ 15	$ 254	54 %

As required under NAIC SAP, goodwill is limited in the aggregate to 10% of the acquiring entity's capital and surplus, adjusted to exclude any net positive goodwill, electronic database processing equipment and operating system software, and net deferred tax assets. The table below shows the calculation of the Company's adjusted surplus for purposes of the goodwill admissibility calculation ($ in millions):

	Calculation of Limitation as of	
	September 30, 2024	December 31, 2024
Capital and surplus	$ 8,282	
Less:		
Admitted positive goodwill	142	
Admitted EDP equipment and operating system software	—	
Admitted net deferred taxes	699	
Total adjustments	841	
Adjusted capital and surplus	$ 7,441	
Limitation on amount of goodwill (adjusted capital and surplus times 10%)		$ 744
Current period reported admitted goodwill		$ 138
Current period admitted goodwill as a % of prior period adjusted capital and surplus		2 %

NOTE 6 - INVESTMENTS (continued)

Assets on Deposit or Pledged as Collateral

At December 31, 2024 and 2023, the Company's restricted assets (including pledged collateral) were as follows ($ in millions):

	2024						
	Gross (Admitted and Nonadmitted) Restricted					Percentage	
Restricted Asset Category	Total General Account	Total From Prior Year	Increase (Decrease)	Total Nonadmitted Restricted	Total Admitted Restricted	Gross (Admitted and Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Collateral held under security lending agreements	$ 1,000	$ 675	$ 325	$ —	$ 1,000	0.5 %	0.5 %
Subject to reverse repurchase agreements	460	210	250	—	460	0.2	0.2
Subject to dollar repurchase agreements	—	—	—	—	—	0.0	0.0
Letter stock or securities restricted as to sale - excluding Federal Home Loan Bank ("FHLB") capital stock	28	37	(9)	—	28	0.0	0.0
FHLB capital stock	25	25	—	—	25	0.0	0.0
On deposit with states	5	4	1	—	5	0.0	0.0
Pledged as collateral or other restricted assets not captured in other categories	6	10	(4)	—	6	0.0	0.0
Total restricted assets	$ 1,523	$ 961	$ 563	$ —	$ 1,524	0.7 %	0.7 %

	2023						
	Gross (Admitted and Nonadmitted) Restricted					Percentage	
Restricted Asset Category	Total General Account	Total From Prior Year	Increase (Decrease)	Total Nonadmitted Restricted	Total Admitted Restricted	Gross (Admitted and Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Collateral held under security lending agreements	$ 675	$ 675	$ —	$ —	$ 675	0.3 %	0.3 %
Subject to reverse repurchase agreements	210	185	25	—	210	0.1	0.1
Subject to dollar repurchase agreements	—	—	—	—	—	0.0	0.0
Letter stock or securities restricted as to sale - excluding FHLB capital stock	37	38	(1)	—	37	0.0	0.0
FHLB capital stock	25	25	—	—	25	0.0	0.0
On deposit with states	4	4	—	—	4	0.0	0.0
Pledged as collateral not captured in other categories	10	3	7	—	10	0.0	0.0
Total restricted assets	$ 961	$ 930	$ 31	$ —	$ 961	0.5 %	0.5 %

NOTE 6 - INVESTMENTS (continued)

Loaned Securities and Repurchase Agreements

The Company participates in securities lending programs whereby securities, which are included in investments, are loaned to third-parties for the purpose of enhancing income on securities held through reinvestment of cash collateral received upon lending. For securities lending transactions, the Company requires initial collateral, usually in the form of cash, equal to 102% of the fair value of domestic securities loaned. The borrower of the loaned securities is permitted to sell or repledge those securities. At December 31, 2024, the Company recorded cash collateral received under these agreements of $1,000 million, and established a corresponding liability for the same amount, which is included in Amounts payable under security lending agreements in the accompanying Statutory Statements of Financial Position. For securities lending transactions, the carrying value of securities classified as bonds and on loan at December 31, 2024 was $1,010 million with a fair value of $975 million. At December 31, 2023, the carrying value was $688 million, with a fair value of $658 million. The reinvested collateral is reported in bonds, and Cash, cash equivalent and short-term investments in the accompanying Statutory Statements of Financial Position. The total fair value of all reinvested collateral positions was $1,040 million and $707 million at December 31, 2024 and 2023, respectively.

At December 31, 2024, the carrying value and fair value of securities held under agreements to purchase and resell was $460 million, which were classified as tri-party reverse repurchase agreements and included in Cash, cash equivalents, and short-term investments in the accompanying Statutory Statements of Financial Position. The securities had a weighted average maturity of 2 days and a weighted average yield of 4.5%. At December 31, 2023, the carrying value and fair value of securities held under agreements to purchase and resell was $210 million which were classified as tri-party reverse repurchase agreements and included in Cash, cash equivalents, and short-term investments in the accompanying Statutory Statements of Financial Position. The securities had a weighted average maturity of 2 days and a weighted average yield of 5.3%.

The Company participates in dollar repurchase agreements to sell and repurchase securities. The purchaser of the securities is permitted to sell or repledge those securities. The liability for repurchasing the assets is included in Borrowed money in the accompanying Statutory Statements of Financial Position. At December 31, 2024 and 2023, the Company was not a party to any dollar repurchase agreements in the general account. At December 31, 2024 and 2023, the Company was not a party to any dollar repurchase agreements in the separate accounts.

Collateral Received

At December 31, 2024 and 2023, assets received as collateral reflected within the accompanying Statutory Statements of Financial Position, along with a liability to return such collateral, were as follows ($ in millions):

	2024			
Cash Collateral Assets	**Book/Adjusted Carrying Value**	**Fair Value**	**% Total Assets (Admitted and Nonadmitted)**	**% Total Admitted Assets**
Securities lending	$ 1,000	$ 1,000	0.7 %	0.7 %
Derivatives	1,253	1,253	0.9	0.9
Total	$ 2,253	$ 2,253	1.5 %	1.6 %

	2023			
Cash Collateral Assets	**Book/Adjusted Carrying Value**	**Fair Value**	**% Total Assets (Admitted and Nonadmitted)**	**% Total Admitted Assets**
Securities lending	$ 675	$ 675	0.5 %	0.5 %
Derivatives	838	838	0.6	0.6
Total	$ 1,513	$ 1,513	1.1 %	1.1 %

NOTE 6 - INVESTMENTS (continued)

	2024			2023		
Recognized Liability to Return Collateral	**Amount**	**% Total Liabilities**		**Amount**	**% Total Liabilities**	
Amounts payable under securities lending agreements	$ 1,000	0.7	%	$ 675	0.5	%
Other liabilities (derivatives)	1,241	0.9		823	0.6	
Separate accounts liabilities (derivatives)	12	—		14	—	
Borrowed money (repurchase agreements)	—	—		—	—	
Total	$ 2,253	1.6	%	$ 1,513	1.1	%

Cash received on securities lending transactions and repurchase agreements is then reinvested in short-term investments and bonds with various maturities.

Composition of Collateral Received

The following tables present the terms and amounts of cash collateral received under security lending transactions and dollar repurchase agreements for the following types of securities loaned at December 31, 2024 and 2023 (in millions):

	2024					
	Remaining Contractual Maturity of the Agreements					
	Open	**30 days or less**	**31 to 60 days**	**61 to 90 days**	**Greater than 90 days**	**Total**
US. Treasury	$ —	$ —	$ —	$ —	$ —	$ —
U.S. government corporation & agencies	2	—	—	—	—	2
Foreign governments	—	—	—	—	—	—
U.S. corporate	827	—	—	—	—	827
Foreign corporate	171	—	—	—	—	171
Total general account securities lending transactions	$ 1,000	$ —	$ —	$ —	$ —	$ 1,000

	2023					
	Remaining Contractual Maturity of the Agreements					
	Open	**30 days or less**	**31 to 60 days**	**61 to 90 days**	**Greater than 90 days**	**Total**
US. Treasury	$ 84	$ —	$ —	$ —	$ —	$ 84
U.S. government corporation & agencies	1	—	—	—	—	1
Foreign governments	3	—	—	—	—	3
U.S. corporate	498	—	—	—	—	498
Foreign corporate	89	—	—	—	—	89
Total general account securities lending transactions	$ 675	$ —	$ —	$ —	$ —	$ 675

At December 31, 2024 and 2023, there were no separate account securities cash collateral received under securities lending agreements.

NOTE 6 - INVESTMENTS (continued)

Reinvestment of Collateral Received

The following tables present the term and aggregate fair value at December 31, 2024 and 2023 from the reinvestment of all collateral received in securities lending and dollar repurchase agreements (in millions):

	2024		2023	
Period to Maturity	**Amortized Cost**	**Fair Value**	**Amortized Cost**	**Fair Value**
Open	$ —	$ —	$ —	$ —
30 days or less	773	773	429	429
31 to 60 days	25	25	37	37
61 to 90 days	84	84	42	42
91 to 120 days	27	27	—	—
121 to 180 days	26	26	6	6
181 to 365 days	35	35	36	36
1 to 2 years	70	71	86	86
2 to 3 years	—	—	70	70
Greater than 3 years	—	—	—	—
Total collateral reinvested	$ 1,039	$ 1,040	$ 706	$ 707

To help manage the mismatch of maturity dates between the security lending transactions and the related reinvestment of the collateral received, the Company invests in highly liquid assets.

Reverse Repurchase Agreement Transactions

The following table provides contractual maturity, maximum balance during the year, and ending balance for tri-party reverse repurchase agreements at December 31, 2024 and 2023 (in millions):

	2024		2023	
	Maximum Balance	**Ending Balance**	**Maximum Balance**	**Ending Balance**
Open - No Maturity	$ —	$ —	$ —	$ —
Overnight	$ 481	$ —	$ —	$ —
2 Days to 1 Week	$ —	$ 460	$ 221	$ 210
> 1 Week to 1 Month	$ —	$ —	$ —	$ —
> 1 Month to 3 Months	$ —	$ —	$ —	$ —
> 3 Months to 1 Year	$ —	$ —	$ —	$ —
> 1 Year	$ —	$ —	$ —	$ —

At December 31, 2024 and 2023, the Company did not have any defaulted reverse repurchase agreements.

NOTE 6 - INVESTMENTS (continued)

The following table presents the fair value of securities acquired under tri-party reverse repurchase agreement transactions, which were all NAIC rating of 1, for all four quarters of 2024 and 2023 (in millions):

	Maximum Balance	Ending Balance
Fourth Quarter 2024	$ 476	$ 460
Third Quarter 2024	$ 481	$ 458
Second Quarter 2024	$ 477	$ 460
First Quarter 2024	$ 465	$ 465
Fourth Quarter 2023	$ 221	$ 210
Third Quarter 2023	$ 224	$ 210
Second Quarter 2023	$ 222	$ 221
First Quarter 2023	$ 221	$ 206

The following table presents the securities at fair value pledged as collateral used in tri-party reverse repurchase agreement transactions by remaining contractual maturity for four quarters of 2024 and 2023 (in millions):

	Overnight and Continuous	30 days or Less	31 to 90 Days	> 90 Days
Maximum Amount				
Fourth Quarter 2024	$ —	$ —	$ —	$ 486
Third Quarter 2024	$ —	$ —	$ —	$ 491
Second Quarter 2024	$ —	$ —	$ —	$ 486
First Quarter 2024	$ —	$ —	$ —	$ 475
Fourth Quarter 2023	$ —	$ —	$ —	$ 226
Third Quarter 2023	$ —	$ —	$ —	$ 228
Second Quarter 2023	$ —	$ —	$ —	$ 226
First Quarter 2023	$ —	$ —	$ —	$ 225
Ending Balance				
Fourth Quarter 2024	$ —	$ —	$ —	$ 469
Third Quarter 2024	$ —	$ —	$ —	$ 467
Second Quarter 2024	$ —	$ —	$ —	$ 469
First Quarter 2024	$ —	$ —	$ —	$ 475
Fourth Quarter 2023	$ —	$ —	$ —	$ 215
Third Quarter 2023	$ —	$ —	$ —	$ 214
Second Quarter 2023	$ —	$ —	$ —	$ 226
First Quarter 2023	$ —	$ —	$ —	$ 210

At December 31, 2024, and 2023, the Company had no recognized receivable for return of collateral or a recognized liability to return collateral.

NOTE 6 - INVESTMENTS (continued)

Insurer Self-Certified Securities

The following represents securities for which the Company does not have all the information required for the NAIC to provide an NAIC designation, but for which the Company is receiving timely payments of principal and interest. These securities are referred to as "5GI Securities" ($ in millions):

General Account	2024			2023		
Investments	Number of 5GI Securities	Carrying Value	Estimated Fair Value	Number of 5GI Securities	Carrying Value	Estimated Fair Value
Bonds - amortized cost	1	$ —	$ —	9	$ 14	$ 13
Loan-backed and structured securities - amortized cost	6	1	2	43	44	47
Preferred stock - amortized cost	—	—	—	—	—	—
Preferred stock - fair value	2	—	—	—	—	—
Total general account	9	$ 1	$ 2	—	$ 58	$ 60
Separate account:						
Loan-backed and structured securities - amortized cost	—	$ —	$ —	2	$ —	$ 1
Total separate account	—	$ —	$ —	2	$ —	$ 1

NOTE 6 - INVESTMENTS (continued)

Collateral Loans

The following table presents the aggregate collateral loans by qualifying investment collateral as of December 31, 2024 (in millions):

Collateral Type	Aggregate Collateral Loan	Admitted	Nonadmitted
Bonds			
a. Affiliated	$ —	$ —	$ —
b. Unaffiliated	1	1	—
Other Qualifying Investments			
a. Affiliated	—	—	—
b. Unaffiliated[1]	10	10	—
Total	$ 12	$ 12	$ —

[1] Includes a US government guaranteed loan that is guaranteed by the Export-Import Bank (EXIM) of the United States.

Wash Sales

In the course of the Company's investment management activities, securities may be sold and repurchased within 30 days of the sale date to meet individual portfolio objectives and to achieve the ongoing rebalancing of exposure.

The Company did not have any wash sales where securities with an NAIC rating designation of 3 or below, or unrated, were sold during the years ended December 31, 2024, and reacquired within 30 days of the sale date. The details by NAIC designation of 3 or below, or unrated, securities sold during the years ended December 31, 2023, and reacquired within 30 days of the sale date are as follows ($ in millions):

-

		2023			
Description	NAIC Designation	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Realized Gains (Losses)
Bonds	NAIC 3	1	$ 1	$ 1	$ —
Bonds	NAIC 4	—	—	—	—
Bonds	NAIC 5	—	—	—	—
Bonds	NAIC 6	—	—	—	—
Preferred stock	NAIC 3	—	—	—	—
Preferred stock	NAIC 4	—	—	—	—
Preferred stock	NAIC 5	—	—	—	—
Preferred stock	NAIC 6	—	—	—	—
Common stock[1]		5	—	—	—
		6	$ 1	$ 1	$ —

[1] Book value of securities sold and cost of securities repurchased are both less than a million.

NOTE 6 - INVESTMENTS (continued)

Admitted Negative IMR

IMR was admitted up to 10% of the Company's adjusted Capital and Surplus. Capital and Surplus was adjusted to exclude net positive admitted goodwill, electronic data processing equipment and operating system software, admitted negative IMR, and net deferred tax assets. The computation of adjusted Capital and Surplus for purposes of negative IMR admissibility is included below ($ in millions):

	2024			
	Total	General Account	Insulated Separate Account	Non-Insulated Separate Account
(1) Net negative (disallowed) IMR	$ 544	$ 528	$ 16	$ —
(2) Negative (disallowed) IMR admitted	544	528	16	—
(3) Calculated adjusted capital and surplus				
Prior Period General Account Capital & Surplus	8,282			
From Prior Period SAP Financials				
Net Positive Goodwill (admitted)	142			
EDP Equipment & Operating System Software (admitted)	—			
Net DTAs (admitted)	699			
Net Negative (disallowed) IMR (admitted)	590			
Adjusted Capital & Surplus	$ 6,852			
(4) Percentage of adjusted capital and surplus				
Percentage of Total Net Negative (disallowed) IMR admitted in General Account or recognized in Separate Account to adjusted capital and surplus	7.9 %			
(5) Allocated gains/losses to IMR from derivatives				
	Gains	Losses		
Unamortized Fair Value Derivative Gains & Losses Realized to IMR - Prior Period	$ 329	$ 397		
Fair Value Derivative Gains & Losses Realized to IMR - Added in Current Period	$ 65	$ 73		
Fair Value Derivative Gains & Losses Amortized Over Current Period	$ 52	$ 50		
Unamortized Fair Value Derivative Gains & Losses Realized to IMR - Current Period Total	$ 342	$ 421		

The Company engages in prudent portfolio management that may require sales of its fixed income investments in order to rebalance the portfolio and match the duration of the Company's insurance liabilities. Proceeds from the sale of fixed income investments made for these purposes are reinvested in similar assets. If sales are executed due to liquidity pressures related to the Company's insurance contracts (i.e., excess withdrawal activity), any related realized gains and losses are not deferred into the IMR. The Company uses different derivative instruments to manage interest rate risk. Derivatives trading is made in accordance with the Company's investment management policies and is in accordance with the Company's derivatives use plan, which is filed with NYSDFS. The Company is allowed to include realized gains and losses arising from the sale of derivatives carried at fair value while held as the Company's policy has historically been to defer in the IMR realized gains and losses from all of its interest rate hedges where the underlying is subject to the IMR regardless of whether the derivative is reported at fair value or amortized cost.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT

The Company uses derivative instruments to manage interest rate, equity and currency risk, and to replicate otherwise permissible investments. These derivative instruments include foreign currency and bond forwards, interest rate and equity options, interest rate and equity futures, interest rate, total return, credit default and foreign currency swaps. The Company does not engage in derivative instrument transactions for speculative purposes.

The Company may enter into exchange traded futures and over-the-counter ("OTC") derivative instruments. Exchange traded derivatives are executed through regulated exchanges and require initial and daily variation margin collateral postings. The Company is exposed to credit risk resulting from default of the exchange.

OTC derivatives may either be cleared through a clearinghouse ("OTC-cleared") or transacted between the Company and a counterparty under bilateral agreements ("OTC-bilateral"). Similar to exchange traded futures, OTC-cleared derivatives require initial and daily variation margin collateral postings. When transacting OTC-cleared derivatives, the Company is exposed to credit risk resulting from default of the clearinghouse and/or default of the Futures Commission Merchant (e.g. clearinghouse agent).

When transacting OTC-bilateral derivatives, the Company is exposed to the potential default of its OTC-bilateral counterparty. The Company manages its credit risk by entering into transactions with creditworthy counterparties, using master netting arrangements, and obtaining collateral where appropriate. The Company also deals with a large number of counterparties, thus limiting its exposure to any single counterparty. The Company monitors credit exposures to its OTC-bilateral counterparties by limiting transactions within specified dollar limits and adjusting transaction levels where appropriate, to minimize risk. All of the net credit exposure for the Company from derivatives transactions is with investment-grade counterparties. In addition, certain of the Company's agreements require that if the Company's (or its counterparty's) credit rating were to fall below a specified rating assigned by a credit rating agency, the other party could request immediate payout on all transactions under the agreements or full collateralization of the positions thereunder. The Company's policy is to not offset amounts for derivatives executed with the same counterparty under the same master netting agreement with the associated collateral.

Collateralization plays a central role in the Company's mitigation of risk related to derivatives. For OTC-cleared and exchange traded derivatives, the Company obtains collateral through variation margin which is adjusted daily based on the parties' net derivative position.

For OTC-bilateral derivatives, the Company obtains collateral in accordance with the terms of credit support annexes ("CSAs") negotiated as part of the master agreements entered into with most OTC-bilateral counterparties. CSAs define the terms under which collateral is transferred between the parties in order to mitigate credit risk arising from "in the money" derivative positions. The Variation Margin CSA requires that an OTC-bilateral counterparty post collateral to secure its anticipated derivative obligation, taking into account netting arrangements. Cash collateral received by the Company under Variation Margin CSAs is invested in short-term investments. The Company also enters into Initial Margin CSAs with many of its OTC-bilateral counterparties. These documents require additional margin to be posted to and collected from counterparties to OTC-bilateral derivatives to cover market movements over a ten day close-out period. This "initial margin" must be maintained at a third-party custodian, without any right of rehypothecation. Securities posted by the Company as collateral under derivative contracts continue to be reported as assets in the Company's Statutory Statements of Financial Position. Securities received as collateral under derivative contracts are not reported in the Company's Statutory Statements of Financial Position.

The Company may be exposed to credit-related losses in the event that an OTC-bilateral counterparty fails to perform its obligations under its contractual terms. In contractual arrangements with OTC-bilateral counterparties that do not include netting provisions, in the event of default, credit exposure is limited to the positive fair value of derivatives at the reporting date. In contractual arrangements with OTC-bilateral counterparties that include netting provisions, in the event of default, credit exposure is limited to the net fair value, if positive, of all derivatives at the reporting date. At December 31, 2024 and 2023, the Company held collateral for derivatives of $942 million and $574 million, respectively, including $105 million and $73 million, respectively, of securities. Fair value of derivatives in a net asset position, net of collateral, was $8 million and $10 million at December 31, 2024 and 2023, respectively.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest Rate Risk Management

The Company enters into interest rate derivatives primarily to minimize exposure to fluctuations in interest rates on assets and liabilities held by the Company.

Interest rate swaps are used by the Company to hedge interest rate risk for individual and portfolios of assets. Interest rate swaps are agreements with other parties to exchange, at specified intervals, the difference between interest amounts calculated by reference to an agreed upon notional value. Generally, no cash is exchanged at the onset of the contract and no principal payments are made by either party. The Company does not act as an intermediary or broker in interest rate swaps.

Interest rate (Treasury) futures are used by the Company to manage duration of the Company's fixed income portfolio. Interest rate futures are exchange traded contracts to buy or sell a bond at a specific price at a future date.

Interest rate options are used by the Company to hedge the risk of increasing interest rates on policyholder liabilities. These contracts include Interest Rate Caps and Swaptions. Interest Rate Caps allow the Company to receive payments from counterparties should an agreed upon interest rate level be reached. Interest Rate Swaptions give the Company an option, but not an obligation to take delivery of an interest rate swap at a predetermined fixed rate and tenor or to cash settle for value.

Currency Risk Management

The primary purpose of the Company’s foreign currency hedging activities is to protect the value of foreign currency denominated assets from the risk of changes in foreign exchange rates.

Foreign currency swaps are agreements with other parties to exchange, at specified intervals, principal and interest in one currency for the same in another, at a fixed exchange rate, which is generally set at inception and calculated by reference to an agreed upon notional value. Generally, only principal payments are exchanged at the onset and the end of the contract.

Foreign currency forwards involve the exchange of foreign currencies at a specified future date and at a specified price. No cash is exchanged at the time the agreement is entered into.

Equity Risk Management

The Company purchases equity options and equity futures to minimize exposure to the equity risk associated with guarantees on certain underlying policyholder liabilities. There are upfront fees paid related to option contracts at the time the agreements are entered into.

The Company enters into total return swaps to hedge equity exposure in the general account portfolio.

Replication Transactions

Bond forwards are paired with other investment grade bonds in replication transactions to generate the return and price risk of long-dated fixed income securities.

Credit default swaps are paired with investment grade bonds in replication transactions to generate the return and price risk of long dated corporate bonds.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT (continued)

The following tables present the notional amount, gross fair value and carrying value of derivative instruments that are qualifying and designated for hedge accounting, by type of hedge designation, and those that are not designated for hedge accounting at December 31, 2024 and 2023 (in millions):

	2024					
			Fair Value[2]		Carrying Value[3]	
Derivative Type	**Primary Risk Exposure**	**Notional Amount[1]**	**Asset**	**Liability**	**Asset**	**Liability**
Derivatives qualifying and designated:						
Cash flow hedges:						
Foreign currency swaps	Currency	$ 242	$ 21	$ 1	$ 26	$ 1
Interest rate swaps	Interest	262	1	—	—	—
Subtotal cash flow hedges		503	22	1	26	1
Fair value hedges:						
Foreign currency swaps	Currency	4,920	511	29	424	12
Replications:						
Bond forwards	Interest	—	—	—	—	—
Credit default swaps	Interest	275	5	—	1	—
Subtotal replications		275	5	—	1	—
Total derivatives qualifying and designated		5,698	538	30	451	13
Derivatives not designated:						
Foreign currency forwards	Currency	342	15	—	15	—
Foreign currency swaps	Currency	542	80	4	80	4
Futures	Interest	16	—	—	—	—
Equity options	Equity	23,479	336	—	336	—
Interest rate options	Interest	4,915	13	—	13	—
Interest rate swaps	Interest	10,883	624	228	624	228
Bond forwards	Interest	225	—	27	—	27
Total derivatives not designated		40,401	1,068	259	1,068	259
Total derivatives		$ 46,100	$ 1,606	$ 289	$ 1,519	$ 271

(1) Notional amount of derivative instruments provides a measure of involvement in these types of transactions and generally does not represent the amount exchanged between the parties engaged in the transaction.

(2) For a discussion of valuation methods for derivative instruments refer to Note 9 - Fair Value Measurements.

(3) The carrying value of derivatives in an asset position is reported within Other investments and the carrying value of derivatives in a liability position is reported within Other liabilities in the accompanying Statutory Statements of Financial Position.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT (continued)

	2023					
Derivative Type	Primary Risk Exposure	Notional Amount[1]	Fair Value[2] Asset	Fair Value[2] Liability	Carrying Value[3] Asset	Carrying Value[3] Liability
Derivatives qualifying and designated:						
Cash flow hedges:						
Foreign currency swaps	Currency	$ 265	$ 15	$ 3	$ 16	$ 2
Interest rate swaps	Interest	12	1	—	—	—
Subtotal cash flow hedges		276	15	3	16	2
Fair value hedges:						
Foreign currency swaps	Currency	1,025	36	36	32	26
Bond forwards	Interest	250	—	82	—	—
Interest rate swaps	Interest					
Credit default swaps	Interest	275	5	—	2	—
Subtotal replications		525	5	82	2	—
Total derivatives qualifying and designated		1,826	56	122	49	28
Derivatives not designated:						
Foreign currency forwards	Currency	238	2	3	2	3
Foreign currency swaps	Currency	3,828	410	28	410	28
Futures	Interest	459	1	—	1	—
Equity options	Equity	14,281	222	—	222	—
Interest rate swaps	Interest	8,633	492	162	492	162
Bond forwards	Interest	225	—	11	—	11
Total return swaps	Equity	—	—	—	—	—
Total derivatives not designated		32,237	1,147	205	1,147	205
Total derivatives		$ 34,063	$ 1,203	$ 327	$ 1,196	$ 233

(1) Notional amount of derivative instruments provides a measure of involvement in these types of transactions and generally does not represent the amount exchanged between the parties engaged in the transaction.
(2) For a discussion of valuation methods for derivative instruments refer to Note 9 - Fair Value Measurements.
(3) The carrying value of derivatives in an asset position is reported within Other investments and the carrying value of derivatives in a liability position is reported within Other liabilities in the accompanying Statutory Statements of Financial Position.

Derivatives Qualifying and Designated

Cash Flow Hedges

The Company's cash flow hedges primarily include hedges of foreign currency denominated assets. Derivative instruments used in cash flow hedges that meet criteria indicating that they are highly effective are valued and reported in a manner that is consistent with the hedged asset.

The Company designates and accounts for the following qualified cash flow hedges*:* (1) interest rate swaps used to convert floating rate investments to fixed rate investments; (2) foreign currency swaps used to hedge the foreign currency cash flow exposure of foreign currency denominated investments.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT (continued)

The following table presents the effects of derivatives in cash flow hedging relationships for the years ended December 31, 2024, 2023 and 2022 (in millions):

	Surplus[(1)]			Net Realized Capital Gains (Losses)			Net Investment Income		
Derivative Type	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Foreign currency swaps	$ 12	$ (12)	$ 20	$ 1	$ 2	$ 1	$ 3	$ 3	$ 3
Interest rate swaps	—	—	—	—	—	—	(3)	—	—
Total	$ 12	$ (12)	$ 20	$ 1	$ 2	$ 1	$ —	$ 3	$ 3

(1) The amount of gain (loss) recognized in surplus is reported as a Change in net unrealized losses on investments in the accompanying Statutory Statements of Changes in Surplus.

Fair Value Hedges

The Company's fair value hedges primarily consist of hedges of foreign currency denominated assets whereby the Company enters into foreign currency swaps to hedge its foreign currency exposure. Derivative instruments used in fair value hedges that meet criteria indicating that they are highly effective are valued and reported in a manner that is consistent with the hedged asset.

The Company excludes the cross-currency basis spread in its foreign currency swaps from the assessment of effectiveness as allowed under SSAP No. 86. The fair value of the cross-currency basis spread on the Company's foreign currency swaps, which was excluded from the assessment of effectiveness at December 31, 2024 was $72 million.

	Gain or (Loss) Recognized in Surplus[(1)]			Gain or (Loss) Recognized in Net Realized Capital Gains (Losses)			Gain or (Loss) Recognized in Net Investment Income		
Derivative Type	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Foreign currency swaps	$ 102	$ (37)	$ —	$ (10)	$ 1	$ —	$ 63	$ 7	$ —
Total	$ 102	$ (37)	$ —	$ (10)	$ 1	$ —	$ 63	$ 7	$ —

(1) The amount of gain (loss) recognized in surplus is reported as a Change in net unrealized losses on investments in the accompanying Statutory Statements of Changes in Surplus.

Derivatives Replications

The following table presents the effects of derivatives in replication relationships for the years ended December 31, 2024, 2023 and 2022 ($ in millions):

	Gain or (Loss) Recognized in Surplus[(1)]			Gain or (Loss) Recognized in Net Realized Capital Gains (Losses)			Gain or (Loss) Recognized in Net Investment Income		
Derivative Type	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Bond forwards	$ —	$ —	$ —	$ (117)	$ (227)	$ (29)	$ 1	$ 7	$ 12
Credit default swaps	—	—	—	—	—	—	2	—	1
Total	$ —	$ —	$ —	$ (117)	$ (227)	$ (29)	$ 4	$ 7	$ 13

(1) The amount of gain (loss) recognized in surplus is reported as a Change in net unrealized capital losses on investments in the accompanying Statutory Statements of Changes in Surplus.

NOTE 7 - DERIVATIVE INSTRUMENTS AND RISK MANAGEMENT (continued)

Derivatives Not Designated

The following table summarizes the surplus and net income impact on derivative instruments not designated for the years ended December 31, 2024, 2023 and 2022 (in millions):

	Surplus[1]			Net Realized Capital Gains (Losses)			Net Investment Income		
Derivative Type	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Equity options	$ 8	$ 61	$ (14)	$ 101	$ 23	$ (8)	$ —	$ —	$ —
Foreign currency forwards	15	6	(13)	4	(12)	39	—	—	—
Foreign currency swaps	(2)	(293)	420	16	42	(12)	7	52	61
Futures	7	(8)	—	10	(11)	(5)	—	—	—
Interest rate options	(5)	(54)	40	(27)	(10)	1	2	1	(3)
Interest rate swaps	68	152	(59)	2	6	—	58	(102)	(3)
Bond forwards	(16)	(11)	—	—	—	—	—	—	—
Total return swap	—	—	—	—	—	—	—	—	—
Total	$ 76	$ (146)	$ 374	$ 105	$ 37	$ 15	$ 66	$ (48)	$ 55

[1] The amount of gain (loss) recognized in surplus is reported as a Change in net unrealized capital gains on investments in the accompanying Statutory Statements of Changes in Surplus.

NOTE 8 - SEPARATE ACCOUNTS

Separate Accounts Activity

The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions, including VUL insurance products guaranteed, VUL insurance products non-guaranteed, VA products non-guaranteed, UL insurance products guaranteed.

In accordance with the domiciliary state procedures for approving items within separate accounts, the classification of the separate accounts is subject to Section 2932 of the Delaware Insurance Code and the regulations thereunder. Assets of guaranteed separate accounts are invested in accordance with the provisions of Chapter 13 of the Delaware Insurance Code.

All items that were permitted for separate accounts reporting were supported by state statute.

NOTE 8 - SEPARATE ACCOUNTS (continued)

The assets legally and not legally insulated from the general account at December 31, 2024 and 2023 are attributed to the following products or transactions (in millions):

	2024		2023	
Product/Transaction	**Legally Insulated Assets**	**Separate Accounts Assets (Not Legally Insulated)[1]**	**Legally Insulated Assets**	**Separate Accounts Assets (Not Legally Insulated)[2]**
VA products non-guaranteed	$ 39,072	$ 33	$ 35,691	$ 37
VUL insurance products non-guaranteed	14,924	8	13,116	—
UL insurance products guaranteed	5,922	167	6,313	39
VUL insurance products guaranteed	207	26	189	20
Total	$ 60,125	$ 234	$ 55,309	$ 96

(1) Separate accounts assets classified as not legally insulated support $190 million of remittances and items not allocated and other transfers to the general account due or accrued (net), $19 million of surplus, $13 million of derivatives, $10 million of other liabilities, and $2 million of payable for securities.
(2) Separate accounts assets classified as not legally insulated support $59 million of remittances and items not allocated and other transfers to the general account due or accrued (net), $17 million of surplus, $17 million of derivatives, $2 million of payable for securities, and $1 million of other liabilities.

Guaranteed Separate Accounts

The Company maintains five guaranteed separate accounts for UL insurance policies and one guaranteed separate account for a private placement VUL policy, with assets of $6,321 million and $6,562 million at December 31, 2024 and 2023, respectively. These accounts provide a guarantee of principal and interest with a market value adjustment imposed upon certain surrenders. A transfer adjustment charge is imposed upon certain transfers. Interest rates on these contracts may be adjusted periodically. The assets of these separate accounts are stated at amortized cost up to the value of policyholder reserves and at fair value thereafter. Certain derivatives not qualifying for hedge accounting are stated at fair value.

Non-Guaranteed Separate Accounts

The Company maintains non-guaranteed separate accounts for its VA and VUL products, some of which are registered with the SEC. Assets in non-guaranteed separate accounts were $54,037 million and $48,844 million at December 31, 2024 and 2023, respectively. The assets of these separate accounts represent investments in shares of New York Life Investments Funds Trust and other non-proprietary insurance-dedicated funds.

Certain of these variable contracts have guaranteed minimum death benefit (“GMDB”) and guaranteed minimum accumulation benefit (“GMAB”) features that are guaranteed by the assets of the general account.

To compensate the general account for the risk taken, the separate accounts have paid risk charges as follows for the past five years (in millions):

Year	Amount
2024	$ 62
2023	$ 65
2022	$ 67
2021	$ 62
2020	$ 57

NOTE 8 - SEPARATE ACCOUNTS (continued)

The general account of the Company made payments toward separate accounts guarantees as follows for the past five years (in millions):

Year	Amount	
2024	$	3
2023	$	12
2022	$	12
2021	$	4
2020	$	5

The general account holds reserves on these guarantees. Refer to Note 12 - Insurance Liabilities for discussion of GMAB and GMDB reserves.

Information regarding the separate accounts of the Company at and for the years ended December 31, 2024 and 2023 is as follows (in millions):

	2024			
	Non-Indexed Guarantee Less than / Equal to 4%	Non-Indexed Guarantee More than 4%	Non-Guaranteed Separate Accounts	Total
Premiums, considerations or deposits	$ 14	$ —	$ 3,472	$ 3,486
Reserves at 12/31:				
For accounts with assets at:				
Fair value	$ —	$ —	$ 52,743	$ 52,743
Amortized cost	5,398	731	—	6,129
Total reserves	$ 5,398	$ 731	$ 52,743	$ 58,872
By withdrawal characteristics:				
With fair value adjustment	$ 5,398	$ 731	$ —	$ 6,129
At fair value	—	—	52,743	52,743
Total reserves	$ 5,398	$ 731	$ 52,743	$ 58,872

	2023			
	Non-Indexed Guarantee Less than / Equal to 4%	Non-Indexed Guarantee More than 4%	Non-Guaranteed Separate Accounts	Total
Premiums, considerations or deposits	$ —	$ —	$ 3,046	$ 3,046
Reserves at 12/31:				
For accounts with assets at:				
Fair value	$ —	$ —	$ 47,728	$ 47,728
Amortized cost	5,792	710	—	6,502
Total reserves	$ 5,792	$ 710	$ 47,728	$ 54,230
By withdrawal characteristics:				
With fair value adjustment	$ 5,792	$ 710	$ —	$ 6,502
At fair value	—	—	47,728	47,728
Total reserves	$ 5,792	$ 710	$ 47,728	$ 54,230

NOTE 8 - SEPARATE ACCOUNTS (continued)

The following is a reconciliation of net transfers to (from) the general account to the separate accounts (in millions):

	2024	2023	2022
Transfers to separate accounts	$ 3,486	$ 3,046	$ 2,540
Transfers from separate accounts	(5,100)	(3,694)	(2,096)
Net transfers (from)/to separate accounts	$ (1,614)	$ (648)	$ 444
Reconciling Adjustment:			
Change in reserve valuation basis[1]	$ —	$ —	$ —
Net transfers (from)/to separate accounts	$ (1,614)	$ (648)	$ 444

[1] Refer to Note 12 - Insurance liabilities for more details on change in reserve valuation basis.

NOTE 9 - FAIR VALUE MEASUREMENTS

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.

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.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

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 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 December 31, 2024 and 2023, the Company did not have any price challenges on general account and separate account securities for what it 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 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.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

The following tables present the estimated fair value and carrying value of the Company's financial instruments at December 31, 2024 and 2023 (in millions):

	2024					
	Fair Value	Carrying Value	Level 1	Level 2	Level 3	NAV as a Practical Expedient
Assets:						
Bonds	$ 94,516	$ 102,133	$ 562	$ 89,173	$ 4,780	$ —
Preferred stocks	43	43	—	15	28	—
Common stocks[1]	732	732	707	—	25	—
Mortgage loans	16,595	17,450	—	—	16,595	—
Cash, cash equivalents and short-term investments	3,363	3,363	141	3,222	—	—
Derivatives	1,606	1,519	—	1,606	—	—
Derivatives collateral	101	101	—	101	—	—
Other invested assets[1]	606	576	—	142	464	—
Investment income due and accrued	1,031	1,031	—	1,031	—	—
Separate accounts assets	59,746	60,342	51,777	4,506	1,133	2,329
Total assets	$ 178,339	$ 187,290	$ 53,187	$ 99,796	$ 23,026	$ 2,329
Liabilities:						
Deposit fund contracts:						
Annuities certain	$ 1,582	$ 1,625	$ —	$ —	$ 1,582	$ —
Derivatives	289	271	—	289	—	—
Derivatives collateral	1,241	1,241	—	1,241	—	—
Amounts payable under securities lending agreements	1,004	1,004	—	1,004	—	—
Payable to parent and affiliates	170	170	—	170	—	—
Separate accounts liabilities	16	13	—	16	—	—
Total liabilities	$ 4,301	$ 4,324	$ —	$ 2,719	$ 1,582	$ —

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

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

	2023					
	Fair Value	Carrying Value	Level 1	Level 2	Level 3	NAV as a Practical Expedient
Assets:						
Bonds	$ 95,041	$ 102,056	$ 755	$89,789	$ 4,497	$ —
Preferred stocks	44	44	—	16	28	—
Common stocks[1]	615	615	590	—	25	—
Mortgage loans	14,534	15,484	—	—	14,534	—
Cash, cash equivalents and short-term investments	1,696	1,696	217	1,479	—	—
Derivatives	1,203	1,196	—	1,203	—	—
Derivatives collateral	137	137	—	137	—	—
Other invested assets[1]	598	593	—	126	472	—
Investment income due and accrued	1,005	1,005	—	1,005	—	—
Separate accounts assets	54,822	55,405	47,291	5,012	934	1,585
Total assets	$ 169,695	$ 178,231	$ 48,853	$98,767	$ 20,490	$ 1,585
Liabilities:						
Deposit fund contracts:						
Annuities certain	$ 1,219	$ 1,257	$ —	$ —	$ 1,219	$ —
Derivatives	327	233	—	327	—	—
Derivatives collateral	823	823	—	823	—	—
Amounts payable under securities lending agreements	678	678	—	678	—	—
Payable to parent and affiliates	131	131	—	131	—	—
Separate accounts liabilities	22	18	—	18	4	—
Total liabilities	$ 3,200	$ 3,140	$ —	$ 1,977	$ 1,223	$ —

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

Bonds

For U.S. SAP, bonds reported as Level 1 represent investments in certain SVO approved ETF and mutual funds. 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.

Securities priced using a pricing service are generally classified as Level 2. 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 services 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 Corporate 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. The spreads derived from each matrix are adjusted for liquidity. The liquidity premium is standardized and based on market transactions. These securities are classified as Level 2.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

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. The 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 usually based on market transactions. 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. If it is deemed to be significant, the security is classified as Level 3.

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 a security could not be priced by a third-party vendor or through internal pricing models, broker quotes are received and reviewed by each investment analyst. These inputs may not be observable. Therefore, Level 3 classification is determined to be appropriate.

Included in bonds are affiliated bonds from MCF and NYL Investments. The affiliated bond from MCF had a carrying value of $2,269 million and a fair value of $2,289 million at December 31, 2024, and a carrying value of $2,117 million and a fair value of $2,106 million at December 31, 2023. The fair value of this security is calculated internally and may include inputs that may not be observable. Therefore, this security is classified as Level 3. Also included in bonds is an affiliated bond from NYL Investments which had a carrying value of $762 million and fair value of $756 million at December 31, 2024, and a carrying value of $762 million and a fair value of $740 million at December 31, 2023. The fair value of this security is calculated internally using observable inputs and is therefore classified as Level 2.

Preferred Stocks

Preferred stocks valued using prices from third-party pricing services generally use a discounted cash flow model or a market approach to arrive at the security's fair value and are classified as Level 2. Preferred stocks classified as Level 3 are valued based on internal valuations where significant inputs are deemed to be unobservable.

Common Stocks

These securities are comprised of exchange traded U.S. and foreign common stock and mutual funds. The fair value of these securities is primarily based on unadjusted quoted prices in active markets that are readily and regularly available and are classified as Level 1. Common stocks that do not trade in an active market and are valued based on prices obtained from independent pricing vendors using unadjusted quoted prices in active markets for similar securities that are readily and regularly available are classified as level 2. Common stocks priced through an internal valuation where significant inputs are deemed to be unobservable, including securities issued by government organizations where fair value is fixed, are classified as Level 3. For common stocks that do not have a readily available fair value, net asset value ("NAV") is used as a practical expedient.

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, LTV 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.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

Cash, Cash Equivalents, Short-term Investments and Investment Income Due and Accrued

Cash on hand 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 of cash equivalents, short term investments, and investment income due and accrued, carrying value approximates fair value and is classified as Level 2.

Derivatives (including Separate Accounts Liabilities – Derivatives)

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 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. Exchange-traded derivatives are valued using a market approach as fair value is based on quoted prices in active market and are classified as Level 1. OTC derivatives that trade in liquid markets, where model inputs are observable for substantially the full term, are classified as Level 2. 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.

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 and are classified as Level 2.

Other Invested Assets

Other invested assets are principally comprised of LIHTC investments ,surplus notes, an affiliated loan, residual tranches of securitizations and other investments with characteristics of debt. Surplus Notes are valued using prices from third-party pricing services that generally use a discounted cash-flow model or a market approach to arrive at the security's fair value and are classified as Level 2. The fair value of the affiliated loan and the LIHTC investments is derived using an income valuation approach, which is based on a discounted cash flow calculation using a discount rate that is determined internally and therefore classified as Level 3 (refer to Note 6 - Investments for details on LIHTC investments). The fair value of investments with debt characteristics and the fair value of the majority of residual tranches of securitizations 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.

Separate Accounts Assets (including Collateral)

Separate accounts assets reported as Level 1 in the fair value hierarchy are mostly comprised of ETFs, common stocks and actively traded open-end mutual funds with a daily NAV. The NAV can be observed by redemption and subscription transactions between third parties, or may be obtained from third-party asset managers. Common stocks are generally traded on an exchange. Separate accounts assets reported as Level 2 relate 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.

Separate accounts assets reported as Level 3 relate to investments in corporate bonds. These are 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.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

The following tables provide additional information for investments that are measured using NAV as a practical expedient to estimate fair value, as allowed under authoritative guidance, for investments that meet specified criteria (in millions):

2024

Category of Investment	Investment Strategy	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Fund	Multi-Strategy	$ 2,025	$ —	Monthly, Quarterly, Semi Annually and Annually	180 days or less
Hedge Fund	Fixed Income Arbitrage	65	—	Quarterly	100 days or less
Hedge Fund	Sector Investing	—	—	Monthly	30 days
Hedge Fund	Long/Short Equity	6	—	Monthly	30 days
Private Equity	Venture Capital	233	—	Quarterly	95 days
		$ 2,329	$ —		

2023

Category of Investment	Investment Strategy	NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Fund	Multi-Strategy	$ 1,474	$ —	Monthly, Quarterly, Semi Annually and Annually	180 days or less
Hedge Fund	Fixed Income Arbitrage	51	—	Quarterly	100 days or less
Hedge Fund	Sector Investing	—	—	Monthly	30 days
Hedge Fund	Long/Short Equity	4	—	Monthly	30 days
Private Equity	Venture Capital	56	—	Quarterly	95 days
Mutual Fund	Multi Strategy, Global Allocation	—	—	Quarterly, Weekly	5 days - 45 days (Assets subject to lock up periods)
		$ 1,585	$ —		

Annuities Certain

Fair values for annuities certain liabilities 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.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

The following tables present the balances of assets and liabilities measured at fair value at December 31, 2024 and 2023 (in millions):

	2024				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as a Practical Expedient	Total
Assets at fair value					
Bonds					
SVO-identified bond ETF	$ 562	$ —	$ —	$ —	$ 562
U.S. corporate	—	10	—	—	10
Foreign corporate	—	3	—	—	3
Non-agency RMBS	—	—	—	—	—
Non-agency CMBS	—	23	—	—	23
Non-agency ABS	—	—	—	—	—
Total bonds	562	36	—	—	599
Preferred stocks	—	15	28	—	43
Common stocks	707	—	25	—	732
Derivatives	—	1,068	—	—	1,068
Separate accounts assets	51,708	8	—	2,329	54,045
Other invested assets	—	—	73	—	73
Total assets at fair value	$ 52,978	$ 1,127	$ 127	$ 2,329	$ 56,561
Liabilities at fair value					
Derivatives	$ —	$ 259	$ —	$ —	$ 259
Separate accounts liabilities - derivatives[1]	—	1	—	—	1
Total liabilities at fair value	$ —	$ 260	$ —	$ —	$ 260

[1] Separate account contract holder liabilities are not included in the table as they are reported at contract value and not fair value in the Company's statutory financial statements.

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

	2023				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as a Practical Expedient	Total
Assets at fair value					
Bonds					
SVO-identified bond ETF	$ 755	$ —	$ —	$ —	$ 755
Non-agency CMBS	—	13	—	—	13
Non-agency ABS	—	—	—	—	—
Total bonds	755	13	—	—	768
Preferred stocks	—	15	28	—	43
Common stocks	590	—	25	—	615
Derivatives	1	1,146	—	—	1,147
Separate accounts assets	47,260	9	—	1,585	48,854
Other invested assets	—	—	158	—	158
Total assets at fair value	$ 48,606	$ 1,183	$ 211	$ 1,585	$ 51,585
Liabilities at fair value					
Derivatives	$ —	$ 205	$ —	$ —	$ 205
Separate accounts liabilities - derivatives[(1)]	—	2	—	—	2
Total liabilities at fair value	$ —	$ 207	$ —	$ —	$ 207

[(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 statutory financial statements.

The tables below present a rollforward of Level 3 assets and liabilities for the years ended December 31, 2024 and 2023 (in millions):

	2024									
	Balance at 1/1	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Balance at 12/31
Bonds:										
U.S. corporate	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Non-agency ABS	—	1	—	—	—	—	—	—	—	—
Total bonds	—	1	—	—	—	—	—	—	—	—
Preferred Stocks	28	—	—	—	—	—	—	—	—	28
Common stocks	25	—	—	—	—	—	—	—	—	25
Derivatives	—	—	—	—	—	—	—	—	—	—
Separate accounts assets	—	—	—	—	—	—	—	—	—	—
Other invested assets	158	9	(9)	(16)	10	13	—	(92)	—	73
Total	$ 211	$ 9	$ (9)	$ (16)	$ 10	$ 13	$ —	$ (92)	$ —	$ 127

NOTE 9 - FAIR VALUE MEASUREMENTS (continued)

	2023									
	Balance at 1/1	**Transfers into Level 3**	**Transfers out of Level 3**	**Total Gains (Losses) Included in Net Income**	**Total Gains (Losses) Included in Surplus**	**Purchases**	**Issuances**	**Sales**	**Settlements**	**Balance at 12/31**
Bonds:										
U.S. corporate	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Non-agency ABS	6	—	(6)	—	—	—	—	—	—	—
Total bonds	6	—	(6)	—	—	—	—	—	—	—
Preferred stocks	34	—	—	(1)	(5)	—	—	—	—	28
Common stocks	116	—	—	67	(79)	—	—	(79)	—	25
Derivatives	4	—	(4)	—	—	—	—	—	—	—
Separate accounts assets	17	—	(3)	11	(13)	—	—	(12)	—	—
Other invested assets	87	38	—	(30)	(6)	78	—	(9)	—	158
Total	$ 264	$ 38	$ (13)	$ 47	$ (103)	$ 78	$ —	$ (100)	$ —	$ 211

Transfers Between Levels

Transfers between levels may occur due to changes in valuation sources, or 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, a change in the security’s measurement.

Transfers into Level 3 totaled $9 million for the year ended December 31, 2024 which primarily relates to residual tranches of securitizations that were measured at amortized cost at the beginning of the period and measured at fair value at the end of the period; $1 million of non-agency asset backed securities that were measured at amortized cost at the beginning of the period and measured at fair value at the end of the period Transfers out of Level 3 totaled $9 million for the year ended December 31, 2024, which primarily relates to residual tranches of securitizations measured at fair value at the beginning of the period and measured at amortized cost at the end of the period;.

Transfers into Level 3 totaled $38 million for the year ended December 31, 2023, which primarily relates to residual tranches of securitizations that were measured at amortized cost at the beginning of the period and measured at fair value at the end of the period. Transfers out of Level 3 totaled $13 million for the year ended December 31, 2023, which primarily relates to $6 million of non-agency asset-backed securities measured at fair value at the beginning of the period and measured at amortized cost at the end of the period; and derivatives securities of $4 million and separate account derivatives securities of $3 million that had price level changes from 3 to 2 due to increase in interest rates in 2023 which changed the market to active and observable.

There were no liabilities measured at fair value at December 31, 2024 and 2023.

NOTE 10 - INVESTMENT INCOME AND CAPITAL GAINS AND LOSSES

The components of net investment income for the years ended December 31, 2024, 2023, and 2022 were as follows (in millions):

	2024	2023	2022
Bonds	$ 4,476	$ 4,091	$ 3,361
Common and preferred stocks	16	33	23
Mortgage loans	809	757	638
Policy loans	56	53	53
Other invested assets[1]	170	419	221
Short-term investments	150	156	55
Derivative instruments	133	(30)	71
Gross investment income	5,809	5,479	4,422
Investment expenses	(307)	(266)	(192)
Net investment income	5,502	5,213	4,230
Net gain from separate accounts	46	60	46
Amortization of IMR	(28)	3	28
Net investment income, including net gain from separate accounts and amortization of IMR	$ 5,520	$ 5,276	$ 4,304

(1) Includes real estate net investment income of $17 million, $17 million, and $22 million for the years ended December 31, 2024, 2023, and 2022, respectively. Includes dividend received from MCF of $98 million, $345 million, and $176 million for the years ended December 31, 2024, 2023, and 2022, respectively. Refer to Note 11 – Related Party Transactions.

Due and accrued investment income is excluded from surplus when amounts are over 90 days past due or collection is uncertain. At December 31, 2024 and 2023, the Company reported admitted due and accrued investment income of $1,031 million and $1,005 million, respectively. At December 31, 2024 the company had $2 million of nonadmitted due and accrued investment income on bonds . At December 31, 2023 the Company did not have any nonadmitted due and accrued investment income on bonds. For certain fixed income instruments, the contractual agreement allows the issuer/borrower to defer interest (Paid-in-Kind interest). When interest is deferred, it is capitalized into principal. At December 31, 2024, the Company had paid-in-kind interest of $454 million, which has been included in the principal amount of the Company’s bonds of $412 million and mortgage loans of $42 million.

The following table shows the Company's securities redeemed or otherwise disposed of as a result of a callable feature (including make whole call provisions) or tender and the amount of investment income generated as a result of a prepayment penalty and/or acceleration fee ($ in millions):

	2024		2023		2022	
	General Account(1)	Separate Account	General Account(1)	Separate Account	General Account(1)	Separate Account
Number of cusips	88	30	30	11	146	77
Investment income	$ 5	$ —	$ 4	$ 1	$ 39	$ 3

(1) Included in the net investment income on bonds. Refer to net investment income table above.

NOTE 10 - INVESTMENT INCOME AND CAPITAL GAINS AND LOSSES (continued)

For the years ended December 31, 2024, 2023, and 2022, net realized capital gains (losses) were as follows (in millions):

	2024	2023	2022
Bonds	$ (221)	$ (167)	$ (110)
Mortgage loans	(161)	(3)	(12)
Common and preferred stocks	75	305	45
Other invested assets	(26)	(61)	18
Derivatives	(21)	(186)	(12)
Net realized capital losses before tax and transfers to the IMR	(354)	(112)	(71)
Less:			
Capital gains tax (benefit)/expense	(54)	(41)	16
Net realized capital losses after tax transferred to IMR	(229)	(259)	(50)
Net realized capital gains/(losses) after tax and transfers to the IMR	$ (71)	$ 188	$ (37)

Proceeds from investments in bonds sold were $6,477 million, $3,342 million, and $3,940 million for the years ended December 31, 2024, 2023, and 2022, respectively. Gross gains of $52 million, $19 million, and $42 million in 2024, 2023 and 2022, respectively, and gross losses of $210 million, $130 million, and $78 million in 2024, 2023, and 2022, respectively, were realized on these sales. The Company computes gains and losses on sales under the specific identification method.

The following table provides a summary of OTTI losses included as realized capital losses for the years ended December 31, 2024, 2023 and 2022 (in millions):

	2024	2023	2022
Bonds	$ 43	$ 22	$ 72
Common and preferred stocks	4	33	14
Other invested assets	46	59	27
Mortgage Loans	161	3	12
Total	$ 254	$ 117	$ 125

The Company restructured $60 million and $1 million debt securities and mortgage loans for the years ended December 31, 2024 and 2023, respectively with an associated $32 million and $225 thousand of OTTI.

Refer to Note 19 - Loan-Backed and Structured Security Impairments for a list with each loan-backed and structured security at a CUSIP level where the present value of cash flows expected to be collected is less than the amortized cost basis during the current reporting period.

NOTE 10 - INVESTMENT INCOME AND CAPITAL GAINS AND LOSSES (continued)

The following tables present the Company's gross unrealized losses and fair values for bonds and equity securities aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2024 and 2023 (in millions):

	2024					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses[1]
Bonds						
U.S. governments	$ 806	$ 95	$ 2,772	$ 1,318	$ 3,578	$ 1,412
All other governments	121	7	82	12	204	19
U.S. Special Revenue and Special Assessment	1,896	267	5,373	862	7,269	1,129
Industrial and miscellaneous unaffiliated	19,239	1,442	36,473	4,136	55,712	5,578
Parent, subsidiaries, and affiliates[2]	14	—	156	6	170	6
Hybrid Securities	13	—	190	9	203	9
SVO identified Funds	—	—	5	—	5	—
Total bonds	22,089	1,811	45,052	6,343	67,141	8,154
Equity securities (unaffiliated)						
Common stocks	587	8	1	—	588	8
Preferred stocks	—	—	—	—	—	—
Total equity securities	587	8	1	—	588	8
Total	$ 22,676	$ 1,819	$ 45,053	$ 6,343	$ 67,729	$ 8,162

(1) Includes unrealized losses related to NAIC 6 bonds of $28 million and less than a million of Bond ETF MTM losses included in the statutory carrying amount.

(2) The unrealized losses include less than $1 million of ABS investments that are managed by affiliates of the Company but have no credit risk exposure to those affiliates.

NOTE 10 - INVESTMENT INCOME AND CAPITAL GAINS AND LOSSES (continued)

	2023					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses[1]
Bonds						
U.S. governments	$ 636	$ 113	$ 3,222	$ 1,124	$ 3,858	$ 1,237
All other governments	22	1	142	16	164	17
U.S. Special Revenue and Special Assessment	881	68	7,013	943	7,894	1,011
Industrial and miscellaneous unaffiliated	6,502	421	51,195	4,966	57,697	5,388
Parent, subsidiaries, and affiliates[2]	139	1	2,839	33	2,978	34
Hybrid Securities	55	9	154	23	209	31
SVO identified Funds	—	—	212	18	212	18
Total bonds	8,235	613	64,777	7,123	73,012	7,736
Equity securities (unaffiliated)						
Common stocks	67	8	1	—	68	8
Preferred stocks	—	—	—	—	—	—
Total equity securities	67	8	1	—	68	8
Total	$ 8,302	$ 621	$ 64,778	$ 7,123	$ 73,080	$ 7,744

(1) Includes unrealized losses related to NAIC 6 bonds of $17 million and $18 million of Bond ETF MTM losses included in the statutory carrying amount.
(2) The unrealized losses include less than $1 million of ABS investments that are managed by affiliates of the Company but have no credit risk exposure to those affiliates.

At December 31, 2024, the gross unrealized loss on bonds and equity securities was comprised of approximately 10,145 and 320 different securities, respectively, which are included in the table above. Of the total amount of bond unrealized losses, $7,873 million or 97% is related to unrealized losses on investment grade securities and $282 million or 4% is related to below investment grade securities. At December 31, 2023, the gross unrealized loss on bonds and equity securities was comprised of approximately 10,211 and 371 different securities, respectively, which are included in the table above. Of the total amount of bond unrealized losses, $7,443 million, or 96%, is related to unrealized losses on investment grade securities and $293 million, or 4%, is related to below investment grade securities. Investment grade is defined as a security having a credit rating from the NAIC of 1 or 2; a rating of Aaa, Aa, A or Baa from Moody's or a rating of AAA, AA, A or BBB from Standard & Poor's ("S&P"); or a comparable internal rating if an externally provided rating is not available.

The amount of gross unrealized losses for bonds where fair value had declined by 20% or more of the amortized cost, totaled $4,085 million. The period of time that each of these securities has continuously been below amortized cost by 20% or more consists of $1,181 million for six months or less, $104 million for greater than six months through 12 months, and $2,800 million for greater than 12 months. In accordance with the Company's impairment policy, the Company performed quantitative and qualitative analysis to determine if the decline was temporary. For those securities where the decline was considered temporary, the Company did not recognize an impairment when it had the ability and intent to hold until recovery.

NOTE 10 - INVESTMENT INCOME AND CAPITAL GAINS AND LOSSES (continued)

The change in unrealized capital gains (losses) for the years ended December 31, 2024, 2023 and 2022 were as follows (in millions):

	Change in Unrealized Gains (Losses)			Change in Unrealized Foreign Exchange Gains (Losses)			Total Change in Unrealized Gains (Losses)		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Bonds	$ (12)	$ 27	$ (42)	$ (210)	$ 236	$ (351)	$ (222)	$ 263	$ (393)
Preferred Stocks	—	(3)	(2)	—	—	—	—	(3)	(2)
Common stocks unaffiliated	—	(182)	(210)	(9)	11	(7)	(9)	(172)	(217)
Mortgage loans	58	(72)	4	—	—	—	58	(72)	4
Other invested assets	139	(144)	28	8	2	(18)	148	(142)	10
Cash, cash equivalents and short-term investments	—	—	—	(1)	2	2	(1)	2	2
Derivatives	190	(195)	393	—	—	—	190	(195)	393
Total change in unrealized on investments	375	(569)	171	(212)	251	(374)	163	(319)	(203)
Capital gains tax (benefit) expense	6	(50)	(49)	—	—	—	6	(50)	(49)
Total change in unrealized gains (losses), net of tax	$ 369	$ (519)	$ 220	$ (212)	$ 251	$ (374)	$ 157	$ (268)	$ (154)

NOTE 11 - RELATED PARTY TRANSACTIONS

Capital Contributions

For the years ended December 31, 2024, 2023, and 2022, the Company made no capital contribution to MCF.

Dividend Distributions

For the years ended December 31, 2024, 2023 and 2022, the Company received dividend distributions from MCF of $98 million, $345 million and $176 million, respectively. For information on dividend payments made to New York Life, refer to Note 18 - Dividends to Stockholder.

Material Transactions

The following table presents material related party transactions between the Company, its parent, and its affiliates, for the years ended December 31, 2024 and 2023:

Date of Transaction	Name of Related Party	Nature of Relationship	Type of Transaction	Description
Loans and Credit Agreements:				
12/31/2015 (last amended as of 12/31/2022)	MCF	Non-insurance affiliate	Note funding agreement	The Company and New York Life entered into a note funding agreement with MCF (as amended from time to time, the "MCF Note Agreement") and acquired a variable funding note issued by MCF thereunder (the "Note"). The Note was most recently reissued on December 31, 2022 due to the Company's transfer of a portion of its interest to Life Insurance Company of North America ("LINA"), a direct wholly owned subsidiary of New York Life. The Note is reported as a bond, with an outstanding balance, including accrued interest, for the Company of $2,312 million and $2,162 million at December 31, 2024 and 2023, respectively. The funding limit is determined using 2.25% multiplied by the cash and invested assets amount, as of such date of determination. Cash and invested assets amount means, as of any date of determination, the sum of (x) the net admitted cash and invested assets of the Company and LINA (y) the net admitted cash and invested assets of New York Life (excluding any portion thereof attributable to New York Life's investment in the Company) and LINA, in each case, based on the most recently available quarterly or annual financial statements of New York Life, LINA or the Company, as applicable. All outstanding advances made to MCF under the MCF Note Agreement will be due in full on December 31, 2025.
12/23/2004 (last amended as of 12/30/2022)	New York Life Capital Corporation ("NYLCC")	Non-insurance affiliate	Revolving credit agreement	NYLCC has agreed to make loans to the Company in an amount up to, but not exceeding, $3,500 million from proceeds from the issuance of commercial paper. During 2024 and 2023, the revolving credit facility was not used, no interest was paid and no outstanding balance was due.
9/30/1993 (last amended on 12/30/2022)	New York Life	Parent	Revolving credit agreement	The Company has a revolving credit agreement with New York Life whereby the Company may borrow up to $3,500 million. At December 31, 2024 and 2023, the Company has not borrowed under this agreement.
4/1/1999 (last amended as of 12/30/2022)	New York Life	Parent	Revolving credit agreement	The Company has a revolving credit agreement with New York Life, whereby the Company may lend up to $900 million. At December 31, 2024 and 2023, the credit facility was not used, no interest was paid and there was no outstanding balance.
Service Agreements:				
4/27/2006 (amended from time to time	NYLIFE Distributors, LLC.	Non-insurance affiliate	Variable product distribution agreement	The Company has appointed NYLIFE Distributors, LLC as the underwriter and/or wholesale distributor of the Company's variable products. For the years ended December 31, 2024 and 2023, the Company received service fees of $43 million and $40 million, respectively, under a 12b-1 Plan Services Agreement, in consideration for providing 12b-1 Plan services attributable to the variable products.
Amended and restated at 10/1/2022	New York Life	Parent	Administration agreement	New York Life provides the Company with certain services and facilities, including, but not limited to, accounting, tax and audit services, legal services, actuarial services, electronic data processing operations and communications operations. New York Life charges the Company for the identified costs associated with these services and facilities under the terms of a service agreement between New York Life and the Company. For the years ended December 31, 2024 and 2023, the fees incurred associated with these services and facilities, amounted to $1,024 million and $983 million, respectively. These amounts need to be settled in cash within 90 days.

NOTE 11 - RELATED PARTY TRANSACTIONS (continued)

Date of Transaction	Name of Related Party	Nature of Relationship	Type of Transaction	Description
Various	New York Life	Parent	Participation in mortgage loans, Real estate owned and real estate	The Company's interests in commercial mortgage loans are primarily held in the form of participations in mortgages` originated or acquired by New York Life. A real estate property acquired through foreclosure is called REO Portfolio. The Company's interests in the ownership of REO Portfolio is called REO Ownership Interest. Certain real estate investments acquired may have similar ownership interests through a participation. Under the participation agreement for the mortgage loans, it is agreed between the Company and New York Life that the Company's proportionate interest (as evidenced by a participation certificate) in the underlying mortgage loan, including without limitation, the principal balance thereof, all interest which accrues thereon, and all proceeds generated therefrom, will be pari passu with New York Life's and pro rata based upon the respective amounts funded by New York Life and the Company in connection with the applicable mortgage loan origination or acquisition. Consistent with the participation arrangement, all mortgage loan documents name New York Life (and not both New York Life and the Company) as the lender but are held for the benefit of both the Company and New York Life pursuant to the applicable participation agreement. New York Life retains general decision making authority with respect to each mortgage loan, although certain decisions require the Company's approval. The Company’s mortgage loans, REOs and certain real estate investments acquired through a participation from New York Life had a carrying value of $16,885 million and $15,221 million as of December 31, 2024 and 2023, respectively. There's no REO in the form of participations owned by the Company as of December 31, 2024 and 2023.
1/1/2005 (amended 3/28/2014)	New York Life Investment Management LLC ("NYLIM")	Non-insurance affiliate	Administrative service agreement	NYLIM has a management agreement with the New York Life Investments VP Funds Trust, f/k/a MainStay VP Funds Trust ("the Fund"), a registered investment company whose shares are sold to various separate accounts of the Company. Under the terms of the agreement, NYLIM pays the Company administrative fees for providing services to the Fund.
4/1/2000, as amended from time to time	NYL Investors, LLC	Non-insurance affiliate	Investment advisory agreement	The Company is a party to an investment advisory agreement with NYL Investors, LLC, as amended from time to time, to receive investment advisory and administrative services from NYL Investors, LLC. The payments are required to be made within 90 days from the time of billing.
6/30/2008, as amended from time to time	NYLIFE Securities, LLC	Non-insurance affiliate	Service fee agreement	The Company pays NYLIFE Securities LLC a service fee for supervisory services based on a determined revenue factor based on sales and in-force business.
Other Agreements:				
Various	New York Life	Parent	Sale of corporate owned life insurance policies ("COLI")	The Company sold various COLI policies to New York Life for the purpose of informally funding certain benefits for New York Life employees and agents. These policies were issued on the same terms as policies sold to unrelated customers. At December 31, 2024 and 2023, policyholder reserve balances for these policies amounted to $4,452 million and $4,308 million, respectively, and were included in Policy reserves and Separate accounts liabilities in the accompanying Statutory Statements of Financial Position.
6/11/2012	New York Life	Parent	Tenancy in common agreement	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, NY by New York Life (73.8% interest) and the Company (26.2% interest), the Company and New York Life entered into a Tenancy in Common Agreement in which the agreement sets forth the terms that govern, in part, each entity's interest in the property.
Various	New York Life	Parent	Structured settlement agreements	The Company has sold certain annuity contracts to New York Life in order that New York Life may satisfy its third-party obligations under certain structured settlement agreements. The Company has been directed by New York Life to make the payments under the annuity contracts directly to the beneficiaries under these structured settlement agreements. At December 31, 2024 and 2023, the policyholder reserves related to these contracts amounted to $145 million and $148 million, respectively, and are included in Policy reserves in the accompanying Statutory Statements of Financial Position.
Various	New York Life	Parent	Structured settlement agreements	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 New York Life to make the payments under the annuity contracts directly to the beneficiaries under the structured settlement agreements. At December 31, 2024 and 2023, the carrying value of the interest in annuity contracts and the corresponding obligations under structured settlement agreements amounted to $11,428 million and $10,774 million, respectively.

NOTE 11 - RELATED PARTY TRANSACTIONS (continued)

Date of Transaction	Name of Related Party	Nature of Relationship	Type of Transaction	Description
Various	New York Life	Parent	Premiums settlement agreement	The Company has an agreement in place with New York Life to settle premiums associated with the Company's products sold at field offices. These premiums are typically settled within 1-2 business days. The Company had a receivable of $10 million and $11 million, respectively, for the years ended December 31, 2024 and 2023.
12/31/2024	NYLIM	Non-insurance subsidiary	Note purchase agreement	The Company entered into a Note Purchase Agreement with NYLIM Holdings. On December 31, 2024, the Company purchased a $600 million in aggregate principal amount of NYLIM Holdings 5.17% senior note due 2029.
Significant Transactions:				
12/31/2022	LINA	Insurance affiliate	Transfer of assets	Bond asset and cash transfers between the Company and LINA were executed to strengthen duration alignment between asset and liability profiles amongst the insurance companies. The Company acquired a $250 million of bonds from LINA in exchange for transferring a $250 million equity interest in MCF.
12/31/2020	LINA	Insurance Affiliate	Reinsurance agreement	The Company has an affiliated reinsurance agreement to reinsure mortality risk arising under LINA's group term life insurance business on a yearly renewable term basis. Additional details of this agreement are included in Note 13 "Reinsurance".
Various	NYLARC	Insurance Affiliate	Reinsurance agreement	The Company has reinsurance agreements with New York Life Agents Reinsurance Company ("NYLARC"). Additional details of this agreement are included in Note 13 "Reinsurance".
Various	LINA	Insurance Affiliate	Reinsurance agreement	The Company entered into a coinsurance reinsurance agreement with LINA, whereby LINA will reinsure on a coinsurance basis 100% of all policies issued by the Company associated with Critical Illness Insurance, Accidental Indemnity Insurance, and Hospital Indemnity Insurance policies ("Group Voluntary" policies). The Company has ceded to LINA the morbidity risk and any other key risk in the policies. This agreement was effective January 1, 2025. Therefore, there was no financial impact associated with this agreement at or for the year ended December 31, 2024.
9/26/2024	NYLIC	Insurance subsidiary	Transfer of assets	Bond asset and cash transfers between the Company and NYLIC were executed on September 26, 2024. The Company received $468 million of cash from NYLIC in exchange for bonds.

At December 31, 2024 and 2023, the Company reported a net amount of $129 million and $94 million, respectively, as amounts payable to parent and affiliates. The terms of the underlying agreements generally require that these amounts be settled in cash within 90 days.

In the ordinary course of business, the Company enters into reinsurance agreements with its parent and affiliates. Material reinsurance agreements have been disclosed in Note 13 – Reinsurance. In addition, the Company may enter into guarantees and/or keep wells with its parent and affiliates. Material guarantee agreements and/or keep wells have been disclosed in Note 15 – Commitments and Contingencies.

NOTE 12 - INSURANCE LIABILITIES

Insurance liabilities at December 31, 2024 and 2023 were as follows (in millions):

	2024	2023
Life insurance reserves	$ 28,669	$ 29,546
Annuity reserves and supplementary contracts with life contingencies	88,494	83,406
Asset adequacy and special reserves	2	38
Total policy reserves	117,165	112,990
Deposit funds	1,968	1,583
Policy claims	1,112	1,041
Total insurance liabilities	$ 120,245	$ 115,614

Life Insurance Reserves

Reserves for life insurance policies are maintained principally using the 1958 Commissioners' Extended Term Mortality Table and the 1958, 1980, 2001 and 2017 Commissioners' Standard Ordinary Mortality Tables under the Commissioners' Reserve Valuation Method or Net Level Premium Reserve Method with valuation interest rates ranging from 3.0% to 6.0%. Reserves for universal life secondary guarantee products with multiple sets of cost of insurance are determined using the methodology outlined in the November 2011 Life Actuarial Task Force Statement.

For the year ended December 31, 2024, there were no changes in reserve basis for life insurance reserves. For the year ended December 31, 2023, the Company recorded a net change in reserve valuation basis of $31 million, which was reported as a direct increase in surplus in the accompanying Statutory Statements of Changes in Surplus.

The Company has established policy reserves on contracts issued January 1, 2001 and later that exceed the minimum amounts determined under Appendix A-820, "Minimum Life and Annuity Reserve Standards" of NAIC SAP by approximately $64 million and $244 million at December 31, 2024 and 2023, respectively.

At December 31, 2024 and 2023, the Company's liabilities for GMDB reserves, which are associated with certain variable life products, amounted to $7 million and $9 million, respectively, and were recorded in Policy reserves in the accompanying Statutory Statements of Financial Position.

Surrender values are promised in excess of life reserves on certain policies. This excess is included as part of miscellaneous reserves. No surrender values are promised in excess of any other reserves. Additional reserves are held on account of anticipated extra mortality for policies subject to extra premiums.

At December 31, 2024 and 2023, the Company had $9,542 million and $9,739 million, respectively, of insurance in-force for which the gross premiums were less than the net premiums according to the standard of valuation set by the state of Delaware. Reserves to cover the above insurance totaled the net amount of $265 million and $268 million in 2024 and 2023, respectively.

The tabular interest has been determined by formula as described in the NAIC instructions except for certain UL products for which tabular interest has been determined from the basic data for the calculation of policy reserves. The tabular less actual reserves released has been determined by formula as described in the NAIC instructions. The tabular cost has been determined by formula as described in the NAIC instructions.

NOTE 12 - INSURANCE LIABILITIES (continued)

Annuity Reserves and Supplementary Contracts with Life Contingencies

Reserves for single premium immediate annuities and guaranteed future income annuities are based principally on A2000, 2012 IAR and the Commissioners' Annuity Reserve Valuation Method ("CARVM"), with assumed interest rates ranging from 3.75% to 6.0%. Purchases in 2018 and later years are reserved with valuation interest rates satisfying both the valuation manual requirements for maximum valuation interest rates for income annuities ("VM-22") and the NYSDFS Regulation 213 maximum valuation rate requirements, applying the 2012 IAR Table. The VM-22 rates range from 1.0% to 5.25%.

Reserves for fixed deferred annuities are based principally on 1971 Individual Annuity Mortality, 1983 Table A, A2000, 2012 IAR and CARVM, with assumed interest rates ranging from 3.0% to 10.0%. Reserves for variable deferred annuities are based principally on VM-21 and NYSDFS Regulation 213, where the VM-21 deficiencies are discounted applying scenario specific net asset earned rates ranging from 1.35% to 10.0%. For the index-linked account corresponding to a VA product, we also apply Actuarial Guideline XXXV, with assumed interest rates ranging from 3.0% to 5.25%. Generally, owners of the Company's deferred annuities are able, at their discretion, to withdraw funds from their policies. The withdrawals in excess of the surrender charge-free withdrawal amount may be subject to surrender charges in the early years.

At December 31, 2024 and 2023, the Company's liabilities for GMDB, GMAB, guaranteed future income benefit, and enhanced beneficiary benefits reserves, which are associated with VA products, amounted to $2 million and $38 million, respectively, and were recorded in Policy reserves in the accompanying Statutory Statements of Financial Position.

For the year ended December 31, 2024, the Department granted approval for the Company to change the reserve valuation basis for the variable deferred annuities to VM-21. For the index-linked account corresponding to a variable annuity product, the Company still applies Actuarial Guideline XXXV. Refer to Note 2 - Basis of Presentation, for more detailed information about the impact of this change.

The tabular interest has been determined by formula as described in the NAIC instructions.The tabular less actual reserves released has been determined by formula as described in the NAIC instructions. The tabular cost has been determined by formula as described in the NAIC instructions.

Deposit Funds

Deposit funds at December 31, 2024 and 2023 were as follows (in millions):

	2024	2023
Fixed period annuities	$ 1,625	$ 1,271
Supplemental contracts without life contingencies	277	300
Continued interest accounts	11	12
Total deposit funds	$ 1,913	$ 1,583

NOTE 12 - INSURANCE LIABILITIES (continued)

Withdrawal Characteristics of Annuity Reserves and Deposit Funds

The following table reflects the withdrawal characteristics of annuity reserves and deposit fund liabilities at December 31, 2024 and 2023 ($ in millions):

Individual Annuities

	2024				
	General Account	Separate Accounts with Guarantees	Separate Accounts Non-guaranteed	Total	% of Total
Subject to discretionary withdrawal:					
With fair value adjustment	$ 29,055	$ —	$ —	$ 29,055	23 %
At book value less current surrender charge of 5% or more	20,207	—	—	20,207	16
At fair value	—	—	38,030	38,030	30
Total with adjustment or at fair value	49,262	—	38,030	87,292	69
At book value without adjustment	16,098	—	—	16,098	13
Not subject to discretionary withdrawal	22,738	—	—	22,738	18
Total	$ 88,098	$ —	$ 38,030	$ 126,128	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ 4,403	$ —	$ —	$ 4,403	

	2023				
	General Account	Separate Accounts with Guarantees	Separate Accounts Non-guaranteed	Total	% of Total
Subject to discretionary withdrawal:					
With fair value adjustment	$ 30,270	$ —	$ —	$ 30,270	26 %
At book value less current surrender charge of 5% or more	12,128	—	—	12,128	10
At fair value	—	—	34,793	34,793	30
Total with adjustment or at fair value	42,399	—	34,793	77,191	66
At book value without adjustment	20,213	—	—	20,213	17
Not subject to discretionary withdrawal	20,350	—	—	20,350	17
Total	$ 82,962	$ —	$ 34,793	$ 117,754	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ 78	$ —	$ —	$ 78	

NOTE 12 - INSURANCE LIABILITIES (continued)

Group Annuities

	2024				
	General Account	Separate Accounts with Guarantees	Separate Accounts Non-guaranteed	Total	% of Total
Subject to discretionary withdrawal:					
With fair value adjustment	$ 17	$ —	$ —	$ 17	4 %
At book value less current surrender charge of 5% or more	—	—	—	—	—
At fair value	—	—	—	—	—
Total with adjustment or at fair value	17	—	—	17	4
At book value without adjustment	29	—	—	29	7
Not subject to discretionary withdrawal	350	—	—	350	89
Total	$ 396	$ —	$ —	$ 396	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ —	$ —	$ —	$ —	

	2023				
	General Account	Separate Accounts with Guarantees	Separate Accounts Non-guaranteed	Total	% of Total
Subject to discretionary withdrawal:					
With fair value adjustment	$ 24	$ —	$ —	$ 24	5 %
At book value less current surrender charge of 5% or more	—	—	—	—	—
At fair value	—	—	—	—	—
Total with adjustment or at fair value	24	—	—	24	5
At book value without adjustment	32	—	—	32	7
Not subject to discretionary withdrawal	388	—	—	388	88
Total	$ 444	$ —	$ —	$ 444	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ —	$ —	$ —	$ —	

NOTE 12 - INSURANCE LIABILITIES (continued)

Deposit-Type Contracts

	2024				
	General Account	**Separate Accounts with Guarantees**	**Separate Accounts Non-guaranteed**	**Total**	**% of Total**
Subject to discretionary withdrawal:					
With fair value adjustment	$ —	$ —	$ —	$ —	— %
At book value less current surrender charge of 5% or more	—	—	—	—	—
At fair value	—	—	—	—	—
Total with adjustment or at fair value	—	—	—	—	—
At book value without adjustment	184	—	—	184	9
Not subject to discretionary withdrawal	1,784	—	—	1,784	91
Total	$ 1,968	$ —	$ —	$ 1,968	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ —	$ —	$ —	$ —	

	2023				
	General Account	**Separate Accounts with Guarantees**	**Separate Accounts Non-guaranteed**	**Total**	**% of Total**
Subject to discretionary withdrawal:					
With fair value adjustment	$ —	$ —	$ —	$ —	— %
At book value less current surrender charge of 5% or more	—	—	—	—	—
At fair value	—	—	—	—	—
Total with adjustment or at fair value	—	—	—	—	—
At book value without adjustment	162	—	—	162	10
Not subject to discretionary withdrawal	1,421	—	—	1,421	90
Total	$ 1,583	$ —	$ —	$ 1,583	100 %
Amount with current surrender charge of 5% or more that will have less than a 5% surrender charge in the following year	$ —	$ —	$ —	$ —	

NOTE 12 - INSURANCE LIABILITIES (continued)

Withdrawal Characteristics of Life Insurance Reserves

The following tables reflect the withdrawal characteristics of life insurance reserves at December 31, 2024 and 2023 ($ in millions):

	2024					
	General Account			Separate Accounts Guaranteed and Non-guaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
Subject to discretionary withdrawal, surrender, or policy loans:						
Term policies with cash value	$ —	$ —	$ —	$ —	$ —	$ —
Universal life	17,837	17,837	18,067	5,922	5,922	5,922
Universal life with secondary guarantees	6,031	5,614	8,828	—	—	—
Indexed universal life	—	—	—	—	—	—
Indexed universal life with secondary guarantees	—	—	—	—	—	—
Indexed life	—	—	—	—	—	—
Other permanent cash value life insurance	—	—	—	—	—	—
Variable life	10	10	18	65	65	65
Variable universal life	1,760	1,755	1,753	15,062	14,829	14,854
Miscellaneous reserves	—	—	—	—	—	—
Not subject to discretionary withdrawal or no cash values:						
Term policies without cash value	—	—	—	—	—	—
Accidental death benefits	—	—	—	—	—	—
Disability - active lives	—	—	3	—	—	—
Disability - disabled lives	—	—	75	—	—	—
Miscellaneous reserves	—	—	627	—	—	—
Total life insurance (gross)	25,638	25,216	29,371	21,049	20,816	20,841
Reinsurance ceded	—	—	702	—	—	—
Total life insurance (net)	$ 25,638	$ 25,216	$ 28,669	$ 21,049	$ 20,816	$ 20,841

NOTE 12 - INSURANCE LIABILITIES (continued)

	2023					
	General Account			Separate Accounts Guaranteed and Non-guaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
Subject to discretionary withdrawal, surrender, or policy loans:						
Term policies with cash value	$ —	$ —	$ —	$ —	$ —	$ —
Universal life	18,768	19,111	19,299	6,312	6,312	6,312
Universal life with secondary guarantees	5,892	5,397	8,527	—	—	—
Indexed universal life	—	—	—	—	—	—
Indexed universal life with secondary guarantees	—	—	—	—	—	—
Indexed life	—	—	—	—	—	—
Other permanent cash value life insurance	—	—	—	—	—	—
Variable life	11	11	16	58	58	58
Variable universal life	1,748	1,744	1,744	13,233	13,030	13,066
Miscellaneous reserves	—	—	—	—	—	—
Not subject to discretionary withdrawal or no cash values:						
Term policies without cash value	—	—	—	—	—	—
Accidental death benefits	—	—	—	—	—	—
Disability - active lives	—	—	2	—	—	—
Disability - disabled lives	—	—	75	—	—	—
Miscellaneous reserves	—	—	612	—	—	—
Total life insurance (gross)	26,419	26,263	30,275	19,603	19,400	19,436
Reinsurance ceded	—	—	728	—	—	—
Total life insurance (net)	$ 26,419	$ 26,263	$ 29,547	$ 19,603	$ 19,400	$ 19,436

NOTE 13 - REINSURANCE

The effects of reinsurance on the accompanying Statutory Statements of Financial Position at December 31, 2024 and 2023 were as follows (in millions):

	2024	2023
Policy reserves:		
Direct	$ 117,867	$ 113,718
Assumed	—	—
Ceded	(702)	(728)
Policy reserves	$ 117,165	$ 112,990
Policy claims:		
Direct	$ 571	$ 552
Assumed	658	673
Ceded[(1)]	(116)	(184)
Policy claims	$ 1,113	$ 1,041
Reinsurance recoverable[(2)]	$ 55	$ 39

(1) Includes reinsurance recoverable related to unpaid losses of $84 million and $145 million at December 31, 2024 and 2023, respectively.
(2) Included in Other assets in the accompanying Statutory Statements of Financial Position.

The effects of reinsurance on the accompanying Statutory Statements of Operations for the years ended December 31, 2024, 2023 and 2022 were as follows (in millions):

	2024	2023	2022
Premiums:			
Direct[(1)]	$ 21,381	$ 20,072	$ 24,088
Assumed	1,218	1,208	1,185
Ceded	(555)	(554)	(531)
Premiums	$ 22,044	$ 20,726	$ 24,742
Benefit payments:			
Direct	$ 23,136	$ 21,447	$ 18,096
Assumed	1,246	1,266	1,344
Ceded	(595)	(652)	(606)
Benefit payments	$ 23,787	$ 22,061	$ 18,834

(1) Includes considerations for supplementary contracts with life contingencies of $58 million, $47 million and $42 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Reinsurance Assumed

The Company has an affiliated reinsurance agreement 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 the Company to diversify its overall risk profile, as the Company's risk profile was previously weighted more heavily toward interest rate and asset risk. Entry into the yearly renewable term treaty also reduces LINA's exposure to mortality risk. At December 31, 2024 and 2023, the Company held assumed liabilities for policy claims relating to this reinsurance agreement of $657 million and $667 million, respectively, which are included in policy claims in the accompanying Statutory Statements of Financial Position.

NOTE 13 - REINSURANCE (continued)

Reinsurance Ceded

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, the Company primarily reinsures the mortality risk on life insurance policies on a quota share yearly renewable term basis, except for custom guarantee UL, asset flex, and certain VUL 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% to 90%. All products are ceded from first dollar with the exception of reinsured VUL, which has a minimum size policy ceded of $1 million. Cases in excess of the Company's retention and certain substandard cases are ceded on a facultative reinsurance basis. The majority of the Company's facultative reinsurance is for substandard cases in which it typically cedes 90%.

The ceding of risk does not discharge the Company from its primary obligations to policyholders. To the extent that the assuming reinsurers become unable to meet their obligations under reinsurance contracts, the Company remains contingently liable. Each reinsurer is reviewed to evaluate its financial stability before entering into each reinsurance contract and throughout the period that the reinsurance contract is in place.

Life insurance ceded was 39% and 43% of total life insurance in-force at December 31, 2024 and 2023.

The Company has reinsurance agreements with New York Life Agents Reinsurance Company ("NYLARC"). NYLARC is a life insurance company wholly owned by NYLARC Holding Company, Inc., whose shareholders consist of New York Life's top agents who meet certain criteria and who may also be agents of the Company or NYLIFE Insurance Company of Arizona ("NYLAZ"). 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 New York Life, NYLAZ and the Company.

NOTE 14 - BENEFIT PLANS

The Company shares in the cost of the following plans sponsored by New York Life: (1) certain defined benefit pension plans for eligible employees and agents, (2) certain defined contribution plans for substantially all employees and agents, (3) certain postretirement life and health benefits for retired employees and agents including their eligible dependents, and (4) postemployment benefits. The expense for these plans is allocated to the Company in accordance with an intercompany cost sharing agreement. The liabilities for these plans are included with the liabilities for the corresponding plan of New York Life. The cost allocated to the Company related to benefit plans is recorded under Operating expenses in the accompanying Statutory Statements of Operations. The Company's share of the cost of these plans was as follows for the years ended December 31, 2024, 2023 and 2022 (in millions):

	2024	2023	2022
Defined benefit pension	$ 27	$ 25	$ 31
Defined contribution	11	10	10
Postretirement life and health	4	4	5
Postemployment	2	2	2
Total	$ 44	$ 41	$ 48

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Guarantees

As stated in Note 3 - Significant Accounting Policies, at the inception of a guarantee (except unlimited guarantees), the Company recognizes an initial liability at fair value for the obligations it has undertaken, regardless of the probability of performance under the guarantee. This includes guarantees made on behalf of affiliates unless the guarantee is deemed unlimited. At December 31, 2024 and 2023, the Company had no such guarantees.

Litigation

The Company is a defendant in individual and/or alleged class action suits arising from their agency sales force, insurance (including variable contracts registered under the federal securities law), investment, retail securities, employment and/or other operations, including actions involving retail sales practices. Some of the actions seek substantial or unspecified compensatory and punitive damages. The Company is also from time to time involved in various governmental, administrative, and investigative proceedings and inquiries.

Notwithstanding the uncertain nature of litigation and regulatory inquiries, the outcome of which cannot be predicted, the Company believes that, after provisions made in the financial statements, the ultimate liability that could result from litigation and proceedings would not have a material adverse effect on the Company’s financial position; however, it is possible that settlements or adverse determinations in one or more actions or other proceedings in the future could have a material adverse effect on the Company’s operating results for a given year.

Borrowed Money

Refer to Note 6 - Investments for a more detailed discussion of the Company's commitments for loaned securities and repurchase agreements.

Assessments

Most of the jurisdictions in which the Company is licensed to transact business require life insurers to participate in guaranty associations which are organized to pay contractual benefits pursuant to insurance policies issued by impaired, insolvent or failed life insurers. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written by member insurers in the line of business in which the impaired, insolvent or failed life insurer is engaged. Some states permit member insurers to recover assessments through full or partial premium tax offsets.

The Company recorded guaranty fund receivables of $4 million and $43 million at December 31, 2024 and 2023, respectively. The Company recorded guaranty fund liabilities of $10 million and $56 million at December 31, 2024 and 2023, respectively.

Other Commitments and Contingencies

Prior to July 1, 2002, the Company did business in Taiwan through a branch operation (the "Taiwan Branch"). On July 1, 2002, the Taiwan Branch ceased operations and all of its liabilities and assets, including policy liabilities were transferred to New York Life Insurance Taiwan Corporation ("Taiwan Corporation"), an indirect subsidiary of New York Life. On December 31, 2013, Taiwan Corporation was sold to Yuanta Financial Holding Co. Ltd. ("Yuanta"). Under the terms of the sale agreement, Yuanta has agreed to satisfy in full, or to cause Taiwan Corporation to satisfy in full, all of Taiwan Corporation's obligations under the Taiwan Branch policies that were transferred to Taiwan Corporation on July 1, 2002. However, the Company, under Taiwan law, also remains contingently liable for these policies in the event that neither Taiwan Corporation nor Yuanta meets its obligations. This contingent liability of the Company has not been recognized on the accompanying Statutory Statements of Financial Position because it does not meet the probable and estimable criteria of SSAP No. 5R.

NOTE 15 - COMMITMENTS AND CONTINGENCIES (continued)

At December 31, 2024 and 2023, the Company and its guaranteed separate accounts had contractual commitments to extend credit for commercial mortgage loans at both fixed and variable rates of interest, which amounted to approximately $1,075 million and $1,100 million, respectively. These commitments are diversified by property type and geographic location. There were no contractual commitments to extend credit under residential loan agreements at December 31, 2024 and 2023.

At December 31, 2024 and 2023, the Company and its guaranteed separate accounts had outstanding contractual obligations to acquire additional private placement securities amounting to $1,179 million and $1,109 million, respectively.

Unfunded commitments on limited partnerships, limited liability companies and other invested assets amounted to $790 million and $904 million at December 31, 2024 and 2023, respectively. Unfunded commitments on LIHTC amounted to $120 million and $163 million at December 31, 2024 and 2023, respectively. At December 31, 2024 and 2023, unfunded commitments on LIHTC are included in Other invested assets, with an offset in Other liabilities in the accompanying Statutory Statements of Financial Position.

Several commercial banks have customary security interests in certain assets of the Company to secure potential overdrafts and other liabilities of the Company that may arise under custody, securities lending and other banking agreements with such banks.

FHLB Agreement

The Company is a member of the FHLB of Pittsburgh. Membership in the FHLB of Pittsburgh provides the Company with a significant source of alternative liquidity. Advances received by the general account are included in Other liabilities in the accompanying Statutory Statements of Financial Position. When borrowing from the FHLB of Pittsburgh, the Company is required to post collateral in the form of eligible securities, including mortgage-backed, government and agency debt instruments for each of the advances received. Upon any event of default by the Company, the FHLB of Pittsburgh's recovery from the collateral is limited to the amount of the Company's liability to the FHLB of Pittsburgh.

The amount of FHLB of Pittsburgh common stock held, in aggregate exclusively in the Company’s general account at December 31, 2024 and 2023 was as follows (in millions):

	2024	2023
Membership stock - Class B [(1)]	$ 25	$ 25
Activity stock	—	—
Aggregate total	$ 25	$ 25
Actual or estimated borrowing capacity as determined by the insurer	$ 7,223	$ 6,945

[(1)] Membership stock is not eligible for redemption.

At December 31, 2024 and 2023, the Company did not have an outstanding balance due to the FHLB of Pittsburgh. The maximum amount borrowed and collateral pledged to the FHLB of Pittsburgh during the years ended December 31, 2024 and 2023 was as follows (in millions):

	2024		2023	
	General Account	Separate Account	General Account	Separate Account
Fair Value	$ 2,535	$ —	$ 3,018	$ —
Carrying Value	$ 2,535	$ —	$ 3,018	$ —
Maximum Amount Borrowed During the Year	$ —	$ —	$ 5	$ —

The Company does not have any prepayment obligations for the borrowing arrangement.

NOTE 16 - INCOME TAXES

The components of the net DTAs and DTLs were as follows at December 31, 2024 and 2023 (in millions):

	2024			2023			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross DTAs	$ 1,923	$ 338	$ 2,261	$ 1,725	$ 356	$ 2,081	$ 198	$ (18)	$ 180
Adjusted gross DTAs	1,923	338	2,261	1,725	356	2,081	198	(18)	180
Nonadmitted DTAs [1]	789	—	789	712	—	712	77	—	77
Subtotal net admitted DTAs	1,134	338	1,472	1,013	356	1,369	121	(18)	103
Gross DTLs	261	506	767	255	493	748	6	13	19
Net admitted DTAs [2]	$ 873	$ (168)	$ 705	$ 758	$ (137)	$ 621	$ 115	$ (31)	$ 84

[1] DTAs are nonadmitted primarily because they are not expected to be realized within three years of the Statutory Statements of Financial Position date.
[2] The total net admitted DTAs are included in Other assets in the accompanying Statutory Statements of Financial Position.

The admission calculation components for the years ended December 31, 2024 and 2023 were as follows (paragraph references throughout Note 16 are to paragraphs of SSAP No. 101 "Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10") (in millions):

	December 31, 2024			December 31, 2023			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Federal income taxes paid in prior years recoverable through loss carrybacks (Paragraph 11.a)	$ —	$ 15	$ 15	$ —	$ 22	$ 22	$ —	$ (7)	$ (7)
Adjusted gross DTAs expected to be realized (excluding the amount of DTAs from paragraph 11.a above) after application of the threshold limitation (the lesser of paragraph 11.b.i and 11.b.ii below)	686	5	691	597	2	599	89	3	92
Adjusted gross DTAs expected to be realized following the balance sheet date. (Paragraph 11.b.i)	686	5	691	597	2	599	89	3	92
Adjusted gross DTAs allowed per limitation threshold (Paragraph 11.b.ii)	N/A	N/A	1,157	N/A	N/A	1,246	N/A	N/A	(89)
Adjusted gross DTAs (excluding the amount of DTAs from paragraphs 11.a and 11.b above) offset by gross DTLs (Paragraph 11.c)	448	318	766	416	332	748	32	(14)	18
DTAs admitted as the result of application of SSAP 101 (Total of paragraphs 11.a, 11.b, 11.c).	$ 1,134	$ 338	$ 1,472	$ 1,013	$ 356	$ 1,369	$ 121	$ (18)	$ 103

The ratio used to determine the applicable period used in paragraph 11.b.i above and the amount of adjusted capital and surplus used to determine the percentage threshold limitation in paragraph 11.b.ii above are as follows at December 31, 2024 and 2023 ($ in millions):

	2024	2023
Ratio percentage used to determine recovery period and threshold limitation amount.	774 %	877 %
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in paragraph 11.b.ii above.	$ 7,711	$ 8,308

NOTE 16 - INCOME TAXES (continued)

There was no impact on the Company's adjusted gross and net admitted DTAs or corporate alternative minimum tax ("CAMT") DTAs, if any, due to tax planning strategies at December 31, 2024 and 2023. The Company did not use reinsurance in its tax planning strategies.

The Company had no unrecognized DTLs at December 31, 2024 and 2023. Additionally, the Company had no adjustments to gross DTAs because of a change in circumstances that causes a change in judgment about the realizability of the related DTAs.

Significant components of the current federal and foreign income taxes for the years ended December 31, 2024, 2023 and 2022 were as follows (in millions):

	2024	2023	2022	Change 2024-2023	Change 2023-2022
Federal[1]	$ 210	$ 247	$ 114	$ (37)	$ 133
Foreign	—	21	—	(21)	21
Subtotal	210	268	114	(58)	154
Federal income tax on net capital gains (losses)	(54)	(41)	16	(13)	(57)
Other	—	—	—	—	—
Total federal and foreign income taxes	$ 156	$ 227	$ 130	$ (71)	$ 97

[1] The Company had investment tax credits of $40 million, $33 million and $28 million for the years ended December 31, 2024, 2023 and 2022, respectively.

NOTE 16 - INCOME TAXES (continued)

The tax effects of temporary differences that give rise to DTAs and DTLs for the years ended December 31, 2024 and 2023 were as follows (in millions):

	2024	2023	Change
DTAs			
Ordinary:			
Policyholder reserves	$ 1,155	$ 1,026	$ 129
Deferred acquisition costs	435	411	24
Investments	252	234	18
Pension accrual	19	20	(1)
Receivables - nonadmitted	55	17	38
Fixed assets	1	2	(1)
Other	6	15	(9)
Subtotal	1,923	1,725	198
Nonadmitted	789	712	77
Admitted ordinary DTAs	1,134	1,013	121
Capital:			
Investments	338	356	(18)
Subtotal	338	356	(18)
Nonadmitted	—	—	—
Admitted capital DTAs	338	356	(18)
Total admitted DTAs	1,472	1,369	103
DTLs			
Ordinary:			
Policyholder reserves	44	80	(36)
Investments	208	166	42
Other	9	9	—
Subtotal	261	255	6
Capital:			
Investments	506	493	13
Subtotal	506	493	13
Total DTLs	767	748	19
Net admitted DTAs	$ 705	$ 621	$ 84
Change in deferred income tax on change in net unrealized capital gains/losses			$ (6)
Change in net deferred taxes related to other items			167
Change in DTAs nonadmitted			(77)
Change in net admitted DTAs			$ 84

NOTE 16 - INCOME TAXES (continued)

The Company’s income tax expense and change in net DTAs for the years ended December 31, 2024, 2023 and 2022 differs from the amount obtained by applying the statutory rate of 21% to net gain from operations after dividends to policyholders and before federal income taxes for the following reasons (in millions):

	2024	2023	2022	Change 2024-2023	Change 2023-2022
Net gain from operations after dividends to policyholders and before federal and foreign income taxes at statutory rate	$ 117	$ 141	$ (106)	$ (24)	$ 247
Net realized capital (losses)/gains at statutory rate	(74)	(24)	(15)	(50)	(9)
Tax exempt income	(38)	(33)	(35)	(5)	2
Tax credits, net of withholding	(47)	(41)	(40)	(6)	(1)
Amortization of IMR	6	(1)	(6)	7	5
Dividend from MCF	(21)	(72)	(37)	51	(35)
Partnership income from MCF	49	57	54	(8)	3
Prior year audit liability and settlement	(3)	4	1	(7)	3
Non-admitted assets	(40)	4	(6)	(44)	10
Other items impacting surplus	40	4	4	36	—
Other	—	(1)	5	1	(6)
Federal and foreign income taxes incurred and change in net deferred taxes during the year	$ (11)	$ 38	$ (181)	$ (49)	$ 219
Federal and foreign income tax expense reported in the Company's Statutory Statements of Operations	$ 210	$ 268	$ 114	$ (58)	$ 154
Capital gains tax (benefit)/expense incurred	(54)	(41)	16	(13)	(57)
Change in net DTAs	(167)	(189)	(311)	22	122
Change in current and deferred income taxes reported in surplus	—	—	—	—	—
Federal and foreign income taxes incurred and change in net deferred taxes during the year	$ (11)	$ 38	$ (181)	$ (49)	$ 219

The Company’s federal income tax return is consolidated with New York Life, NYLAZ, NYLIFE LLC, New York Life Enterprises LLC, NYL Investments, NYL Investors, LLC, LINA, New York Life Group Insurance Company of NY ("NYLGICNY"), and LINA Benefit Payments, Inc. Refer to Note 3 – Significant Accounting Policies - Federal Income Taxes.

As a member of NYLIC's consolidated group, the Company’s federal income tax returns are routinely audited by the Internal Revenue Service ("IRS") and provisions are made in the financial statements in anticipation of the results of these audits. The IRS has completed audits through 2013, and tax years 2014 through 2018 are currently under examination. There were no material effects in the Company’s Statement of Operations as a result of these audits.

The Company does not anticipate any significant changes to its total unrecognized tax benefits within the next 12 months.

NOTE 16 - INCOME TAXES (continued)

The Company did not have any operating loss, tax credit or CAMT credit carry forwards available for tax purposes. For the years ended December 2024, 2023, and 2022, the Company's income taxes incurred in current and prior years that will be available for recoupment in the event of future net losses were as follows (in millions):

Year		
2024	$	—
2023	$	—
2022	$	21

The Inflation Reduction Act ("IRA") of 2022 was enacted on August 16, 2022. The IRA includes a new Federal CAMT, effective in 2023, that is based on the adjusted financial statement income set forth on the applicable financial statement of an applicable corporation. The NAIC adopted Interpretation ("INT") 23-03 to apply to December 31, 2023 and subsequent years. The Company has determined as of the reporting date that it will be an applicable corporation but will not be liable for CAMT for the reporting year. The reporting entity has made an accounting policy election to disregard CAMT when evaluating the need for valuation allowance for its non-CAMT DTA's. As the subsidiary that is a member of a controlled group of corporations that file a consolidated return, any CAMT liability will be borne by the parent.

At December 31, 2024 and 2023, the Company recorded a current income tax receivable of $55 million and tax payable of $23 million, respectively, which is included in Other liabilities in the accompanying Statutory Statements of Financial Position.

At December 31, 2024, the Company had no protective tax deposits on deposit with the IRS under Section 6603 of the Internal Revenue Code.

NOTE 17 - CAPITAL AND SURPLUS

Capitalization

The Company has 20,000 shares authorized, with a par value of $10,000 per share with 2,500 shares issued and outstanding. All shares are common stock and are owned by New York Life. The Company has no preferred stock.

The Company did not receive a capital contribution from New York Life for the years ended December 31, 2024, 2023, and 2022.

Other Surplus Adjustments

Other adjustments, net in the accompanying Statutory Statements of Changes in Surplus at December 31, 2024, 2023 and 2022, principally include the effects of the following (in millions):

	2024	2023	2022
Surplus withdrawn from separate accounts	$ 47	$ 58	$ 48
Changes in surplus relating to separate accounts	(44)	(74)	(29)
Change in liability for reinsurance in unauthorized companies	3	2	(2)
Total	$ 6	$ (14)	$ 17

Nonadmitted Assets

Under statutory accounting rules, a nonadmitted asset is defined as an asset having economic value other than that which can be used to fulfill policyholder obligations, or those assets that are unavailable due to encumbrances or other third-party interests. These assets are not recognized in the accompanying Statutory Statements of Financial Position, and are, therefore, considered nonadmitted. The changes between years in nonadmitted assets are charged or credited directly to surplus.

Special Surplus Funds

At December 31, 2024, the Company had special surplus funds of $544 million (includes $528 million in the General Account and $16 million from Separate Accounts) due to the admittance of negative IMR. Refer to Note 6 - Investments for a more detailed discussion on Admitted Negative IMR.

NOTE 18 - DIVIDENDS TO STOCKHOLDER

The Company is subject to restrictions on the payment of dividends to New York Life. Under the Delaware Insurance Code, cash dividends can be paid only out of that part of the Company's available and accumulated surplus funds which are derived from realized net operating profits on its business and realized capital gains, and dividends (or other distributions) on capital stock can be declared and paid only out of earned surplus (being an amount equal to the unassigned funds of the Company as set forth in its most recent annual statement submitted to the Delaware Insurance Commissioner ("the Commissioner"), including all or part of the surplus arising from unrealized capital gains or revaluation of assets), except as otherwise approved by the Commissioner (provided that stock dividends may be paid out of any available surplus funds). Furthermore, no extraordinary dividend may be paid until 30 days after the Commissioner has received notice of such declaration and has not disapproved such payment within such 30 day period, or the Commissioner has approved such payment within that 30 day period. Extraordinary dividends are defined as any dividend or distribution or cash or other property, whose fair market value, together with that of other dividends or distributions made within the preceding 12 months, exceeds the greater of (1) 10 percent of the Company's surplus as regards policyholders as of the preceding December 31 or (2) the net gain from operations, not including realized capital gains, not to exceed 30 percent of its surplus to policyholders as of the immediately preceding calendar year, of the Company for the 12 month period ending on the preceding December 31 (not including pro rata distributions of any class of the Company's own securities).

At December 31, 2024, the amount of earned surplus of the Company available for the payment of dividends was $3,406 million. The maximum amount of dividends that may be paid in 2025 without prior notice to or approval of the Commissioner is $842 million .

Dividends may be declared by the Board of Directors of the Company from available surplus, as it deems appropriate, on a non-cumulative basis. For the years ended December 31, 2024, 2023 and 2022, the Company paid cash dividends to its sole stockholder, New York Life, of $890 million, $0 million, and $400 million, respectively.

NOTE 19 - WRITTEN PREMIUMS

Deferred and uncollected life insurance premiums and annuity considerations at December 31, 2024 and 2023 were as follows (in millions):

	2024		2023	
	Gross	**Net of Loading**	**Gross**	**Net of Loading**
Ordinary renewal	$ —	$ —	$ —	$ —
Group life[1]	$ 417	$ 417	$ 441	$ 441
Total	$ 417	$ 417	$ 441	$ 441

[1] Represents reinsurance premiums assumed from LINA. Refer to Note 13 - Reinsurance for more details.

NOTE 19 - WRITTEN PREMIUMS (continued)

Deferred premium is the portion of the annual premium not earned at the reporting date. Loading of deferred premium is an amount obtained by subtracting the valuation net deferred premium from the gross deferred premium and generally includes allowances for acquisition costs and other expenses.

Uncollected premium is gross premium, net of reinsurance that is due and unpaid at the reporting date. Net premium is the amount used in the calculation of reserves. The change in loading is included as an expense and is not shown as a reduction to premium income.

Based upon the Company experience, the amount of premiums that may become uncollectible and result in a potential loss is not material to the Company's financial position. At December 31, 2024 and 2023, the Company had less than $1 million of uncollected premiums, respectively, that were nonadmitted as they were over 90 days past due.

The Company did not have any direct premium written/produced by a single managing general agent/third-party administrator that was equal to or greater than 5% of surplus for the years ended December 31, 2024 and 2023, respectively.

NOTE 20 - LOAN-BACKED AND STRUCTURED SECURITY IMPAIRMENTS

The Company does not have any loan-backed and structured securities, which are other-than-temporarily impaired where the Company intends to sell, or does not have the intent and ability to hold until recovery, at December 31, 2024.

The following table lists each loan-backed and structured security at a CUSIP level where the present value of cash flows expected to be collected is less than the amortized cost basis during the year (in thousands):

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
General Account						
059469AF3	$ 388	$ 379	$ 9	$ 379	$ 351	12/31/2024
05953YAA9	1,978	1,971	7	1,971	1,824	12/31/2024
1248MBAJ4	2,277	2,264	13	2,264	1,956	12/31/2024
1248MBAL9	637	633	4	633	550	12/31/2024
12628KAF9	389	374	16	374	330	12/31/2024
12628LAJ9	70	66	4	66	62	12/31/2024
126384AQ9	11	11	0	11	10	12/31/2024
12638PAE9	658	653	6	653	529	12/31/2024
12667FJ55	549	546	3	546	492	12/31/2024
12667G6W8	672	666	6	666	596	12/31/2024
12667GXM0	609	596	13	596	544	12/31/2024
12667GXN8	214	209	5	209	194	12/31/2024
12668AMN2	718	711	7	711	633	12/31/2024
126694DT2	169	166	3	166	138	12/31/2024
17309YAF4	301	300	1	300	267	12/31/2024
225470S95	245	243	2	243	181	12/31/2024
3622E8AC9	1,419	1,391	29	1,391	1,273	12/31/2024
3622E8AF2	672	656	17	656	610	12/31/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
3622ELAG1	144	141	3	141	130	12/31/2024
3622EUAB2	260	259	2	259	244	12/31/2024
3622EUAC0	563	560	4	560	533	12/31/2024
3622MPAT5	12	12	0	12	11	12/31/2024
362334MD3	32	32	0	32	28	12/31/2024
362375AF4	312	308	4	308	300	12/31/2024
36244SAC2	1,950	1,922	28	1,922	1,713	12/31/2024
36244SAF5	1,187	1,172	15	1,172	1,064	12/31/2024
45660LSY6	1,516	1,416	100	1,416	1,361	12/31/2024
466247ZQ9	235	233	2	233	199	12/31/2024
46627MEA1	506	489	17	489	442	12/31/2024
46628BBD1	97	95	1	95	72	12/31/2024
46628SAE3	1,059	1,029	30	1,029	979	12/31/2024
46628SAG8	752	731	21	731	705	12/31/2024
46630MAG7	225	222	3	222	189	12/31/2024
53947LAG3	15,033	12,287	2,746	12,287	15,033	12/31/2024
57643MCG7	64	64	0	64	63	12/31/2024
61749EAD9	1,230	1,213	17	1,213	1,085	12/31/2024
61749EAE7	352	347	5	347	313	12/31/2024
61749EAH0	387	382	5	382	338	12/31/2024
61750YAD1	757	741	16	741	719	12/31/2024
61750YAE9	106	104	2	104	103	12/31/2024
61750YAJ8	204	200	4	200	195	12/31/2024
61751DAE4	220	211	9	211	185	12/31/2024
61751JAH4	623	610	13	610	570	12/31/2024
61751JAJ0	620	607	13	607	570	12/31/2024
61752RAJ1	427	418	9	418	406	12/31/2024
61752RAM4	416	408	9	408	397	12/31/2024
65537BAC4	1,201	1,179	22	1,179	1,091	12/31/2024
65537BAF7	782	768	14	768	713	12/31/2024
69336RBS8	8	6	2	6	1	12/31/2024
75970HAD2	30	30	0	30	29	12/31/2024
76110VSU3	9	8	0	8	8	12/31/2024
76114CAD8	167	166	1	166	151	12/31/2024
76114QAC9	49	48	1	48	43	12/31/2024
007034BN0	179	160	19	160	157	9/30/2024
059469AF3	397	392	5	392	376	9/30/2024
12627HAK6	340	339	1	339	306	9/30/2024
12628KAF9	401	392	9	392	353	9/30/2024
12628LAJ9	73	70	3	70	65	9/30/2024
12629EAD7	550	533	17	533	425	9/30/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
126384AQ9	11	11	0	11	11	9/30/2024
12667FJ55	565	551	13	551	506	9/30/2024
12667G6W8	691	685	7	685	621	9/30/2024
12667GXM0	625	614	11	614	562	9/30/2024
12667GXN8	219	215	4	215	200	9/30/2024
126694DT2	141	139	2	139	113	9/30/2024
17309BAB3	75	73	2	73	70	9/30/2024
225470S95	247	245	2	245	187	9/30/2024
36228F3Q7	1	1	0	1	1	9/30/2024
3622ELAG1	147	144	3	144	134	9/30/2024
3622MPAT5	12	12	0	12	11	9/30/2024
362334MD3	33	33	0	33	30	9/30/2024
362375AF4	316	313	3	313	309	9/30/2024
36242DD26	259	258	1	258	254	9/30/2024
36244SAC2	2,012	1,968	44	1,968	1,795	9/30/2024
36244SAF5	1,225	1,198	27	1,198	1,115	9/30/2024
466247ZQ9	240	235	5	235	207	9/30/2024
46627MEA1	520	515	5	515	466	9/30/2024
46628BBD1	100	97	3	97	73	9/30/2024
46628SAE3	1,081	1,072	10	1,072	1,040	9/30/2024
46628SAG8	768	761	7	761	749	9/30/2024
46630MAG7	230	228	2	228	200	9/30/2024
53947LAG3	15,891	15,054	836	15,054	15,054	9/30/2024
53948TAD2	10,182	0	10,182	0	0	9/30/2024
61749EAD9	1,269	1,241	28	1,241	1,150	9/30/2024
61749EAE7	363	355	8	355	332	9/30/2024
61749EAH0	399	392	7	392	358	9/30/2024
61750YAB5	30	29	0	29	29	9/30/2024
61750YAD1	769	757	12	757	739	9/30/2024
61750YAE9	108	106	2	106	105	9/30/2024
61750YAJ8	208	204	3	204	201	9/30/2024
61751JAH4	630	630	0	630	590	9/30/2024
61751JAJ0	626	626	0	626	590	9/30/2024
61752RAH5	217	212	4	212	205	9/30/2024
61752RAJ1	480	470	9	470	458	9/30/2024
61752RAM4	462	452	11	452	441	9/30/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
65537BAC4	1,224	1,210	14	1,210	1,135	9/30/2024
65537BAF7	797	788	9	788	742	9/30/2024
69336RBS8	9	8	2	8	3	9/30/2024
75970HAD2	65	64	1	64	65	9/30/2024
76110VSU3	11	9	2	9	9	9/30/2024
76114QAC9	49	49	0	49	44	9/30/2024
L2287*AA5	3,871	3,417	454	3,417	3,596	9/30/2024
L2287*AB3	2,688	2,302	386	2,302	2,422	9/30/2024
L2287*AC1	9,264	7,944	1,319	7,944	8,360	9/30/2024
12544TAH7	296	224	72	224	293	6/30/2024
12628KAF9	407	404	3	404	355	6/30/2024
12628LAJ9	75	74	1	74	68	6/30/2024
12667FJ55	566	565	1	565	493	6/30/2024
12667G6W8	711	705	6	705	617	6/30/2024
12668AMN2	771	769	2	769	679	6/30/2024
126694DT2	151	142	9	142	111	6/30/2024
17029PAA3	619	607	13	607	607	6/30/2024
17309BAB3	77	76	1	76	69	6/30/2024
17309YAF4	311	309	1	309	270	6/30/2024
36228F3Q7	2	2	0	2	2	6/30/2024
3622E8AC9	1,493	1,442	51	1,442	1,245	6/30/2024
3622E8AF2	706	680	26	680	602	6/30/2024
3622ELAG1	149	148	1	148	131	6/30/2024
3622EUAB2	266	262	4	262	249	6/30/2024
3622EUAC0	575	567	8	567	543	6/30/2024
362334MD3	34	33	1	33	29	6/30/2024
36242DD26	288	262	26	262	246	6/30/2024
36244SAC2	2,047	2,044	3	2,044	1,801	6/30/2024
36244SAF5	1,272	1,244	28	1,244	1,119	6/30/2024
45660LSY6	1,615	1,594	21	1,594	1,465	6/30/2024
46628SAE3	1,112	1,085	27	1,085	1,016	6/30/2024
46628SAG8	790	771	19	771	732	6/30/2024
46630MAG7	233	232	1	232	197	6/30/2024
57643MCG7	66	66	0	66	66	6/30/2024
61749EAD9	1,312	1,280	32	1,280	1,139	6/30/2024
61749EAE7	375	366	9	366	329	6/30/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
61749EAH0	413	403	10	403	354	6/30/2024
61750YAB5	30	30	0	30	29	6/30/2024
61750YAD1	776	772	4	772	721	6/30/2024
61750YAE9	109	108	1	108	103	6/30/2024
61750YAJ8	210	208	1	208	196	6/30/2024
61751DAE4	225	225	1	225	192	6/30/2024
61751JAH4	642	634	8	634	579	6/30/2024
61751JAJ0	638	630	8	630	579	6/30/2024
61752RAH5	221	219	2	219	202	6/30/2024
61752RAJ1	490	485	4	485	450	6/30/2024
61752RAM4	471	467	4	467	435	6/30/2024
65537BAC4	1,233	1,232	1	1,232	1,037	6/30/2024
65537BAF7	803	802	1	802	678	6/30/2024
69336RBS8	10	9	1	9	4	6/30/2024
75970HAD2	96	95	1	95	93	6/30/2024
76110VSU3	12	11	1	11	10	6/30/2024
76114QAC9	49	49	0	49	43	6/30/2024
059469AF3	497	403	93	403	376	3/31/2024
059515AE6	384	383	0	383	373	3/31/2024
05953YAA9	2,202	2,084	118	2,084	1,894	3/31/2024
1248MBAJ4	2,678	2,416	262	2,416	2,129	3/31/2024
1248MBAL9	754	675	78	675	598	3/31/2024
12627HAK6	443	345	98	345	306	3/31/2024
12628KAF9	563	413	150	413	372	3/31/2024
12628LAJ9	112	76	37	76	70	3/31/2024
12629EAD7	651	567	84	567	448	3/31/2024
126384AQ9	15	12	3	12	11	3/31/2024
12638PAE9	754	668	87	668	542	3/31/2024
12667FJ55	677	583	94	583	519	3/31/2024
12667G6W8	744	722	22	722	643	3/31/2024
12667G7X5	350	325	25	325	315	3/31/2024
12667GXM0	686	660	26	660	587	3/31/2024
12667GXN8	240	231	9	231	209	3/31/2024
12668AMN2	800	782	18	782	696	3/31/2024
126694DT2	284	225	60	225	194	3/31/2024
161546GK6	1,184	1,184	0	1,184	1,117	3/31/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
17029PAA3	636	619	16	619	619	3/31/2024
17309BAB3	86	78	8	78	71	3/31/2024
17309YAF4	326	314	12	314	275	3/31/2024
225470S95	266	249	17	249	178	3/31/2024
3622E8AC9	1,751	1,507	245	1,507	1,268	3/31/2024
3622E8AF2	868	713	156	713	614	3/31/2024
3622ELAG1	191	150	41	150	136	3/31/2024
3622EUAB2	334	268	66	268	253	3/31/2024
3622EUAC0	733	580	153	580	551	3/31/2024
3622MPAT5	13	13	0	13	11	3/31/2024
362334MD3	417	351	66	351	364	3/31/2024
362375AF4	440	321	119	321	321	3/31/2024
36244SAC2	2,280	2,075	205	2,075	1,836	3/31/2024
36244SAF5	1,419	1,290	129	1,290	1,141	3/31/2024
45660LSY6	1,659	1,631	28	1,631	1,504	3/31/2024
466247ZQ9	261	244	17	244	210	3/31/2024
46627MEA1	546	535	11	535	487	3/31/2024
46628SAE3	1,342	1,126	216	1,126	1,048	3/31/2024
46628SAG8	966	800	166	800	755	3/31/2024
46630MAG7	256	239	17	239	205	3/31/2024
57643MCG7	83	82	1	82	83	3/31/2024
61749EAD9	1,565	1,321	244	1,321	1,219	3/31/2024
61749EAE7	435	378	57	378	350	3/31/2024
61749EAH0	468	415	53	415	378	3/31/2024
61750YAB5	539	442	97	442	454	3/31/2024
61750YAD1	949	784	166	784	738	3/31/2024
61750YAE9	134	110	24	110	105	3/31/2024
61750YAJ8	256	212	45	212	200	3/31/2024
61751DAE4	254	227	26	227	196	3/31/2024
61751JAH4	824	652	173	652	598	3/31/2024
61751JAJ0	819	648	171	648	598	3/31/2024
61752RAH5	255	223	32	223	206	3/31/2024
61752RAJ1	569	495	75	495	459	3/31/2024
61752RAM4	561	476	85	476	443	3/31/2024
61946UAA0	5,332	5,330	2	5,330	5,085	3/31/2024
61947DAA7	2,956	2,921	35	2,921	2,464	3/31/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
65537BAC4	1,449	1,249	200	1,249	1,067	3/31/2024
65537BAF7	949	813	136	813	697	3/31/2024
69336QAL6	398	352	46	352	387	3/31/2024
69336RBS8	16	10	6	10	5	3/31/2024
69337VAE0	1,049	774	276	774	826	3/31/2024
75970HAD2	94	89	5	89	88	3/31/2024
76110VSU3	135	12	123	12	11	3/31/2024
76114CAD8	181	177	3	177	153	3/31/2024
76114QAC9	52	49	3	49	44	3/31/2024
87222PAD5	186	124	63	124	139	3/31/2024
Subtotal - General Account	**XXX**	**XXX**	**$ 22,261**	**XXX**	**XXX**	
Guaranteed Separate Accounts						
059469AF3	65	63	1	63	59	12/31/2024
1248MBAL9	98	97	1	97	85	12/31/2024
12628KAF9	51	49	2	49	43	12/31/2024
126384AQ9	11	11	0	11	10	12/31/2024
17309YAF4	196	196	0	196	174	12/31/2024
3622E8AC9	30	30	1	30	27	12/31/2024
3622MPAT5	12	12	0	12	11	12/31/2024
36244SAC2	107	105	2	105	94	12/31/2024
36244SAF5	98	97	1	97	89	12/31/2024
61749EAD9	55	54	1	54	48	12/31/2024
61749EAE7	27	27	0	27	24	12/31/2024
61749EAH0	83	82	1	82	72	12/31/2024
61750YAE9	26	26	1	26	26	12/31/2024
61750YAJ8	77	75	2	75	73	12/31/2024
61751DAE4	31	30	1	30	26	12/31/2024
75970HAD2	4	4	0	4	4	12/31/2024
76110VSU3	0	0	0	0	0	12/31/2024
059469AF3	66	65	1	65	63	9/30/2024
12627HAK6	60	60	0	60	54	9/30/2024
12628KAF9	52	51	1	51	46	9/30/2024
126384AQ9	11	11	0	11	11	9/30/2024
3622MPAT5	12	12	0	12	11	9/30/2024
36244SAC2	110	108	2	108	98	9/30/2024
36244SAF5	101	99	2	99	93	9/30/2024
61749EAD9	56	55	1	55	51	9/30/2024
61749EAE7	28	27	1	27	26	9/30/2024
61749EAH0	85	84	1	84	77	9/30/2024
61750YAE9	27	26	0	26	26	9/30/2024

IMPAIRMENTS TAKEN ON CURRENT HOLDINGS DURING THE CURRENT YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP[1,2]	Amortized Cost Before Current Period OTTI	Projected Cash Flows	Current Period Recognized OTTI	Amortized Cost After OTTI	Fair Value	Financial Statement Reporting Period
61750YAJ8	78	77	1	77	75	9/30/2024
75970HAD2	7	7	0	7	7	9/30/2024
76110VSU3	0	0	0	0	0	9/30/2024
12628KAF9	53	53	0	53	46	6/30/2024
17309YAF4	202	202	1	202	176	6/30/2024
3622E8AC9	32	31	1	31	26	6/30/2024
36244SAC2	112	112	0	112	99	6/30/2024
36244SAF5	106	103	3	103	93	6/30/2024
61749EAD9	58	57	1	57	51	6/30/2024
61749EAE7	29	28	1	28	25	6/30/2024
61749EAH0	88	86	2	86	76	6/30/2024
61750YAE9	27	27	0	27	26	6/30/2024
61750YAJ8	79	78	0	78	73	6/30/2024
61751DAE4	32	32	0	32	27	6/30/2024
75970HAD2	11	11	0	11	11	6/30/2024
059469AF3	82	67	15	67	63	3/31/2024
059515AE6	49	49	0	49	48	3/31/2024
1248MBAL9	116	104	12	104	92	3/31/2024
12627HAK6	78	61	17	61	54	3/31/2024
12628KAF9	73	54	20	54	49	3/31/2024
126384AQ9	15	12	3	12	11	3/31/2024
17309YAF4	213	205	8	205	179	3/31/2024
3622E8AC9	37	32	5	32	27	3/31/2024
3622MPAT5	13	13	0	13	11	3/31/2024
362334MD3	29	24	5	24	25	3/31/2024
36244SAC2	124	114	11	114	101	3/31/2024
36244SAF5	118	107	10	107	95	3/31/2024
61749EAD9	69	59	11	59	54	3/31/2024
61749EAE7	33	29	4	29	27	3/31/2024
61749EAH0	100	89	11	89	81	3/31/2024
61750YAB5	62	51	11	51	53	3/31/2024
61750YAE9	33	27	6	27	26	3/31/2024
61750YAJ8	96	79	16	79	75	3/31/2024
61751DAE4	36	32	4	32	28	3/31/2024
61946UAA0	346	346	0	346	330	3/31/2024
61947DAA7	602	595	7	595	502	3/31/2024
75970HAD2	12	11	1	11	11	3/31/2024
76110VSU3	1	0	1	0	0	3/31/2024
Subtotal - Guaranteed Separate Accounts	**XXX**	**XXX**	**$ 215**	**XXX**	**XXX**	
Grand Total	**XXX**	**XXX**	**$ 22,476**	**XXX**	**XXX**	

[1]Only the impaired lots within each CUSIP are included within this table.

[2]CUSIP amounts less than $1 thousand within this table are shown as zero.

NOTE 21 - SUBSEQUENT EVENTS

At February 28, 2025, 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 for the accompanying statutory financial statements that would have a material effect on the financial condition of the Company.

GLOSSARY OF TERMS

Term	Description
ABS	Asset-backed securities
AG 43	Actuarial Guideline 43 CARVM for variable annuities
AVR	Asset valuation reserve
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CAMT	Corporate Alternative Minimum Tax
CARVM	Commissioners' Annuity Reserve Valuation Method
COLI	Corporate owned life insurance
CRVM	Commissioners' Reserve Valuation Method
CSAs	Credit support annexes
DTA(s)	Deferred tax asset(s)
DTL(s)	Deferred tax liability(ies)
ETFs	Exchange traded funds
FHLB	Federal Home Loan Bank
GMAB	Guaranteed minimum accumulation benefit
GMDB	Guaranteed minimum death benefit
IMR	Interest maintenance reserve
INT	Interpretation 23-01 adopted by the NAIC
IRA	The Inflation Reduction Act of 2022
IRS	Internal Revenue Service
LIHTC	Low-income housing tax credit
LINA	Life Insurance Company of North America
LTV	Loan to value ratio
MCF	Madison Capital Funding LLC
MCF Note Agreement	New York Life note funding agreement with MCF
NAIC	National Association of Insurance Commissioners
NAIC SAP	National Association of Insurance Commissioners' Accounting Practices and Procedures
NAV	Net asset value
New York Life	New York Life Insurance Company
NYLARC	New York Life Agents Reinsurance Company
NYLAZ	NYLIFE Insurance Company of Arizona
NYLCC	New York Life Capital Corporation
NYLGICNY	New York Life Group Insurance Company of NY
NYLIM	New York Life Investment Management LLC
NYL Investments	New York Life Investment Management Holdings LLC
NYSDFS	New York State Department of Financial Services
OTC	Over-the-counter
OTC-bilateral	Over-the-counter bilateral agreements
OTC-cleared	Over-the-counter clearinghouse
OTTI	Other-than-temporary impairment(s)
PBR	Principle-based reserving
SEC	U.S. Securities and Exchange Commission

GLOSSARY OF TERMS

SSAP	Statement of Statutory Accounting Principles
SVO	Securities Valuation Office
Taiwan Branch	NYLIAC's former branch operations in Taiwan
Taiwan Corporation	New York Life Insurance Taiwan Corporation
TDR	Troubled debt restructuring
The Commissioner	Delaware Insurance Commissioner
The Company	New York Life Insurance and Annuity Corporation
The Department	Delaware State Insurance Department
The Fund	The MainStay VP Funds Trust
U.S. GAAP	Accounting principles generally accepted in the United States of America
UL	Universal life
VA	Variable annuity
VM-20	Valuation manual requirements for PBR for individual life products
VM-21	Valuation manual requirements for PBR for variable annuity products
VM-22	Valuation manual requirements for maximum valuation interest rates for income annuities
VUL	Variable universal life
Yuanta	Yuanta Financials Holding Co., Ltd.