

SERFF Tracking Number: NYGA-127083096 State: Arkansas
Filing Company: New York Life Insurance Company State Tracking Number: 48257
Company Tracking Number:
TOI: A08G Group Annuities - Unallocated Sub-TOI: A08G.002 GIC
Product Name: Synthetic GIC
Project Name/Number: /

Filing at a Glance

Company: New York Life Insurance Company

Product Name: Synthetic GIC

TOI: A08G Group Annuities - Unallocated

Sub-TOI: A08G.002 GIC

Filing Type: Form

SERFF Tr Num: NYGA-127083096 State: Arkansas

SERFF Status: Closed-Approved-
Closed State Tr Num: 48257

Co Tr Num:

Author: Robert Raslowsky

Date Submitted: 03/16/2011

State Status: Approved-Closed

Reviewer(s): Linda Bird

Disposition Date: 03/24/2011

Disposition Status: Approved-
Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

General Information

Project Name:

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Group Market Type: Employer, Association, Trust

Filing Status Changed: 03/24/2011

State Status Changed: 03/24/2011

Created By: Robert Raslowsky

Corresponding Filing Tracking Number:

Filing Description:

Re: SYN GIC (SINGLE CLIENT)

Group Fixed Annuity Contract

SYN GIC (SINGLE CLIENT)

APPLICATION

Group Fixed Annuity Application

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 09/16/2010

Domicile Status Comments:

Market Type: Group

Group Market Size: Small and Large

Overall Rate Impact:

Deemer Date:

Submitted By: Robert Raslowsky

The above-referenced group synthetic GIC contract form and application are being submitted for use in your jurisdiction on a general basis. This contract form and application are new and do not replace any forms previously filed.

<i>SERFF Tracking Number:</i>	<i>NYGA-127083096</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>New York Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>48257</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>A08G Group Annuities - Unallocated</i>	<i>Sub-TOI:</i>	<i>A08G.002 GIC</i>
<i>Product Name:</i>	<i>Synthetic GIC</i>		
<i>Project Name/Number:</i>	<i>/</i>		

The key features of the Contract are:

1. A book value accounting record (a "Book Value Account") as described in Section 2.2 will be established.
2. Contributions to a contract will be invested in a Custodial Account as described in Section 3.1. The Custodial Account is a segregated portfolio of assets owned by and in the possession of the Contractholder. Assets in the Custodial Account will be invested in accordance with Investment Guidelines attached to the Contract as Appendix A.
3. Interest will be reset periodically (e.g., monthly, quarterly) based upon a pre-determined formula and in no event will the effective annual rate of interest be less than 0%.
4. This contract has an "Evergreen" structure resulting in no pre-determined maturity date. The contract can be terminated by New York Life with 90 days' advance written notice to the Contractholder or without notice, upon the occurrence of certain events (e.g., the plan loses its status as a qualified plan under the Internal Revenue Code). The contract can likewise be terminated by the Contractholder on any business day with written notice at least 10 business days prior to the intended termination date. The obligations of the parties at termination are specified in Section 4.4 of the Contract.

We have boxed certain variables of the contracts and have provided an Explanation of Variables for each such boxed element.

This contract form and application were approved by the New York State Insurance Department on September 16, 2010.

We would appreciate your prompt review of this filing. If you have any questions, comments or if you need additional information, please contact me immediately at 1-800-695-8744, extension 3276

Company and Contact

Filing Contact Information

Robert Raslowsky,
169 Lackawanna Avenue
Parsippany, NJ 07054

Robert_Raslowsky@NYLIM.com
973-394-3276 [Phone]
973-394-4603 [FAX]

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Filing Company Information

New York Life Insurance Company CoCode: 66915 State of Domicile: New York
 51 Madison Avenue Group Code: 826 Company Type:
 New York, NY 10010 Group Name: State ID Number:
 (800) 695-8744 ext. [Phone] FEIN Number: 13-5582869

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? Yes
 Fee Explanation: \$50.00 per submission.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
New York Life Insurance Company	\$50.00	03/16/2011	45632002
New York Life Insurance Company	\$50.00	03/16/2011	45640434

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 Product Name: Synthetic GIC
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	03/24/2011	03/24/2011

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	03/16/2011	03/16/2011	Robert Raslowsky	03/16/2011	03/16/2011

SERFF Tracking Number: NYGA-127083096 *State:* Arkansas
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Product Name: Synthetic GIC
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Disposition

Disposition Date: 03/24/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: NYGA-127083096 *State:* Arkansas
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Memorandum of Variable Material		Yes
Form	Group Fixed Annuity Contract		Yes
Form	Group Fixed Annuity Application		Yes

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TOI: A08G Group Annuities - Unallocated Sub-TOI: A08G.002 GIC
Product Name: Synthetic GIC
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 03/16/2011
Submitted Date 03/16/2011
Respond By Date 04/18/2011

Dear Robert Raslowsky,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$50.00 is received.

Please feel free to contact me if you have questions.

Sincerely,
Linda Bird

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Product Name: Synthetic GIC
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
Response Letter Date 03/16/2011
Submitted Date 03/16/2011

Dear Linda Bird,

Comments:

Response 1

Comments: The additional \$50.00 fee was submitted on March 16, 2011.

Related Objection 1

Comment:

Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$50.00 is received.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Robert Raslowsky

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Form Schedule

Lead Form Number: SYN GIC (SINGLE CLIENT)

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	SYN GIC (SINGLE CLIENT)	Policy/Cont Group Fixed Annuity Initial ract/Fratern Contract al Certificate	Initial			SYN GIC Single Client Template _AM_ - 11.22.10 [CLEAN] _BOXED_.pdf
	SYN GIC (SINGLE CLIENT) APPLICATION	Application/Group Fixed Annuity Enrollment Application Form	Initial			SYN GIC Application - 9.14.10.pdf



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

11.22.10

Contractholder: ABC Trust Company as Trustee for the ABC Stable Value Fund

Effective Date: July 1, 2010

Date of Issue: July 1, 2010

Contract Number: GA-00000

NEW YORK LIFE WILL PAY the benefits provided by this Contract, subject to its terms and conditions.

This Contract is made in consideration of the payment of Contributions in accordance with its terms and conditions.

The benefits, terms and conditions set forth on the following pages are a part of this Contract.

IN WITNESS WHEREOF, New York Life has caused this Contract to be executed as of its Date of Issue.

**SYNTHETIC GUARANTEED INVESTMENT CONTRACT
BOOK VALUE ACCOUNT
SEGREGATED ASSET PORTFOLIO – CUSTODIAL ACCOUNT
PARTICIPATING GROUP ANNUITY CONTRACT
ANNUITY BENEFITS PAYABLE IN FIXED DOLLAR AMOUNTS**

President

Secretary

Countersignature

TABLE OF CONTENTS

SECTION 1. DEFINITIONS

	<u>Page No.</u>
1.1 Book Value Account	1
1.2 Business Day	1
1.3 Cash Buffer Assets	1
1.4 Contract	1
1.5 Contractholder	1
1.6 Contract Year	1
1.7 Corridor Amount	1
1.8 Custodial Account	1
1.9 Custodian	1
1.10 Effective Date	1
1.11 Fees	1
1.12 Impaired Securities	1
1.13 Initial Book Value Credit	1
1.14 Initial Market Value Deposit	1
1.15 Investment Manager	1
1.16 Market Value Events	2
1.17 Market Value Payment	2
1.18 Maturity Date	2

1.19	Maximum Contribution Limit	2
1.20	New York Life	2
1.21	Plan	2
1.22	Scheduled Maturity Date	2
1.23	Stable Value Fund	2
1.24	Stable Value Investment Manager	2
1.25	Trust	2

SECTION 2. CONTRACTUAL ACCOUNT

2.1	Contributions	3
2.2	Book Value Account	3
2.3	Interest	4
2.4	Fees	7
2.5	Payments to the Contractholder	8
2.6	Transfer to Other Funding Media	9
2.7	Market Value Events	10
2.8	Contractholder Market Value Payments	12
2.9	Clone Contracts	12
2.10	Scheduled Maturity	13

SECTION 3. CUSTODIAL ACCOUNT

3.1	Maintenance of Custodial Account	14
3.2	Operation of Custodial Account	14

3.3	Custodial Account	15
3.4	Investment Manager	15
3.5	Impaired Securities	15
SECTION 4. CONTRACT TERMINATION		
4.1(a)	Termination by Contractholder	17
4.1(b)	Termination by a Participating Plan	17
4.2	Termination by New York Life	17
4.3	Effect of Termination	18
4.4	Options at Termination	18
4.5	Automatic Termination of Contract	21
SECTION 5. REPORTING REQUIREMENTS		
5.1	New York Life Reporting Requirements	22
5.2	Investment Manager Reporting Requirement	22
5.3	Contractholder Reporting Requirements	22
SECTION 6. PENSION BENEFITS		
6.1	General	24
6.2	Required Information	24
6.3	Form and Amount of Benefit Payment	24
6.4	Certificates	24
6.5	Misstatements	24
6.6	Liability of New York Life	24

SECTION 7. GENERAL PROVISIONS

7.1	Contract	25
7.2	Dividends	25
7.3	Assignability	25
7.4	Construction	25
7.5	Plan Qualification	25
7.6.	Reliance by New York Life	25
7.7	Notices	25

SECTION 8. REPRESENTATIONS

8.1	Representations by the Contractholder	27
-----	---------------------------------------	----

	TABLE OF LIFE ANNUITY PURCHASE RATES	28
--	--------------------------------------	----

	APPENDIX A – Investment Management Guidelines	29
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APPLICATION

SECTION 1. DEFINITIONS

- 1.1 “Book Value Account” means the Book Value Account described in Section 2.2.
- 1.2 “Business Day” means any day on which the United States banking system and New York Life are open for normal business.
- 1.3 “Cash Buffer Assets” means those assets designated by the Contractholder or the Stable Value Investment Manager to meet daily transactional needs.
- 1.4 “Contract” means Group Annuity Contract No. GA-00000 issued by New York Life to the Contractholder.
- 1.5 “Contractholder” means the Contractholder shown on the cover page of this Contract.
- 1.6 “Contract Year” means the period beginning on the Effective Date and ending on December 31, 2010 and each subsequent twelve-month period beginning on a January 1 thereafter.
- 1.7 “Corridor Amount” means 5% of the ~~Book Value Account~~ as of the first day of a Contract Year, which is the amount of aggregate participant withdrawals requested within the Contract Year attributable to specified Market Value Events that are permitted to be made without a market value adjustment pursuant to Section 2.7.
- 1.8 “Custodial Account” means the custodial account described in Section 3.1.
- 1.9 “Custodian” means XYZ Bank and Trust Company.
- 1.10 “Effective Date” means the Effective Date shown on the cover page of this Contract.
- 1.11 “Fees” means the fees set forth in Section 2.4 of this Contract.
- 1.12 “Impaired Securities” means those securities described in Section VIII of Part One of Appendix A.
- 1.13 “Initial Book Value Credit” means the amount to be credited to the Book Value Account on the Effective Date which amount shall be \$10,000,000.00.
- 1.14 “Initial Market Value Deposit” means the amount to be deposited by the Contractholder into the Custodial Account on the Effective Date which amount shall be \$10,000,000.00.
- 1.15 “Investment Manager” means the investment manager responsible for managing the assets of the Custodial Account which shall be New York Life Investment Management LLC.

1.16 “Market Value Events” means the occurrence of one or more of the events described in Section 2.7.

1.17 “Market Value Payment” means a withdrawal described in Section 2.8

1.18 “Maturity Date” means the date established upon termination pursuant to Section 4.4(a)(ii).

7 → 1.19 “Maximum Contribution Limit” means an amount equal to \$150,000,000.00.

1.20 “New York Life” means New York Life Insurance Company.

1.21 “Plan” means the plans participating in the Stable Value Fund.

8A → 1.22 “Scheduled Maturity Date” means July 1, 2020.

1.23 “Stable Value Fund” means the ABC Stable Value Fund.

9 → 1.24 “Stable Value Investment Manager” means the investment manager responsible for managing the Plan’s Stable Value Fund which shall be ABC Asset Management Company LLC.

10 → 1.25 “Trust” means the XYZ Collective Investment Trust.

8

8B

SECTION 2. CONTRACTUAL ACCOUNT

2.1 CONTRIBUTIONS. Contributions made by the Contractholder are amounts in the Stable Value Fund, including the Initial Market Value Deposit specified in Section 1.14, directed to and received in the Custodial Account described in Section 3. Contributions may be made in cash or, with the Investment Manager’s written consent, in securities which will be valued in accordance with Section 3.1. In addition to the Initial Market Value Deposit, cash contributions in amounts aggregating up to 15% of the Initial Market Value Deposit may be made by the Contractholder to the Custodial Account during the first Contract Year, and cash contributions in amounts aggregating up to 15% of the Book Value Account balance as of January 1st of each subsequent Contract Year may be made to the Custodial Account during each such subsequent Contract Year without the prior approval of New York Life. Contributions in excess of the limits specified above in this Section 2.1 may be made by the Contractholder only with New York Life’s prior written consent. In no event will the net aggregate contributions made under this Contract exceed the Maximum Contribution Limit specified in Section 1.19.

2.2 BOOK VALUE ACCOUNT. The Book Value Account is an accounting record of the amounts credited to and charged to this Contract. Contributions when received will be credited to the Book Value Account maintained under this Contract.

The amount in the Book Value Account at any time will be equal to the sum of all amounts credited to that account, less the sum of all amounts charged to that account.

Amounts credited to the Book Value Account will be:

- (i) the Initial Book Value Credit specified in Section 1.13;
- (ii) contributions made pursuant to Section 2.1, subsequent to the Initial Market Value Deposit;
- (iii) interest credited pursuant to Section 2.3;
- (iv) dividends, if any, pursuant to Section 7.2; and
- (v) proceeds from Impaired Securities liquidated pursuant to Section 3.5.

Amounts charged to the Book Value Account will be:

- 15 → (vi) amounts withdrawn from the Custodial Account pursuant to the provisions of Section 2.4;
- 16 → (vii) amounts chargeable to the Book Value Account pursuant to the provisions of Sections 2.5, 2.6, 2.9, 2.10, 3.5, 4.1(b), 4.3, 4.4 or 4.5;
- 16A → (viii) the amount of any additional reduction to the Book Value Account as described in Section 2.7, if applicable;
- (ix) the amount of any reduction to the Book Value Account in connection with a Market Value Payment as described in Section 2.8, and
- (x) amounts withdrawn from the Custodial Account in order to provide pension benefits pursuant to Section 6.

2.3 INTEREST. For the purposes of this Section 2.3, the following terms will have the meanings set forth below:

“Rate Reset Date” means each July 1st, October 1st, January 1st and April 1st.

“Rate Reset Period” means the period from and including the Rate Reset Date to, but excluding, the immediately succeeding Rate Reset Date.

“Calculation Date” means the last Business Day of the second month prior to the start of a Rate Reset Period or, if later, the Contract Effective Date, as of which New York Life will determine the Crediting Rate for such Rate Reset Period.

As of the end of each day, New York Life will accrue interest on the Book Value Account based on the value of the Book Value Account as of the end of the prior day. Interest will be credited to the Book Value Account at the Crediting Rate at the end of each calendar month, or at the Termination Date defined in Section 4, if earlier. The Crediting Rate will be:

- (i) for the period from the Effective Date until the next following Rate Reset Date, the rate declared by New York Life on or prior to the Effective Date; such Crediting Rate will remain in effect to, but excluding, such Rate Reset Date and,
- (ii) for each subsequent Rate Reset Period, such Crediting Rate, as determined by New York Life as of the Calculation Date, based on the following crediting rate formula:

23 →
$$CR = \{(1 + Y) * (MV/BV)^{(1/D)}\} - 1 - F$$

where

24 →

CR = the Crediting Rate, the effective annual rate of interest,

25 →

Y = the dollar weighted average yield of the securities in the Custodial Account as of the Calculation Date,

MV = the Market Value of the Custodial Account as of the Calculation Date,

26 →

BV = the Book Value Account as of the Calculation Date, and

D = the effective Duration of the securities in the Custodial Account as of the Calculation Date, and

27 →

F = the effective annual rate of the Fees specified in Section 2.4.

28 →

In the event the securities in the Custodial Account consist of shares or units of mutual funds or other collective investment vehicles that do not have an established maturity, the duration and yield components of the Crediting Rate formula shall be based on the underlying assets of such mutual fund or collective investment vehicle without consideration of any fees associated with such mutual fund or collective investment vehicle.

In the event (MV/BV) falls within any of the following ranges as of any Calculation Date, New York Life has the right to adjust D in the Crediting Rate formula for the next Rate Reset Date, as follows:

29 →

MV/BV	Permitted Adjustment of D(duration)
Greater than <u>95%</u> , but less than or equal to <u>96%</u>	<u>90%</u> or more of D
Greater than <u>92.5%</u> , but less than or equal to <u>95%</u>	<u>85%</u> or more of D

Greater than 90%, but less than or equal to 92.5%	75% or more of D
Less than or equal to 90%	50% or more of D

30 → The Crediting Rate reduction resulting from the Permitted Adjustment of D described in the above table may not exceed 2.0%. ← **31**

New York Life will notify the Contractholder of the Crediting Rate determined under (ii) above at least five (5) Business Days prior to the date on which a new Crediting Rate takes effect. ← **31A**

New York Life may, upon mutual agreement between New York Life and the Contractholder, also re-determine the Crediting Rate more than once for any Rate Reset Period each time any of the following events occurs: ← **32A**

33 → (a) additional contributions in excess of the 15% annual limitation are made pursuant to Section 2.1; or

32 → (b) withdrawals resulting from a Market Value Event as defined in Section 2.7 are made from the Custodial Account;

(c) withdrawals for a Market Value Payment pursuant to Section 2.8 are made from the Custodial Account;

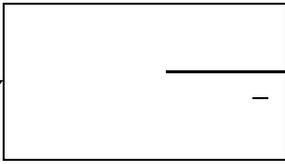
(d) an Impaired Security is withdrawn from the Custodial Account pursuant to Section 3.5; or

34 → (e) the Termination Date is established in accordance with Sections 4.1 or 4.2.

For this purpose, the Crediting Rate will be determined as described above, but the frequency of the Rate Reset Date and the determination of the Calculation Date will be as determined by New York Life.

35 → Anything to the contrary notwithstanding, New York Life reserves the right, on any Business Day occurring during the twelve-month period immediately prior to the Maturity Date, to recalculate the Crediting Rate using the following internal rate of return (“IRR”) formula instead of the formula described above: ← **35A**

35



Where:

BV = the Book Value Account as of the Calculation Date;

C_i = the i^{th} payment of expected asset cash flows (as reduced by the annualized rate applied to calculate the fees payable pursuant to Section 2.4, if applicable);

d = the total number of days in the calendar year in which the Calculation Date occurs;

t = the number of days from the Calculation Date to the expected receipt of each asset cash flow;

n = the total number of asset cash flows; and

Y = the IRR

The Crediting Rate will be equal to Y, as determined above, minus F, as defined in paragraph (ii) of this Section 2.3.

However, in no event will the effective annual Crediting Rate be less than 0%.

2.4 FEES. Risk charges and administrative expenses are due New York Life under this Contract and Investment Management Fees are due the Investment Manager under this Contract as set forth below.

(a) Risk/Administrative Fees: As of the end of each day, New York Life will accrue a Fee in an amount determined by applying an effective annual rate of 0.25% to the balance in the Book Value Account as of the end of the prior day. Such Fee will accrue daily and be charged against the Book Value Account and withdrawn from the Custodial Account at the end of each calendar month, or at the Termination Date, if earlier, unless other arrangements for the payment of such Fees to New York Life have been made pursuant to a written agreement between the Contractholder and New York Life.

(b) Investment Management Fee: As of the end of each calendar month, New York Life will accrue a Fee in an amount determined by applying an effective annual rate to the average daily balance in the Custodial Account for the calendar month in accordance with the following schedule:

37

36

38

38A

39

- 0.20% of the first \$100 million, plus
- 0.15% of the next \$100 million, plus

0.10% of the amount in excess of \$200 million.

38

Such Fees will be charged against the Book Value Account and withdrawn from the Custodial Account at the end of each calendar month, or at the Termination Date, if earlier, unless other arrangements for the payment of such Fees to the Investment Manager have been made pursuant to a written agreement between the Contractholder and the Investment Manager.

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41

42

New York Life and the Investment Manager reserve the right to change their Fees after the second anniversary of the Effective Date, but not more frequently than once in any twelve month period, upon 60 days advance written notice to the Contractholder. If New York Life receives written notice of the Contractholder's intent to terminate this Contract prior to the date that any new Fees becomes effective, the Fees in effect on the date New York Life receives written notice of such termination will apply to Section 4.3(ii) of this Contract. In no event may New York Life or the Investment Manager change the Fees after the Termination Date.

43

44

45

The Contractholder may request New York Life to bill the accrued Fees to the Contractholder in lieu of making a charge against the Book Value Account and a withdrawal from the Custodial Account. In the event that any such Fees remain unpaid for more than 30 days following New York Life's billing of such Fees, such Fees will be charged against the Book Value Account and withdrawn from the Custodial Account at the end of the next calendar month, or at the Termination Date, if earlier.

2.5 PAYMENTS TO THE CONTRACTHOLDER. Subject to the provisions of Section 2.7, the Contractholder or the Stable Value Investment Manager acting in accordance with the provisions of the Plan/Trust, may request benefit withdrawals from the Custodial Account. Any such withdrawal will be for the purpose of providing benefits for Plan participants upon death, retirement, disability, termination of employment, or for providing in-service and hardship withdrawals or loans to active participants in accordance with the provisions of the Plan/Trust.

Subject to the provisions of Section 2.7, the amount requested for withdrawal from the Custodial Account will be charged against the Book Value Account on the later of (a) the date of receipt of written notice by New York Life of the withdrawal from the Custodial Account and (b) the date specified in such notice provided that the following order of withdrawal from the Stable Value Fund has been adhered to by the Contractholder or the Stable Value Investment Manager:

- (i) first, from current cash flow to the extent sufficient;
- (ii) second, from the Cash Buffer Assets, if any; and

46

(iii) third, from the Book Value Account on a pro-rata basis.

47 →
48 → In addition, on any day on which the aggregate market value of the Cash Buffer Assets of the Stable Value Fund (taking into account net contributions to the Stable Value Fund on such day) is less than 3% of the book value of the Stable Value Fund's assets on such day, the Contractholder or the Stable Value Investment Manager may withdraw from the Custodial Account for transfer to the Stable Value Fund's Cash Buffer Assets an amount equal to New York Life's pro rata share of the amount specified in such notice (such amount, the "Cash Buffer Transfer Amount"). The Cash Buffer Transfer Amount will be charged against the Book Value Account. A Cash Buffer Transfer Amount shall in no event exceed an amount which would restore the Stable Value Fund's Cash Buffer Assets to a level equal to 3% of the book value of the Stable Value Fund's assets on such day.

The Contractholder will notify New York Life, pursuant to Section 3.2, of any requested withdrawal from the Custodial Account and furnish New York Life with such information as New York Life may reasonably require in connection with requests for withdrawals under this Section 2.5.

The amount charged against the Book Value Account on account of a payment pursuant to this Section 2.5 will not exceed the balance in the Book Value Account as of the date such charge is to be made against the Book Value Account less the accrued Fees under Section 2.4. ← 49

2.6 TRANSFER TO OTHER FUNDING MEDIA. Subject to the provisions of Section 2.7, the Contractholder or the Stable Value Investment Manager may request withdrawals from the Custodial Account to provide transfers to other funding media, pursuant to elections made by Plan participants. No transfers to competing investment options, such as fixed income funds, including, but not limited to, guaranteed investment contracts, money market funds or short-term bond funds (i.e., bond funds with a duration of three (3) years or less) are permitted under this Contract. Any transfer out of the Book Value Account must first go through a non-competing investment option and reside there for at least 90 days before being transferred to a competing investment option.

Subject to the provisions of Section 2.7, New York Life will charge the amount of the requested withdrawal against the Book Value Account on the later of (a) the date of receipt of written notice by New York Life of the withdrawal from the Custodial Account, and (b) the date specified in such notice provided that the following order of withdrawal from the Stable Value Fund has been adhered to by the Contractholder or the Stable Value Investment Manager;

(i) first, from current cash flow to the extent sufficient;

50 →

- (ii) second, from the Cash Buffer Assets, if any; and
- (iii) third, from the Book Value Account on a pro-rata basis.

The Contractholder will notify New York Life, pursuant to Section 3.2, of any requested withdrawal from the Custodial Account to provide a transfer payment and furnish New York Life with such information as New York Life may reasonably require in connection with requests for transfers under this Section 2.6.

The amount charged against the Book Value Account pursuant to this Section 2.6 will not exceed the balance in the Book Value Account as of the date such charge is to be made against the Book Value Account, less the accrued Fees under Section 2.4.

51

2.7 MARKET VALUE EVENTS. If a withdrawal requested pursuant to Sections 2.5 and 2.6 resulted in whole or in part from a Market Value Event, the amount requested for withdrawal will be adjusted as described below. For the purpose of this Section, Market Value Event shall mean any such occurrence that is outside the normal operations of the Plan including but not limited to:

52

- (i) a merger, consolidation, spin-off or sale of assets involving the Plan sponsor;
- (ii) sales or closings of all or part of the Plan sponsor's operations;
- (iii) a group termination, group layoff, or the exclusion of a group from eligibility in the Plan by the plan sponsor;
- (iv) the implementation of an early retirement program by the Plan sponsor;
- (v) any amendment to the Plan/Trust that has a material or adverse effect on New York Life's financial experience under the Contract;
- (vi) the distribution of any communication to participants intended or designed to induce participants to make withdrawals or transfers from the Stable Value Fund other than one that describes only the risk and reward characteristics of investment options available under the Plan without any direct or indirect recommendations regarding any such options or that are required by applicable law or regulation;

52

- (vii) the complete or partial termination of the Stable Value Fund or the complete or partial termination of the Plan or the cessation of, or a substantial reduction in, contributions to the Plan by the Plan sponsor;
- (viii) the establishment of a defined contribution plan by the Plan sponsor that competes for participant contributions to the Plan;
- (ix) a merger or consolidation of the Plan/Trust with a different plan/trust, a transfer of assets of the Stable Value Fund to a different plan/trust or a transfer of assets of a different plan/trust to the Plan/Trust.

53

The requested amount of the withdrawal will be charged against the Book Value Account and the amount withdrawn from the Custodial Account in connection with the withdrawal will be equal to the amount requested for withdrawal, multiplied by the lesser of:

- (1) a factor of one and
- (2) the ratio of the market value of the Custodial Account as of the Business Day preceding the date of payment to the Book Value Account as of the Business Day preceding the date of payment.

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Anything in this Contract to the contrary notwithstanding, any withdrawals made pursuant to Section 2.5 or Section 2.6 resulting from a Market Value Event described in this Section 2.7 will not be subject to the adjustment described above, if the Contractholder gives 12 months advance written notice to New York Life of such withdrawal by the Plan.

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Anything in this Contract to the contrary notwithstanding, the portion of any withdrawal made pursuant to Section 2.5 or Section 2.6 resulting from a Market Value Event described in this Section 2.7 that, when aggregated with all other Market Value Event withdrawals effected in any one Contract Year does not exceed the Corridor Amount, will not be subject to the adjustment described above. The Contractholder shall provide New York Life with written notice immediately upon the occurrence of a Market Value Event described in this Section 2.7.

56

Instead of the adjustment to the amount requested for withdrawal described above, at New York Life's option, the entire amount of the Market Value Event withdrawal may be withdrawn from the Custodial Account and charged to the Book Value Account and New York Life will reduce the Book Value Account by an additional amount equal to the excess, if any, of (1) over (2) where:

(1) is an amount determined by multiplying the amount of all Contract Year Market Value Event withdrawals from the Custodial Account under this Contract in excess of the Corridor Amount by the greater of (i) a factor of one and (ii) the ratio of the Book Value Account to the market value of the Custodial Account both determined immediately prior to the excess withdrawal, and

(2) is the amount of all such withdrawals from the Custodial Account under this Contract in excess of the Corridor Amount,

provided such reduction would not reduce the Book Value Account below zero.

57

2.8 CONTRACTHOLDER MARKET VALUE PAYMENTS. The Contractholder or the Stable Value Investment Manager may request a withdrawal from the Custodial Account for a Market Value Payment. For this purpose, a “Market Value Payment” means a withdrawal other than one provided for in Sections 2.4, 2.5, 2.6, 2.9, 2.10, 3.5, 4.1(b), 4.3, 4.4, 4.5 or 6.1.

58

The amount withdrawn from the Custodial Account in connection with a Market Value Payment will be equal to the amount requested for withdrawal, provided such withdrawal may not reduce the Custodial Account below \$100 million. Such market value payment will be made within 30 days of the date the request is received by New York Life and the Investment Manager.

59

The Book Value Account will be reduced in connection with a Market Value Payment by an amount equal to the product of (1) and (2) where:

- (1) is the amount of the withdrawal from the Custodial Account and
- (2) is the ratio of the Book Value Account as of the Business Day preceding the date of payment to the market value of the Custodial Account as of the Business Day preceding the date of payment.

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2.9 CLONE CONTRACTS. In the event of a merger, spin-off or sale of a portion of the Plan sponsor’s operations, the Contractholder may direct New York Life by written notice, to issue a contract for a successor plan sponsor provided an initial minimum contribution requirement of \$5,000,000.00 can be satisfied. Such contract will be substantially similar in all respects to the provisions of this Contract. New York Life will transfer a portion of the Book Value Account attributable to such successor plan from this Contract to the newly issued contract, as directed by the Contractholder. A withdrawal from the Custodial Account for transfer to a new custodial account will be made in an amount equal to a portion of the Custodial Account having an

aggregate market value equal to the product of (a) the market value of the Custodial Account immediately prior to the effective date of the clone contract and (b) the ratio of the portion of the Book Value Account attributable to such successor plan and the Book Value Account prior to such withdrawal. Such a withdrawal will not be considered to be a withdrawal subject to the Corridor Amount.

2.10 SCHEDULED MATURITY. On and after July 1, 2017, the assets in the Custodial Account will be managed as provided in Part Two of Appendix A.

Unless terminated earlier pursuant to Section 4, this Contract will terminate on the Scheduled Maturity Date and a lump sum payment equal to the excess, if any, of the balance in the Book Value Account over the market value of the Custodial Account will be made to the Contractholder or to any other entity as directed by the Contractholder. Payment under this Section 2.10 shall be in complete discharge of New York Life's obligations with respect to the Book Value Account and the Investment Manager's obligations with respect to the Custodial Account.

61A →

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SECTION 3. CUSTODIAL ACCOUNT

3.1 MAINTENANCE OF CUSTODIAL ACCOUNT. The Custodial Account will constitute a segregated portfolio of assets owned by and in the possession of the Contractholder.

Assets allocated to the Custodial Account will be invested by the Investment Manager primarily in fixed income securities directly or indirectly through investments in, including but not limited to, collective investment trusts, pooled funds and mutual funds, but, in the sole discretion of the Investment Manager, such assets may also include other types of investments such as instruments for hedging fixed income securities, or be held in cash, as permitted by applicable law. Assets in the Custodial Account will be invested by the Investment Manager in accordance with Part One of the Investment Guidelines attached hereto as Appendix A prior to July 1, 2017 **61C** → or, if applicable, the establishment of a Maturity Date as provided for in Section 4.4(a)(ii). The Investment Guidelines may not be modified or supplemented without New York Life's prior written consent.

As of the end of each Business Day, the Investment Manager will value the assets allocated to the Custodial Account at their market value. If, in the judgment of the Investment Manager, no market value of an asset is then readily available, the Investment Manager will determine a fair value, in lieu of market value, in accordance with its practices and applicable laws and regulations.

3.2 OPERATION OF CUSTODIAL ACCOUNT. No later than 10:00 A.M. Eastern Time on the day on which a withdrawal in excess of the cash flow and Cash Buffer Assets, if any, is to be made from the Custodial Account, the Contractholder or the Stable Value Investment Manager will provide New York Life and the Investment Manager with written notice of such withdrawal. New York Life will promptly notify the Investment Manager to liquidate securities in an amount equal to the requested withdrawal, subject to the provisions of Section 2.7, 2.8 and 4.1(b). The Investment Manager will have complete discretion in selecting the securities to be liquidated to fund such withdrawals, except as otherwise provided for in Section 3.5. The payment resulting from the liquidation of such securities will be made to the Contractholder or to any other entity as directed by the Contractholder.

The Custodial Account on the Effective Date will be equal to the Initial Market Value Deposit made on that Date. Thereafter, the Custodial Account will be increased by:

- (i) contributions made to the Custodial Account pursuant to Section 2.1, subsequent to the Initial Market Value Deposit,
- (ii) dividends, if any, credited pursuant to Section 7.2, and

(iii) proceeds from Impaired Securities liquidated pursuant to Section 3.5.

The Custodial Account will be reduced by:

(iv) the amount of the Fees charged pursuant to Section 2.4, unless other arrangements for the payment of such Fees, as mutually agreed upon by New York Life, and the Contractholder, and the Investment Manager and the Contractholder, have been made,

(v) the amount of any requested withdrawals made pursuant to Sections 2.5 and 2.6, subject to the provisions of Section 2.7,

(vi) the amount of any requested withdrawal in connection with a Market Value Payment pursuant to Section 2.8,

(vii) amounts withdrawn pursuant to Section 2.9, 2.10, and 3.5,

(viii) amounts withdrawn pursuant to Sections 4.1(b), 4.3, 4.4 or 4.5, and

(ix) amounts withdrawn in order to provide pension benefits pursuant to Section 6.

3.3 CUSTODIAL ACCOUNT. The agreement between the Custodian and the Contractholder will specifically authorize New York Life, at such times as deemed appropriate with reasonable advance notice, to perform spot audits and inspections of the books and records of the Custodian with respect to the assets held in the Custodial Account. On a monthly basis, or more frequently, if requested by New York Life, the Custodian will provide New York Life and the Investment Manager with a list of all securities held in the Custodial Account as of the date specified in the request and a list of all transactions for the period specified in the request.

3.4 INVESTMENT MANAGER. The Investment Manager specified in Section 1.15 will direct the investment of funds in the Custodial Account and may engage other advisors, from time to time, including any of its affiliates, to assist it in carrying out its duties as Investment Manager. An adviser may engage sub-advisers to assist the adviser in carrying out its duties.

The Investment Manager is a fiduciary, within the meaning of the Employee Retirement Income Security Act of 1974, as amended (ERISA) with respect to the assets under management and is familiar with and will comply with the fiduciary responsibility provisions of Title I, Part 4, of ERISA, in the performance of its obligations.

3.5 IMPAIRED SECURITIES. If a security becomes an Impaired Security as described in the Investment Guidelines in Appendix A and such security is required to be liquidated in

accordance with Appendix A, the liquidated security will be withdrawn from the Custodial Account maintained under this Contract. The amortized cost of such liquidated security, as reasonably determined by the Investment Manager, immediately prior to impairment, will be charged against the Book Value Account as of the date of impairment. The proceeds of such liquidated security will be redeposited for reinvestment in the Custodial Account. Replacement assets for Impaired Securities may be purchased for the Custodial Account by the Investment Manager in accordance with the Investment Guidelines in Appendix A.

SECTION 4. CONTRACT TERMINATION

4.1(a) TERMINATION BY CONTRACTHOLDER. The Contractholder may, prior to July 1, 2017, terminate this Contract as of any Business Day, which day shall be the Termination Date, provided written notice of termination is received by New York Life at its Home Office in New York City at least 10 Business Days prior to the intended Termination Date.

4.1(b) TERMINATION BY A PARTICIPATING PLAN. In the event a Plan terminates its participation in the Stable Value Fund, the Contractholder may, upon 10 Business Day prior written notice, request a withdrawal from the Custodial Account in the amount of that Plan's interest in the Book Value Account. However, the withdrawal from the Custodial Account will be equal to the amount requested for withdrawal multiplied by the lesser of:

- (i) a factor of one, and
- (ii) the ratio of the market value of the Custodial Account as of the Business Day preceding the date of payment to the Book Value Account as of the Business Day preceding the date of the payment.

The amount of the requested withdrawal will be charged against the Book Value Account on the later of (a) the date of receipt of written notice by New York Life of the withdrawal from the Custodial Account, and (b) the date specified in such notice, in accordance with the order of withdrawal specified in Section 2.5.

Twelve-Month Put Option:

Anything in this Contract to the contrary notwithstanding, any withdrawal made pursuant to this Section 4.1(b) will not be subject to the adjustment described above, if the Contractholder gives not less than 12 months advance written notice to New York Life of the Plan's request for withdrawal. New York Life, in its sole discretion, may authorize such unadjusted withdrawal to be paid prior to the end of the twelve-month period in a single sum, to the Contractholder or to such other entity as the Contractholder may designate in writing.

The Contractholder will promptly notify New York Life of a requested withdrawal from the Custodial Account and will furnish New York Life with such information as New York Life may reasonably require in connection with a withdrawal request under this Section 4.1(b).

4.2 TERMINATION BY NEW YORK LIFE. New York Life may, prior to July 1, 2017, terminate this Contract as of any Business Day, which day shall be the Termination Date. New York Life will provide at least 90 days advance written notice to the Contractholder of such termination, unless New York Life makes an election under Section 4.4(c).

4.3 EFFECT OF TERMINATION. In the event of Termination, the following will take effect:

- (i) Subject to any exceptions provided for in Section 4.4, New York Life will credit interest to the Book Value Account pursuant to Section 2.3 until such time as the balance in the Book Value Account is reduced to zero.
- (ii) Subject to any exceptions provided for in Section 4.4, New York Life will accrue Fees pursuant to Section 2.4 until such time as the balance in the Book Value Account is reduced to zero, and the amount of such Fees will be withdrawn from the Custodial Account, unless other arrangements for the payment of such Fee, as mutually agreed upon by New York Life and the Contractholder, or the Investment Manager and the Contractholder, as applicable, have been made.

(iii) In the event Contract termination pursuant to Section 4.1(a) takes effect within two years of the Effective Date, in order to compensate New York Life and the Investment Manager for the costs of establishing this arrangement, the Fees for the period remaining in that two year period calculated based upon the value of the Book Value Account on the Termination Date will be withdrawn from the Custodial Account, unless other arrangements for the payment of such Fees, as mutually agreed upon by New York Life and the Contractholder, and the Investment Manager and the Contractholder, are made.

71 →
72 →

4.4 OPTIONS AT TERMINATION.

- (a) If this Contract is terminated by the Contractholder pursuant to Section 4.1(a), the Contractholder may elect one of the following options for disposition of the Book Value Account and the Custodial Account.
 - (i) The Contractholder may, after satisfaction of the payment of any fees due to New York Life or the Investment Manager pursuant to Section 4.3(ii) and Section 4.3(iii), retain ownership of the assets held in the Custodial Account and the Investment Manager specified in Section 1.15 will be terminated as of the Termination Date. The Book Value Account will be reduced to zero in complete discharge of the obligations of New York Life with respect to the Book Value Account and in complete discharge of the Investment Manager's obligations with respect to the Custodial Account.
 - (ii) A lump sum payment will be made to the Contractholder no later than the fifth anniversary of the Termination Date, which date shall be the Maturity Date, in an amount equal to the excess of the Book Value Account over the market value

73 ↙

of the Custodial Account as of the payment date.

Following the establishment of the Maturity Date, the Investment Manager will manage the assets of the Custodial Account as provided for in Part Two of the Investment Guidelines in Appendix A. For purposes of the interest crediting rate formula specified in Section 2.3(ii), duration, D, will be determined by New York Life based upon the time remaining until the expected final lump sum payment date subject to any adjustment in accordance with the table provided in Section 2.3.

73

If, as of any Calculation Date prior to such fifth anniversary, the market value of the Custodial Account equals or exceeds the balance in the Book Value Account, the Contractholder may request termination pursuant to Section 4.4(a)(i).

74

Notwithstanding the foregoing, if 45 days prior to the Maturity Date, the market value of the Custodial Account is less than the Book Value Account, New York Life may elect to extend the Maturity Date until the date that the market value of the Custodial Account and the Book Value Account are first equal but not more than one year following the Maturity Date. New York Life will provide 30 days advance notice to the Contractholder of such extension.

75

(iii) Any other disposition of the Book Value Account and the Custodial Account as agreed to by New York Life and the Contractholder.

76

(b) If this Contract is terminated by New York Life, pursuant to Section 4.2, then unless Section 4.4(c) is applicable, the Contractholder, may elect a disposition of the Custodial Account in accordance with the terms of Section 4.4(a)(i), 4.4(a)(ii) or 4.4(a)(iii).

(c) New York Life may terminate this Contract on any Business Day upon written notice to the Contractholder, which day shall be the Termination Date, if any of the following events occurs:

77

(i) the Plan/Trust fails to be exempt from federal income taxation;

77A

(ii) the Contractholder fails to pay or cause to be paid any amount which is due New York Life and such failure has not been remedied before the 10th Business Day from such occurrence;

77

(iii) the Contractholder engages in any act of fraud, misrepresentation of material fact, deceit, or any other action that materially and adversely effects the intent, structure or risk profile of New York Life’s obligations under this Contract;

(iv) any change in law, regulation, administrative position, or accounting statement or rule that in the opinion of New York Life could have a material and adverse effect on New York Life’s obligations under this Contract;

(v) the Contractholder fails to comply with or to perform any of its obligations under this Contract and such failure has not been remedied on or before the 30th day following written notice from New York Life of such failure;

77B

(vi) the commencement of a voluntary or involuntary case against the Plan sponsor under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or similar law;

(vii) the Contractholder appoints a new Investment Manager for the Custodial Account without the prior written approval of New York Life;

(viii) a withdrawal is made from the Custodial Account other than those specifically provided for under this Contract, without New York Life’s prior written consent;

(ix) a change is made in the overall fund guidelines for the Stable Value Fund without written notice to, and approval by, New York Life; and

(x) a change is made in the Stable Value Investment Manager without written notice to, and approval by, New York Life.

As soon as practicable following a termination pursuant to this Section 4.4(c), the Contractholder will, after satisfaction of the payment of any fees due New York Life or the Investment Manager pursuant to Section 4.3(ii) and Section 4.3(iii), retain ownership of the assets held in the Custodial Account and the Book Value Account will be reduced to zero in complete discharge of the obligations of New York Life with respect to the Book Value Account and the Investment Manager specified in Section 1.15 will be terminated as of the Termination Date in complete discharge of the Investment Manager’s obligations with respect to the Custodial Account.

No waiver of remedies following a breach of any contractual provision or of the Investment Guidelines, or failure to enforce such provisions or guidelines, will be effective against any insurance department with regulatory jurisdiction over this

Contract, including the domiciliary insurance department unless approved in writing by such domiciliary insurance department and any other insurance department with regulatory jurisdiction over this Contract.

4.5 AUTOMATIC TERMINATION OF CONTRACT.

- (a) **Custodial Account Equals Zero.** Unless terminated earlier pursuant to any other provision of this Section 4, this Contract shall automatically terminate on the first date as of which the value of the Custodial Account equals zero due to withdrawals pursuant to Sections 2.5 and 2.6, which day shall be the Termination Date. On such Termination Date, New York Life shall pay to the Contractholder or such entity as directed by the Contractholder an amount equal to the excess, if any, of the Book Value Account over the Custodial Account, minus any fees due New York Life or the Investment Manager pursuant to Section 4.3(ii) and Section 4.3(iii) in complete discharge of the obligations of New York Life with respect to the Book Value Account and in complete discharge of the Investment Manager's obligations with respect to the Custodial Account.
- (b) **Book Value Account Equals Zero.** Unless terminated earlier pursuant to any other provision of this Section 4, this Contract shall automatically terminate on the first date on which the Book Value Account equals zero, which day shall be the Termination Date. The Contractholder may, after satisfaction of the payment of any fees due New York Life or the Investment Manager pursuant to Section 4.3(ii) and Section 4.3(iii), retain ownership of the assets held in the Custodial Account in complete discharge of the obligations of New York Life with respect to the Book Value Account and in complete discharge of the Investment Manager's obligations with respect to the Custodial Account.

SECTION 5. REPORTING REQUIREMENTS

5.1 NEW YORK LIFE REPORTING REQUIREMENTS. New York Life shall provide to the Contractholder and to such other persons as the Contractholder and New York Life may agree:

- 78**
- (i) Within five (5) Business Days following the last day of each calendar month, a statement of the Book Value Account as of the last day of such month; and
 - (ii) at least five (5) Business Days before each new Crediting Rate takes effect, a statement of the Crediting Rate as of such date and of each of the elements used to calculate the Crediting Rate as of such date, provided that New York Life has received all of the elements necessary to perform the Crediting Rate calculation.

5.2 INVESTMENT MANAGER REPORTING REQUIREMENTS. Within ten (10) Business Days following the last day of each calendar month, the Investment Manager shall provide to the Contractholder, to New York Life and to such other persons as the Contractholder and the Investment Manager may agree:

- 80**
- (i) A statement reviewing the investment performance of the Custodial Account against applicable market indices, including attribution if calculated, as of the last day of the calendar month preceding the calendar month in which the statement is issued;
 - (ii) a statement of the holdings in the Custodial Account organized by sector, including security description, cusip, credit quality rating, duration, yield to maturity, par value and market value as of the last day of the calendar month preceding the calendar month in which the statement is issued;
 - (iii) a statement of the transactions made in the Custodial Account during the period from the prior statement date to the current statement date; and
 - (iv) a statement as to compliance with the Investment Guidelines during the preceding calendar month.

On a daily basis, the Investment Manager shall provide to New York Life, the market value of the assets held in the Custodial Account as determined pursuant to Section 3.1.

5.3 CONTRACTHOLDER REPORTING REQUIREMENTS. The Contractholder shall provide New York Life, at least semi-annually, with the following information:

- (i) a statement of the cash flows under the Plan/Trust for the immediately preceding three-year period, broken down by deposits, withdrawals, transfers, loans and loan

repayments;

- (ii) the ratio of the market value of the Stable Value Fund to the book value of the Stable Value Fund as of the end of the most recent calendar month;
- (iii) the net crediting rate as of the most recent calendar month; and
- (iv) any other information New York Life may require to make an ongoing assessment of its liabilities under the Contract.

82

Such information will be provided as December 31 and June 30 of each calendar year and as of any other date requested by New York Life. Such information will be provided by January 15 and July 15, respectively or within 15 days of receipt of New York Life's request for such information.

SECTION 6. PENSION BENEFITS

- 6.1 **GENERAL.** The Contractholder may, pursuant to the terms of the Plan, withdraw amounts from the Custodial Account to be applied to provide guaranteed pension benefits pursuant to the Plan through the purchase of immediate annuities, subject to the provisions of this Section. The amount of such withdrawal will be charged against the Book Value Account. The annuity benefit purchased with respect to any amount will be that which would be provided by the application of such amount to purchase a single consideration immediate annuity offered by the Company at the time for contracts in the class of contracts to which this Contract belongs. In no event, however, will any annuity purchase rate be greater than the appropriate rate in the attached Table of Annuity Purchase Rates.
- 6.2 **REQUIRED INFORMATION.** For each person for whom an immediate annuity is to be purchased, the Contractholder will specify in writing to New York Life at its Home Office in New York City the amount and form of pension benefit, the date payment is to begin, and will supply proof of age and such other information as New York Life may require.
- 6.3 **FORM AND AMOUNT OF BENEFIT PAYMENT.** New York Life will provide a pension benefit in the form of a life annuity that provides monthly payments ending with the last payment due on or before the person's death or in any other form of benefit as specified pursuant to Section 6.2 and which is agreeable to New York Life. The amount of any annuity benefit may not be less than \$100.00 per month. 83
- 6.4 **CERTIFICATES.** New York Life will issue to the Contractholder for delivery to each person for whom an annuity has been purchased an individual retirement certificate setting forth the amount and terms of payment of such benefit.
- 6.5 **MISSTATEMENTS.** If any facts on which the purchase of an annuity was based have been misstated, the amount charged against the Book Value Account pursuant to Section 6.1, or the amount of such benefit payments, or both, will be adjusted. Overpayments by New York Life will be charged against and underpayments will be added to any such benefit payments payable thereafter.
- 6.6 **LIABILITY OF NEW YORK LIFE.** New York Life makes no representation and assumes no liability as to the sufficiency of Contributions or of the Book Value Account for the benefits to be provided under the Plan. The liability of New York Life is for the payment of benefits as directed by the Contractholder and on the basis of the correct withdrawal from the Custodial Account in accordance with the terms of the Contract.

SECTION 7. GENERAL PROVISIONS

- 7.1 **CONTRACT.** This Contract, Appendix A and the application for it, a copy of which is attached, constitute the entire Contract. No modification of this Contract, other than one resulting from the exercise of a right expressly reserved to New York Life will be valid unless evidenced by an amendment to the Contract signed by the Contractholder and by an Officer of New York Life.
- 7.2 **DIVIDENDS.** As of the last day of each Contract Year, the divisible surplus, if any, ascertained and apportioned to this Contract as a dividend will be credited to the Custodial Account or paid to the Contractholder or to such other entity as the Contractholder may designate in writing. New York Life does not anticipate that the Contract will be entitled to dividends.
- 7.3 **ASSIGNABILITY.** The Contractholder may not assign this Contract or any interest therein except to a successor trustee of the Trust with the prior written consent of New York Life. Any attempted assignment in violation of this section will be null and void.
- 7.4 **CONSTRUCTION.** In the event of any inconsistency between the provisions of this Contract and the provisions of the Plan, the provisions of this Contract will control.
- 7.5 **PLAN QUALIFICATION.** This Contract is issued to the Contractholder with the understanding that the Plan/Trust is qualified under Section 401(a) or is a government plan under Section 414(d) of the Internal Revenue Code, as amended. Any written direction by the Contractholder to New York Life or the Investment Manager to make payment to another entity will also specify that such payment will not impair that Plan's/Trust's status as a qualified plan under Section 401(a) or a government plan under Section 414(d) of the Internal Revenue Code, as amended.
- 7.6 **RELIANCE BY NEW YORK LIFE.** New York Life may rely on any information provided by the Contractholder or the Stable Value Investment Manager for all purposes under the Contract. New York Life shall not be liable for any damages arising out of its use of, or reliance upon, such information in good faith.
- 7.7 **NOTICES.** All demands, notices, instructions and other communications hereunder shall be in writing (including telecopied, telegraphic or electronic communications) and shall be personally delivered, mailed or transmitted by telecopy, telegraph or electronic mail, respectively, to the address set forth below:

If to New York Life, to:

New York Life Insurance Company

169 Lackawanna Avenue
Parsippany, New Jersey 07054

Attention: Helen Napoli

Facsimile: (973) 394-4606

E-Mail: Helen_Napoli@nylim.com

If to the Contractholder, to:

ABC Trust Company

One Main Street
Anytown, Anywhere 00000

Attention: Jane Doe

Facsimile: (999) 999-9999

E-Mail: Jane.Doe@ABCTrustCompany.com

If to the Stable Value Investment Manager, to:

ABC Asset Management Company LLC

One Broad Street
Anytown, Anywhere 00000

Attention: John Smith

Facsimile: (888) 888-8888

E-Mail: John.Smith @ABC-AMCO.com

SECTION 8. REPRESENTATIONS

8.1 REPRESENTATIONS BY THE CONTRACTHOLDER. The Contractholder represents to New York Life on each day during the term of the Contract that:

- (i) to the Contractholder's best knowledge, the Plan and Trust are qualified under Section 401(a) of the Internal Revenue Code or the Plan is a government plan under Section 414(d) of the Internal Revenue Code, as amended;
- (ii) all information prepared and provided to New York Life by or at the direction of the Contractholder as required under the Contract and, to the best of the Contractholder's knowledge, all other information provided to New York Life by or at the direction of the Contractholder as required under the Contract is true, accurate, and complete as of the date delivered to New York Life;
- (iii) Plan participants make and will continue to make decisions to withdraw or transfer funds from their respective account under the Plan free from any suggestions, instructions or persuasion by any party to the operation or the management of the Plan.

Table of Life Annuity Purchase Rates

The following purchase rates represent the amount required on a non-participating basis to purchase an immediate Life Annuity of \$1.00 a month beginning on the date of purchase.

Age	Purchases Made Prior To The Fifth Contract Anniversary
50	\$277.60
51	272.09
52	266.48
53	260.78
54	254.99
55	249.11
56	243.15
57	237.13
58	231.06
59	224.94

Age	Purchases Made Prior To The Fifth Contract Anniversary
60	\$218.78
61	212.59
62	206.38
63	200.16
64	193.97
65	187.80
66	181.65
67	175.55
68	169.48
69	163.39
70	157.29

New York Life may change the purchase rates in this table for purchases made on or after the fifth Contract anniversary, but not more often than once every five years.

Age for the purpose of this table is age nearest birthday at annuity purchase date.

New York Life will calculate annuity purchase rates for other ages and annuity forms on the same actuarial basis, and will furnish such rates on request.

The rates in this table are exclusive of any state or local premium tax and will be increased to recognize appropriately any such tax paid or payable by New York Life with respect to annuity benefits purchased hereunder.

Rate Table Code: 204100

Mortality Basis:UP 1994 fully projected by Scale AA

Interest Rate: 2.50%

Expenses:2.50%

84

85

APPENDIX A

**Investment Management Guidelines
For Contract No. GA-00000**

PART ONE

I. Investment Strategy/Objective

The Custodial Account will be managed using Government, Agency, Corporate, Mortgage Backed and Asset Backed Securities of the kind utilized in the Investment Manager's broad market strategy.

1A

II. Performance Benchmark

Barclays Capital U.S. Aggregate Bond Index (formerly Lehman Brothers U.S. Aggregate Bond Index).

2A

III. Duration/Maturity Guidelines

The average modified duration for the Custodial Account may deviate above or below 3 months (0.25 years) from the modified duration of the Barclays Capital U.S. Aggregate Bond Index.

3A

IV. Asset Allocation/Diversification Guidelines

The Investment Manager has full discretion as to sector and individual security selection, provided that the Credit Quality Guidelines and these Asset Allocation/Diversification Guidelines are not violated at the time of purchase. Permissible securities include:

U.S. Government and Agency

100%

Other government-related local authority, sovereign or supranational

75%

U.S. Corporate Securities*

60%

4A

Mortgage Backed Securities (MBS) (subject to FFIEC guidelines)

Non Agency MBS (10% maximum in MBS rated AA/A)

Asset Backed Securities (ABS) (15% maximum in ABS rated AA/A)

ABS subsector limits:

Credit Cards

Home Equity Loans

Student Loans

Auto Loans

Other

Commercial Mortgage Backed Securities (CMBS) (AAA only)

*Including 144A registration, medium term notes and Yankee securities and up to 5% of the Custodial Account in private placements.

With the exception of U.S. Treasury and Agency Securities (including agency Mortgage Backed), no individual issuer shall represent more than 1% of the assets in the Custodial Account.

The Investment Manager may accumulate a cash position to satisfy projected liquidity needs.

V. Credit Quality Guidelines

- Up to 5% of the Custodial Account may be invested in securities rated BB or higher at the time of purchase by a Nationally Recognized Statistical Rating Organization (an "NRSRO").
- The minimum credit rating at time of purchase of at least 95% of securities of the Custodial Account shall be BBB- by an "NRSRO".
- The total amount of securities rated BBB (including BBB+ and BBB-) at time of purchase by an NRSRO may not exceed 15% of the value of the Custodial Account.
- The average credit quality of the securities held in the Custodial Account shall at all times be at least AA by an NRSRO.

50%

20%

50%

20%

5%

10%

20%

10%

15%

4A

5A

6A

7A

8A

9A

10A

- If any of the Credit Quality Guidelines noted above are violated due to downgrades, the Custodial Account does not have to liquidate any positions if the cumulative value of securities held in the Custodial Account and downgraded to a level violating the above limits does not exceed 5%. In the event the value of such downgraded securities at any time exceeds an amount equal to 5% of the value of the Custodial Account, the Investment Manager shall have 90 days to meet the 5% limit, unless prior to the end of such 90-day period, the Stable Value Investment Manager approves of the exception in writing, but any new purchases that would exacerbate the violation are not permitted.
- If downgrades cause the Custodial Account to hold more than 5% of its assets in securities that are not rated as investment grade by an NRSRO, the situation must be remedied within 90 days.

11A

12A

VI. Derivative Use

- Permitted derivative instruments are limited to futures and options.
- Derivatives cannot be used to directly or indirectly achieve exposure or increase overall risk beyond the specific limits allowed in these Investment Guidelines.
- Counterparties must be rated at least A+

13A

VII. Other Limitations

- Securities lending of the assets in the Custodial Account is not permitted; however mortgage-backed dollar rolls are permitted.
- All securities will be denominated in U.S. dollars.
- Cash equivalents are defined as securities with a weighted average life of less than 1 year and rated at least A1/P1. This also applies to investments backing Mortgage-Backed-To-Be-Announced securities (TBAs).
- Maximum forward purchase is ninety (90) days

14A

15A

VIII. Impaired Securities

If any security becomes impaired for any reason described below, it will be considered an Impaired Security. The Investment Manager will alert the Contractholder of such Impaired Security within seven (7) business days from the date of determination. If the disposition of such Impaired Security cannot be resolved within 60 days, the security will be liquidated from the portfolio as soon as practicable, provided that if the market value of the aggregated Impaired Securities in the Custodial Account does not exceed 3% of the Custodial Account, the Investment Manager, may in its sole discretion, continue to hold such Impaired Securities in the Custodial Account. The proceeds of such liquidated security shall be deposited for reinvestment in accordance with these guidelines.

16A

17A

An Impaired Security is a security:

- (a) for which there occurs or exists a default, event of default or other similar condition or event under one or more agreements or instruments that has resulted in a failure by the issuer to make one or more payments of principal and interest when due or results in payment of principal and interest becoming due before it otherwise would have been due;
- (b) with respect to which the issuer or guarantor thereof or other provider of credit enhancement therefor becomes insolvent or institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;
- (c) with respect to which interest is accruing on a principal balance that is less than the difference between the original par or face amount of such security and the amount of principal previously paid on such security;
- (d) with respect to which a downgrade in credit quality to below the minimum Credit Quality Guidelines in V. above has occurred;
- (e) with respect to which a reset of the rate of interest other than pursuant to the original security's terms has occurred;
- (f) against which (or against the proceeds of which) a lien or other adverse interest exists;
- (g) if such security is a unit, with respect to which there has been one or more write-downs in the net asset value per unit ("NAV") of the related collective fund over the last twelve months in the aggregate equal to or greater than 5%, based on the sum of the amount of each such write-down divided by the NAV as of the determination date, which write-down is the result of a default in making one or more payments of principal or interest on the due date thereof by the issuer or guarantor of investments held in the collective fund or of the downgrade of such investments to below investment grade; or
- (h) any other event that causes the security to be outside these Investment Guidelines.

IX. None of the assets in the Custodial Account will be sold to or purchased from New York Life or any of its affiliates.

PART TWO

I. Investment Strategy/Objective

The Custodial Account shall be managed to converge the market value of the Custodial Account with the Book Value Account over the termination period. In addition, sector

positioning will shift to more liquid sectors in order to allow payment on the Scheduled Maturity Date, if applicable, the Maturity Date or when the market value of the Custodial Account is equal to the Book Value Account.

II. Duration Guideline

Duration shall be equal to the number of years remaining until the Maturity Date plus or minus 10%. No new purchases shall have a stated maturity date after the Maturity Date.

18A

III. Asset Allocation/Diversification Guidelines

Maximum

Short term investment (270 or fewer days to maturity)

U.S. Government and Agency

Other government-related local authority, sovereign or supranational

U.S. Corporate Securities

Asset-Backed Securities (ABS)

100%
100%
75%
30%
15%

19A

With the exception of U.S. Treasury and Agency Securities (including Agency Mortgage Backed), no individual issuer shall represent more than 1.0% of the Custodial Account at the time of purchase. New allocation to sectors other than those listed above will not be permitted; however, such allocations existing at the Termination Date will be permitted but will be sold at the Investment Manager's discretion over the termination period. Securities owned prior to the Termination Date which violate the above guidelines will be permitted but will be sold at the Investment Manager's discretion over the termination period.

6A

IV. Credit Quality Guidelines

The minimum credit rating at time of purchase of any security shall be A- by a Nationally Recognized Statistical Rating Organization (an NRSRO).

20A

The average credit quality of the securities held in the Custodial Account shall at all times be at least AA-.

21A

V. Other Limitations

- Securities lending of the assets in the Custodial Account is not permitted.
- All securities will be denominated in U.S. dollars.
- Cash equivalents are defined as securities with maturities less than 270 days and rated at least A1/P1.

VI. None of the assets held in the Custodial Account will be sold to or purchased from New York Life or any of its affiliates.



New York Life Insurance Company

A Mutual Company Founded in 1845

51 Madison Avenue, New York, NY 10010

Application

ABC Trust Company as Trustee for the ABC Stable Value Fund as Contractholder whose Main Office Address is;

One Main St.
Anytown, Anywhere 00000

hereby makes application to New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010, for Group Annuity Contract No. GA-00000, the terms of which are hereby approved and accepted by the Contractholder to take effect on the Effective Date specified in the Contract.

It is agreed that this Application supersedes any application for this Contract previously signed by the Contractholder.

ABC Trust Company as Trustee for

Executed at _____ the ABC Stable Value Fund

on _____ by _____
(Signature and Title)

Agent: _____

Countersignature: _____
(Resident Licensed Agent Where Required)

This copy is part of the entire Contract and a duplicate original of this Application is to be returned to New York Life.

SERFF Tracking Number: NYGA-127083096 State: Arkansas
 Filing Company: New York Life Insurance Company State Tracking Number: 48257
 Company Tracking Number:
 TOI: A08G Group Annuities - Unallocated Sub-TOI: A08G.002 GIC
 Product Name: Synthetic GIC
 Project Name/Number: /

Supporting Document Schedules

	Item Status:	Status Date:
Bypassed - Item: Flesch Certification		
Bypass Reason: Not applicable to this filing.		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Application		
Comments:		
The group annuity application is attached under the Form Schedule tab.		

	Item Status:	Status Date:
Satisfied - Item: Memorandum of Variable Material		
Comments:		
The attached explanation of variables highlights the variable text within the contract form. All variable language has been boxed.		
Attachment:		
Explanation of Variables _SYN GIC_ - 9.14.10 _Clean_.pdf		

**MEMORANDUM OF VARIABLE MATERIAL
FOR GROUP ANNUITY CONTRACT FORM SYN GIC (SINGLE CLIENT)
(All Variable Material is Boxed)**

GENERAL

All names, numbers, dates, percentages and page numbers on any page of this form are illustrative. As actually used in a given case, all of these items will reflect the applicable facts involved in that case. Changes in variable wording will be made on a non-discriminatory basis, consistent with applicable statutory and departmental requirements.

CONTRACT FACE PAGE

All names and dates on this page are illustrative. As actually used in a given case, these items will reflect the applicable facts involved in that case.

SECTION 1

- The variable marked **1** may allow the initial Contract Year to be defined appropriately for each client.
- The variable marked **2** will be omitted for Contracts written to a collective investment trust or similar pooled investment vehicle or where New York Life has not agreed to a book value corridor for withdrawals resulting from Market Value Events.
- The variable marked **3** will allow New York Life to modify the corridor to take into account the risk characteristics of each individual plan and will range from 5% to 20%.
- The variable marked **4** will only be included if New York Life retains the right to remove impaired securities from the Custodial Account pursuant to Section 3.5.
- The variable marked **5** reflects the Initial Book Value Credit which will be at least \$50 million and may be as high as \$500 million.
- The variable marked **6** reflects the Initial Market Value Credit which will be at least 95% of the Initial Book Value Credit.
- The variable marked **7** will be included for those situations where New York Life would like to limit its overall exposure to a particular plan or fund. The amount of the exposure will vary based on New York Life's assessment of the risk associated with the plan/fund and may be modified upon mutual agreement between New York Life and the Contractholder.

- The variable marked **8** reflects the Maximum Contribution Limit which will range between \$100 million and \$1 billion.
- The variable marked **8A** will be included if the contract has a fixed maturity date and the variable marked **8B** will reflect the scheduled maturity date.
- The variable marked **9** will be included in those situations where the terms of the Contract and Custodial Account have been negotiated with the plan's Stable Value Investment Manager. All references in the Contract to the Stable Value Investment Manager have been boxed so they can be removed if not appropriate.
- The variable marked **10** will be included in those situations where the Contract is being used to fund benefits under a collective investment trust or similar pooled investment vehicle and will reflect the name of the instrument under which the trust or fund is established. All references in the Contract to Plan/Trust have been boxed to indicate their variability.

SECTION 2

- The variable marked **11** will be included for those Contracts under which New York Life is willing to accept cash deposits on an on-going basis.
- The variable marked **12** defines any limitations New York Life may choose to impose with respect to on-going cash-flows and will be individually negotiated at the time of Contract issuance. The percentages may range from 5% to 100%.
- The variable marked **13** will only be included if a Maximum Contribution Limit is included in the Contract.
- The variable marked **14** will only be included if New York Life retains the right to remove impaired securities from the Custodial Account.
- New York Life may credit interest on a gross basis and charge the accrued annual Fee against the Book Value Account or it may credit net interest and deduct the Fee from the Crediting Rate. The reference to Section 2.4, marked as variable number **15**, will be deleted if the Fee is to be deducted from the Crediting Rate. In either case, the amount of the accrued Fee will be deducted from the Custodial Account unless other arrangements for the payment of such Fees have been made.
- The variable marked **16** will be omitted if a Clone Provision (Section 2.9) is not included in the Contract.
- The variable marked **16A** will be included only if the contract provides for a Scheduled Maturity Date.

- The variable marked **17** will be included only if impaired securities are to be removed from the Custodial Account.
- The variable marked **18** will only be included if the Contract is written to fund benefits provided under a collective investment trust or similar pooled vehicle.
- The variable marked **19** will be omitted if the Book Value Account will not be adjusted to reflect the difference between the market value of the Custodial Account and Book Value Account for a Market Value Event described in Section 2.7.
- The variable marked **20** will be omitted if the contract does not permit a Market Value Payment as provided in Section 2.9.
- The variable marked **21** will allow for changes in the interest crediting frequency, which may be monthly, quarterly or any other frequency as mutually agreed upon between the Contractholder and New York Life.
- The variable marked **22** will be included only if the Crediting Rate is reset more frequently than quarterly.
- The variable marked **23** will allow for an alternative crediting rate formula. For example, a client may request the following formula:

$$CR = Y + ((MV - BV)/BV) * (1 / D)$$

- The variable, “-F”, marked **24** will be omitted if the Fees are going to be charged against the Book Value Account, instead of netted out of the Crediting Rate.
- The variable marked **25** is included to allow for different bases for determining the Custodial Account’s yield-to-maturity (e.g., annualized or weighted).
- The variable marked **26** will reflect the basis for determining the Custodial Account’s duration (e.g., effective or modified).
- The variable marked **27** will be omitted if the Fees are going to be charged against the Book Value Account, instead of netted out of the Crediting Rate.
- The variable marked **28** will be included if any portion of the Custodial Account is invested in a commingled vehicle such as a money market mutual fund.
- The variable marked **29** is included to give New York Life the facility to accelerate the convergence of the market value of the Custodial Account to the value of the Book Value Account. However, there may be a circumstance where New York Life is willing to forego this provision (e.g., if the market value of the Custodial Account is at or above the value of the Book Value Account at the

inception of the Contract). New York Life would also like to have the flexibility to negotiate the ranges at which each duration adjustment occurs with each individual client.

- Some clients may request a “floor” for dropping the Crediting Rate at any one Rate Reset Date due to the duration cut described above, as indicated by the variable marked **30**. New York Life would like the flexibility to either include or exclude the floor.
- The variable marked **31** is also included to allow New York Life and the client to negotiate the amount of the floor, if one is included in the Contract. The floor will range from 0.5% to 3.0%.
- The variable marked **31A** will range from 3 to 5 Business Days.
- The variable marked **32** will only be included in those contracts where New York Life has negotiated the right to recalculate the Crediting Rate based on the occurrence of certain events.
- The variable marked **32A** will be included only at the Contractholder’s request.
- The variable marked **33** is intended to align with the variables marked 11 and 12 in Section 2.1.
- The variable marked **34** will be omitted if impaired securities are retained in the Custodial Account.
- The variable marked **35** will be included in those contracts under which New York Life has negotiated the right to use an “internal rate of return” calculation during the Termination phase of the contract.
- The variable marked **35A** will range from 12 months to 36 months.
- The variable marked **36** will reflect the risk and administrative fees negotiated with each individual plan/fund or stable value manager and will not exceed 0.75% without prior notification to and approval by the Department.
- The variable marked **37** will be omitted if the Fees are to be netted out of the Crediting Rate.
- The variable marked **38** will allow for the investment management fees to be accrued and deducted over different time periods (e.g., monthly, quarterly).
- The variable marked **38A** will be revised to allow the fee to be calculated on a different basis than the average daily balance (e.g., mean assets for the month, quarter, etc., or as of the balance on the first/last day of a month, quarter, etc.)

- The variable marked **39** will reflect the investment management fees negotiated with each individual plan/fund or stable value manager and will not exceed 0.75% without prior notification to and approval by the Department.
- The variable marked **40** will be omitted if the Fees are to be netted out of the Crediting Rate.
- The variable marked **41** will be omitted for those Contracts under which New York Life will not reserve the right to change the Fee.
- The variable marked **42** may range from the first anniversary to the tenth anniversary of the Contract.
- The variable marked **43** will range from 30 day to 90 days.
- The variable marked **44** will be included for those clients that wish to be billed for the Fees in lieu of deducting them from the Custodial Account.
- The variable marked **45** will range from 30 days to 90 days.
- The variable marked **46** will reflect the actual withdrawal protocol used by each plan or fund (e.g., LIFO, pro rata, etc.).
- The variable marked **47** will be included if New York Life agrees to underwrite transfers to rebalance the plan's buffer fund.
- The variable marked **48** will range from 1% to 5%.
- The variable marked **49** will be deleted if New York Life deducts the Fees from the Crediting Rate, instead of from the Book Value Account.
- The variable marked **50** will reflect the actual withdrawal protocol used by each plan or fund (e.g., LIFO, pro rata, etc.).
- The variable marked **51** will be deleted if New York Life deducts the Fee from the Crediting Rate, instead of from the Book Value Account.
- The identification of events that lead to market value adjustment charges is often a source of considerable negotiation between the client and the insurance provider. We have presented those situations where we think New York Life may be at risk, but acknowledge that some of these risks may be mitigated through actions taken by a Stable Value Investment Manager or can be addressed through our underwriting process. Therefore, any of the items included in variable marked **52** may be deleted to reflect the negotiations between New York Life and the client.

- The variable marked **53** may be replaced with the attached language, as agreed upon between New York Life and the Contractholder.

“The requested amount of the withdrawal will be charged against the Book Value Account and the amount withdrawn from Custodial Account in connection with a withdrawal resulting from a Market Value Event will be equal to the product of:

(a) the amount of the requested withdrawal multiplied by

(b) the ratio of (i) the market value of the Custodial Account as of the Business Day preceding the date of payment to (ii) the Book Value Account as of the Business Day preceding the date of payment.”

- The variable marked **54** may be included only in those Contracts which fund benefits under a collective investment trust or similar pooled vehicle.
- The variable marked **55** will be included only in those Contracts under which New York Life has agreed to a book value corridor for Market Value Event withdrawals.
- The variable marked **56** will be included in contracts under which New York Life reserves the right to adjust the Book Value Account for Market Value Event withdrawals instead of adjusting the amount of the payment from the Custodial Account.
- The variable marked **57** will allow the Contractholder to request market value withdrawals from the Custodial Account and will be included only if agreed to by New York Life and the Contractholder at the inception of the Contract.
- The variable marked **58** may be replaced, as agreed upon between New York Life and the Contractholder, with the language boxed below:

“The requested amount of the withdrawal will be charged against the Book Value Account and the amount withdrawn from Custodial Account in connection with a Market Value Payment will be equal to the product of

(a) the amount of the requested withdrawal multiplied by

(b) the ratio of (i) the market value of the Custodial Account as of the Business Day preceding the date of payment to (ii) the Book Value Account as of the Business Day preceding the date of payment.

- The variable marked **59** will reflect the minimum balance that must be retained in the Custodial Account following a market value withdrawal.

- The variable marked **60** will be included only for those clients that request a clone provision, subject to New York Life's consent.
- The variable marked **61** will be determined by New York Life and will be based, in part, on the overall size of the Custodial Account and the new plan's interest in the Custodial Account. This variable may range from \$5,000,000.00 to \$100,000,000.00.
- The variable marked **61A** will be included if the contract has a fixed maturity date and the variable marked **61B** will be a date that is prior to the Scheduled Maturity Date by a number of years at least equal to the duration of the Custodial Account. For example, if the Scheduled Maturity Date is 10 years from the Effective Date of the Contract and the duration of the Custodial Account is 3 years, then this date will be at least 3 years before the Scheduled Maturity Date.

SECTION 3

- The variable marked **61C** will align with the date specified in the variable marked **61B**.
- The variable marked **62** will only be included if impaired securities are to be removed from the Custodial Account.
- The variable marked **63** will only be included if the contract includes a Market Value Payment provision. The word "requested" will be removed if the amount to be withdrawn from the Custodial Account is market value adjusted (versus making a market value adjustment to the Book Value Account).
- The variable marked **64** will only be included if either (1) a clone provision is included in the contract, or (2) the contract has a Scheduled Maturity Date or (3) impaired securities are to be removed from the Custodial Account.
- The variable marked **65** will only be included if agreed to by the Contractholder.
- The variable marked **66** will only be included if impaired securities are to be removed from the Custodial Account.

SECTION 4

- The variable marked **67** will align with the date specified in Section 2.10 and the variables marked in **61B** and **61C** if the contract has a Scheduled Maturity Date.
- The variable marked **67A** will range from 5 to 30 Business Days.
- The variable marked **68** will range from 5 to 30 Business Days.

- The variable marked **69** will only be included if the Contract is written to fund benefits provided under a collective investment trust or similar pooled vehicle.
- The variable marked **70** will align with the date specified in Section 2.10 and the variables marked in **61B** and **61C** above if the contract has a Scheduled Maturity Date.
- The variable marked **70B** will range from 30 days to 120 days.
- The variable marked **71** will only be included if mutually agreed upon between New York Life and the Contractholder.
- The variable marked **72** will be negotiated between New York Life and the client and may range from one to three years.
- The variable marked **73** may be changed to reflect a longer or shorter period of time and may be tied to the duration of the assets in the Custodial Account.
- The variable marked **74** will be omitted or modified as mutually agreed upon between New York Life and the Contractholder.
- The variable marked **75** will range from 3 months to 3 years.
- The variable marked **76** will range from 10 days to 60 days.
- Similar to the provisions governing Market Value Events in Section 2.7, events resulting in market value termination by the insurer are likely to be the source of considerable negotiation between the client and the insurer. Therefore, any of the items included in the variable marked **77** may be omitted to reflect the negotiations between New York Life and the client.
- The variable marked **77A** will range from 5 to 30 days.
- The variable marked **77B** will range from 15 to 45 days.

SECTION 5

- The variable marked **78** will range from 3 to 15 Business Days.
- The variable marked **79** will range from 5 to 15 Business Days.
- The variable marked **80** will be modified to reflect individual client reporting needs and each Investment Manager's reporting capabilities.

- The variable marked **81** may be monthly, quarterly, semi-annually or annually as agreed to by the Contractholder and New York Life.
- The variable marked **82** will be any calendar day or days as agreed to by the Contractholder and New York Life.

SECTION 6

- The variable marked **83** will range from \$50 to \$250.

TABLE OF LIFE ANNUITY PURCHASE RATES

The rates shown will be those as in effect at the time of the Effective Date of the Contract. New York Life reserves the right to change the purchase rates for currently issued Contracts after the fifth anniversary, but may change this period for future Contracts. See the variables marked **84**.

APPENDIX A

This entire section (marked variable **85**), which contains the Investment Guidelines for the Custodial Account series, has been made variable to allow the investment manager to make changes to the existing guidelines for a Custodial Account and to accommodate multiple Custodial Account structures for multiple accounts established under this contract form. To the extent that alternative language is to be used for a particular contract, New York Life will submit a revised Memorandum of Variable Material to include such alternate language.

The submitted guidelines are intended for an actively managed Custodial Account. These guidelines may be substituted with guidelines for a passively-managed Custodial Account (that is, a Custodial Account managed against an index or blend of indices).

Illustrative Investment Management Guidelines (see page 13 of 15) based on the Barclay's Capital U.S. Intermediate Aggregate Bond Index are attached to this Explanation of Variables as Attachment A.

Other indices that may be used are:

Barclays Capital U.S. Intermediate Aggregate Bond
Barclays Capital U.S. 1-3 Year Government/Credit Bond
Barclays Capital U.S. 1-5 Year Government/Credit Bond
Barclays Capital U.S. Intermediate Government/Credit Bond
Barclays Capital U.S. 1-3 Year Treasury Bond
Merrill Lynch 1-3 Year Treasury Bond

Some clients may want us to exclude certain types of securities from the Index or may want lower exposure to certain asset classes than the exposure limits of the Index.

For an actively managed Custodial Account, the variables marked **1A** through **12A** will apply as follows;

- The variable marked **1A** will reflect the overall investment strategy for the Custodial Account.
- The variable marked **2A** will reflect the applicable performance index.
- The variable marked **3A** will reflect the applicable duration of the Custodial Account and will either be tied to an allowable deviation from the performance benchmark or a range. It is expected that the average duration will range from 2 to 5 years.
- The variable marked **4A** will reflect the exposure limit for each asset class. The allowable ranges will be as follows:

· U.S. Government and Agency	0% to 100%
· Other government-related, local authority, sovereign or supranational	0% to 75%
· U.S. Corporate Securities	0% to 60%
· Mortgage Backed Securities (MBS) (subject to FFIEC guidelines)	0% to 50%
♦ Non Agency MBS limits (0% to 10% maximum in MBS rated AA/A)	0% to 20%
· Asset Backed Securities (ABS) (0% to 15% maximum) in ABS rated AA/A	0% to 50%
· ABS subsector limits:	
♦ Credit Cards	0% to 20%
♦ Home Equity Loans	0% to 5%
♦ Student Loans	0% to 10%
♦ Auto Loans	0% to 20%
♦ Other	0% to 10%
· Commercial Mortgage Backed Securities (CMBS) (AAA only)	0% to 15%
- The variable marked **5A** will be included only if the Custodial Account is permitted to hold private placements of up to 5% of the Account.

- The variable marked **6A** will reflect the applicable issuer diversification limit and will range from 0.5% to 5%.
- The variable marked **7A** will be included only if the Custodial Account is permitted to hold non-investment grade securities up to 5% of the Account.
- The variable marked **8A** will reflect the minimum credit quality ratings for the Custodial Account and will range from BBB-/Baa3 to AAA/Aaa.
- The Variable marked **9A** will reflect the maximum percentage of BBB/Baa securities allowed in the Custodial Account and will range from 0% to 25%.
- The variable marked **10A** will reflect the average credit quality for the Custodial Account and will not be less than AA- or Aa3.
- The variable marked **11A** will reflect the maximum percentage that the Custodial Account may be out of compliance as result of a downgrade before additional purchases must be curtailed and reflects the allowable time period for bringing the Custodial Account back into compliance. The maximum may range from 0% to 10% and the time period for taking remedial action will range from 10 days to 120 days.
- The variable marked **12A** will reflect the maximum percentage of securities that are not rated as investment grade that can be held in the Custodial Account before remedial action must be taken. The percentage may range from 0% to 10% and the remedial period may range from 10 days to 120 days.
- The variable marked **13A** will reflect the minimum credit quality rating for swap counterparties and will range from A/AAA and A1 to Aaa.
- The variable marked **14A** will reflect the minimum credit quality ratings for cash equivalents and commercial paper and will range from A1/P1 to A1+/P1 and from A to AAA.
- The variable marked **15A** will reflect the maximum forward purchase and will range from 30 days to 90 days.
- The variable marked **16A** will be included only if impaired securities are to be removed from the Custodial Account.
- The variable marked **17A** will only be included if the Investment Manager is permitted to retain a portion of the impaired securities in the Custodial Account and will not be more than 10% of the Custodial Account.

ATTACHMENT A

Investment Management Guidelines for the Custodial Account

The investment objective of the Custodial Account is to match the total return of the Barclay's Capital U.S. Intermediate Aggregate Bond Index. All investment guidelines apply at purchase unless otherwise noted.

Sector	Maximum Allocation	Target Allocation Range	Issuer/Issue Limits	Rating Requirements	Maturity Range
U.S. Treasury	N/A	Index Weight +/- 1% on a market value basis.	None	None	Index Eligible
U.S. Agency or Government-Sponsored Entity 1. Senior	N/A	Index Weight +/- 1% on a market value basis for Senior Debt.	None		Index Eligible
Mortgage-Backed Securities 1. Agency Pass-through 2. Collateralized Mortgage Obligations	N/A	1. Index Weight +/- 1% on a market value basis. 2. Not permitted	None	Investment Grade or Better	Index Eligible
Commercial Mortgage Backed Securities 1. Agency 2. Non-Agency	N/A	Index Weight +/- 1% on a market value basis. Only purchase index eligible CMBS.	Not to exceed 1%	Investment Grade or Better	Index Eligible
Asset Backed Securities 1. Agency 2. Non-Agency 3. Home Equity 4. Manufactured Housing 5. Credit Cards 6. Autos 7. Student Loans 8. Utilities (stranded cost utilities) 9. Other (CDOs, CLOs, CBOs)	N/A	1-2. Not Permitted 3-8. Index Weight +/- 1% on a market value basis. 9. Not permitted	Not to exceed 1%	AAA	Index Eligible

CDOs – Collateralized Debt Obligations

CLOs – Collateralized Loan Obligations

CBOs – Collateralized Bond Obligations

Sector	Maximum Allocation	Target Allocation Range	Issuer/Issue Limits	Rating Requirements	Maturity Range
U.S. Credit U.S. and non-U.S. Corporations 1. Industrial 2. Utility 3. Financial institutions 4. Non-Corporate (Sovereign, Supranational, Foreign Agency, and Foreign Local Government.)	N/A	Index Weight +/- 1% on a market value basis.	Not to exceed 1%	Investment Grade or Better	Index Eligible
TBAs Backed by Cash Collateral (Commercial Paper, Treasury Securities and Agency Discount Notes)			None	Index Eligible	Index Eligible
Commercial Paper & Other Money Market Instruments	Money Market Type instrument or a Sweep Vehicle may be used. There is no limit, all unsettled cash is invested.	N/A, the Custodial Account is anticipated to be fully invested and cash will be incidental to meet cash flow needs.	Not to exceed 2%	A1/P1 or better	Inside of 1 year
U.S. Treasury Futures *	Financial futures may be used to provide liquidity for cash flows, to obtain exposure, to hedge or for other purposes that facilitate meeting the Fund's objective.	Total Notional * Market Price limited to 15% of the market value of the Custodial Account.			
Swaps*	N/A				
1. Highly volatile derivatives such as IOs, POs, & Inverse Floaters. 2. Securities denominated in foreign currencies. 3. Emerging Market Debt (MSCI classification system)	Not Index Eligible. As such we will not hold in the type of strategy.				

TBAs – Agency Mortgage-Backed Securities to be announced

*Used for hedging only. All quality restrictions per guidelines apply.

Specific Limitations/ Custodial Account Characteristics	Maximum Allocation (at the time of purchase)
Non-Rule 144A private placements or other “illiquid” securities	N/A
Currency	All securities will be U.S. dollar denominated
Convertible securities	Not permitted
Securities Lending (Restricted)	Not permitted
Industry concentration limit	Index Weight +/-1.5% on a market value basis.
Average Custodial Account Quality	Consistent with the average credit quality of the Barclays Capital U.S. [Intermediate] Aggregate Bond Index.
Minimum Custodial Account Quality	Baa3/BBB-/BBB- using the middle rating after dropping the highest and lowest available ratings.
Primary Benchmark	Barclays Capital U.S. [Intermediate] Aggregate Bond Index
Custodial Account duration limitation	+/-0.25 years of index duration
Tracking Error Target (Typical tracking error +/- 10bps)	10bps

Note: All deviations from index targets due to cash flows or changes in market value will be corrected in a timely and prudent fashion; however, the Investment Manager reserves the right to accumulate a cash position to satisfy projected liquidity needs.