New York Life Global Funding

$11,000,000,000
GLOBAL DEBT ISSUANCE PROGRAM

This supplement ("Base Prospectus Supplement") is supplemental to and must be read in conjunction with the Offering Memorandum dated November 21, 2007 (the "Offering Memorandum") prepared by New York Life Global Funding (the "Issuer") under the Issuer's global medium-term note program for the issuance of senior secured medium-term notes (the "Notes").

Application has been made to the Irish Financial Services Regulatory Authority as competent authority for the purposes of Directive 2003/71/EC (the "Prospectus Directive") for this Base Prospectus Supplement to be approved.

This document constitutes a Base Prospectus Supplement for the purposes of the Prospectus Directive. References herein to this document are to this Base Prospectus Supplement incorporating Annex 1 hereto.

On March 1, 2008, New York Life published its annual unaudited statutory statements (including any notes thereto, the "2007 and 2006 Statutory Financial Statements") the text of which is set out in Annex 1 to this document. Copies of such 2007 and 2006 Statutory Financial Statements will be made available for inspection at the offices of the parties at whose offices documents are to be available for inspection as identified in "General Information" in the Offering Memorandum.

Except as disclosed in this document, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Offering Memorandum since the publication of the Offering Memorandum.

Each of the Issuer and New York Life accepts responsibility for the information contained in this Base Prospectus Supplement. To the best of the knowledge of each of the Issuer and New York Life (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Base Prospectus Supplement dated March 10, 2008

RECENT DEVELOPMENTS

Chairman of the Board and Chief Executive Officer Seymour Sternberg will retire, effective June 30, 2008, and will remain Chairman of the Board of Directors in a non-executive capacity, for a transition period.

Effective February 26, 2008, President and Chief Operating Officer Theodore A. Mathas was named Chief Executive Officer-Elect by the Board of Directors. Mr. Mathas will succeed Mr. Sternberg, as Chief Executive Officer, effective July 1, 2008. Mr. Mathas will remain President when he becomes Chief Executive Officer.

Effective November 16, 2007, Senior Executive Vice President in charge of Investments and Finance and Chief Investment Officer Gary Wendlandt became a director with the title Vice Chairman of the Board and Chief Investment Officer.

ANNEX I

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	66,668,081,433		66,668,081,433	64,410,846,161
2. Stocks (Schedule D):				
2.1 Preferred stocks	195,862,059		195,862,059	284,877,321
2.2 Common stocks	8,614,665,991		8,614,665,991	8,002,439,597
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	8,858,362,586		8,858,362,586	7,853,228,544
3.2 Other than first liens	222,823,451		222,823,451	228,709,498
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ .... encumbrances)	313,755,832		313,755,832	301,753,239
4.2 Properties held for the production of income (less $ .... encumbrances)	137,686,974		137,686,974	254,759,123
4.3 Properties held for sale (less $ .... encumbrances)	1,761,984		1,761,984	11,940,263
5. Cash ($ 11,229,587 , Schedule E - Part 1), cash equivalents ($ 2,825,837,053 , Schedule E - Part 2) and short-term investments ($ 1,771,289,541 , Schedule DA)	4,608,356,181	364,011	4,607,992,170	2,947,339,128
6. Contract loans, (including $ 738,291 premium notes)	6,619,608,261	700,835	6,618,907,426	6,249,246,990
7. Other invested assets (Schedule BA)	7,965,350,083	265,326,187	7,700,023,896	5,758,362,915
8. Receivables for securities	2,426,431		2,426,431	1,812,819
9. Aggregate write-ins for invested assets	822,816,886		822,816,886	516,504,033
10. Subtotals, cash and invested assets (Lines 1 to 9)	105,031,558,152	266,391,033	104,765,167,119	96,821,819,631
11. Title plants less $ .... charged off (for Title insurers only)				
12. Investment income due and accrued	1,079,254,388	762,356	1,078,492,032	1,063,156,839
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	245,574,805	2,005,804	243,569,001	239,096,495
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premium)	1,140,792,162		1,140,792,162	1,043,699,671
13.3 Accrued retrospective premium				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	17,024,662	4,995	17,019,667	18,490,595
14.2 Funds held by or deposited with reinsured companies	4,839,240,894		4,839,240,894	4,759,076,197
14.3 Other amounts receivable under reinsurance contracts	36,210,991		36,210,991	38,040,795
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon	32,092,683		32,092,683	10,518,019
16.2 Net deferred tax asset	1,332,109,113	767,509,440	564,599,673	515,547,045
17. Guaranty funds receivable or on deposit	1,409,196		1,409,196	1,408,459
18. Electronic data processing equipment and software	152,911,215	152,911,215		
19. Furniture and equipment, including health care delivery assets ($ ....)	67,411,147	67,411,147		
20. Net adjustment in assets and liabilities due to foreign exchange rates	316,153		316,153	
21. Receivables from parent, subsidiaries and affiliates	244,631,292		244,631,292	277,592,369
22. Health care ($ ....) and other amounts receivable	18,438,613	18,438,613		
23. Aggregate write-ins for other than invested assets	4,007,655,857	828,700,409	3,178,955,448	2,800,046,183
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	118,246,631,323	2,104,135,012	116,142,496,311	107,588,492,298
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	6,610,970,226		6,610,970,226	6,115,309,759
26. Total (Lines 24 and 25)	124,857,601,549	2,104,135,012	122,753,466,537	113,703,802,057
DETAILS OF WRITE-INS				
0901. Derivatives	822,816,886		822,816,886	516,504,033
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	822,816,886		822,816,886	516,504,033
2301. Amounts receivable on corporate owned life insurance	2,700,105,092		2,700,105,092	2,519,337,528
2302. Amount due for undelivered securities	248,278,868	2,378,876	245,899,992	51,511,483
2303. Interest in annuity contracts	157,409,334		157,409,334	155,254,926
2398. Summary of remaining write-ins for Line 23 from overflow page	901,862,563	826,321,533	75,541,030	73,942,246
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	4,007,655,857	828,700,409	3,178,955,448	2,800,046,183

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts $ 65,210,273,607 (Exhibit 5, Line 9999999) less $ .... included in Line 6.3 (including $ 394,068,128 Modco Reserve)	65,210,273,607	63,821,390,201
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including $ 820,274,890 Modco Reserve)	1,905,103,944	1,857,361,355
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including $ .... Modco Reserve)	21,844,110,566	18,602,909,302
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	413,961,563	427,220,978
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	78,224,758	75,309,881
5. Policyholders' dividends $ 18,556,916 and coupons $ .... due and unpaid (Exhibit 4, Line 10)	18,556,916	11,520,523
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including $ 235,000 Modco)	1,579,683,452	1,476,610,381
6.2 Dividends not yet apportioned (including $ .... Modco)		
6.3 Coupons and similar benefits (including $ .... Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less $ 757,247 discount; including $ 2,857,335 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	78,395,550	72,502,148
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including $ .... accident and health experience rating refunds	52,636,648	26,573,406
9.3 Other amounts payable on reinsurance including $ 54,898,836 assumed and $ 17,960,175 ceded	72,859,011	88,812,048
9.4 Interest maintenance reserve (IMR Line 6)	267,164,162	311,815,309
10. Commissions to agents due or accrued-life contracts and annuity contracts $ 10,840,863 accident and health $ 2,099,740 and deposit-type contract funds $	12,940,603	10,995,448
11. Commissions and expense allowances payable on reinsurance assumed	28,745,312	31,476,737
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	698,563,326	669,554,997
13. Transfers to Separate Accounts due or accrued (net) (Including $ (89,245,817) accrued for expense allowances recognized in reserves, net of reinsured allowances)	(96,827,958)	(108,253,709)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	65,484,313	52,400,169
15.1 Current federal and foreign income taxes including $ 30,637,287 on realized capital gains (losses)	88,026,172	91,089,681
15.2 Net deferred tax liability		
16. Unearned investment income	1,195,771	1,388,029
17. Amounts withheld or retained by company as agent or trustee	499,410,432	465,775,496
18. Amounts held for agents' account, including $ 20,906,509 agents' credit balances	20,906,509	22,022,501
19. Remittances and items not allocated	111,763,041	86,447,531
20. Net adjustment in assets and liabilities due to foreign exchange rates		26,309,840
21. Liability for benefits for employees and agents if not included above	723,993,420	711,597,203
22. Borrowed money $ 2,888,658,159 and interest thereon $ 5,507,696	2,894,165,855	1,550,765,275
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (AVR, Line 16, Col. 7)	2,256,959,705	2,086,936,079
24.2 Reinsurance in unauthorized companies	120,740	91,156
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates	67,670,898	39,794,775
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities	104,965,732	127,257,958
24.9 Capital notes $ .... and interest thereon $		
25. Aggregate write-ins for liabilities	5,186,047,148	3,658,596,085
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	104,185,101,196	96,296,270,783
27. From Separate Accounts statement	6,609,135,794	6,107,258,509
28. Total liabilities (Lines 26 and 27)	110,794,236,990	102,403,529,292
29. Common capital stock		
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes	991,663,333	991,338,000
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)		
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	10,967,566,214	10,308,934,765
36. Less treasury stock, at cost:		
36.1 .... shares common (value included in Line 29 $ ....)		
36.2 .... shares preferred (value included in Line 30 $ ....)		
37. Surplus (Total Lines 31+32+33+34+35-36) (Including $ 1,834,432 in Separate Accounts Statement)	11,959,229,547	11,300,272,765
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	11,959,229,547	11,300,272,765
39. Totals of Lines 28 and 38 (Page 2, Line 26, Col. 3)	122,753,466,537	113,703,802,057
DETAILS OF WRITE-INS		
2501. Liability for security lending	4,051,763,894	2,625,733,808
2502. Derivatives	506,937,976	354,259,296
2503. Special reserves on certain group policies	305,425,992	306,017,305
2598. Summary of remaining write-ins for Line 25 from overflow page	321,919,286	372,585,676
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	5,186,047,148	3,658,596,085
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)		

SUMMARY OF OPERATIONS

		1 Current Year	2 Prior Year
1.	Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	9,751,463,439	9,301,182,935
2.	Considerations for supplementary contracts with life contingencies	509,486	157,950
3.	Net investment income (Exhibit of Net Investment Income, Line 17)	5,594,843,392	5,282,395,718
4.	Amortization of Interest Maintenance Reserve (IMR) (Line 5)	57,824,887	47,922,929
5.	Separate Accounts net gain from operations excluding unrealized gains or losses	32,794	48,329
6.	Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	(7,819,517)	25,062,077
7.	Reserve adjustments on reinsurance ceded	(151,225,250)	(66,306,777)
8.	Miscellaneous Income:		
	8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	12,877,435	11,848,108
	8.2 Charges and fees for deposit-type contracts	25,385,626	26,030,758
	8.3 Aggregate write-ins for miscellaneous income	518,319,769	566,003,797
9.	Total (Lines 1 to 8.3)	15,802,212,061	15,194,345,824
10.	Death benefits	2,074,940,794	2,023,713,507
11.	Matured endowments (excluding guaranteed annual pure endowments)	11,016,979	9,392,558
12.	Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	1,020,147,204	987,181,639
13.	Disability benefits and benefits under accident and health contracts	344,367,813	345,514,392
14.	Coupons, guaranteed annual pure endowments and similar benefits		
15.	Surrender benefits and withdrawals for life contracts	5,119,926,042	4,572,928,513
16.	Group conversions	15,383,175	12,819,481
17.	Interest and adjustments on contracts or deposit-type contract funds	1,063,623,074	897,731,350
18.	Payments on supplementary contracts with life contingencies	2,442,596	2,770,963
19.	Increase in aggregate reserves for life and accident and health contracts	1,517,612,379	2,135,818,990
20.	Totals (Lines 10 to 19)	11,169,460,056	10,987,871,393
21.	Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	288,682,228	277,526,363
22.	Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	120,080,783	126,951,015
23.	General insurance expenses (Exhibit 2, Line 10, Cols. 1 , 2, 3 and 4)	1,405,499,864	1,418,482,014
24.	Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	147,326,985	137,276,385
25.	Increase in loading on deferred and uncollected premiums	(8,193,517)	5,489,554
26.	Net transfers to or (from) Separate Accounts net of reinsurance	229,964,001	(192,795,813)
27.	Aggregate write-ins for deductions	111,763,823	152,118,072
28.	Totals (Lines 20 to 27)	13,464,584,223	12,912,918,983
29.	Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	2,337,627,838	2,281,426,841
30.	Dividends to policyholders	1,644,147,615	1,545,574,902
31.	Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	693,480,223	735,851,939
32.	Federal and foreign income taxes incurred (excluding tax on capital gains)	116,249,856	242,344,389
33.	Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	577,230,367	493,507,550
34.	Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ 145,889,099 (excluding taxes of $ 7,093,554 transferred to the IMR)	279,204,497	300,756,004
35.	Net income (Line 33 plus Line 34)	856,434,864	794,263,554
	CAPITAL AND SURPLUS ACCOUNT		
36.	Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	11,300,272,765	10,549,094,963
37.	Net income (Line 35)	856,434,864	794,263,554
38.	Change in net unrealized capital gains (losses) less capital gains tax of $ (168,274,749)	362,860,654	423,356,032
39.	Change in net unrealized foreign exchange capital gain (loss)	(385,932,670)	(469,516,509)
40.	Change in net deferred income tax	(71,913,341)	128,848,194
41.	Change in nonadmitted assets and related items	(36,745,242)	73,665,573
42.	Change in liability for reinsurance in unauthorized companies	(29,584)	5,878,536
43.	Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)	80,986,384	(22,000,000)
44.	Change in asset valuation reserve	(170,023,626)	(209,754,822)
45.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)		
46.	Surplus (contributed to) withdrawn from Separate Accounts during period		
47.	Other changes in surplus in Separate Accounts Statement	(6,249,612)	(287,702)
48.	Change in surplus notes	325,334	325,334
49.	Cumulative effect of changes in accounting principles	(1,380,585)	(936,675)
50.	Capital changes:		
	50.1 Paid in		
	50.2 Transferred from surplus (Stock Dividend)		
	50.3 Transferred to surplus		
51.	Surplus adjustment:		
	51.1 Paid in		
	51.2 Transferred to capital (Stock Dividend)		
	51.3 Transferred from capital		
	51.4 Change in surplus as a result of reinsurance		
52.	Dividends to stockholders		
53.	Aggregate write-ins for gains and losses in surplus	30,624,206	27,336,287
54.	Net change in capital and surplus for the year (Lines 37 through 53)	658,956,782	751,177,802
55.	Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	11,959,229,547	11,300,272,765
	DETAILS OF WRITE-INS		
08.301.	Adjustment in funds withheld	265,456,186	272,417,463
08.302.	Sundries	252,863,583	293,586,334
08.303.			
08.398.	Summary of remaining write-ins for Line 8.3 from overflow page		
08.399.	TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	518,319,769	566,003,797
2701.	Other deductions for reinsurance	111,081,630	132,578,387
2702.	Change in liability for agents' benefit plans	1,120,000	(87,000)
2703.	Fines and penalties from regulatory authorities	153,506	70,181
2798.	Summary of remaining write-ins for Line 27 from overflow page	(591,313)	19,556,504
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	111,763,823	152,118,072
5301.	Minimum pension liability adjustment	11,751,657	18,482,926
5302.	Change in indemnification reserve for surplus notes	11,111,000	11,111,000
5303.	Change in special reserves on certain group annuity contracts	10,464,444	445,256
5398.	Summary of remaining write-ins for Line 53 from overflow page	(2,702,895)	(2,702,895)
5399.	TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)	30,624,206	27,336,287

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	9,689,942,448	9,235,817,102
2. Net investment income	5,395,503,715	5,054,053,106
3. Miscellaneous income	285,977,822	358,837,242
4. Total (Lines 1 through 3)	15,371,423,985	14,648,707,450
5. Benefit and loss related payments	8,806,225,416	8,020,809,236
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	218,295,757	(202,259,908)
7. Commissions, expenses paid and aggregate write-ins for deductions	2,063,616,260	2,043,016,837
8. Dividends paid to policyholders	1,534,038,151	1,486,820,556
9. Federal and foreign income taxes paid (recovered) net of $ 98,066,369 tax on capital gains (losses)	288,692,853	582,656,672
10. Total (Lines 5 through 9)	12,910,868,437	11,931,043,393
11. Net cash from operations (Line 4 minus Line 10)	2,460,555,548	2,717,664,057
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	17,854,911,304	20,925,753,582
12.2 Stocks	9,640,621,866	13,142,641,367
12.3 Mortgage loans	851,994,361	1,265,860,159
12.4 Real estate	178,678,627	80,886,961
12.5 Other invested assets	14,275,813,931	18,318,198,764
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1,249,863	250,032
12.7 Miscellaneous proceeds	137,581,715	287,390,084
12.8 Total investment proceeds (Lines 12.1 to 12.7)	42,940,851,667	54,020,980,949
13. Cost of investments acquired (long-term only):		
13.1 Bonds	19,905,268,314	23,899,983,322
13.2 Stocks	9,081,585,612	13,091,872,674
13.3 Mortgage loans	1,847,397,840	1,610,356,623
13.4 Real estate	32,005,387	175,226,193
13.5 Other invested assets	16,190,589,922	18,884,273,656
13.6 Miscellaneous applications	22,292,226	12,770,654
13.7 Total investments acquired (Lines 13.1 to 13.6)	47,079,139,301	57,674,483,122
14. Net increase (decrease) in contract loans and premium notes	369,839,342	292,019,718
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,508,126,976)	(3,945,521,891)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		41,492
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds	524,894,574	(50,745,587)
16.4 Net deposits on deposit-type contracts and other insurance liabilities	1,735,650,844	930,943,879
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	1,447,679,052	206,893,512
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	3,708,224,470	1,087,133,296
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,660,653,042	(140,724,538)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	2,947,339,128	3,088,063,666
19.2 End of year (Line 18 plus Line 19.1)	4,607,992,170	2,947,339,128

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Conversion of debt investment to equity investment	28,155,006	4,030,730
20.0002. Exchange of equity investment to debt investment	7,568,191	
20.0003. Merger of debt investment to equity investment	2,973,709	
20.0004. Real estate received in satisfaction of debt	2,194,795	
20.0005. Exchange of debt investment to equity investment	483,589	
20.0006. Conversion of investment in preferred stock to common stock		2,250,003

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies**

A. The accompanying financial statements of New York Life Insurance Company ("the Company") have been prepared using accounting practices prescribed or permitted by the New York State Insurance Department.

The New York State Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under New York State Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of New York. Prescribed statutory accounting practices include state laws and regulations. New York State has certain prescribed accounting practices that differ from those found in NAIC SAP. Permitted statutory accounting practices encompass accounting practices that are not prescribed; such practices differ from state to state, may differ from company to company within a state, and may change in the future. The Company has no permitted practices.

Specifically, material differences between accounting practices prescribed by the state of New York and NAIC SAP include: (1) Electronic Data Processing ("EDP") equipment and operating software may only be admitted under New York Insurance Law if the individual cost exceeds fifty thousand dollars, whereas NAIC SAP allows these items to be admitted assets, subject to a 3% limitation of the Company's capital and surplus. (2) The value of aircraft held by a non-insurance subsidiary that has no significant ongoing operations is permitted to be carried as an admitted asset if approved by the Superintendent of Insurance, whereas NAIC SAP requires that it be excluded from the subsidiary's GAAP equity value carried in surplus. (3) Goodwill, whether held directly or by a subsidiary (insurance or non-insurance) is nonadmitted and reduces surplus of the Company, whereas NAIC SAP permits goodwill to be carried as an asset. (4) New York State required the Company to establish an indemnity reserve equal to 10% of the face value of its surplus note issuance. This reserve is not required under NAIC SAP. (5) Prepaid real estate taxes may be capitalized and are admissible under New York Insurance Law, whereas NAIC SAP requires that they be capitalized, nonadmitted, and charged against surplus.

For the years ended December 31, 2007 and 2006, there were no differences in net income between NAIC SAP and practices prescribed by the state of New York. A reconciliation of the Company's surplus at December 31, 2007 and 2006 between NAIC SAP and practices prescribed by the state of New York is shown below:

	December 31, 2007	December 31, 2006
Statutory Surplus, New York basis	$11,959,229,547	$11,300,272,765
State Prescribed Practices:		
1. EDP equipment, net	37,765,413	35,958,944
2. Aircraft owned by subsidiary, net	(20,944,875)	(22,189,125)
3. Goodwill of non-insurance subsidiaries	402,547,039	405,486,620
4. Surplus notes indemnity reserve	77,778,000	88,889,000
5. Prepaid real estate taxes	(530,806)	(515,200)
Statutory Surplus, NAIC SAP	$12,455,844,318	$ 11,807,903,004

B. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Management is also required to disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from those estimates.

C. Life premiums are taken into income over the premium-paying period of the policies. Annuity considerations are recognized as revenue when received. Commissions and other costs associated with acquiring new business are charged to operations as incurred. Guaranteed investment contracts ("GIC") with purchase rate guarantees, which introduce an element of mortality risk, are recorded as income when received. Maturation of GICs with purchase rate guarantees are reported as payments on matured contracts. Amounts received or paid under contracts without mortality or morbidity risk are recorded directly on the balance sheet as an adjustment to the account balance and not reflected in the Summary of Operations.

Policy reserves are based on mortality tables and valuation interest rates, which are consistent with statutory requirements and are designed to be sufficient to provide for contractual benefits. The Company holds reserves greater than those developed under the minimum statutory reserving rules when the Valuation Actuary determines that the minimum statutory reserves are inadequate.

The Company has established policy reserves (excluding the effects of reinsurance) on contracts issued January 1, 2001 and later that exceed the minimum amounts determined under Appendix A-820, "Minimum Life and Annuity Reserve Standards" of NAIC SAP by approximately $688 million. These higher direct reserves reduced pre-tax net gain for the year ended December 31, 2007 by approximately $104 million.

The liability for dividends to policyholders consists principally of dividends expected to be paid during the subsequent year. The allocation of dividends is approved annually by the Board of Directors and is determined by means of formulas, which reflect the relative contribution of each group of policies to divisible surplus.

In addition, the Company uses the following accounting policies:

(1) Short-term investments consist of securities that have original maturities of greater than three months and less than twelve months at date of purchase and are stated at amortized cost. Cash and cash equivalents include cash on hand, amounts due from banks and highly liquid debt instruments that have original maturities of three months or less at date of purchase and are stated at amortized cost, which approximates fair value.

(2) Bonds not backed by loans are stated at amortized cost using the interest method. Bonds in default are stated at the lower of amortized cost or fair value. Fair value is determined using unit prices published by the Securities Valuation Office of the NAIC. If a unit price is not published, fair value is determined using quoted market prices for publicly traded securities. For bonds without a readily ascertainable fair value, the Company determines an estimated fair value using a discounted cash flow approach, broker-dealer quotations or management's pricing model. The cost basis of bonds is adjusted for impairments in value deemed to be other than temporary, with the associated realized loss reported in net income.

(3) Unaffiliated common stocks are carried at fair value. Fair value has been determined using unit prices published by the Securities Valuation Office of the NAIC. If a unit price is not published, estimated fair value is determined using quoted market prices for publicly traded securities and broker-dealer quotations or management's pricing model for private placement securities. Unrealized gains and losses are reflected in surplus, net of deferred taxes. The cost basis of common stocks is adjusted for impairments in value deemed to be other than temporary, with the associated realized loss reported in net income.

NOTES TO FINANCIAL STATEMENTS

(4) Preferred stocks in "good standing" (NAIC designation of 1 to 3) are valued at amortized cost. Preferred stocks "not in good standing" (NAIC designation of 4 to 6) are valued at the lower of amortized cost or fair value. Fair value has been determined using unit prices published by the Securities Valuation Office of the NAIC. For preferred stocks without a unit price, the Company uses quoted market prices for publicly traded securities where available. For preferred stocks that do not have a readily ascertainable market value, the Company has determined an estimated fair value using a discounted cash flow approach, broker-dealer quotations or management's pricing model. The cost basis of preferred stocks is adjusted for impairments in value deemed to be other than temporary, with the associated realized loss reported in net income.

(5) Mortgage loans on real estate are carried at unpaid principal balances, net of discounts/premiums and valuation allowances, and are secured. Specific valuation allowances are established for the excess carrying value of the mortgage loan over its estimated fair value, when it is probable that, based on current information and events, the Company will be unable to collect all amounts due under the contractual terms of the loan agreement. Specific valuation allowances are based on the fair value of the collateral. If impairment is other than temporary, a direct write-down is recognized as a realized loss, and a new cost basis, which is equal to fair value, is established. Fair value is determined by discounting the projected cash flows for each property to determine the current net present value.

Real estate held for income production and home office properties are stated at cost less accumulated depreciation and encumbrances. Real estate held for sale is stated at the lower of cost less accumulated depreciation or fair value less encumbrances and estimated costs to sell. Depreciation of real estate is calculated using the straight-line method over the estimated lives of the assets, generally 40 years. Costs of permanent improvements are depreciated over their estimated useful life.

(6) Loan-backed bonds and structured securities are valued at amortized cost using the interest method including anticipated prepayments at the date of purchase; changes in prepayment speeds and estimated cash flows from the original purchase assumptions are evaluated quarterly and are generally accounted for on a retrospective yield adjustment method. The prospective yield adjustment method is used for certain securities with floating rates as well as securities that have the potential for loss of a portion of the original investment (e.g. interest only securities). The cost basis of loan-backed bonds and structured securities is adjusted for impairments in value deemed to be other than temporary, with the associated realized loss reported in net income.

(7) Investments in subsidiaries are stated as follows: (1) domestic insurance subsidiaries are stated at the value of their underlying U.S. statutory net assets; (2) foreign insurance operations that have U.S. GAAP audits are stated at U.S. GAAP equity adjusted for certain assets that are disallowed under the statutory basis of accounting, otherwise, the investment is nonadmitted; (3) non-insurance subsidiaries are carried at U.S. GAAP equity, adjusted for the removal of goodwill, unless they are engaged in certain transactions that are for the benefit of the Company or its affiliates and receive 20% or more of their revenue from the Company or its affiliates. In this case, non-insurance subsidiaries are carried at U.S. GAAP equity adjusted for the same items as foreign insurance subsidiaries; (4) the Company's 15.9% ownership in Express Scripts Inc. ("ESI"), a publicly traded company is carried at a 3.0% discount to market value. Dividends and distributions from subsidiaries are recorded in investment income when declared and changes in the equity of subsidiaries are recorded as unrealized gains or losses.

(8) Limited partnerships and limited liability companies which have a U.S. GAAP audit are carried at the underlying audited U.S. GAAP equity of the investee and are adjusted for impairments that are other than temporary. The Company nonadmits the entire investment where no U.S. GAAP audit is performed. Dividends and distributions from limited partnerships and limited liability companies are recorded in investment income. Undistributed earnings are included in unrealized gains and losses and are reflected in surplus, net of deferred taxes.

(9) Derivative instruments that are effective hedges are valued consistent with the items being hedged. Investment income is recorded on an accrual basis. Amounts payable or receivable under interest rate and currency swap agreements are recognized as investment income or expense when incurred. Gains and losses related to contracts that are effective hedges on specific assets and liabilities are recognized in income in the same period as a gain or loss on the hedged asset or liability. Realized gains and losses that are recognized upon termination or maturity that are interest related are transferred, net of taxes, to the Interest Maintenance Reserve. All other realized gains and losses are recognized in net income upon termination or maturity of derivative contracts.

Written covered equity call options that are entered into as income generation transactions are carried at fair value, with changes in fair value reported as unrealized gains and losses in surplus. Realized gains and losses are recognized, net of taxes, in net income upon expiration or termination. Realized gains and losses adjust disposition proceeds upon exercise.

All other derivative instruments are carried at fair value with unrealized gains and losses reported in surplus, net of deferred taxes. Periodic payments received during the term of derivatives are reported in realized gains or losses for hedges that are not highly effective. Realized gains and losses upon termination, maturity or expiration are reported in net income, net of taxes.

(10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.

(11) Unpaid losses and loss adjustment expenses for accident and health contracts include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

(12) The Company has not changed its capitalization policy from the prior year.

(13) The Company does not have any pharmaceutical rebates receivable.

2. Accounting Changes and Corrections of Errors

Change in Accounting Principles

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

NOTES TO FINANCIAL STATEMENTS

Effective January 1, 2007, the Company adopted SSAP No. 97, "Investments in Subsidiary, Controlled and Affiliated (SCA) Entities", which replaced SSAP No. 88. SSAP No. 97 states that assets and liabilities of the downstream holding company, other than the investments in SCA entities, should be valued in accordance with statutory accounting rules. At January 1, 2007, the cumulative effect of adopting SSAP No. 97 reduced surplus by $1,380,585. This amount represented intercompany receivables that were not supported by a formal service agreement and must be non-admitted in accordance with SSAP No. 96, "Settlement Requirements for Intercompany Transactions, An Amendment of SSAP No. 25".

Reserve Basis Change

In 2007 the Company decreased disability active life reserves by $80,986,384. This was recorded as a direct increase in Surplus as a change in valuation basis. The disability income block is fully reinsured, therefore an offsetting decrease in reinsurance reserve credit was recorded as a decrease in net income. Consequently this transaction had no bottom line impact on Surplus.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The maximum and minimum lending rates for commercial mortgage loans funded during 2007 were 7.85% and 5.37%.

There were no residential mortgage loans funded during 2007.

(2) There were no mortgage loans with interest waivers or rate reductions.

(3) The maximum percentage of any one commercial mortgage loan to the value of the security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 95.2%. The maximum percentage of any residential mortgage loan to the value of the security at the time of the loans was 80.0%.

		December 31 2007	December 31 2006
(4)	Mortgages with interest more than 180 days past due with a recorded investment, excluding accrued interest	$ -	$ 10,528
	a. Total interest due on mortgages with interest more than 180 days past due	$ -	$ 268
(5)	Taxes, assessments and any amounts advanced and not included in the mortgage loan total	$ -	$ -
(6)	Current year impaired loans with related allowance for credit losses	$ -	$ -
	a. Related allowance for credit losses	$ -	$ -
(7)	Impaired mortgage loans without an allowance for credit losses	$ 2,471,495	$ -
(8)	Average recorded investment in impaired loans	$ 2,638,372	$ -
(9)	Interest income recognized during the period the loans were impaired	$ -	$ -
(10)	Amount of interest income recognized on a cash basis during the period the loans were impaired	$ -	$ -
(11)	Allowance for credit losses:		
	I. Beginning balance	$ -	$ -
	II. Additions charged to operations	-	-
	III. Direct write-downs charged against the allowance	-	-
	IV. Recoveries of amounts previously charged off	-	-
	V. Reduction due to sale	-	-
	VI. Ending balance	$ -	$ -

(12) When a loan is determined to be in default (per the contractual terms of the loan), the accrued interest on the loan is recorded as investment income due and accrued if deemed collectible. If a loan in default has any investment income due and accrued that is 90 days past due and collectible, the investment income shall continue to accrue, but all interest related to the loan is reported as a nonadmitted asset. If accrued interest on a mortgage loan in default is not collectible, the accrued interest is written off immediately and no further interest is accrued.

B. Debt Restructuring

		December 31, 2007	December 31, 2006
(1)	The total recorded investment in restructured loans, as of year end	$ -	$ -
(2)	The realized capital losses related to these loans (Loss on foreclosure of restructured loan)	$ -	$ -
(3)	Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructuring	$ -	$ -

(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.

C. Reverse Mortgages

The Company does not have any reverse mortgages.

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

(1) The Company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective method to securities purchased prior to January 1, 1994 where historical cash flows are not readily available.

(2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from internal estimates and the Salomon Yield Book.

(3) There was no change in methodology due to negative yield on specific securities.

E. Repurchase agreements

The Company enters into agreements to sell and repurchase securities for the purpose of enhancing income on securities held. Under these agreements, the Company obtains the use of funds from a broker for generally one month. Cash collateral received is invested in short-term investments and the offsetting collateral liability recorded is considered fair value. At December 31, 2007, the Company had $1,605,194,000 in tri-party repurchase agreements outstanding.

For reverse repurchase agreements, the Company has a minimum collateral threshold of $250,000 to cover its exposure in the fair value of the investment. Collateral received is invested in short-term investments and the offsetting collateral liability is considered to be fair value. At December 31, 2007, the Company did not have reverse repurchase agreements outstanding.

F. Real Estate

(1)a–(1)c At December 31, 2007 the Company held $1,761,984 of real estate as held for sale, which consisted of 4 residential properties, acquired through foreclosure. Real estate held for sale is stated at the lower of cost less accumulated depreciation or fair value less encumbrances and estimated cost to sell the property. The estimated fair value of real estate is determined by discounting estimated future cash flows using market interest rates and or market appraised values. The Company had $429,000 of impairments on real estate held for sale during 2007, which are reflected in realized losses in the statement of operations. Two properties were subsequently sold during January and February of 2008. The Company actively markets its' remaining properties held for sale; at December 31, 2007 there were no contracts to sell the properties.

(2)a–(2)e During 2007 the Company recognized $50,952,699 of realized gains on the disposition of properties held for sale. Gains during 2007 primarily related to a December sale of an industrial building in Mira Loma, CA ($46,186,288) and an April sale of a residential property in Houston, TX ($4,755,914).

(3) The Company has not changed plans for the sale of investments in real estate.

(4)a–(4)e The Company does not engage in any land sale operations.

G. Investment in Low-Income Housing Tax Credits, (LIHTC)

(1) The Company has a range of less than 1 year to 13 years of remaining unexpired tax credits on its investments in LIHTC. The holding period required for the LIHTC investments ranges from less than 1 year to 13 years.

(2) The LIHTC investments are periodically subject to regulatory reviews by housing authorities where the properties are located. The Company is not aware of any adverse issues related to such regulatory reviews.

(3) The Company's investments in LIHTC did not exceed 10% of its admitted assets.

(4–5) The Company had no impairments recorded on its LIHTC investments.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company had no investments in joint ventures, limited partnerships or limited liability companies that exceeded 10% of its admitted assets.

B. In 2007, the Company recognized $42,747,841 in impairment write-downs on its investments in limited partnerships and limited liability companies. The impairment write-downs were based on facts and circumstances surrounding the ultimate recovery of the cost of the limited partnerships and limited liability companies and is derived from the investment results of the underlying assets within the limited partnerships and limited liability companies.

7. Investment Income

A. Due and accrued investment income is excluded from surplus when amounts are over 90 days past due or collection is uncertain.

B. The amount of investment income due and accrued in 2007 that was non-admitted and excluded from surplus was $762,356.

8. Derivative Instruments

A-C. The Company uses derivative financial instruments to manage interest rate, currency, and market risk. These derivative financial instruments include foreign exchange forward contracts, commodity, interest rate and equity options and interest rate, credit default and currency swaps. The Company does not engage in derivative financial instrument transactions for speculative purposes.

The Company deals with highly rated counterparties and does not expect the counterparties to fail to meet their obligations under the contracts. The Company has controls in place to monitor credit exposures by limiting transactions with specific counterparties within specified dollar limits and assessing the creditworthiness of counterparties. The Company uses master netting agreements and adjusts transaction levels, when appropriate, to minimize risk. See Note 16 for a discussion of counterparty risk.

All derivatives that qualify for hedge accounting are reported in a manner similar to the item being hedged.

Derivative instruments that do not meet the criteria of an effective hedge are accounted for at fair value and the changes in the fair value recorded in surplus as unrealized gains or losses, net of deferred taxes.

NOTES TO FINANCIAL STATEMENTS

(1) **Interest Rate Risk**

The Company enters into various types of interest rate contracts, primarily to minimize exposure of specific assets and liabilities held by the Company to fluctuations in interest rates.

Interest rate swaps are agreements with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional value. Generally, no cash is exchanged at the onset of the contract and no principal payments are made by either party. A single net payment is usually made by one counterparty at each interest due date. At December 31, 2007, the Company had 356 open contracts for interest rate swaps at a notional amount of $5,086,221,000 with a fair value of $(23,400,772) and a carrying value of $(111,854,878). During the term of the swap, net settlement amounts are recorded as investment income or expense when earned for highly effective hedges. Periodic payments on hedges that are not highly effective are reported in realized gains or losses.

Interest rate cap contracts entered into by the Company hedge the risk of increasing interest rates on policyholder liability obligations. The Company will receive payments from counterparties should interest rates exceed an agreed upon strike price. Changes in the fair value of open contracts is recognized in surplus as unrealized gains or losses, net of deferred taxes. At December 31, 2007, the Company has 1 open contract with a series of strike prices and an accreting notional amount (currently $827,709,174; $920,369,306 at maturity) with a fair value and carrying value of $1,564,084.

(2) **Currency Risk**

The Company enters into foreign currency swaps and foreign exchange forward contracts primarily as a hedge against foreign currency fluctuations. The primary purpose of the Company's foreign currency hedging activities is to protect it from the risk that the value of foreign currency denominated assets and liabilities and net investments in foreign subsidiaries will be adversely affected by changes in exchange rates. At December 31, 2007, the Company had 75 open contracts for foreign currency swaps in 9 currencies at a notional amount of $8,451,834,077 with a fair value of $703,968,852 and a carrying value of $899,484,198.

The Company’s foreign exchange forward contracts involve the exchange of 4 currencies at a specified future date and at a specified price. The average term of the contracts is three to six months. No cash is exchanged at the time the agreement is entered into. At December 31, 2007, the Company had 27 open foreign exchange forward contracts at a notional amount of $263,032,670 with a fair value and a carrying value of $(14,744,571).

(3) **Market Risk**

The Company has purchased equity put options to minimize exposure to the market risk associated with underlying equities. At December 31, 2007, the Company had 9 equity option contracts at a notional value of $7,468,081 with a fair value and carrying value of $165,268.

The Company uses commodity options to hedge against the impact of higher oil prices on limited partnership investments. The Company did not have any outstanding commodity options at December 31, 2007.

(4) **Credit Risk**

The Company enters into credit default swaps to transfer the credit exposure of fixed income products. At December 31, 2007, the Company had 1 open contract to buy credit protection at a notional amount of $15,000,000 with a fair value and carrying value of $(86,297).

(5) **Income Generation Transactions**

The Company seeks to increase profits and to mitigate losses in underlying equity positions by selling covered call options. At December 31, 2007, the Company had 44 written covered call options with a notional value of $47,069,275 and a fair value and carrying value of $(302,402).

(6) **Replication Transactions**

Not Applicable.

(7) **Hedge Effectiveness**

To qualify as a hedge, the hedge relationship is designated and formally documented at inception detailing the particular risk management objective and strategy for the hedge which includes the item and risk that is being hedged, the derivative that is being used, as well as how effectiveness is being assessed. A derivative must be highly effective in accomplishing the objective of offsetting either changes in fair value or cash flows for the risk being hedged. The Company formally measures effectiveness of its hedging relationships both at the hedge inception and on an ongoing basis in accordance with its risk management policy. The hedging relationship is considered highly effective if the changes in fair value or discounted cash flows of the hedging instrument is within 80-125% of the inverse changes in the fair value of or discounted cash flows of the hedged item. The Company discontinues hedge accounting prospectively if; (i) it is determined that the derivative is no longer effective in offsetting changes in the fair value or cash flows of a hedged item, (ii) the derivative expires or is sold, terminated, or exercised, (iii) it is probable that the forecasted transaction will not occur, or (iv) management determines that designation of the derivative as a hedge instrument is no longer appropriate.

Cash flow hedges hedge the variability of cash flows related to floating rate securities, securities that are exposed to foreign exchange risk and liabilities that are exposed to foreign exchange risk. The Company’s cash flow hedges primarily include hedges of floating rate securities and foreign currency denominated assets and liabilities. The assessment of hedge effectiveness for cash flow hedges of interest rate risk excludes amounts relating to risks other than exposure to the benchmark interest rate. The Company hedges the forecasted purchases of fixed rate securities. There were no gains and losses related to cash flow hedges of forecasted transactions that have been discontinued because it was no longer probable that the original forecasted transactions would occur by the end of the originally specified time period.

For derivative instruments which hedge the foreign currency exposure of a net investment in a foreign operation that meet the criteria of an effective hedge, the change in the fair value is reflected in unrealized gains and losses as part of the foreign currency translation adjustment. Derivatives that do not meet the criteria of an effective hedge that are hedging the net investment of a foreign operation are carried at fair value with changes in fair value reflected in unrealized gains and losses. Unrealized losses for foreign currency translation adjustments of $52,144,089 were reported for the year ended December 31, 2007.

D. No unrealized gains or losses recognized on derivatives designated as hedges were excluded from the assessment of effectiveness for the year ended December 31, 2007.

NOTES TO FINANCIAL STATEMENTS

E. There was no net gain or loss recognized in unrealized gains or losses during the reporting period resulting from derivatives that no longer qualify for hedge accounting.

F. Cash flow hedges of forecasted transactions hedge the interest rate of future fixed rate bond purchases over a maximum 30 year period.

9. Income Taxes

A. The components of the net deferred tax asset are as follows:

		December 31, 2007	December 31, 2006
(1)	Gross deferred tax assets (DTAs)	$ 2,237,754,764	$ 1,927,823,854
(2)	Gross deferred tax liabilities (DTLs)	905,645,651	692,076,149
	Net deferred tax asset	1,332,109,113	1,235,747,705
(3)	Net deferred tax assets nonadmitted	767,509,440	720,200,660
(4)	Net deferred tax assets – Admitted (1) - (2) - (3)	$ 564,599,673	$ 515,547,045
(5)	Increase/decrease in deferred taxes nonadmitted	$ 47,308,780	$ 72,459,694

B. The Company had no unrecognized deferred tax liabilities for December 31, 2007 and December 31, 2006.

C. Significant components of income taxes incurred and the changes in DTAs and DTLs are as follows:

(1) Current income tax expense:	December 31, 2007	December 31, 2006
Current year U.S. income tax	$ 113,762,957	$ 241,039,504
Current year foreign income tax	2,486,899	1,304,885
Income tax incurred (Sum. Of Op., line 32)	116,249,856	242,344,389
U.S Federal capital gains tax incurred	152,982,653	230,796,966
Total current income taxes incurred	$ 269,232,509	$ 473,141,355

(2) Change in DTAs and DTLs

	December 31, 2007	December 31, 2006	Change Increase/ (Decrease)
DTAs resulting from book/tax differences in:			
Policy reserves	$ 706,628,188	$ 423,484,296	$ 283,143,892
Deferred acquisition costs	470,228,168	451,008,884	19,219,284
Employee and agent benefits	500,967,643	516,249,722	(15,282,079)
Nonadmitted assets	106,054,999	82,358,966	23,696,033
Dividend provision	400,212,514	380,537,866	19,674,648
Investments	36,135,050	53,431,584	(17,296,534)
Other	17,528,202	20,752,536	(3,224,334)
Gross deferred tax asset	2,237,754,764	1,927,823,854	309,930,910
DTLs resulting from book/tax differences in:			
Investments	905,645,651	692,076,149	213,569,502
Gross deferred tax liability	905,645,651	692,076,149	213,569,502
Net deferred tax asset	$ 1,332,109,113	$ 1,235,747,705	96,361,408
Deferred tax on unrealized gains/(losses)			(168,274,750)
Change in deferred income tax (Pg 4, Ln. 40)			$ (71,913,342)

(3) For the year ended December 31, 2007, the Company had investment tax credits of $41,413,616.

(4) The Company had no net operating loss carryforwards.

(5) The Company had no adjustments of a DTA or DTL for enacted changes in tax laws or rates, or a change in the tax status.

NOTES TO FINANCIAL STATEMENTS

D. The Company's income tax expense and change in DTAs/DTLs at December 31, 2007 differs from the amount obtained by applying the statutory rate of 35% to net gain from operations after dividends to policyholders and before federal income taxes for the following reasons:

	Amount
Net Gain from Operations after Dividends to Policyholders and Before Federal Income Taxes @ 35%	$ 242,718,078
Net realized capital gains at 35%	155,876,311
Tax exempt income	(44,829,274)
Tax credits (net of withholding)	(45,836,520)
Amortization of IMR	(20,238,710)
Dividends from subsidiaries	(3,850,000)
Contiguous country branch income	(3,846,590)
Change in reserve on account of change in valuation basis	28,345,234
Prior year audit liability and settlement	15,817,930
Nonadmitted assets	3,723,985
Stock contribution to Foundation	(1,088,902)
Accruals in surplus	9,466,767
Other	4,887,541
Income Tax Incurred and Change in Net Deferred Tax Asset During Period	$ 341,145,850
Federal income taxes reported in the Summary of Operations	$ 116,249,856
Capital gains tax incurred	152,982,653
Change in net deferred income taxes	71,913,341
Total statutory income taxes	$ 341,145,850

E. The following are income taxes incurred in current and prior years that will be available for recoupment in the event of future net losses.

2007	$ 309,782,452
2006	$ 339,598,938
2005	$ 194,316,864

F. The Company's federal income tax return is consolidated with the following entities:

i. New York Life Insurance and Annuity Corporation ("NYLIAC")
ii. NYLIFE Insurance Company of Arizona ("NYLAZ")
iii. NYLIFE LLC and its domestic affiliates ("NYLIFE LLC")
iv. New York Life Investment Management Holdings LLC ("NYLIM") and its subsidiaries
v. New York Life International LLC ("NYLI") and its domestic subsidiaries

The Company files a consolidated federal income tax return with certain of its domestic insurance and non-insurance subsidiaries. The consolidated income tax liability is allocated among the members of the group in accordance with a tax allocation agreement. The tax allocation agreement provides that each member of the group is allocated its share of the consolidated tax provision or benefit, determined generally on a separate company basis, but may, where applicable, recognize the tax benefits of net operating losses or capital losses utilizable in the consolidated group. Intercompany tax balances are settled quarterly on an estimated basis with a final settlement within 30 days of the filing of the consolidated return.

10. Information Concerning Parent, Subsidiaries, and Affiliates

A-C. During 2007, the Company made the following capital contributions to its insurance and holding company subsidiaries:

NYLI	$ 237,361,372
Haier New York Life Insurance Company Limited ("Haier")	10,500,000
NYLAZ	10,000,000
Total	$ 257,861,372

During 2007, the Company received $20,000,000 from NYLIFE LLC and $49,518 from Haier as returns of capital.

In 2007, the Company received dividend distributions from NYLIFE LLC of $11,000,000, which is included in net investment income.

On April 27, 2005, NYLI and the Company entered into an Investment Participation Agreement related to NYLI's direct investment in 95% of the Class C shares of the New York Life International India Fund (Mauritius) LLC. In accordance with the Investment Participation Agreement, the Company advanced $4,000,000 to NYLI towards the partial purchase price of such Class C shares for the right to receive a 52.63% beneficial interest in NYLI's interest in such shares. In addition, the Company agreed to fund expenses attributable to such beneficial interest and also agreed to receive any distribution annually through NYLI and participate in any capital call relating to the payment of management fees and other fund expenses by funding payment directly to NYLI on a pro-rata annual basis. At December 31, 2007, the Company's investment in New York Life International India Fund (Mauritius) LLC is $4,670,776.

D. The Company executed a promissory note with NYLIFE LLC, dated August 16, 2001, whereby NYLIFE LLC loaned the Company $238,888,563. The note has a par value of $243,225,000 and an interest rate of 3.3% per annum. Interest on the note is payable quarterly until maturity on August 22, 2011. During 2007, the Company made $8,026,425 in coupon interest payments and amortized $434,312 of discount. At December 31, 2007, the amount due under this note totaled $242,553,402, including $914,121 in accrued interest.

At December 31, 2007, the Company reported a net amount of $176,960,394 due from subsidiaries and affiliates. The terms of the settlement require that these amounts be settled in cash within ninety days.

NOTES TO FINANCIAL STATEMENTS

During August 2003, the Company transferred without recourse several private placement debt securities to Madison Capital Funding LLC ("MCF"). MCF is a wholly-owned subsidiary of NYLIM Holdings LLC, which is in turn a wholly-owned subsidiary of the Company. MCF paid the purchase price of the securities transferred by delivering to the Company promissory notes with terms identical to the securities transferred. At December 31, 2007, the outstanding balance payable to the Company totaled $21,276,258. During 2007, the Company received interest payments from MCF totaling $771,860, which were included in net investment income.

The Company has a revolving loan agreement with MCF dated April 16, 2001, as amended, to provide funding to MCF in an amount not to exceed the lesser of $3,200,000,000 or 3% of the Company's admitted assets as of December 31 of the prior year. Terms of the loan specify that quarterly interest be paid on 85% of the outstanding balance in cash as based on the 90 day LIBOR rate plus a spread based on an agreed upon formula, with interest on the remaining 15% compounded quarterly. Effective June 1, 2003, the MCF loan agreement was amended to provide that a portion of the loan used to acquire equity investments would earn interest at 10% per annum, payable quarterly. The principal balance and compounded interest is not due until maturity in April 2011. The Company recorded $108,368,199 in interest income for the year ended December 31, 2007. At December 31, 2007, the Company had outstanding loans receivable from MCF of $1,684,500,560.

The Company has a loan agreement with NYLI associated with proceeds deposited with the Company from excess capital. NYLI did not have an immediate need for the cash and as a result, loaned the proceeds to the Company to earn a return based on the general account investments. Interest is credited quarterly at an effective annual interest rate of 5.31% less an investment management fee of 5.5 basis points. The investment income earned on the loan balance is capitalized to the loan. The effective termination date of this arrangement is March 31, 2008, but either party may terminate this arrangement with a minimum three months' notice. During 2007, interest expense of $4,075,256 was capitalized to the loan resulting in an outstanding payable to NYLI of $107,475,257 at December 31, 2007.

New York Life Capital Corporation ("NYLCC"), a wholly-owned subsidiary of NYLIFE, LLC, has a credit agreement with the Company dated October 1, 1997, as amended, whereby NYLCC has agreed to make loans to the Company in an amount up to, but not exceeding, $3,000,000,000 from proceeds from the issuance of commercial paper. During 2007, the Company recorded interest expense of $25,429,563 and had a loan payable to NYLCC of $992,113,821.

The Company has purchased various Corporate Owned Life Insurance policies from NYLIAC for the purpose of informally funding certain benefits for the Company's employees and agents. These policies were issued to the Company on the same basis as policies sold to unrelated customers. At December 31, 2007, the cash surrender value of these policies amounted to $2,394,792,656.

In March 2005, the Company formed five entities in which the Company has a controlling interest: Tribeca Holdings I LLC ("Tribeca I"), Bluewater Holdings I LLC ("Bluewater I"), Gramercy Holdings I LLC ("Gramercy I"), Union Investments I LP ("Union I") and 29 Park Investments No. 1 Limited ("29 Park No. 1"). These entities were formed to facilitate 29 Park No. 1's purchase of a $364,100,000 par value pool of investment grade, US dollar denominated medium term notes ("MTNs") issued by ten foreign issuers and arranged on behalf of 29 Park No. 1 by Barclays Bank plc ("Barclays"). To fund the purchase of the MTNs, on May 26, 2005, the Company purchased ten credit-linked notes issued by Tribeca I for a total purchase price of $355,632,400, which amount was simultaneously loaned by Tribeca I to Union I, who in turn contributed such funds to 29 Park No. 1, for its purchase of ten MTNs with a total principal value of $364,100,000. The other entities, Bluewater I and Gramercy I, each had ancillary roles in these investment arrangements.

In March 2006, the Company participated in another purchase of $97,600,000 par value pool of investment grade, MTMs issued by two foreign issuers and arranged on behalf of 29 Park No. 1 by Barclays Bank plc ("Barclays"). To fund the purchase of the MTNs, on March 1, 2006, the Company purchased two credit-linked notes issued by Tribeca I for a total purchase price of $95,648,000, which amount was simultaneously loaned by Tribeca I to Union I, who in turn contributed such funds to 29 Park No. 1, for its purchase of two MTNs having a total principal value of $97,600,000.

In December 2007 this structure was unwound and the securities held by 29 Park 1 with book value of $453,447,015 were transferred to the Company. Residual cash of $500,001 was being held in 29 Park 1 in anticipation of settling outstanding tax liabilities. Substantially all cash in excess of the tax amount ultimately payable will revert to the Company after settlement.

E. The Company has a Support Agreement, dated September 28, 1995, with its wholly owned affiliate, NYLCC to maintain NYLCC's tangible net worth in the amount of at least $1. NYLCC serves as a conduit to the credit markets for the Company and its affiliates, and is authorized to issue commercial paper in an aggregate principal amount not to exceed $3,000,000,000. As of December 31, 2007 the par value of commercial paper outstanding under this agreement was $995,138,000.

The Company has a Credit Agreement with NYLIAC, dated September 30, 1993, as amended, whereby NYLIAC may borrow from the Company up to $490,000,000. During 2007, the credit facility was not used, no interest was paid and there was no outstanding balance due.

In addition, the Company has a Credit agreement with NYLIAC, dated April 1, 1999, as amended, under which the Company may borrow from NYLIAC up to $490,000,000. During 2007, the credit facility was not used, no interest was paid and there was no outstanding balance due.

On August 11, 2004, the Company entered into a Credit Agreement with NYLAZ, whereby NYLAZ is able to borrow up to $10,000,000 from the Company for short-term liquidity needs. During 2007, the credit facility was not used, no interest was paid and there was no outstanding balance due.

The Company has issued $5,103,394,403 of single premium annuities to NYLIAC in connection with NYLIAC's obligation under structured settlement agreements. The Company has guaranteed NYLIAC's obligation to unaffiliated third parties in the event of NYLIAC's insolvency.

The Company compensates NYLIAC for policy credits associated with converting the Company's term policies and term riders to universal life policies that are issued by NYLIAC without any additional underwriting. For the year ended December 31, 2007, $14,725,088 was paid to NYLIAC.

The Company, in the ordinary course of its business, enters into numerous arrangements with its affiliates. In addition, in the ordinary course of its business, the Company may enter into guarantees and/or keepwells between itself and its affiliates.

F. The Company has agreed to provide certain of its direct and indirect subsidiaries with certain services and facilities including but not limited to the following: accounting, tax and auditing services; legal services; actuarial services; electronic data processing operations and communications operations. The Company is reimbursed for the identified costs associated with these services and facilities. Such costs amounting to $769,698,410 for the year ended December 31, 2007 were incurred by the Company and billed to its subsidiaries.

NOTES TO FINANCIAL STATEMENTS

The Company has entered into Investment Advisory and Administrative Services Agreements with NYLIM, to provide investment advisory and administrative services to the Company. At December 31, 2007, the total cost to the Company for these services amounted to $108,542,320.

Certain of the Company's other subsidiaries also have Investment Advisory and other service agreements pursuant to which such subsidiaries provide services to the Company.

As of December 31, 2007 an executive of the Company was a director of ESI. ESI is a pharmacy benefit management company that periodically performs services for, or has other transactions with the Company. Such transactions are entered into on terms comparable to those that would be available to unrelated third parties and are not material to the Company's financial condition or results of operations.

G. The Company is a mutual insurance company and is not directly or indirectly owned by any other company, corporation, group of companies, partnership or individual.

H. The Company does not own any shares of an upstream affiliate either directly or through its subsidiaries.

I. The Company does not have an investment in an SCA entity that exceeds 10% of the admitted assets of the insurer.

J. The Company did not recognize any impairment write-down for its investments in subsidiaries, controlled or affiliated companies during the statement period.

K. Not applicable.

L. The Company holds investments in certain Downstream Non-Insurance Holding Companies and utilizes the look-through approach for the valuation of these companies.

(1) The Downstream Non-Isurance Holding Companies and the associated carrying value of the Company's investment in these companies are listed below:

Company	Carrying Value 2007	2006
NYLIFE Real Estate Holdings, LLC	$ 78,573,414	$ -
NYL Wind Investment, LLC	12,534,517	-
Silver Springs Associates, LP	9,851,307	9,016,323
Select Management Fund:		
NYLCAP Select Manager Fund, LP	1,221,786	-
NYLCAP Select Manager Cayman Fund, LP	748,832	-
NYLCAP Select Manager GenPar LP	814,523	-
NYLCAP Select Manager GenPar, LLC	499,222	-
Total Carrying Value	$ 104,243,601	$ 9,016,323

(2) The financial statements of NYLIFE Real Estate Holdings LLC, NYL Wind Investment LLC, Silver Springs Associates LP, and Select Management Fund, collectively the Downstream Non-Insurance Holding Companies, were not audited as of December 31, 2007.

(3) The Company has limited the value of its investment in the Downstream Non-Insurance Holding Companies to the value contained in the financial statements of the underlying investments, which will be audited, including adjustments required by SSAP 97, of the Downstream Non-Insurance Holding Companies.

(4) The Downstream Non-Insurance Holding Companies had no liabilities, commitments, contingencies, guarantees or obligations.

11. Debt

A. Borrowed money, generally carried at the unpaid principal balance and any interest payable, consisted of the following at December 31, 2007:

	Carrying Value
Loan Payable to New York Life Capital Corporation, various maturities, latest being March 4, 2008 (weighted average rate of 4.32%) See Note 10D "Information Concerning Parent, Subsidiaries and Affiliates"	$ 992,113,821
Loan payable to Credit Suisse Shared Appreciation Income Linked Securities II, due April 28, 2008 (implicit coupon rate of 2.27%) See Note 11B "Debt"	1,542,774,996
Loan payable to NYLIFE LLC, due August 22, 2011 (coupon rate of 3.3%) See Note 10D "Information Concerning Parent, Subsidiaries and Affiliates"	242,553,402
Loan payable to NYLI, expires March 31, 2007 (coupon rate of 5.15% less management fee of 5.5 basis points) – See Note 10D "Information Concerning Parent, Subsidiaries and Affiliates"	107,475,257
Note Payable to Aeolus Wind Power II LLC, due July 31, 2016 (fixed interest rate of 5.5%) – See Note 11B "Debt"	9,248,380
Total borrowed money	$ 2,894,165,856

B. On November 1, 2006 the Company issued a promissory note in the amount of $9,782,687 at a fixed interest rate of 5.5% per annum in connection with the purchase of a membership interest in Aeolus Wind Power II LLC. The note calls for the Company to make quarterly payments of principal and interest with the first installment being due on January 31, 2007 and the final installment being due on July 31, 2016. The note may not be prepaid in whole or in part and there are no collateral requirements. The carrying value of the note at December 31, 2007 was $9,248,380 including interest accrued of $84,007.

NOTES TO FINANCIAL STATEMENTS

On April 28, 2003, the Company entered into an agreement with Credit Suisse ("CS") (formerly Credit Suisse First Boston International and Credit Suisse First Boston), referred to as Shared Appreciation Income Linked Securities II ("SAILS II"). Under this agreement, the Company may deliver up to 22 million shares of ESI common stock on April 28, 2008 or settle the transaction in cash instead of delivering shares. Upon entering into the transaction, the Company received $13.86 per share or $304,865,000, less prepaid interest and offering costs, bringing net proceeds to $272,549,310. The Company is entitled to 100% of the appreciation up to $16.63 per share. Any appreciation in excess of $16.63 per share will be due to CS upon settlement. At December 31, 2007, the outstanding balance payable by the Company was $1,542,774,996, including a liability of $1,240,162,000 related to the appreciation in the stock's market value above $16.63 per share. The price per share and number of shares in the foregoing paragraph have been adjusted for all stock splits since April 2003.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plans

The Company maintains the New York Life Insurance Company Pension Plan (the "Pension Plan"). The Pension Plan is a qualified defined benefit pension plan covering substantially all eligible full-time and part-time employees of the Company and certain eligible employees of subsidiaries that adopt the Pension Plan. Agents are not eligible for benefits under the Pension Plan. Pension Plan participants are entitled to annual pension benefits beginning at normal retirement age (age 65), equal to a percentage of their final average salary (average monthly salary for the highest paid 60 consecutive months of the last 120 months the participant is employed by the Company), less a social security offset for each active participant in the Pension Plan as of December 31, 1988. For benefits accrued on or after January 1, 2004 the accrual percentage of final average salary used to determine benefits was amended from 1.65% to 1.45%. The Company also maintains the New York Life Excess Benefit Plan, which is a nonqualified, unfunded arrangement, which provides benefits in excess of the maximum benefits that may be paid or accrued under the Pension Plan.

The Company also maintains the NYLIC Retirement Plan ("Retirement Plan"). The Retirement Plan is a qualified defined benefit pension plan covering substantially all eligible agents under contract with the Company or its domestic life insurance subsidiaries on or after January 1, 1982, the effective date of the Plan. Employees are not eligible for benefits under the Retirement Plan.

Retirement Plan participants are entitled to annual pension benefits beginning at normal retirement date, which is the later of the last day of the month in which age 65 is attained or the completion of 5 years of vesting service. In general, the benefit is based on the agent's Frozen Accrued Benefit, if applicable, and his/her Earnings-Related Benefit Accruals ("ERBA"). The Frozen Accrued Benefit is the amount accrued as of December 31, 1990, for service, if any, on or prior to that date under the production-related benefit formula. For periods of service after December 31, 1990, the agent's ERBA is calculated by multiplying the sum of his/her Pensionable Earnings credited after 1990 by 2.75%. In addition, the Retirement Plan also pays amounts to certain eligible agents whose retirement benefit under the Retirement Plan is less than their Senior NYLIC Income (i.e., compensation under certain agents' contracts for agents who have completed 20 Nylic years) so that their total retirement benefit under the Retirement Plan is equivalent to their Senior NYLIC Income. The Company also maintains the NYLIC 415 and 401(a)(17) Excess Benefit Plan, which is a nonqualified, unfunded arrangement, which provides benefits in excess of the maximum benefits that may be paid or accrued under the Retirement Plan.

The Pension Plan and the Retirement Plan are funded solely by Company contributions. The Company's funding policy for each of these Plans is to make annual contributions that are no less than the minimum amount needed to comply with the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and no greater than the maximum amount deductible for federal income tax purposes. The Company made no contributions to the Pension Plan in 2007 and 2006. The Company made no contributions to the Retirement Plan in 2007 and contributed $125,000,000 in 2006.

The assets of the Pension Plan and Retirement Plan are maintained in separate trusts issued to each Plan. Each Plan currently invests in two group annuity contracts: one contract is an immediate participation guarantee contract relating to the Company's general account ("GA Contract"), and the other contract relates to pooled separate accounts ("SA Contract"). Each Plan's investments in the GA Contract and the SA Contract are held in the separate trust established under each Plan.

The Company is the issuer of the GA and SA Contracts and NYLIM is the investment manager of the pooled separate accounts under the SA Contract and affiliates of NYLIM act as sub-advisors of some of the pooled separate accounts under the SA Contract. The GA contract provides for the payment of an annual administrative charge based on a percentage of the assets maintained in the fixed account under the contract. The SA Contract provides for the payment of separate annual fees for the management of each separate account.

Grantor Trusts

The Company has established separate irrevocable grantor trusts covering certain of the Company's separate nonqualified arrangements for agents and employees to help protect nonqualified payments thereunder in the event of a change in control of the Company. The grantor trusts are not subject to ERISA.

Other Postretirement Benefits

The Company's Group Plan for New York Life Employees provides certain health and life insurance benefits for eligible retired employees and their eligible dependents. Employees who retired prior to January 1, 1993 do not make contributions toward retiree health and life coverages. Employees who retired on or after January 1, 1993 may be required to contribute towards medical (other than certain prescription drug coverage) and dental coverage.

The Company's Group Plan for New York Life Agents provides certain health and life insurance benefits for eligible retired agents and their eligible dependents. The Company pays the entire non-contributory and contributory life insurance costs for retired agents. For active agents, the contribution towards contributory life insurance is based on the agent class (current, first prior, second prior or third prior), age, level of benefits and location of residence.

Agents who retired under the NYLIC Retirement Plan prior to January 1, 1993 and agents who retired under the NYLIC Retirement Plan after December 31, 1992 but either had completed 30 or more years of service or attained at least age 70 as of that date, are not required to make contributions for health care coverage. Eligible agents who retire on or after January 1, 1993, but did not have 30 or more years of service with the Company as of December 31,1992 may be required to contribute towards medical (other than certain prescription drug coverage) and dental coverage.

The Company has established a Voluntary Employees Beneficiary Association Trust ("VEBA Trust") in connection with medical and life benefits for eligible retired employees ("Retired Employee VEBA Trust") and a VEBA Trust in connection with medical and life benefits for eligible retired agents ("Retired Agent VEBA Trust"; the "Retired Employee VEBA Trust" and the "Retired Agent VEBA Trust" are collectively referred as the "VEBA Trusts"). A portion of the cost of the medical coverage (other than certain prescription drug coverage), dental coverage and life premiums for eligible retired individuals and their eligible dependents is paid by a combination of the VEBA Trusts' assets and contributions by the eligible retired individuals. The remaining balance of these costs is paid by the Company.

NOTES TO FINANCIAL STATEMENTS

It has been the Company's practice to prefund postretirement benefits to the extent allowable for federal income tax purposes. Prefunding contributions are made to the Retired Employee VEBA Trust and the Retired Agent VEBA Trust, which are used to partially fund postretirement health and life benefits other than pensions. Prefunding contributions to the Retired Employee VEBA Trust totaling $811,000 and $2,405,000 were made in 2007 and 2006, respectively. No prefunding contributions to the Retired Agent VEBA Trust were made in 2007 and 2006.

The assets of each VEBA Trust are invested in the mutual funds issued by MainStay Funds, Inc., in Trust Owned Life Insurance ("TOLI") and in government securities. These TOLI policies are Corporate Sponsored Universal Life ("CSUL") and Corporate Sponsored Variable Universal Life ("CSVUL") issued by NYLIAC. CSVUL policy premiums are invested in variable products of mutual funds managed by NYLIM.

The Company shares the cost of certain postretirement life and health benefits for retired employees and agents including their eligible dependents with its subsidiaries. The expenses for these plans are allocated to each subsidiary in accordance with an intercompany cost sharing arrangement. The liabilities for these plans are included with the liabilities for the corresponding plan of the Company.

The tables below are for financial reporting purposes only and do not reflect the status of the assets of each of the Pension Plan and the Retirement Plan under applicable law (in millions):

	Pension Plan Benefits		Other Postretirement Plan Benefits	
	2007	2006	2007	2006
(1) Change in projected benefit obligation:				
Projected benefit obligation at beginning of year	$ 4,094	$ 4,085	$ 992	$ 920
Service cost	112	114	39	37
Interest cost	230	216	55	48
Contributions by plan participants	-	-	3	3
Actuarial (gains)/losses	(200)	(159)	(25)	45
Benefits paid	(184)	(175)	(52)	(58)
Plan amendments	(2)	13	(3)	(3)
Medicare Part D Reinbursements	-	-	4	-
Projected benefit obligation at end of year[1]	$ 4,050	$ 4,094	$ 1,013	$ 992
(2) Change in plan assets:				
Fair value of plan assets at beginning of year	$ 3,567	$ 3,210	$ 435	$ 412
Actual return on plan assets	414	395	50	35
Contributions by employer	14	137	48	43
Contributions by plan participants	-	-	3	3
Benefits paid	(184)	(175)	(51)	(58)
Fair value of plan assets at end of year[1]	$ 3,811	$ 3,567	$ 485	$ 435
(3) Funded status:				
Funded status	$ (239)	$ (527)	$ (528)	$ (557)
Unamortized prior service cost	38	48	1	1
Unrecognized net (gain)/loss	626	1,048	247	306
Remaining net obligation at transition	-	-	39	50
Contributions by employer	7	4	12	12
Intangible asset[2]	(1)	(1)	N/A	N/A
Accumulated charge to surplus	(24)	(36)	N/A	N/A
Prepaid (accrued) benefit cost [2]	$ 407	$ 536	$ (229)	$ (188)
(4) Accumulated Benefit obligation for vested and partially vested participants to the extent of their vested amounts	$ 3,670	$ 3,667		
(5) Benefit obligation for non-vested participants[3]				
a. Projected Benefit Obligation			$ 197	$ 260
b. Accumulated Benefit Obligation			$ -	$ -

[1] For both 2007 and 2006, a September 30th measurement date was used.

[2]Prepaid (accrued) benefit cost and the intangible asset are non-admitted and therefore not included in total assets.

[3]The benefit obligation for non-vested participants shown above is not accrued in the accompanying financial statements for other post retirement plan benefits of the Company consistent with statutory guidance and is presented for informational purposes only.

(6) The components of net periodic benefit costs were as follows (in millions):

	Pension Plan Benefits		Other Postretirement Plan Benefits	
	2007	2006	2007	2006
Components of net periodic benefit cost:				
Service cost	$ 112	$ 114	$ 39	$ 37
Interest cost	230	216	55	48
Expected return on plan assets	(268)	(251)	(31)	(30)
Amortization of net asset at transition	-	-	8	9
Amortization of (gains)/losses	76	95	14	13
Amortization of prior service cost/(credit)	8	7	-	-
Net periodic benefit cost	$ 158	$ 181	$ 85*	$ 77*

* Includes postretirement costs billed to subsidiaries of $37 million and $31 million for each of the years ended December 31, 2007 and 2006.

NOTES TO FINANCIAL STATEMENTS

(7) An additional minimum liability adjustment is required when the accumulated benefit obligation exceeds plan assets or accrued pension liabilities. Increases or decreases in the additional minimum pension liability, less allowable intangible assets, net of tax benefit, are reported as adjustments to surplus. At December 31, 2007, the Company reflected an additional net minimum liability ("AML") of $23,821,632 ($35,704,187 in 2006) for the New York Life Excess Benefit Plan and ($792,068) for the NYLIC Excess Benefit Plan (($922,966) in 2006). The decrease in the AML during 2007 was $11,751,657 and has been reflected as an increase to surplus.

(8) Weighted-average assumptions used to determine benefit obligations:

	Pension Plan Benefits		**Other Postretirement Plan Benefits**	
Weighted-average assumptions used to determine benefit obligations*	2007	2006	2007	2006
Discount rate	6.40%	5.75%	6.40%	5.75%
Rate of compensation increase:				
Employees	5.40%	5.40%	5.40%	5.40%
Agents	5.60%	5.60%	N/A	N/A

* For both 2007 and 2006, a September 30 measurement date was used.

Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31:

	Pension Plan Benefits		**Other Postretirement Plan Benefits**	
Weighted-average assumptions used to determine net periodic benefit cost	2007	2006	2007	2006
Discount rate	5.75%	5.40%	5.75%	5.40%
Expected return on plan assets	8.25%	8.25%	7.25/7.75%**	7.25/7.75%**
Rate of compensation increase:				
Employees	5.40%	5.40%	5.40%	5.40%
Agents	5.60%	5.60%	N/A	N/A

**Expected return on plan assets is 7.25% for health benefits and 7.75% for life benefits

(9) For both 2007 and 2006, a September 30 measurement date was used.

(10) The determination of the annual rate of increase in the per capita cost of covered health care benefits for medical and prescription drug plans is determined separately for participants under age 65 and for those age 65 and older. For dental plans, the annual rate of increase in the per capita cost utilizes a single rate for all participants.

In 2007, the annual rate of increase in the per capita cost of covered health care medical benefits was assumed to be 8.00% for all participants. The annual rate of increase in the per capita cost of covered health care prescription drug benefits was assumed to be 12.00% for all participants. For the 2007 measurements, the rate was assumed to decrease gradually to 5.00% by 2010 for medical benefits and to 5.00% by 2014 for prescription drug benefits and remain at that level thereafter. For dental plans, the annual rate of increase in the per capita cost of covered health care benefits is assumed to be 5.00% for all participants and remain at that level thereafter.

(11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health plan. A one percentage point increase or decrease in assumed health care cost trend rates would have the following effects (in millions):

	2007 One Percent Increase	**2007 One Percent Decrease**
Effect on total of service and interest cost components	$12	$(9)
Effect on accumulated postretirement obligations	101	(83)

(12) The weighted-average asset allocation for the Employee and Agent Defined Benefit Pension Plans at September 30, 2007 and 2006 and target allocations by asset category are as follows:

	Target Allocation	**Percentage of Plan Assets**	
	2007	**2007**	**2006**
Fixed Income	40%	36%	42%
Equity Securities	60%	64%	58%
Total	100%	100%	100%

Equity securities, including common stock, amount to $2,437 million (64% of total assets of the pension plans) and $2,070 million (58% of total assets of the pension plans) at September 30, 2007 and 2006, respectively.

The Investment Committees of the Employee and Agent Defined Benefit Pension Plans have established a broad investment strategy targeting an asset allocation of 60% equity and 40% fixed income. Diversifying each asset class by style and type further enhances this allocation. In developing this asset allocation strategy, the Committees took into account, among other factors, the information provided to it by the plans' actuary, information relating to the historical investment returns of each asset class, the correlations of those returns and input from the plans' investment consultant. The Committees regularly review the plans' asset allocation versus the targets and make adjustments as appropriate. The Committees review the investment performance of the General Account Contract for each Plan and the separate accounts under each Plan's Separate Account Contract on a regular basis.

NOTES TO FINANCIAL STATEMENTS

The Company's weighted-average asset allocation for other postretirement benefit plans at September 30, 2007 and 2006, and target allocations by asset category under the VEBA Trusts are as follows:

	Target Allocation Percentage		Percentage of VEBA Trust Assets			
	2007		2007		2006	
	Health	Life	Health	Life	Health	Life
Fixed Income Securities	30%	30%	37%	27%	39%	29%
Equity Securities	70%	70%	63%	73%	61%	71%
Total	100%	100%	100%	100%	100%	100%

Equity securities including common stock, amount to $310 million (66% of total VEBA Trust Life and Health assets) and $269 million (64% of total VEBA Trust Life and Health assets) at September 30, 2007 and 2006, respectively

(13) The expected benefit payments for the Company's pension and postretirement plans for the years indicated are as follows (in millions):

	Pension Plan Benefits	Other Postretirement Plan Benefits	Estimated Federal Subsidy
2008	$ 207	$ 69	($5)
2009	217	75	(5)
2010	229	80	(6)
2011	241	85	(6)
2012	253	90	(7)
2013-2017/2018	1,466	646	(52)
Total	$ 2,613	$ 1,045	($81)

(14) The Company does not expect to make any contributions to its qualified and non-qualified agent and employee defined benefit pension plans or to its other postretirement benefit plans in 2008.

(15-19) Not Applicable.

B. Defined Contribution Plans

The Company maintains the Employee Progress-Sharing Investment Plan ("EPSI") which is a qualified defined contribution plan covering substantially all salaried United States full-time and part-time employees (individuals eligible under the Company's Agents' Progress-Sharing Investment Plan are not eligible under EPSI). Under EPSI, participants may contribute (1) on a pre-tax basis to a 401(k) account, a percentage of base salary and eligible incentive compensation (up to 10% for employees whose total annual compensation exceeds the highly compensated threshold of $100,000 based on 2006 total pay and up to 15% for employees whose total annual compensation is below the highly compensated threshold), and (2) to a non-tax deductible account up to 10% of base salary and eligible incentive pay. Highly compensated employees are limited to a combined 401 (k) and non-tax deductible rate of 10%. Participants may also roll over qualified distributions from eligible retirement plans into EPSI. EPSI also provides for additional pre-tax 401(k) "catch-up" contributions for participants age 50 and over ($5,000 for each of 2007 and 2006).

The Company annually determines the level of the Company's matching contributions to EPSI. In 2007 and 2006, the Company made matching contributions based on a specific percentage, 100% of participants' contributions up to 3% of base salary and eligible incentive pay. For 2007 and 2006, the Company's matching contributions to EPSI totaled $20,463,676 and $19,217,287, respectively. The Company also maintains the Excess EPSI Plan for certain eligible participants, which is a nonqualified unfunded arrangement that credits participant contributions and matching contributions in respect of compensation in excess of the amount that may be taken into account under EPSI because of applicable IRS limits.

The Company also maintains the Agents' Progress-Sharing Investment Plan ("APSI") which is a qualified defined contribution plan covering substantially all contracted United States full-time agents. (Individuals eligible under EPSI are not eligible under APSI).

Under APSI, participants make contributions by entering into commission reduction agreements with the Company whereby a percentage of their compensation (up to 7% for agents whose total annual compensation exceeds the highly compensated threshold of $100,000 based on 2006 total pay and up to 15% for agents whose total compensation is below the highly compensated threshold) may be contributed to a 401(k) account. Participants may also roll over qualified distributions from eligible retirement plans into the APSI. APSI also provides for additional pre-tax 401(k) "catch-up" contributions for participants age 50 and over ($5,000 for each of 2007 and 2006).

The Company annually determines the level of the Company's contributions to APSI. Contributions are based on the participants' net renewal commissions, net renewal premiums and cash values for the plan year on policies for which the participant is the original writing agent. In 2007 and 2006, the Company's contributions to APSI totaled $3,409,315 and $2,653,551 respectively. The Company also maintains the Excess APSI Plan, which is a nonqualified, unfunded arrangement that credits Company contributions in excess of the maximum Company contributions that may be made under APSI because of certain applicable IRS limits.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

Not applicable.

NOTES TO FINANCIAL STATEMENTS

E. Postemployment Benefits and Compensated Absences

The Company provides certain benefits to eligible employees and agents during employment for paid absences. These benefits include, but are not limited to, salary continuation during medical and maternity leaves, disability-related benefits, and continuation of benefits such as health care and life insurance coverage.

	2007	2006
(1) Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	$ 25,381,576	$ 26,780,825
Service cost	3,342,601	3,600,000
Interest cost	1,285,532	1,287,358
Actuarial (gains)/ losses	3,679,390	(729,558)
Benefits paid	(9,217,907)	(5,557,049)
Projected benefit obligation at end of year	24,471,192	25,381,576
(2) Change in plan assets:		
Fair value of plan assets at end of year	-	-
(3) Funded status:		
Unrecognized net (gain)/loss	1,481,627	(362,511)
Contributions by employer	1,595,500	1,475,738
Prepaid (accrued) benefit cost (2-1+3)	$ (21,394,065)	$ (24,268,349)
Components of net periodic benefit cost:		
Service cost	$ 3,342,601	$ 3,600,000
Interest cost	1,232,203	1,250,000
Change in Benefit Obligation	(237,419)	409,639
Benefits Paid, 10/01/06 – 9/30/07	2,126,000	1,778,014
Net periodic benefit (credit) cost	$ 6,463,385*	$ 7,037,653*

* Includes postemployment costs billed to subsidiaries of $2,585,354 and $3,066,489 for the years ended December 31, 2007 and 2006, respectively.

	2007	2006
Weighted-average assumptions as of September 30		
Discount rate	6.40%	5.75%
Expected return on plan assets	N/A	N/A
Rate of compensation increase		
Employees	5.40%	5.40%
Agents	N/A	N/A

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

(1) In 2004, the NAIC issued INT 04-17, which adopts the conclusions reached in the FASB's GAAP guidance FSP 106-2, Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, with some modifications. In accordance with INT 04-17, the Company remeasured its plan assets and Accumulated Postretirement Benefit Obligation ("APBO") as of January 1, 2004 to account for the subsidy and other effects of the Act. The reduction in the 2007 APBO for the subsidy related to past service was $101,423,951.

(2) a. The reduction in the 2007 net postretirement benefit cost for the subsidy related to benefits attributed to former employees is $16,988,053.

b. The effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period includes (1) a reduction of $4,678,946 in the amortization of the net actuarial loss, (2) a reduction of $5,424,954 in the current period service cost, and (3) a resulting reduction of $6,884,153 in the interest cost on the net postretirement benefit cost.

(3) For the 12 month period ending September 30, 2007, the Company received $4,071,129 in gross subsidy receipts.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company is a mutual insurance company and has no shareholders.
(2) Not applicable.
(3)–(4) The Company is a mutual insurance company and therefore has no shareholder dividends.
(5) No restrictions have been placed on the unassigned surplus funds of the Company.
(6) The Company did not have any advances to surplus.
(7) The Company did not hold any stock, including stock of affiliated companies, for any special purpose.
(8) The Company did not hold any special surplus funds.
(9) The portion of unassigned funds (surplus) represented by cumulative net unrealized gains is $1,088,231,908.

(10) On May 5, 2003, the Company issued Surplus Notes ("Notes") with a principal balance of $1,000,000,000, bearing interest at 5.875%, with a maturity date of May 15, 2033. Proceeds from the issuance of the Notes were $990,240,000, net of discount. The Notes were issued pursuant to Rule 144A under the Securities Act of 1933, as amended, and are administered by CitiBank as registrar/paying agent. Interest on the 5.875% Note is paid semi-annually on May 15 and November 15 of each year.

As part of the Notes offering, the New York State Insurance Department required the Company to establish a special reserve in the amount of 10% of the face amount of the Notes, or $100,000,000. This reserve was required for the payment of post closing amounts, including any amounts the Company may have to pay as a result of its agreement to indemnify the underwriters for certain potential claims arising out of the issuance of the Notes. To date, there have been no claims. The reserve can be reduced in equal increments of 1/9 of the initial reserve amount, or $11,111,000, starting on May 15, 2006, May 15, 2007, May 15, 2008 , and be completely eliminated after six years on May 15, 2009, if no claims arise. Accordingly, the reserve was reduced by $11,111,000 in both 2006 and 2007 and was reflected as an increase to surplus.

NOTES TO FINANCIAL STATEMENTS

The Notes are unsecured and subordinated to all present and future indebtedness, policy claims and other creditor claims of the Company. Under New York State Insurance Law, the Notes are not part of the legal liabilities of the Company. The Notes do not repay principal prior to maturity. Each payment of interest or principal may be made only with the prior approval of the Superintendent and only out of surplus funds which the Superintendent determines to be available for such payments under New York State Insurance Law. Provided that approval is granted by the Superintendent, the 5.875% Notes may be redeemed at the option of the Company at any time at the "make-whole" redemption price equal to the greater of: (i) the principal amount of the Notes to be redeemed, or (ii) the sum of the present values of the remaining scheduled interest and principal payments on the notes to be redeemed, excluding accrued interest as of the date on which the Notes are to be redeemed, discounted on a semi-annual basis at an adjusted treasury rate plus 20 basis points, plus, in each case, the accrued interest on the notes to be redeemed to the redemption date.

At December 31, 2007, there were no affiliates that held any portion of the Notes. At December 31, 2007, Citibank, Bank of New York and JPMorgan Chase Bank were each the holder of record at The Depository Trust Company of more than 10% of the outstanding amount of the Notes, with each holding Notes, at least in part, for the accounts of their respective clients.

Information related to the Surplus Notes, outstanding at December 31, 2007 includes:

Date Issued	Interest Rate	Principal Amount of Notes	Carrying Value	Interest Paid Current Year	Total Interest Paid	Accrued Interest	Date of Maturity
05/05/03	5.875%	$ 1,000,000,000	$ 991,338,000	$ 58,750,000	$ 265,517,361	$ -	05/15/33

(11)-(12) The Company has never had a quasi-reorganization.

(13) The Company has never had shareholders.

14. Contingencies

A. **Contingent Commitments**

The Company has a revolving loan agreement dated April 16, 2001, as amended, with MCF to provide funding to MCF in an amount up to $3,200,000,000. The amount loaned cannot exceed 3% of the Company's admitted assets of December 31 of the prior year. See Note 10D for details regarding loans extended to MCF under this agreement.

On August 16, 2001, NYLIFE LLC entered into an agreement with CS, referred to as Shared Appreciation Income Linked Securities ("SAILS"). Under the agreement, NYLIFE LLC has entered into a forward sale of certain of its shares of ESI. NYLIFE LLC may deliver up to 18 million shares of ESI common stock on August 22, 2011 or settle the transaction in cash, instead of delivering shares. According to the terms of the agreement, NYLIFE LLC receives a minimum value of $13.51 per share and 100% of the appreciation in the shares up to $17.57 per share. CS will receive approximately 77% of the appreciation of ESI stock in excess of $17.57 per share. During 2007, NYLIFE LLC entered into another agreement (the "Overlay Agreement") which modifies the risk and opportunity allocated under SAILS, limiting the risk of loss by protecting a portion of the unrealized retained value in the SAILS transaction from potential decline in the ESI stock price. Under the Overlay Agreement, NYLIFE LLC protected retained value on 2,800,000 shares from a reduction in the stock price from $17.57 to $49.05. In exchange for limiting its downside risk, NYLIFE LLC has agreed to provide 100% of the appreciation in ESI stock price in excess of $70.38. The Company's investment in NYLIFE LLC reflects the obligations to CS associated with the terms of the agreements, which the Company has guaranteed. The price per share and number of shares in the foregoing paragraph have been adjusted for all stock splits, the most recent being effective June 25, 2007.

At December 31, 2007 the Company had no outstanding contractual obligations to acquire additional private placement securities.

Unfunded commitments on limited partnerships and limited liability corporations excluding MCF amounted to $2,602,158,155 at December 31, 2007.

At December 31, 2007, contractual commitments to extend credit under commercial and residential mortgage loan agreements totaled $249,411,500 at both fixed and variable rates of interest. These commitments are diversified by property type and geographic location.

The Company, in the ordinary course of its business, has numerous agreements with respect to its affiliates, related parties and other third parties. In connection with such agreements there may be related commitments or contingent liabilities, which may take the form of guarantees.

B. Assessments

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

The Company has received notification of the insolvency of various life insurers. It is expected that these insolvencies will result in remaining guaranty fund assessments against the Company of $12,952,998, which have been accrued, in the financial statements.

C. Gain Contingencies

Not applicable.

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

The Company's exposure to extra contractual obligations and bad faith losses is immaterial.

NOTES TO FINANCIAL STATEMENTS

E. All Other Contingencies

The Company and/or its subsidiaries are defendants in individual and/or alleged class action suits arising from their agency sales force, insurance (including variable contracts registered under the federal securities law), investment, retail securities, employment and/or other operations, including actions involving retail sales practices. The Company is also a defendant in a suit regarding employee and agent benefits where a portion of the case, specifically the breach of fiduciary claims, has been certified as a class action by agreement of the parties. The remainder of the claims in that suit have not been certified. Most of the actions seek substantial or unspecified compensatory and punitive damages. The Company and/or its subsidiaries are also from time to time involved in various governmental, administrative, and investigative proceedings and inquiries.

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

15. Leases

A. Lessee Leasing Arrangements

(1a) The Company is a party to an affiliated group air transportation services agreement entered into with NYLIFE LLC in November 2004. Under the terms of the agreement the Company, in conjunction with certain specified affiliates, leases an aircraft from NYLIFE LLC. Costs associated with the lease are determined on a fully allocated basis and allotted to the parties based on usage. The Company's share of expenses associated with the lease of the aircraft was $4,780,565 in 2007. The agreement expires in November 2009, with automatic one-year renewals, unless terminated earlier. The aircraft is to be used by members of senior management and directors for business travel, as approved by the CEO. Personal use of the aircraft is limited to the current CEO of the Company, and the terms of such personal use, including reimbursement, have been approved by the Board of Directors of the Company based upon the recommendation of an independent committee of the Board.

Rent expense of all other leases for the year ended December 31, 2007 amounted to $129,207,288 of which, $64,315,917 was billed to subsidiaries in accordance with an intercompany cost sharing arrangement.

(1b) The Company does not have any leases with contingent rental payments.

(1c–1d) The Company, as lessee, has various lease agreements for real property, (including leases of office space) and lease agreements for data processing and other equipment. Real property leases have typical renewal periods of five years. Under the real property leases, the Company does not have the option to purchase the lease property except in the case of the Company's lease of the NYLIM headquarters building at 169 Lackawanna Avenue, Parsippany, NJ. Under the equipment agreement, the lessee has the option to purchase only the equipment. The leases on equipment do not contain any escalation clauses, but the majority of real property leases have escalation clauses that require the Company to pay expense increases over a specified amount. Real property leases typically have a variety of restrictions imposed on the lessee, which are generally customary in the marketplace and are not of a financial nature. Equipment leases do not have any restrictions.

(2a) A summary of the approximate future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms for the next five years and thereafter is as follows (in millions):

Year	Real Property	Equipment	Total
2008	$ 88	$ 24	$ 112
2009	81	11	92
2010	75	5	80
2011	56	2	58
2012	47	-	47
Thereafter	76	-	76
Total	$ 423	$ 42	$ 465

(2b) The total amount of minimum rentals to be received in the future under non-cancelable subleases at December 31, 2007 is $900,000.

(3a) In connection with the sale of one of its Home Office properties in 1995, the Company has entered into an agreement to lease back a portion of the building through 2010, with total future lease obligations of $32 million as of December 31, 2007.

(3b) Not applicable.

B. Significant Leasing Agreements

(1) Not applicable

NOTES TO FINANCIAL STATEMENTS

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

(1) The following table summarizes the notional amount of the Company's financial instruments with off-balance sheet risk.

	Assets		Liabilities	
	2007	**2006**	**2007**	**2006**
Interest Rate Swaps	$ 5,086,221,000	$ 3,151,933,000	$ -	$ -
Interest Rate Options	920,369,306	920,369,306	-	-
Currency Swaps	8,451,834,077	6,848,098,317	-	-
Currency Forwards	-	-	263,032,670	281,729,614
Equity Options	47,069,275	5,670,000	-	-
Commodity Options	-	2,938,280,000	-	-
Credit Default Swaps	15,000,000	-	-	-
Total	$ 14,520,493,658	$13,864,350,623	$ 263,032,670	$ 281,729,614

See Schedule DB of the Company's annual statement for additional detail.

(2) See Note 8 (1) ("Derivative Instruments")

(3) The Company is exposed to credit related losses in the event that a counterparty fails to perform its obligations under contractual terms. For contracts with counterparties where no netting provisions are specified in the master agreements, in the event of default, credit exposure is defined as the fair value of contracts in a gain position at the reporting date. Credit exposure to counterparties where a netting arrangement is in place, in the event of default, is defined as the net fair value, if positive, of all outstanding contracts with each specific counterparty.

See Schedule DB of the Company's annual statement for additional details.

(4) The Company obtains collateral in accordance with terms of credit support annexes negotiated as part of the master agreements entered into with most counterparties. The credit support annex requires that a counterparty post collateral to secure that portion of its anticipated obligation in excess of a specified threshold. The threshold declines with a decline in the counterparties rating. Collateral received is invested in short-term investments.

The current credit exposure of the Company's derivative contracts is limited to the fair value at the reporting date. Credit risk is managed by entering into transactions with creditworthy counterparties and obtaining collateral where appropriate. All of the credit exposure for the Company from derivative contracts is with investment-grade counterparties.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. **Transfers of Receivables Reported as Sales**

Not applicable

B. Transfer and Servicing of Financial Assets

The Company participates in securities lending programs whereby securities, which are included in investments, are loaned to third parties for the purpose of enhancing income on securities held. At December 31, 2007, $4,018,076,177 of the Company's bonds and stocks were on loan to others. The Company requires as collateral, a stated percentage of the fair value of the securities on loan. If the securities being loaned are domestic, 102% of its fair value is required. If foreign denominated, the requirement is 105% of its fair value. Such assets reflect the extent of the Company's involvement in securities lending, not the Company's risk of loss.

In 2003, following the entering into of the SAILS II agreement with CS described in Note 11B, the Company agreed to lend CS up to 22,000,000 shares (split-adjusted) of ESI common stock. As of December 31, 2007, CS had borrowed 21,882,000 shares with a market value of $1,597,386,000. These transactions are generally collateralized with the right of offset against the Company's liabilities to CS, and to the extent the right of offset does not provide sufficient collateral, CS provides additional collateral which may consist of U.S. Government Securities, letters of credit or cash. At December 31, 2007, the carrying amount of the lent shares was $1,549,464,420.

C. Wash Sales

The details by NAIC designation 3 or below of securities sold and reacquired within 30 days of the sale date are:

Bonds	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain/(Loss)
NAIC 3	2	$ 997,998	$ 898,041	$ 99,957
NAIC 4	-	-	-	-
NAIC 5	-	-	-	-
NAIC 6	-	-	-	-

18. Gain or Loss to the Insurer from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable.

NOTES TO FINANCIAL STATEMENTS

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Premiums written by third party administrators during 2007 are as follows:

Name and Address of Managing General Agent or Third Party Administrator	Exclusive Contract	Types of Business Written	Type of Authority Granted	Direct Premiums Written
Aggregate (less than 5%)	No	Life/Health	U, C, CA, B, P (Varies by Case)	$582,098,365

C - Claims Payment
CA - Claims Adjustment
R - Reinsurance Ceding
B - Binding Authority
P - Premium Collection
U - Underwriting

20. Other Items

A. **Extraordinary Items**

Not applicable.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures

Assets with a carrying value of $283,611,745 at December 31, 2007 were on deposit with government authorities or trustees as required by certain state insurance laws. ESI common stock with a carrying value of $1,557,820,000 at December 31, 2007, was pledged as collateral in connection with the SAILS II transaction discussed in Note 11B – Debt.

D. Uncollected Balances

Based upon Company experience, the amount of premiums and other accounts receivable that may become uncollectible and result in a potential loss is not material to the Company's financial condition.

E. Business Interruption Insurance Recoveries

Not applicable.

F. State Transferable Tax Credits

(1)-(2) As of December 31, 2007, the Company had no State Transferable Tax Credits.

(3) The Company uses the straight line amortization method of estimating the utilization of remaining transferable state tax credits or other projected recovery of the current carrying value.

(4) In 2007, the Company did not recognize any state transferable tax credit impairments.

G. The Aggregate Amount of Deposits Admitted under Section 6603 of the Internal Revenue Code

Not applicable.

H. Hybrid Securities

As of December 31, 2007, the Company's financial statements included the following investments which were defined as hybrid securities.

Security	Cusip	Name of Issuer	Description of Issue	Carrying Value
Preferred Stock	05563RAA6	BNY Capital I	Money Center Bank	$ 29,854,989
Preferred Stock	337160AA3	First Tennessee CAP I	Commercial Bank Southern US	9,247,162
Preferred Stock	564759NH7	Manufacturers & Traders TST	Commercial Banks Eastern US	5,996,296
Preferred Stock	564759PS1	Manufacturers & Traders TST	Commercial Banks Eastern US	3,387,293
Preferred Stock	760715AB8	Republic New York Capital I	Money Center Banks	23,116,029
Preferred Stock	854624AC7	Stanley Works Cap Trust I	Tools-Hand Held	11,000,000
Preferred Stock	G63812AH7	National Westminster Bank	Money Center	12,765,378
			Total	$ 95,367,147

NOTES TO FINANCIAL STATEMENTS

I. Subprime Mortgage Related Risk Exposure

(1) The Company categorizes mortgage securities with an average FICO score of 625 or less (credit score) as a subprime mortgage security. The performance for these securities is tracked on a monthly basis. The delinquency, credit loss, prepayment rate of the pool of mortgages collateralizing the investment, and credit enhancement available for the investment are reviewed. Various metrics are evaluated, including the ratio of credit enhancement to serious delinquent loans, the annualized net loss rate of the pool, and the loss severity of the loans that are liquidated upon foreclosure. Cash flow forecasts for each subprime mortgage security using estimates of future prepayment, delinquency, default and loss severity rates are prepared. This analysis shows that practically all of the unrealized loss associated with the Company's subprime mortgage holdings is due to market dislocation and is not reflective of the projected cash flows for the portfolio of securities.

Overall, the risk to this segment of the Company's portfolio has been mitigated by the amount of credit enhancement available to each investment. The vast majority of the subprime portfolio continues to be rated AAA and the portfolio is diversified by year of origination, issuer, and deal.

(2) The Company does not engage in subprime residential or commercial mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.

(3) The Company has exposure to subprime residential mortgage lending through its fixed maturity investments that are collateralized by mortgages that have characteristics of subprime lending. Subprime residential mortgage lending is the origination of residential mortgage loans to customers with weak credit profiles, including using relaxed mortgage-underwriting standards that provide for affordable mortgage products. These investments are primarily in the form of asset-backed securities (ABS) supported by subprime mortgage loans or collateralized debt securities (CDO) that contain a subprime loan component. The collective carrying value of these investments is $294,174,946 representing 0.4% of total fixed maturity investments. Of this amount, 95.7% had "AAA" or "AA" credit quality ratings. Common stock subprime exposure (reported in "other assets" below) was immaterial. The Company manages its subprime risk exposure by limiting the Company's holdings in these types of instruments, maintaining high credit quality investments, and performing ongoing analysis of cash flows, prepayment speeds, default rates and other stress variables.

Type	Actual Cost	Book Adjusted Carrying Value	Fair Value	Other -Than- Temporary Impairment Losses
Residential mortgage backed securities	$ 276,011,908	$ 276,138,455	$ 251,854,342	$ -
Commercial mortgage backed securities	-	-	-	-
Collateralized debt obligations	17,253,909	17,254,571	15,503,909	14,690,649
Structured securities	781,920	781,920	781,920	5,218,080
Equity investments in SCA	-	-	-	-
Other assets	50,996	50,996	50,996	64,734
Total	$ 294,098,733	$ 294,225,942	$ 268,191,167	$ 19,973,463

21. Events Subsequent

There have been no events occurring subsequent to the close of the books or accounts for this statement that would have a material effect on the financial condition of the Company.

22. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes (x) No ( ) If yes, give full details.

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

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (x). If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)

i. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the Company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

ii. What is the total amount of reinsurance credits taken, whether as an asset or as reduction of liability, for these agreements in this statement?

NOTES TO FINANCIAL STATEMENTS

(2) Does the Company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X). If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction, in surplus, for agreements not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate. $0 assuming termination is in accordance with the provisions of our various reinsurance treaties.

Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in-force or which had existing reserves established by the Company as of the effective date of the agreement? Yes ( ) No (X). If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

B. Uncollectible Reinsurance

Not applicable.

C. Commutation of Ceded Reinsurance

Not applicable.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

24. Change in Incurred Losses and Loss Adjustment Expense

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased by $24,540,580 from $325,795,244 in 2006 to $350,335,824 in 2007 as a result of re-estimation of unpaid losses and loss adjustment expenses principally group medical, disability income, and long term care lines of insurance. This increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The Company had no unfavorable prior year loss development on retrospectively rated policies included in this increase.

25. Intercompany Pooling Arrangements

Not applicable.

26. Structured Settlements

The Company owns all rights, title and interest in and to certain structured settlement annuity contracts issued by NYLIAC. The carrying value of the annuity contracts is based upon the actuarially determined value of the obligations under the structured settlement contracts (noted below), which generally have some life contingent benefits.

The Company is the assumed obligor for certain structured settlement agreements with unaffiliated insurance companies, beneficiaries and other non-affiliated entities. To satisfy its obligations under these agreements, the Company owns single premium annuities issued by NYLIAC. The obligations are based upon the actuarially determined present value of expected future payments. Interest rates used in establishing such obligations range from 5.50% to 8.75%. The Company has directed NYLIAC to make the payments under the annuity contracts directly to the beneficiaries under the structured settlement agreements. At December 31, 2007, the carrying value of the annuity contracts and the corresponding obligations amounted to $157,409,334.

27. Health Care Receivables

Not applicable.

28. Participating Policies

Individual and group life participating policies represent 94.40% of total individual and group life insurance inforce. The Company paid dividends in the amount of $1,524,481,387 to individual and group life policyholders and did not allocate any additional income to such policyholders.

29. Premium Deficiency Reserves

Not applicable.

30. Reserves for Life Contracts and Annuity Contracts

(1) The Company waives deductions of deferred fractional premiums upon death of the insured and returns a portion of the final premium beyond the date of death. No surrender values are promised in excess of the total reserves included in Exhibit 5.

(2) Certain substandard policies are valued on tables that are multiples of the standard table. Other substandard policies are valued as equivalent to standard lives on the basis of insurance age. Additional reserves are held on account of anticipated extra mortality for policies subject to extra premiums.

(3) At December 31, 2007, the Company had $11,866,605,409 of insurance in force for which the gross premiums are less than the net premiums according to the standard of valuation set by the State of New York. Reserves to cover the above insurance totaled the net amount of $134,993,145 at year-end and are reported in Exhibit 5, Miscellaneous Reserves section.

(4) The Tabular Interest (Page 7, Line 4) for Group Annuities has been determined from the basic data for the calculation of policy reserves. The Tabular Interest for all other lines of business has been determined by formula as described in the instructions for Page 7. The Tabular less Actual Reserves Released (Page 7, Line 5) has been determined by formula as described in the instructions for Page 7 for all lines of business. The Tabular Cost (Page 7, Line 9) for 7-Year Term, for certain older Survivorship Whole Life policies, and for ancillary coverages has been determined by formula as described in the instructions for Page 7. For all other coverages, including the bulk of Individual Life, the Tabular Cost has been determined from the basic data for the calculation of policy reserves.

NOTES TO FINANCIAL STATEMENTS

(5) The tabular interest on funds not involving life contingencies ON exhibit 7, line 3 is generally the interest actually credited to or accrued on such funds.

(6) The details for "Other increases (net)" on Page 7, Line 7 relating to group annuities and individual life are:

Expense Charges	$ (6,760,914)
Change in Interest Guarantee Reserves	503,818
Actual less Estimated Liability, 12/31/07	172,437
Experience Rating Adjustment	2,804,909
Total for Group Annuities	(3,279,750)
Assumption of Reinsurance from NYLIAC	68,722,586
Reduction in Reinsurance reserve credit on coinsured term business	555,276
Change in deficiency reserve due to change in x factor	(2,455,480)
Total for Individual Life	66,822,382
Total	$ 63,542,632

"Other Net Change in Reserves" on Exhibit 7, Line 4 relates to Guaranteed Interest Contracts and Annuities Certain, and consists of:

Change in Interest Reserves	$ 9,604,609
Foreign Exchange	494,079,057
Total	$ 503,683,666

31. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

	Amount	% of Total
A. Subject to discretionary withdrawal:		
(1) With market value adjustment	$ 7,009,214,827	16%
(2) At book value less current surrender charge of 5% or more	-	-
(3) At fair value	3,609,284,210	8%
(4) Total with adjustment or at market value (Total of 1 through 3)	10,618,499,037	24%
(5) At book value without adjustment (minimal or no charge or adjustment)	1.977,418,945	4%
B. Not subject to discretionary withdrawal	31,505,770,138	72%
C. Total (gross: direct + assumed)	44,101,688,120	100%
D. Reinsurance ceded	-	-
E. Total (net)* (C)-(D)	$ 44,101,688,120	

* Reconciliation of total annuity actuarial reserves and deposit fund liabilities.

	Amount
F. Life & Accident & Health Annual Statement:	
(1) Exhibit 5, Annuities Section, Total (net)	$ 15,690,529,768
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	12,923,014
(3) Exhibit 7, Line 14, Total (net)	21,844,110,566
(4) Subtotal	37,547,563,348
Separate Accounts Annual Statement:	
(5) Exhibit 3, Annuities Section, Total (net)	6,553,939,744
(6) Exhibit 3, Supplementary Contracts with Life Contingencies Section, Total (net)	185,028
(7) Page 3, Line 2, Column 3	-
(8) Subtotal	6,554,124,772
(9) Combined Total (4) + (8)	$ 44,101,688,120

32. Premium and Annuity Considerations Deferred and Uncollected

A. Deferred and uncollected life insurance premiums and annuity considerations at December 31, 2007, were as follows:

Type	Gross	Net of Loading
(1) Ordinary new business	$ 107,810,250	$ 53,283,693
(2) Ordinary renewal	1,041,736,320	993,268,122
(3) Group Life	384,310,666	306,852,835
Total	$ 1,533,857,236	$ 1,353,404,650

33. Separate Accounts

A. General Nature and Characteristics of Separate Account Business

The Company has separate accounts funding group annuity contracts. A book value separate account funds guaranteed benefits and market value separate accounts fund both guaranteed and non-guaranteed benefits.

The book value separate account guarantees principal and interest. At contract discontinuance, the contract holder is entitled to the guaranteed amount, if the market value of the assets exceeds the guaranteed amount. If the market value of the assets is less than the guaranteed amount, the contract holder is entitled to an immediate payout of market value, or an installment payout of the guaranteed amount.

Certain market value separate accounts provide a guaranteed minimum interest rate; for other market value separate accounts, the guarantee is tied to an index. For the accounts which provide a minimum guaranteed interest rate, at contract discontinuance, the contract holder is entitled to an immediate payout of market value, or an installment payout of the guaranteed amount. For accounts where the guarantee is tied to an index, at contract discontinuance, the contract holder is entitled to the guaranteed amount plus one-half of the excess performance. If the market value of the assets is less than the guaranteed amount, the contract holder is entitled to an immediate payout of market value, or an installment payout of the guaranteed amount.

NOTES TO FINANCIAL STATEMENTS

Market value separate accounts funding non-guaranteed benefits provide no guarantee of principal or interest and payout is at market value at contract discontinuance.

Information regarding the separate accounts of the Company at December 31, 2007 is as follows (in thousands):

	(1) Indexed	(2) Non-indexed Guarantee less than/equal to 4%	(3) Non-indexed Guarantee more than 4%	(4) Non-Guaranteed Separate Accounts	(5) Total
(1) Premiums, considerations	$ -	$ 1,416,362	$ -	$ 160,617	$ 1,576,979
Reserves:					
(2) For accounts with assets at:					
a. Market value	$ 665,774	$ 83,188	$ -	$ 2,860,322	$ 3,609,284
b. Amortized cost	-	2,944,841	-	-	2,944,841
c. Total reserves *	$ 665,774	$ 3,028,029	$ -	$ 2,860,322	$ 6,554,125
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:					
b. With MV adjustment	$ -	$ 2,944,841	$ -	$ -	$ 2,944,841
c. At BV without MV adjustment and with current surrender charge of 5% or more	-	-	-	-	-
d. At market value	665,774	83,188	-	2,860,322	3,609,284
e. At book value without MV adjustment and with current surrender charge less than 5%	-	-	-	-	-
f. Subtotal	665,774	3,028,029	-	2,860,322	6,554,125
g. Not subject to discretionary withdrawal	-	-	-	-	-
h. Total Reserves	$ 665,774	$ 3,028,029	$ -	$ 2,860,322	$ 6,554,125

*Line 2c should equal line 3h

(4) Reserves for Asset Default Risk in Lieu of AVR

At December 31, 2007, the Company held an asset default risk reserve in regard to its market value guaranteed separate account in the amount of $5,547,633 as required under New York State Regulation 128.

B. Reconciliation of Net Transfers to (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:

a. Transfer to Separate Accounts (Page 4, Line 1.4)	$ 1,576,979,228
b. Transfers from Separate Accounts (Page 4, Line 10)	1,360,437,727
c. Net transfers to/(from) Separate Accounts (a) – (b)	216,541,501
(2) a. Reinsurance assumed	13,422,500
b. Transfers to/(from) Separate Accounts net of reinsurance assumed	$ 229,964,001
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (Page 4, Line 26)	$ 229,964,001

34. Loss/Claim Adjustment Expenses

The balance in the liability for unpaid accident and health claim adjustment expenses as of December 31, 2007 and 2006 was $12,572,242 and $7,609,208, respectively. The Company incurred $17,973,979 and paid $13,010,945 of claim adjustment expenses in the current year, of which $3,979,681 of the paid amount was attributable to insured or covered events of prior years. The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses and reduced such liability by $0.

OVERFLOW PAGE FOR WRITE-INS

L002 Additional Aggregate Lines for Page 02 Line 23.
*ASSETS - Assets

	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 – 2)	4 Net Admitted Assets
2304. Collateral assignments	71,025,600		71,025,600	67,809,332
2305. Federal employees' group life conversion pool fund	2,861,442		2,861,442	3,511,375
2306. Administrative and other fees due and unpaid	1,123,182		1,123,182	1,586,523
2307. Prepaid real estate taxes	530,806		530,806	515,200
2308. Miscellaneous	826,321,533	826,321,533		
2309. Transferable state tax credits				519,816
2397. Summary of remaining write-ins for Line 23 from Page 02	901,862,563	826,321,533	75,541,030	73,942,246

L003 Additional Aggregate Lines for Page 03 Line 25.
*LIAB - Liabilities

	1 Current Year	2 Prior Year
2504. Obligations under structured settlement agreements	157,409,334	155,254,926
2505. Indemnity reserve on surplus notes	77,778,000	88,889,000
2506. General contingency reserve	50,147,329	59,292,959
2507. Liability for interest on claims	19,207,202	18,390,771
2508. Adjustment to agents' progress sharing plan liability	11,099,112	19,134,220
2509. Reserves required on certain group annuity separate accounts	5,547,633	16,012,077
2510. Deferred gains limited partnership	730,578	
2511. Conversion costs payable	98	8,909
2512. Deposits on real estate		15,602,814
2597. Summary of remaining write-ins for Line 25 from Page 3	321,919,286	372,585,676

L004 Additional Aggregate Lines for Page 04 Line 27.
*SUMOPS – Summary of Operations

	1 Current Year	2 Prior Year
2704. Change in special reserves on certain group policies	(591,313)	19,556,504
2797. Summary of remaining write-ins for Line 27 from Page 4	(591,313)	19,556,504

L004 Additional Aggregate Lines for Page 04 Line 53.
*SUMOPS – Summary of Operations

	1 Current Year	2 Prior Year
5304. Ceding commission	(2,702,895)	(2,702,895)
5397. Summary of remaining write-ins for Line 53 from Page 4	(2,702,895)	(2,702,895)

OVERFLOW PAGE FOR WRITE-INS

L006 Additional Aggregate Lines for Page 06 Line 27.
*ANAOPS - Analysis of Operations by Lines of Business

	1 Total	2 Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	6 Credit Life (Group and Individual)	7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	12 Aggregate of All Other Lines of Business
2704. Change in special reserves on certain group policies	(591,313)		975,000				3,494,687		(5,061,000)			
2797. Summary of remaining write-ins for Line 27 from page 6	(591,313)		975,000				3,494,687		(5,061,000)			