



NEW YORK LIFE PREFERRED CHOICE FIXED ANNUITY II

Fact Sheet

BENEFITS OF THE NEW YORK LIFE PREFERRED CHOICE FIXED ANNUITY II¹

- Tax-deferred accumulation – your money accumulates without taxation and may grow faster than in a comparable, currently taxable investment.
- Competitive, banded interest rates that are generally higher for larger premium payments.
- Safety – New York Life Insurance and Annuity Corporation (NYLIAC) holds the highest ratings for financial strength currently awarded to any life insurer by all four major independent rating agencies:²
 - A.M. Best: A++ ■ Fitch: AAA ■ Standard & Poor's: AA+ ■ Moody's Investor Services: Aaa
- Access to your money – withdrawals may be subject to a surrender charge in the first six or seven years based on the surrender charge schedule that is elected and, if made prior to age 59½, may be subject to a 10% IRS penalty.
- Control over your finances – you decide when to receive your money and pay taxes on your earnings.
- A guaranteed death benefit without the costs and delays of probate if payable to the beneficiary.³
- The opportunity to generate a guaranteed lifetime income.³

INTEREST CREDITING

- Your initial interest rate⁴ will be determined by the amount of your premium payment, the initial interest rate guarantee period you select, the date the application is signed, the date we receive the money and the surrender charge period you select.
- The New York Life Preferred Choice Fixed Annuity II interest rate crediting bands are:
 - \$5,000 to \$24,999 ■ \$25,000 to \$49,999 ■ \$50,000 to \$99,999 ■ \$100,000 or more
- You can choose either a one-year⁵ or three-year initial interest rate guarantee period. Your interest rate will not fluctuate during the guarantee period, regardless of market conditions.
- You will receive the higher of the rate in effect on the date the application is signed or the date the funds are received by NYLIAC. For applications with a premium payment, we must receive both the application and the premium payment within 30 days of when the application is signed. If money is being sent to us separately as part of a tax-free exchange, rollover or transfer from another institution initiated by NYLIAC, the application must be received by NYLIAC within 30 days of when the application is signed and the funds must be received within 60 days of when the application is signed.
- At the end of the initial interest rate guarantee period, your policy will receive a renewal rate each policy year. Your renewal rate is determined each year by the Accumulation Value on your policy's anniversary. That rate will not be less than the guaranteed minimum interest rate (GMIR) stated in your policy. The minimum GMIR is 0.5%⁶, and the maximum is 5%. This product offers a tiered GMIR, which will consist of a primary and secondary GMIR. The primary GMIR will be in effect during the surrender charge period. The secondary GMIR will become effective at the end of the surrender charge period. Both the primary and secondary GMIR will be displayed on the policy data page.
- Your principal and interest are backed by all of the assets in the general account of New York Life Insurance and Annuity Corporation.⁷

¹ New York Life Preferred Choice Fixed Annuity II is issued by New York Life Insurance and Annuity Corporation (A Delaware Corporation), 51 Madison Avenue, New York, NY 10010, and is available in jurisdictions where approved.

² Source: Third-Party Rating Reports (as of 8/8/11).

³ All guarantees are dependent on the claims-paying ability of NYLIAC.

⁴ Interest rates are effective annual yields.

⁵ An additional interest rate may be credited along with the base rate for the one-year interest rate guarantee period.

⁶ In New York, the minimum GMIR is 1%.

⁷ As of 12/31/10, the statutory assets of NYLIAC totaled \$97.7 billion, its liabilities totaled \$92.3 billion, its surplus and asset valuation reserve (AVR) totaled \$6.0 billion (AVR totaled \$588 million and surplus totaled \$5.4 billion).

ANNUITIES	Are Not FDIC/NCUA Insured	Are Not a Deposit	May Lose Value	Have No Bank Guarantee	Are Not Insured by Any Government Agency
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ISSUE AGES Issue ages are based on the age of the owner/annuitant at the time of issue.

- Non-Qualified: Ages 0 to 85
- Qualified: Ages 18 to 85 (IRA, Roth IRA and SEP Plans)
- Inherited IRA: Ages 0 to 85

PREMIUM PAYMENT The minimum single premium payment required is \$5,000, except for a Pension Plan, which has a minimum of \$10,000. Additional payments are not permitted. A premium payment of \$1 million or more requires prior NYLIAC approval.

RETURN OF PREMIUM BENEFIT A Return of Premium Benefit, which is effective on the date shown in your policy, entitles you to a return of at least the premium you paid, less any prior withdrawals and/or surrender charges related to withdrawals made before the Return of Premium Effective Date. Surrender charges on withdrawals taken on or after the Return of Premium Effective Date, will never exceed the total interest credited to the policy.

WITHDRAWALS You have access to the money in your New York Life Preferred Choice Fixed Annuity II policy through partial withdrawals.

- There is no limit to the number of withdrawals you are able to make each year. Withdrawals may be subject to surrender charges, may be taxable and, if made prior to age 59½, may be subject to a 10% IRS penalty.
- All withdrawal requests must be for at least \$100.
- Your cash value may not fall below \$2,000 due to a partial withdrawal.

Periodic Partial Withdrawals

You may decide that you want to receive regular payments from your policy monthly, quarterly, semi-annually or annually. With a New York Life Preferred Choice Fixed Annuity II, you can choose to receive scheduled payments of the interest you earn, a percentage of your policy's anniversary value, your 10% Window (see below) or any other specified amount, but each payment must be at least \$100.

10% Window

You can even make withdrawals from your policy during the surrender charge period and avoid surrender charges. During the surrender charge period that you select, the greater of up to 10% of your policy's cash value on the preceding anniversary or 10% of the current cash value, less any surrender charge-free withdrawals made during the policy year, may be withdrawn each year without incurring any surrender charges. After the surrender charge period, your full cash value is available at any time without any surrender charges.

Gain Window

If your payment is \$100,000 or more, you may withdraw (without incurring surrender charges) the greater of the gain in the policy, known as the Gain Window, or the 10% Window. The Gain Window equals the Accumulation Value less your premium payment. The Gain Window is not available in New York.

Required Minimum Distribution (RMD)

For Qualified Plans,⁸ the IRS generally requires that all owners begin receiving payments from their policies by April 1 following the year in which they reach age 70½. These payments are called Required Minimum Distributions (RMDs). Owners who fail to withdraw their RMD amounts may be subject to IRS penalties.

NYLIAC will automatically calculate the amount of RMD payments for your New York Life Preferred Choice Fixed Annuity II. If you select this option, you will not incur surrender charges for withdrawing the RMD amount, even if it is greater than the 10% Window.

- RMDs can be received monthly, quarterly, semi-annually or annually.
- RMD withdrawals will count toward the 10% Window for any previous or future withdrawals.
- Automated RMDs and other periodic partial withdrawal arrangements cannot be used concurrently.

⁸ Qualified plans (like IRAs and SEPs) already provide tax deferral under the Internal Revenue Code, so the tax deferral of an annuity does not provide any additional benefits.

SETTLEMENT ALTERNATIVES

When you are ready to begin using the money you have accumulated in your New York Life Preferred Choice Fixed Annuity II policy, you may choose how you prefer to receive your money.

- *Full Surrender* – Upon your request, we will send you your cash value minus any applicable surrender charges as specified in your policy.
- *Life Annuity* – You may use the money in your policy to generate an income for the remainder of your life. The amount of this income will depend on how much money has accumulated in your policy, your age, and what our lifetime annuity interest rates are, among other factors.

Shortly before your policy's Annuity Commencement Date, if you have not already begun using the money you have accumulated, you will receive a written notice reminding you of the ability to use your policy's cash value to generate a lifetime income. You can meet with your Representative at that time to discuss whether to begin receiving income payments or defer the settlement of your policy until a later date. If you choose to defer settlement, your money will continue to accumulate tax-deferred as long as it remains in your New York Life Preferred Choice Fixed Annuity II policy.

DEATH BENEFIT³

In the event of your death prior to annuitization, your beneficiary(ies) will receive your policy's *full cash value*.

- Your death benefit is paid directly to your chosen beneficiary(ies), generally bypassing the costs and delays of the probate process.
- Your death benefit must be taken by your beneficiary(ies) as a lump sum within five years of your death or be annuitized into a stream of payments within one year of your death.

Spousal Option – If your spouse is the sole primary beneficiary of your policy, he/she may be eligible to continue to defer taxes by electing to assume ownership of your policy upon your death.

Under Sections 72(s) (non-qualified) and 401(a)(9) (qualified) of the Internal Revenue Code, a surviving spouse can continue a deferred annuity only if they are a spouse under federal law. DOMA, a federal law, restricts "spouse" to opposite sex marriages only.

LIVING NEEDS BENEFIT/ UNEMPLOYMENT RIDER^{9,10}

The Living Needs Benefit/Unemployment Rider is automatically added to your policy with no additional fee. If a qualifying event causes you, as the policyowner, to need immediate access to the money in your policy, this rider gives you some flexibility in accessing it. The policy must have a minimum cash value of \$5,000, and the policy must be in force for at least one year to be eligible to receive the benefits under this rider. If you are enrolled and living in a health care facility for 60 consecutive days, are diagnosed with a life expectancy of 12 months or less by a licensed physician, have a total and permanent disability that prevents you from performing any work for pay or profit for at least 12 consecutive months, or qualify for and have been receiving state unemployment benefits for 60 consecutive days, you may be eligible to make a withdrawal or receive the Accumulation Value with a full or partial waiver of surrender charges. The qualifying event must take place on or after the policy date and is subject to the terms of the rider. For disability, any withdrawals or full surrender made on or after your 66th birthday will not be eligible for this rider benefit, and any applicable surrender charges will apply. For unemployment, you may be eligible to make a one-time surrender charge-free withdrawal of up to 50% of your Accumulation Value.

OPTIONAL RIDERS⁹

Enhanced Beneficiary Benefit (EBB) Rider¹¹

If elected, the Enhanced Beneficiary Benefit Rider may increase the death benefit payable to beneficiaries. The benefit is based on the growth in value of the policy, an earnings percentage, and a maximum benefit. A charge will be deducted on each policy quarter while in effect until the policy's 25th anniversary. This rider is available on Non-Qualified policies, and, where permitted by the IRS, on Qualified policies. It must be elected at time of purchase and is only available to individuals age 70 and under.

Enhanced Spousal Continuance (ESC) Rider

When EBB is elected, the ESC rider is automatically included. Your spouse must be named as the sole primary beneficiary to exercise this rider. ESC allows your spouse to continue the policy at the *combined value of the death benefit and the EBB*. This rider may only be exercised once per policy and is available on Non-Qualified policies only.

Under Sections 72(s) (non-qualified) and 401(a)(9) (qualified) of the Internal Revenue Code, a surviving spouse can continue a deferred annuity only if they are a spouse under federal law. DOMA, a federal law, restricts "spouse" to opposite sex marriages only.

⁹ Available in jurisdictions where approved and subject to eligibility requirements. State variations may apply, and benefits may vary.

¹⁰ Withdrawals may be taxable and, if taken prior to age 59½, may be subject to a 10% IRS penalty.

¹¹ The annual charge is 0.30% of the policy's Accumulation Value and is deducted in quarterly installments of 0.075% until the policy's 25th anniversary. This charge is subject to change at any time prior to policy issue, up to a maximum annual charge of 1% of the policy's Accumulation Value.

EXPENSES AND FEES **No Up-Front Sales Charges**

You will not incur an up-front sales charge or fee for this policy. Your entire premium goes to work for you earning interest.

Surrender (Back-End) Charges¹⁰

Withdrawals that exceed the surrender charge-free withdrawal amount are subject to a surrender charge based on the surrender charge period you select. You may select from among the following options:

- Six Years: 7%, 7%, 7%, 6%, 5%, 4%
- Seven Years: 7%, 7%, 7%, 6%, 5%, 4%, 3%

After the surrender charge period is over, the money in your policy is available to you at any time without surrender charges.

Surrender charges are calculated as a percentage of the amount withdrawn during any policy year that is in excess of the 10% Window or Gain Window, if applicable.

Surrender charges do not apply:

- To portions of withdrawals made within the 10% Window or Gain Window, if applicable.
- To Required Minimum Distribution (RMD) withdrawals for this policy.
- When the Life Income Payment option is elected after the first policy year.
- In the case of the death of the owner.
- To funds accessed under the Living Needs Benefits/Unemployment Rider.

Administrative Charge

You will not be charged an annual policy maintenance fee or policy administration fee.

SERVICE

Your Representative is your best source of information and service. Call him/her if you have any questions about your policy. In addition, the following features provide you with support and information regarding your policy:

Service That's Only a Toll-Free Call Away (1-800-762-6212)

You can call this number for your policy's current cash value and interest rate.

Anniversary Statement

An Anniversary Statement will be sent to you every year on your policy's anniversary. It will show the interest your policy earned that year, any deductions from your policy due to withdrawals and surrender charges, and the resulting cash value of your policy. It will also notify you of the interest rate your policy will earn for the next 12 months.

www.NewYorkLifeAnnuities.com

You can visit our website to view features, benefits, rates and other information about our products. Also, by using your Personal Identification Number (PIN), you can view policy information such as your policy's current cash value, surrender value, past statements, beneficiary information and much more!

New York Life Insurance and Annuity Corporation does not offer tax, legal or accounting advice. Please consult your own professional advisors regarding your particular situation.

The policy form number for the New York Life Preferred Choice Fixed Annuity II is generally ICC11-P117, but may be 211-P117 and state variations may apply. In most jurisdictions, the rider form number for the Living Needs Benefit/Unemployment Rider is ICC09-R100; in some states, it may be 209-100, and state variations may apply. The rider form number for the Enhanced Beneficiary Benefit Rider is 201-306 and for the Enhanced Spousal Continuance Rider is 201-305 in most jurisdictions.



New York Life Insurance Company

New York Life Insurance and Annuity Corporation
(a Delaware Corporation), a wholly owned subsidiary of
New York Life Insurance Company
51 Madison Avenue, New York, NY 10010

www.NewYorkLifeAnnuities.com

The Company You Keep®



DALBAR Annuity Service Award – 2000 to 2010

New York Life Annuities has received the prestigious DALBAR Annuity Service Award for the eleventh consecutive year. This award symbolizes the highest level of customer service within the financial services industry and is presented by DALBAR Inc., an independent research firm that provides research, ratings and rankings of financial services companies.