



New York Life Global Funding
\$7,000,000,000
GLOBAL DEBT ISSUANCE PROGRAM

This supplement ("Base Prospectus Supplement") is supplemental to and must be read in conjunction with the Offering Memorandum dated November 29, 2005, as supplemented by base prospectus supplements dated March 13, 2006, May 3, 2006 and July 4, 2006 (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 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 August 15, 2006, New York Life published its interim statutory statements as of June 30, 2006 (including any notes thereto, the "Second Quarter 2006 Statutory Financial Statements") and on August 23, 2006 made available New York Life's Summary of Certain Second Quarter Financial Information and Selected Historical Statutory Financial Information of New York Life (the "Summary"). The text of the Second Quarter 2006 Statutory Financial Statements and the Summary is set out in Annex 1 to this document. Copies of such Second Quarter 2006 Statutory Financial Statements and the Summary 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 dated November 29, 2005.

Except as disclosed in this Base Prospectus Supplement, 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 that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus Supplement is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

ANNEX 1

Selected Historical Statutory Financial Information of New York Life

The information shown in the table below is derived from audited statutory financial statements of New York Life for the years ending December 31, 2003, 2004, and 2005 (except "Total life insurance in force") and from unaudited statutory financial statements of New York Life for the six months ended June 30, 2005 and 2006.

| | Six Months Ended June 30, | | Year Ended December 31, | | |
|--|---------------------------|---------------------|-------------------------|-------------------|-------------------|
| | 2006 (Unaudited) | 2005 (Unaudited) | 2005 (Audited) | 2004 (Audited) | 2003 (Audited) |
| (\$ in millions) | | | | | |
| New York Life: | | | | | |
| Statement of Operations Data: | | | | | |
| Income | | | | | |
| Premiums | \$ 4,720 | \$ 4,521 | \$ 9,273 | \$ 8,633 | \$ 9,033 |
| Net investment income | 2,582 | 2,335 | 4,834 | 4,564 | 4,268 |
| Other income | 310 | 308 | 623 | 4,721 | 125 |
| Total income | <u>7,612</u> | <u>7,164</u> | <u>14,730</u> | <u>17,918</u> | <u>13,426</u> |
| Benefits and Expenses | | | | | |
| Benefit payments | 4,412 | 4,136 | 8,514 | 6,912 | 7,200 |
| Additions to reserves | 1,173 | 1,141 | 2,304 | 7,253 | 2,721 |
| Operating expenses | 948 | 900 | 1,817 | 1,484 | 1,334 |
| Total benefits and expenses | <u>6,533</u> | <u>6,177</u> | <u>12,635</u> | <u>15,649</u> | <u>11,255</u> |
| Net gain before dividends and federal income taxes | 1,079 | 987 | 2,095 | 2,269 | 2,171 |
| Dividends to policyowners (a) | 773 | 742 | 1,477 | 1,413 | 1,349 |
| Net gain before federal income taxes | 306 | 245 | 618 | 856 | 822 |
| Federal income taxes | 70 | 34 | (101) | 71 | 16 |
| Net gain from operations | 236 | 211 | 719 | 785 | 806 |
| Net realized capital gains (losses) (b) | 158 | 91 | 479 | 199 | (121) |
| Net income | <u>\$ 394</u> | <u>\$ 302</u> | <u>\$ 1,198</u> | <u>\$ 984</u> | <u>\$ 685</u> |
| Balance Sheet Data: | | | | | |
| General account assets | \$ 105,217 | \$ 98,862 | \$ 101,961 | \$ 95,549 | \$ 85,149 |
| Separate account assets | \$ 5,793 | \$ 5,804 | \$ 5,921 | \$ 5,755 | \$ 5,365 |
| Total assets | <u>\$ 111,010</u> | <u>\$ 104,666</u> | <u>\$ 107,882</u> | <u>\$ 101,304</u> | <u>\$ 90,514</u> |
| Total liabilities | <u>\$ 100,492</u> | <u>\$ 94,779</u> | <u>\$ 97,333</u> | <u>\$ 91,596</u> | <u>\$ 81,377</u> |
| Asset Valuation Reserve (c) | 1,881 | 1,819 | 1,877 | 1,749 | 1,386 |
| Surplus notes | 991 | 991 | 991 | 1,115 | 1,115 |
| Unassigned funds | 9,526 | 8,896 | 9,558 | 8,593 | 8,022 |
| Surplus | 10,517 | 9,887 | 10,549 | 9,708 | 9,137 |
| Surplus and Asset Valuation Reserve | <u>\$ 12,398</u> | <u>\$ 11,706</u> | <u>\$ 12,426</u> | <u>\$ 11,457</u> | <u>\$ 10,523</u> |
| Total life insurance in force | <u>\$ 718,025</u> | <u>\$ 643,898</u> | <u>\$ 701,493</u> | <u>\$ 626,205</u> | <u>\$ 547,947</u> |

(a) Dividends to policyowners are discretionary and subject to the approval of New York Life's Board of Directors.

(b) After tax and transfers to interest maintenance reserve.

(c) These amounts are included in total liabilities.

Summary of Certain Second Quarter Financial Information

Unaudited Results of Operations – For the Six Months Ended June 30, 2006 Compared to the Six Months Ended June 30, 2005

Net Income

Net income for the six months ended June 30, 2006 was \$394 million, \$92 million, or 30.5%, higher than the same period last year. This increase was primarily driven by a \$25 million increase in net gain from operations and a \$67 million increase in net realized capital gains.

For the six months ended June 30, 2006, net gain from operations of \$236 million was \$25 million, or 11.8%, higher than the same period last year. This higher net gain was largely attributable to higher limited partnership investment income of \$38 million and a one-time modco reinsurance credit of \$22 million associated with reimbursement by the reinsurer to New York Life for the increase in disability income reserves resulting from an increase in the expected morbidity period associated with prior year claims. These positive variances are partially offset by higher operating expenses due to higher sales-related costs and pension and post-retirement costs.

A detailed explanation of these items is provided in the sections that follow.

Premium Income

Premium income for the six months ended June 30, 2006 was \$4,720 million, an increase of \$199 million, or 4.4%, from the same period last year, with nearly all business lines contributing to the increase. Individual Life's premium income for the six months ended June 30, 2006 was \$2,757 million, an increase of \$97 million over the prior year. Guaranteed Products' premium income of \$1,004 million, which consists of premiums for pension and retirement products, increased \$145 million, and premium income from Special Markets of \$737 million was \$58 million higher than the prior year.

Offsetting these positive variances is a decrease of \$101 million in Individual Annuity premiums, primarily associated with a shift in sales of Single Premium Immediate Annuities ("SPIA"s), beginning in 2005, from New York Life to its subsidiary, New York Life Insurance and Annuity Corporation ("NYLIAC"). This shift resulted in a decline in SPIA sales from New York Life that is more than offset by higher SPIA sales in NYLIAC (SPIA revenue is up \$114 million, or 60%, on a combined basis).

Net Investment Income

Net investment income for the six months ended June 30, 2006 increased \$247 million, or 10.6%, to \$2,582 million compared to \$2,335 million from the prior year period. The increase was primarily due to an increase in invested assets of \$6,119 million from June 30, 2005 to June 30, 2006, primarily in the bond portfolio. In addition, higher pre-tax investment income of \$59 million from limited partnerships, primarily from leveraged buyout and mezzanine funds, contributed to the increase between the periods.

Benefit Payments

Benefit payments for the six months ended June 30, 2006 were \$4,412 million, representing an increase of \$276 million, or 6.7%, from the same period last year. This increase includes \$141 million associated with higher interest credited on funding agreements partially offsetting the increase in net investment income, \$62 million associated with benefits assumed from NYLIAC under a combination of a funds withheld/modco reinsurance agreement, and the remaining \$73 million primarily related to an increase in benefit payments resulting from normal aging of policyholders and inforce growth.

Additions to Reserves

Additions to reserves for the six months ended June 30, 2006 were \$1,173 million, an increase of \$32 million, or 2.8%, from the same period last year. The increase was primarily attributable to an increase in Guaranteed Products reserves of \$151 million offset by a \$94 million decrease in Individual Annuity reserves due to the shift in sales of SPIAs to NYLIAC previously discussed, and a one-time modco reinsurance credit of \$22 million associated with reimbursement of disability income reserves, which were strengthened through surplus as a change in valuation basis. The reserve basis change is associated with extending the expected morbidity period of prior year claims.

Operating Expenses

Operating expenses consist primarily of general insurance expenses, taxes, licenses and fees and commissions. Operating expenses for the six months ended June 31, 2006 were \$948 million, an increase of \$48 million, or 5.3%, over the same period last year. This increase is attributable primarily to higher sales-related expenses (including commissions) for Life and Annuity and Special Markets of \$51 million. Higher pension and post-retirement costs of \$20 million primarily due to a decrease in the discount rate used to calculate the present value of future obligations from 6.0% to 5.4% also contributed to the increase. Offsetting these increases are lower commission and expense allowances of \$18 million associated with policies assumed from NYLIAC.

Dividends to Policyholders

For the six months ended June 30, 2006, dividends to policyholders were \$773 million, an increase of \$31 million, or 4.2%, from the same period in 2005. Although the dividend scale remained unchanged from the prior year, dividends increased from year to year as a result of cash value build up and inforce growth.

Federal Income Tax Expense

Statutory accounting includes a provision for Federal income tax expense on current year taxable income only, and does not include deferred income taxes, which are reflected as a component of surplus. For the six months ended June 30, 2006, New York Life recorded a Federal income tax expense of \$70 million versus a \$34 million tax expense for the six months ended June 30, 2005. The increase is primarily related to higher pre-tax income and a \$14 million lower Federal income tax credit associated with lower pension contributions in 2006.

Net Realized Capital Gains

Net realized capital gains were \$158 million for the six months ended June 30, 2006, an increase of \$67 million from the \$91 million reported for the prior year period in 2005. The increase primarily resulted from the sale of equity securities.

Unaudited Balance Sheet Data – At June 30, 2006 compared to December 31, 2005

Assets

At June 30, 2006, New York Life reported total assets of \$111,010 million, an increase of \$3,128 million, or 2.9%, from December 31, 2005. This increase was primarily attributable to \$2,334 million of positive cash flows from insurance operations (including sales of funding agreements under medium term note offerings) and \$269 million from increased financing activity used to enhance income.

Liabilities

At June 30, 2006, New York Life had total liabilities (including AVR) of \$100,492 million, an increase of \$3,159 million, or 3.2%, from December 31, 2005. This increase was primarily due to a \$1,757 million increase in

deposit funds primarily associated with funding agreements, including those sold in connection with medium term note offerings, \$1,159 million in higher policy reserves and \$269 million from increased financing activity.

Surplus

At June 30, 2006, statutory surplus was \$10,517 million. Consolidated statutory surplus and AVR, which includes the AVR of the Company's wholly-owned domestic insurance companies, totaled \$12,856 million, an increase of \$3 million from December 31, 2005. New York Life's net gain from operations of \$236 million was more than offset by the write-off of \$189 million of goodwill and intangibles (which is disallowed under New York State statutory accounting) associated with Institutional Capital Corp., a value equity institutional investment firm acquired on June 30, 2006, a change in non-admitted assets of \$72 million and reserve strengthening on the disability income block of \$22 million.



QUARTERLY STATEMENT

As of June 30, 2006

OF THE CONDITION AND AFFAIRS OF THE

New York Life Insurance Company

NAIC Group Code 0826, 0826 NAIC Company Code 66915 Employer's ID No.13-5582869

Organized under the Laws of New York, State of Domicile or Port of Entry

Country of Domicile United States of America

INCORPORATED/ORGANIZED MAY 21, 1841
Statutory Home Office
Main Administrative Office
Mail Address
Primary Location of Books and Records
Internet Website address
Statutory Statement Contact Person and Phone Number
Statutory Statement Contact E-Mail Address
Statutory Statement Contact Fax Number
Policyowner Relations Contact

EXECUTIVE OFFICERS

SEYMOUR STERNBERG
Chairman of the Board
and Chief Executive Officer

FREDERICK JAMES SIEVERT
President

SHEILA KEARNEY DAVIDSON
Executive Vice President in Charge of Law
and Corporate Administration

JOSEPH ARCHARD GILMOUR#
Executive Vice President; Chairman,
President and Chief Executive Officer of
New York Life International, LLC

PHILLIP JOHN HILDEBRAND
Executive Vice President
and Co-Head, U.S. Insurance Operations

THEODORE ALEXANDER MATHAS
Executive Vice President
and Co-Head, U.S. Insurance Operations

MICHAEL EDWARD SPROULE
Executive Vice President
and Chief Financial Officer

GARY EDWARD WENDLANDT
Executive Vice President;
Chairman and Chief Executive Officer of New
York Life Investment Management LLC

FRANK MICHAEL BOCCIO#
Senior Vice President
and Chief Administrative Officer of
Life and Annuity

JAY STEELE CALHOUN, III
Senior Vice President
and Treasurer

JUDITH ELLEN CAMPBELL
Senior Vice President
and Chief Information Officer

JESSIE MORSE COLGATE
Senior Vice President
in charge of the Office of Governmental Affairs

JOHN ANDREW CULLEN
Senior Vice President, Controllor
and Chief Accounting Officer

THOMAS FRANCIS ENGLISH
Senior Vice President and
General Counsel

SOLOMON GOLDFINGER
Senior Vice President
and Chief Operating Officer
for Life and Annuity

BRIAN ANDREW MURDOCK
Senior Vice President;
President of New York Life Investment
Management LLC

ANNE FELICE POLLACK
Senior Vice President
and Chief Investment Officer

ROBERT LINDLEY SMITH
Senior Vice President
in charge of Special Markets

STEPHEN NELSON STEINIG#
Senior Vice President
and Chief Actuary

SUSAN ANN THROPE
Senior Vice President,
Deputy General Counsel and Secretary

THOMAS JOSEPH WARGA
Senior Vice President, General Auditor
and Chief Privacy Officer

DIRECTORS

BETTY C. ALEWINE
ROBERT MONTAGUE BAYLIS
JAMES LOWELL BROADHEAD
MARK LAWRENCE FEIDLER#

KENT BENARD FOSTER
CHRISTINA ALBEHDINA GOLD
CONRAD KENNETH HARPER

LESLIE GLADSTONE McCRAW, JR.
JOSEPH WILSON PRUEHER
THOMAS CLAYTON SCHIEVELBEIN#

FREDERICK JAMES SIEVERT
SEYMOUR STERNBERG
FREDERICK ONIEL TERRELL

DIRECTORS EMERITI

WILLIAM GILBERT BURNS
PATRICIA THERESA CARBINE
PAUL WOLFF DOUGLAS

WILLIAM ROBERT GRANT
HARRY GEORGE HOHN
WILLIAM ALBERT MARQUARD

DAVID WINDSOR MITCHELL
GEORGE BARBER MUNROE
RICHARD ROY PIVIROTTO

DONALD KEITH ROSS
GEORGE LATIMER SHINN
MARGARET BUCKNER YOUNG

State of New York } ss
County of New York }

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Signatures of Susan Ann Thrope, Stephen Nelson Steinig, and John Andrew Cullen with titles: Senior Vice President, Deputy General Counsel and Secretary; Senior Vice President and Chief Actuary; Senior Vice President, Controllor and Chief Accounting Officer.

Subscribed and sworn to before me this 11th day of August 2006

Notary Public, State of New York, No. 01A06163269, Commission Expires 12/22/07

a. Is this an original filing? Yes [X] No []
b. If no: 1. State the amendment number ...
2. Date filed ...
3. Number of pages attached ...

Officers and Directors who did not occupy the indicated position in the previous annual statement.

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 64,044,095,021 | | 64,044,095,021 | 61,232,690,842 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | 315,947,571 | | 315,947,571 | 355,613,925 |
| 2.2 Common stocks | 7,355,286,730 | | 7,355,286,730 | 7,677,065,499 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | 7,895,829,694 | | 7,895,829,694 | 7,520,335,473 |
| 3.2 Other than first liens | 202,109,468 | | 202,109,468 | 214,429,332 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | 291,223,624 | | 291,223,624 | 280,033,197 |
| 4.2 Properties held for the production of income (less \$15,303,174 encumbrances) | 222,059,049 | | 222,059,049 | 210,097,723 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | | |
| 5. Cash (\$15,124,234), cash equivalents (\$1,752,967,319) and short-term investments (\$1,480,695,745) | 3,248,787,298 | | 3,248,787,298 | 3,088,063,666 |
| 6. Contract loans, (including \$1,328,621 premium notes) | 6,096,413,613 | 342,968 | 6,096,070,645 | 5,957,342,660 |
| 7. Other invested assets | 4,676,927,215 | 243,524,159 | 4,433,403,056 | 5,212,507,645 |
| 8. Receivables for securities | 146,944,535 | | 146,944,535 | 66,757,740 |
| 9. Aggregate write-ins for invested assets | 375,205,584 | | 375,205,584 | 33,115,627 |
| 10. Subtotals, cash and invested assets (Lines 1 to 9) | 94,870,829,402 | 243,867,127 | 94,626,962,275 | 91,848,053,329 |
| 11. Title plants less \$ charged off (for Title insurers only) | | | | |
| 12. Investment income due and accrued | 981,984,420 | 33,365 | 981,951,055 | 971,153,105 |
| 13. Premiums and considerations: | | | | |
| 13.1 Uncollected premiums and agents' balances in the course of collection | 354,552,520 | 7,875,743 | 346,676,777 | 242,713,320 |
| 13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | 1,039,333,841 | | 1,039,333,841 | 963,554,731 |
| 13.3 Accrued retrospective premiums | | | | |
| 14. Reinsurance: | | | | |
| 14.1 Amounts recoverable from reinsurers | 30,871,044 | | 30,871,044 | 15,186,136 |
| 14.2 Funds held by or deposited with reinsured companies | 4,725,296,636 | | 4,725,296,636 | 4,681,625,520 |
| 14.3 Other amounts receivable under reinsurance contracts | 46,213,685 | | 46,213,685 | 36,541,527 |
| 15. Amounts receivable relating to uninsured plans | | | | |
| 16.1 Current federal and foreign income tax recoverable and interest thereon | 8,934,298 | | 8,934,298 | 5,904,166 |
| 16.2 Net deferred tax asset | 1,131,698,069 | 631,351,966 | 500,346,103 | 490,509,103 |
| 17. Guaranty funds receivable or on deposit | 1,516,035 | | 1,516,035 | 1,710,240 |
| 18. Electronic data processing equipment and software | 131,881,492 | 131,881,492 | | |
| 19. Furniture and equipment, including health care delivery assets (\$) | 56,823,737 | 56,823,737 | | |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 21. Receivables from parent, subsidiaries and affiliates | 259,501,540 | | 259,501,540 | 207,750,763 |
| 22. Health care (\$) and other amounts receivable | 16,154,008 | 16,154,008 | | |
| 23. Aggregate write-ins for other than invested assets | 3,774,456,680 | 1,125,363,832 | 2,649,092,848 | 2,496,317,537 |
| 24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) | 107,430,047,407 | 2,213,351,270 | 105,216,696,137 | 101,961,019,477 |
| 25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 5,793,039,239 | | 5,793,039,239 | 5,920,599,271 |
| 26. Total (Lines 24 and 25) | 113,223,086,646 | 2,213,351,270 | 111,009,735,376 | 107,881,618,748 |
| DETAILS OF WRITE-INS | | | | |
| 0901. Derivatives | 375,205,584 | | 375,205,584 | 33,115,627 |
| 0902. | | | | |
| 0903. | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | | | | |
| 0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above) | 375,205,584 | | 375,205,584 | 33,115,627 |
| 2301. Amounts receivable on corporate owned life insurance | 2,391,788,110 | | 2,391,788,110 | 2,261,470,591 |
| 2302. Interest in annuity contracts | 154,265,158 | | 154,265,158 | 152,951,546 |
| 2303. Collateral assignments | 65,806,561 | | 65,806,561 | 64,127,731 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 1,162,596,851 | 1,125,363,832 | 37,233,019 | 17,767,669 |
| 2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) | 3,774,456,680 | 1,125,363,832 | 2,649,092,848 | 2,496,317,537 |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31 Prior Year |
|---|--------------------------------|--------------------------------|
| 1. Aggregate reserve for life contracts \$62,874,476,807 less \$included in Line 6.3 (including \$372,556,024 Modco Reserve) | 62,874,476,807 | 61,782,541,273 |
| 2. Aggregate reserve for accident and health contracts (including \$907,982,665 Modco Reserve) | 1,808,064,156 | 1,738,391,293 |
| 3. Liability for deposit-type contracts (including \$ Modco Reserve) | 17,928,089,849 | 16,228,268,891 |
| 4. Contract claims: | | |
| 4.1 Life | 515,660,083 | 397,221,529 |
| 4.2 Accident and health | 75,943,615 | 77,667,707 |
| 5. Policyholders' dividends \$27,184,935 and coupons \$ due and unpaid | 27,184,935 | 16,794,974 |
| 6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts: | | |
| 6.1 Dividends apportioned for payment (including \$211,000 Modco) | 1,441,979,774 | 1,412,581,584 |
| 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 \$1,094,492 discount; including \$3,112,386 accident and health premiums | 54,597,738 | 68,367,828 |
| 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 | 16,572,049 | 24,814,750 |
| 9.3 Other amounts payable on reinsurance, including \$77,152,523 assumed and \$113,072 ceded | 77,265,595 | 66,616,915 |
| 9.4 Interest Maintenance Reserve | 302,900,300 | 390,315,855 |
| 10. Commissions to agents due or accrued—life and annuity contracts \$8,475,887 accident and health \$2,358,003 and deposit-type contract funds \$ | 10,833,890 | 10,353,460 |
| 11. Commissions and expense allowances payable on reinsurance assumed | 30,275,807 | 30,913,843 |
| 12. General expenses due or accrued | 516,919,368 | 524,751,569 |
| 13. Transfers to Separate Accounts due or accrued (net) (Including \$(105,247,015) accrued for expense allowances recognized in reserves, net of reinsured allowances) | (110,437,390) | (117,131,142) |
| 14. Taxes, licenses and fees due or accrued, excluding federal income taxes | 38,640,524 | 51,631,375 |
| 15.1 Current federal and foreign income taxes, including \$(30,873,324) on realized capital gains (losses) | 166,193,373 | 195,991,145 |
| 15.2 Net deferred tax liability | | |
| 16. Unearned investment income | 1,344,219 | 1,413,148 |
| 17. Amounts withheld or retained by company as agent or trustee | 441,677,522 | 437,386,561 |
| 18. Amounts held for agents' account, including \$24,302,312 agents' credit balances | 24,302,312 | 21,260,478 |
| 19. Remittances and items not allocated | 77,946,366 | 96,163,352 |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates | 18,507,241 | 24,208,633 |
| 21. Liability for benefits for employees and agents if not included above | 922,895,499 | 888,894,787 |
| 22. Borrowed money \$1,364,054,615 and interest thereon \$1,130,745 | 1,365,185,360 | 1,735,710,863 |
| 23. Dividends to stockholders declared and unpaid | | |
| 24. Miscellaneous liabilities: | | |
| 24.1 Asset valuation reserve | 1,880,857,487 | 1,877,181,257 |
| 24.2 Reinsurance in unauthorized companies | 96,000 | 5,969,692 |
| 24.3 Funds held under reinsurance treaties with unauthorized reinsurers | | |
| 24.4 Payable to parent, subsidiaries and affiliates | 25,310,480 | 39,786,384 |
| 24.5 Drafts outstanding | | |
| 24.6 Liability for amounts held under uninsured plans | | |
| 24.7 Funds held under coinsurance | | |
| 24.8 Payable for securities | 315,960,007 | 140,028,611 |
| 24.9 Capital notes \$ and interest thereon \$ | | |
| 25. Aggregate write-ins for liabilities | 3,855,920,774 | 3,252,118,523 |
| 26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) | 94,705,163,740 | 91,420,215,138 |
| 27. From Separate Accounts Statement | 5,787,099,398 | 5,912,308,647 |
| 28. Total liabilities (Lines 26 and 27) | 100,492,263,138 | 97,332,523,785 |
| 29. Common capital stock | | |
| 30. Preferred capital stock | | |
| 31. Aggregate write-ins for other than special surplus funds | | |
| 32. Surplus notes | 991,175,333 | 991,012,666 |
| 33. Gross paid in and contributed surplus | | |
| 34. Aggregate write-ins for special surplus funds | | |
| 35. Unassigned funds (surplus) | 9,526,296,905 | 9,558,082,297 |
| 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 \$5,939,841 in Separate Accounts Statement) | 10,517,472,238 | 10,549,094,963 |
| 38. Totals of Lines 29, 30 and 37 | 10,517,472,238 | 10,549,094,963 |
| 39. Totals of Lines 28 and 38 | 111,009,735,376 | 107,881,618,748 |
| DETAILS OF WRITE-INS | | |
| 2501. Liability for security lending | 2,909,668,962 | 2,427,016,801 |
| 2502. Special reserves on certain group policies | 343,369,757 | 286,460,801 |
| 2503. Derivatives | 250,704,310 | 171,951,586 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 352,177,745 | 366,689,335 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 3,855,920,774 | 3,252,118,523 |
| 3101. | | |
| 3102. | | |
| 3103. | | |
| 3198. Summary of remaining write-ins for Line 31 from overflow page | | |
| 3199. Totals (Lines 3101 thru 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 thru 3403 plus 3498)(Line 34 above) | | |

SUMMARY OF OPERATIONS

| | 1 Current Year To Date | 2 Prior Year Year to Date | 3 Prior Year Ended December 31 |
|--|------------------------------|---------------------------------|--------------------------------------|
| 1. Premiums and annuity considerations for life and accident and health contracts | 4,719,643,644 | 4,520,510,637 | 9,272,263,026 |
| 2. Considerations for supplementary contracts with life contingencies | 101,757 | 816,562 | 1,003,759 |
| 3. Net investment income | 2,560,765,700 | 2,292,192,647 | 4,750,615,606 |
| 4. Amortization of Interest Maintenance Reserve (IMR) | 20,887,454 | 41,863,438 | 83,484,474 |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses | 36,165 | 382,196 | (47,263) |
| 6. Commissions and expense allowances on reinsurance ceded | 11,662,106 | 14,446,210 | 27,603,122 |
| 7. Reserve adjustments on reinsurance ceded | (14,297,651) | (38,754,612) | (82,378,999) |
| 8. Miscellaneous Income: | | | |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts | 5,718,269 | 4,815,141 | 10,170,199 |
| 8.2 Charges and fees for deposit-type contracts | 13,275,475 | 13,729,168 | 25,863,636 |
| 8.3 Aggregate write-ins for miscellaneous income | 279,507,881 | 275,484,809 | 558,791,232 |
| 9. Totals (Lines 1 to 8.3) | 7,597,300,800 | 7,125,486,196 | 14,647,368,792 |
| 10. Death benefits | 1,006,623,745 | 985,158,201 | 1,943,159,242 |
| 11. Matured endowments (excluding guaranteed annual pure endowments) | 4,850,773 | 5,671,376 | 11,889,209 |
| 12. Annuity benefits | 485,895,790 | 465,997,364 | 949,535,846 |
| 13. Disability benefits and benefits under accident and health contracts | 165,449,213 | 165,956,222 | 339,768,602 |
| 14. Coupons, guaranteed annual pure endowments and similar benefits | | | |
| 15. Surrender benefits and withdrawals for life contracts | 2,325,574,698 | 2,236,000,418 | 4,651,218,791 |
| 16. Group conversions | 6,895,769 | 7,769,492 | 16,601,146 |
| 17. Interest and adjustments on contract or deposit-type contract funds | 422,388,604 | 273,644,370 | 615,146,233 |
| 18. Payments on supplementary contracts with life contingencies | 1,089,368 | 3,375,208 | 3,329,569 |
| 19. Increase in aggregate reserves for life and accident and health contracts | 1,139,594,597 | 1,049,401,276 | 2,078,168,307 |
| 20. Totals (Lines 10 to 19) | 5,558,362,557 | 5,192,973,927 | 10,608,816,945 |
| 21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) | 137,324,117 | 130,926,446 | 265,327,432 |
| 22. Commissions and expense allowances on reinsurance assumed | 62,973,002 | 81,169,863 | 154,013,829 |
| 23. General insurance expenses | 674,253,974 | 614,538,115 | 1,237,302,150 |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes | 70,686,046 | 67,466,107 | 131,701,595 |
| 25. Increase in loading on deferred and uncollected premiums | 11,842,952 | 13,453,284 | 1,330,143 |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance | (125,054,484) | (110,651,785) | (95,009,329) |
| 27. Aggregate write-ins for deductions | 127,922,963 | 148,054,374 | 248,978,462 |
| 28. Totals (Lines 20 to 27) | 6,518,311,127 | 6,137,930,331 | 12,552,461,227 |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) | 1,078,989,673 | 987,555,865 | 2,094,907,565 |
| 30. Dividends to policyholders | 773,054,839 | 742,132,121 | 1,476,770,648 |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) | 305,934,834 | 245,423,744 | 618,136,917 |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains) | 70,294,442 | 34,318,782 | (101,298,942) |
| 33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains (losses) (Line 31 minus Line 32) | 235,640,392 | 211,104,962 | 719,435,859 |
| 34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 66,134,570 (excluding taxes of \$ 36,154,491 transferred to the IMR) | 157,580,409 | 91,401,681 | 478,863,343 |
| 35. Net income (Line 33 plus Line 34) | 393,220,801 | 302,506,643 | 1,198,299,202 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 36. Capital and surplus, December 31, prior year | 10,549,094,963 | 9,707,782,261 | 9,707,782,261 |
| 37. Net income (Line 35) | 393,220,801 | 302,506,643 | 1,198,299,202 |
| 38. Change in net unrealized capital gains (losses) | (89,204,318) | (114,323,187) | (43,737,817) |
| 39. Change in net unrealized foreign exchange capital gain (loss) | (231,884,015) | 309,084,129 | 433,684,924 |
| 40. Change in net deferred income tax | (19,086,345) | (78,739,966) | (154,085,389) |
| 41. Change in nonadmitted assets and related items | (72,295,928) | (33,356,009) | 67,691,820 |
| 42. Change in liability for reinsurance in unauthorized companies | 5,873,692 | (3,639,680) | (3,608,351) |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease | (22,013,800) | | (126,219,760) |
| 44. Change in asset valuation reserve | (3,676,229) | (69,986,625) | (128,306,120) |
| 45. Change in treasury stock | | | |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period | | | |
| 47. Other changes in surplus in Separate Accounts Statement | (2,386,948) | (4,149,725) | (4,336,787) |
| 48. Change in surplus notes | 162,667 | (124,547,093) | (124,384,427) |
| 49. Cumulative effect of changes in accounting principles | (2,816,689) | (21,059,954) | (271,791,885) |
| 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 | 12,484,387 | 17,530,794 | (1,892,708) |
| 54. Net change in capital and surplus for the year (Lines 37 through 53) | (31,622,725) | 179,319,327 | 841,312,702 |
| 55. Capital and surplus, as of statement date (Lines 36 + 54) | 10,517,472,238 | 9,887,101,588 | 10,549,094,963 |
| DETAILS OF WRITE-INS | | | |
| 08.301. Sundries | 139,996,979 | 130,156,029 | 268,476,197 |
| 08.302. Adjustment in funds withheld | 139,510,902 | 145,328,780 | 290,315,035 |
| 08.303. | | | |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page | | | |
| 08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above) | 279,507,881 | 275,484,809 | 558,791,232 |
| 2701. Reserve adjustment on reinsurance assumed | 68,360,112 | 86,313,179 | 163,143,710 |
| 2702. Change in special reserves on certain group policies | 56,908,956 | 55,793,690 | 57,515,506 |
| 2703. Change in liability for agents' benefit plans | 2,593,501 | 5,853,502 | 28,240,000 |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | 60,394 | 94,003 | 79,246 |
| 2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above) | 127,922,963 | 148,054,374 | 248,978,462 |
| 5301. Increase in indemnification reserve for surplus notes | 11,111,000 | | |
| 5302. Change in special reserves on certain group annuity contracts | 2,724,835 | 23,882,242 | 26,595,158 |
| 5303. Ceding commission | (1,351,448) | (1,351,448) | (2,702,895) |
| 5398. Summary of remaining write-ins for Line 53 from overflow page | | (5,000,000) | (25,784,971) |
| 5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above) | 12,484,387 | 17,530,794 | (1,892,708) |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year Ended December 31 |
|---|------------------------------|--------------------------------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance..... | 4,507,639,310 | 9,160,334,522 |
| 2. Net investment income..... | 2,512,669,192 | 4,568,151,021 |
| 3. Miscellaneous income..... | 153,041,690 | 297,410,101 |
| 4. Total (Lines 1 to 3)..... | 7,173,350,192 | 14,025,895,644 |
| 5. Benefits and loss related payments..... | 3,911,928,085 | 7,966,284,502 |
| 6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts..... | (132,033,981) | (107,961,797) |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 1,064,081,794 | 1,840,006,878 |
| 8. Dividends paid to policyholders..... | 733,266,688 | 1,406,340,258 |
| 9. Federal and foreign income taxes paid (recovered) \$241,750,195 net of tax on capital gains (losses) | 205,411,407 | 60,808,912 |
| 10. Total (Lines 5 through 9)..... | 5,782,653,993 | 11,165,478,753 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 1,390,696,199 | 2,860,416,891 |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds..... | 12,454,764,623 | 22,229,849,760 |
| 12.2 Stocks..... | 6,953,882,741 | 5,813,181,254 |
| 12.3 Mortgage loans..... | 488,707,396 | 1,354,460,088 |
| 12.4 Real estate..... | 81,497,183 | 623,089,365 |
| 12.5 Other invested assets..... | 11,292,442,970 | 18,223,942,713 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | 1,138,903 | (5,954,875) |
| 12.7 Miscellaneous proceeds..... | 160,162,699 | (8,027,022) |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 31,432,596,515 | 48,230,541,283 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds..... | 15,212,346,684 | 27,302,452,588 |
| 13.2 Stocks..... | 6,872,863,390 | 5,894,613,638 |
| 13.3 Mortgage loans..... | 850,309,244 | 1,386,393,535 |
| 13.4 Real estate..... | 111,163,769 | 84,425,900 |
| 13.5 Other invested assets..... | 10,679,344,243 | 18,063,880,492 |
| 13.6 Miscellaneous applications..... | (175,931,395) | 233,933,832 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 33,550,095,935 | 52,965,699,985 |
| 14. Net increase (or decrease) in contract loans and premium notes..... | 138,664,412 | 163,553,404 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | (2,256,163,832) | (4,898,712,106) |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes..... | | (124,709,761) |
| 16.2 Capital and paid in surplus, less treasury stock..... | | |
| 16.3 Borrowed funds..... | (237,865,503) | (347,144,973) |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | 942,932,516 | 2,425,963,790 |
| 16.5 Dividends to stockholders..... | | |
| 16.6 Other cash provided (applied)..... | 321,124,252 | 581,998,186 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)..... | 1,026,191,265 | 2,536,107,242 |
| 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)..... | 160,723,632 | 497,812,027 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year..... | 3,088,063,666 | 2,590,251,639 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 3,248,787,298 | 3,088,063,666 |

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

| | | |
|---|-----------|------------|
| 20.0001. Conversion of investment in preferred stock to common stock..... | 2,250,003 | |
| 20.0002. Conversion of debt investment to equity investment..... | 1,940,540 | 16,001,979 |
| 20.0003. Real estate received in satisfaction of debt..... | | 34,500,000 |

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| 1. Industrial Life | | | |
| 2. Ordinary Life Insurance | 2,564,043,532 | 2,474,620,856 | 4,847,778,796 |
| 3. Ordinary Individual Annuities | 219,282,057 | 320,297,998 | 628,579,399 |
| 4. Credit Life (Group & Individual) | | | |
| 5. Group Life Insurance | 491,280,313 | 431,509,126 | 807,737,752 |
| 6. Group Annuities | 1,003,563,140 | 858,679,805 | 2,073,478,435 |
| 7. A & H - Group | 171,782,905 | 172,685,521 | 370,581,260 |
| 8. A & H - Credit (Group & Individual) | | | |
| 9. A & H - Other | 103,542,897 | 99,494,516 | 199,904,501 |
| 10. Aggregate of All Other Lines of Business | | | |
| 11. Subtotal | 4,553,494,844 | 4,357,287,822 | 8,928,060,143 |
| 12. Deposit-Type Contracts | 4,238,355,973 | 3,640,750,451 | 7,070,786,423 |
| 13. Total | 8,791,850,817 | 7,998,038,273 | 15,998,846,566 |
| DETAILS OF WRITE-INS | | | |
| 1001. | | | |
| 1002. | | | |
| 1003. | | | |
| 1098. Summary of remaining write-ins for Line 10 from overflow page | | | |
| 1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above) | | | |

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

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 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 and intangible assets, whether held directly or by a subsidiary (insurance or non-insurance) is nonadmitted and reduces surplus of the Company, whereas NAIC SAP permits goodwill and intangible assets 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 six months ended June 30, 2006 and year ended December 31, 2005, 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 June 30, 2006 and December 31, 2005 between NAIC SAP and practices prescribed by the state of New York is shown below:

| | <u>June 30, 2006</u> | <u>December 31, 2005</u> |
|---|-------------------------|--------------------------|
| Statutory Surplus, New York basis | \$10,517,472,238 | \$10,549,094,963 |
| State Prescribed Practices: | | |
| 1. EDP equipment, net | 36,574,418 | 36,034,728 |
| 2. Aircraft owned by subsidiary, net | (22,811,250) | (23,433,375) |
| 3. Goodwill and intangible assets of non-insurance subsidiaries | 482,168,902 | 215,336,921 |
| 4. Surplus notes indemnity reserve | 88,889,000 | 100,000,000 |
| 5. Prepaid real estate taxes | <u>(501,827)</u> | <u>(718,798)</u> |
| Statutory Surplus, NAIC SAP | <u>\$11,101,791,481</u> | <u>\$10,876,314,439</u> |

2. Accounting Changes and Corrections of Errors

- A. Accounting changes adopted to conform to the provisions of the NAIC Accounting Practices and Procedures manual 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.

Effective January 1, 2006, the Company adopted SSAP No. 93, "Accounting for Low Income Housing Tax Credit Property Investments", which establishes statutory accounting principles for investments in federal and certain state sponsored Low Income Housing Tax Credit (LIHTC) properties. SSAP No. 93 requires that the carrying value of LIHTC investments be based on an amortized cost basis, reducing the cost basis in proportion to the actual receipt and projected future stream of tax credits and deductible losses, as opposed to the underlying GAAP equity value of the real estate. At January 1, 2006, the cumulative effect of adopting SSAP No. 93 reduced surplus by \$2,816,689.

In June 2006, the Company strengthened disability claims reserves by \$22,013,800 and has been recorded in Surplus as a change in valuation basis. However, since the disability income block is 100% reinsured on a modified coinsurance basis, the surplus charge is offset by a reimbursement from the reinsurer through net gain. The reserve basis change is associated with extending the expected runoff of prior year claims.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

No change.

A. Mortgage Loans, including Mezzanine Real Estate Loans

No change.

B. Debt Restructuring

No change.

C. Reverse Mortgages

No change.

NOTES TO FINANCIAL STATEMENTS

- D. **Loan-Backed Securities**
No change.
- E. **Repurchase agreements**
No Change.
- F. **Real Estate**
1(a) – 1(c) No change.
2(a) – 2(e) No change.
6. **Joint Ventures, Partnerships and Limited Liability Companies**
A. No change.
7. **Investment Income**
No change.
8. **Derivative Instruments**
A – F. No Change.
9. **Income Taxes**
A - F. No change.
10. **Information Concerning Parent, Subsidiaries, and Affiliates**
No change.
11. **Debt**
No change.
12. **Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**
A – F. No change.
13. **Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**
No change.
14. **Contingencies**
A – D. No change.
15. **Leases**
A. **Lessee Leasing Arrangements**
No change.
B. **Significant Leasing Agreements**
Not applicable.
16. **Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**
No change.
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**
No change.
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 | - | - | - | - |
| NAIC 4 | 3 | 1,719,629 | 1,753,107 | (33,478) |
| NAIC 5 | - | - | - | - |
| NAIC 6 | - | - | - | - |

NOTES TO FINANCIAL STATEMENTS

18. **Gain or Loss to the Insurer from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**
Not applicable.
19. **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**
No change.
20. **September 11 Events**
No change.
21. **Other Items**
 - A. **Extraordinary Items**
Not applicable.
 - B. **Troubled Debt Restructuring**
Not applicable.
 - C. **Other Disclosures**
No change.
 - D. **Uncollected Balances**
No change.
 - E. **Business Interruption Insurance Recoveries**
Not applicable.
22. **Events Subsequent**
Not applicable.
23. **Reinsurance**
A – C. No change.
24. **Retrospectively Rated Contracts and Contracts Subject to Redetermination**
Not applicable.
25. **Change in Incurred Losses and Loss Adjustment Expense**
Not applicable.
26. **Intercompany Pooling Arrangements**
Not applicable.
27. **Structured Settlements**
Not applicable.
28. **Health Care Receivables**
Not applicable.
29. **Participating Policies**
No change.
30. **Premium Deficiency Reserves**
Not applicable.
31. **Reserves for Life Contracts and Deposit-Type Contracts**
No change.
32. **Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics**
No change.
33. **Premium and Annuity Considerations Deferred and Uncollected**
No change.
34. **Separate Accounts**
No change.
35. **Loss/Claim Adjustment Expenses**
Not applicable.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

**PART 1 - COMMON INTERROGATORIES
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []
- 2.2 If yes, date of change: 03/09/2006
If not previously filed, furnish herewith a certified copy of the instrument as amended.

- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y - Part 1 - organizational chart.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] NA [X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2004
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1999
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/13/2001
- 6.4 By what department or departments?
New York State Insurance Department.....

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 OTS | 6 FDIC | 7 SEC |
|--------------------------------------|--------------------------------|----------|----------|----------|-----------|----------|
| NYLIFE Securities Inc..... | New York, NY..... | | | | | Yes..... |
| NYLIFE Distributors LLC..... | Parsippany, NJ..... | | | | | Yes..... |
| New York Life Trust Company FSB..... | Parsippany, NJ..... | | | Yes..... | | |

GENERAL INTERROGATORIES

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes No
- 10.2 If yes, explain:

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

11.2 If yes, give full and complete information relating thereto:
Dollar Repurchase Agreements of \$20,680,828 and Express Scripts, Inc. stock of \$769,411,500.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$280,700,784

13. Amount of real estate and mortgages held in short-term investments: \$

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Statement Value |
|--|--|---|
| 14.21 Bonds | \$356,057,334 | \$452,103,511 |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$4,590,293,612 | \$4,249,676,672 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$3,679,196,833 | \$2,813,760,963 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)..... | \$8,625,547,779 | \$7,515,541,146 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | 2 Custodian Address |
|--|--|
| Custodial Trust Company..... | 101 Carnegie Center, Princeton, NJ 08540..... |
| JP Morgan Chase..... | 3 Metrotech, North America Insurance-6th Flr., Brooklyn, NY 11245..... |
| Bank of New York..... | One Wall Street, New York, NY 10286..... |
| Mellon Bank..... | One Mellon Center, AIM 151-1435, Pittsburgh, PA 15258..... |
| RBC Dexia Investor Services Trust..... | 77 King Street West, 12th Floor, Toronto, ON, Canada M5W1P9..... |

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 Name(s) | 2 Location(s) | 3 Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |

- 16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? Yes No

16.4 If yes, give full and complete information relating thereto:

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------------|--|---------------------|--|
| Royal Trust Company..... | RBC Dexia Investor Services Trust..... | 01/01/2006..... | Transfer to combined entity Royal Trust/Dexia Banque International A Luxembourg..... |

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| 1 Central Registration Depository | 2 Name(s) | 3 Address |
|--------------------------------------|--|--|
| 109591..... | New York Life Investment Management LLC..... | 169 Lackawanna Avenue, Parsippany, NJ 07054..... |
| 116776..... | NYLCAP Manager LLC..... | 51 Madison Avenue, New York, NY 10010..... |
| 107717..... | Mackay Shields LLC..... | 9 West 57th Street, New York, NY 10019..... |

GENERAL INTERROGATORIES

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes No

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 2 - LIFE & HEALTH

| 1. | 1 |
|--|-------------------------------|
| Report the statement value of mortgage loans at the end of this reporting period for the following categories: | Amount |
| 1.1 Long-Term Mortgages In Good Standing | |
| 1.11 Farm Mortgages | \$ |
| 1.12 Residential Mortgages | \$ 267,924,750 |
| 1.13 Commercial Mortgages | \$ 7,830,014,413 |
| 1.14 Total Mortgages in Good Standing | <u>\$ 8,097,939,163</u> |
| 1.2 Long-Term Mortgages In Good Standing with Restructured Terms | |
| 1.21 Total Mortgages in Good Standing with Restructured Terms | \$ |
| 1.3 Long-Term Mortgages Loans Upon which Interest is Overdue more than Three Months | |
| 1.31 Farm Mortgages | \$ |
| 1.32 Residential Mortgages | \$ |
| 1.33 Commercial Mortgages | \$ |
| 1.34 Total Mortgages with Interest Overdue more than Three Months | <u>\$</u> |
| 1.4 Long-Term Mortgages Loans in Process of Foreclosure | |
| 1.41 Farm Mortgages | \$ |
| 1.42 Residential Mortgages | \$ |
| 1.43 Commercial Mortgages | \$ |
| 1.44 Total Mortgages in Process of Foreclosure | <u>\$</u> |
| 1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Col. 3, Lines 3.1 plus 3.2) | \$ 8,097,939,163 |
| 1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter | |
| 1.61 Farm Mortgages | \$ |
| 1.62 Residential Mortgages | \$ |
| 1.63 Commercial Mortgages | \$ |
| 1.64 Total Mortgages Foreclosed and Transferred to Real Estate | <u>\$</u> |

SCHEDULE A - VERIFICATION**Real Estate**

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 490,130,918 | 462,156,309 |
| 2. Increase (decrease) by adjustment | (9,099,348) | (18,940,960) |
| 3. Cost of acquired | 77,272,880 | 34,500,000 |
| 4. Cost of additions to and permanent improvements | 33,890,889 | 49,925,900 |
| 5. Total profit (loss) on sales | 2,584,515 | 585,579,034 |
| 6. Increase (decrease) by foreign exchange adjustment | | |
| 7. Amount received on sales | 81,497,183 | 623,089,365 |
| 8. Book/adjusted carrying value at end of current period | 513,282,672 | 490,130,918 |
| 9. Total valuation allowance | | |
| 10. Subtotal (Lines 8 plus 9) | 513,282,672 | 490,130,918 |
| 11. Total nonadmitted amounts | | |
| 12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) | 513,282,672 | 490,130,918 |

SCHEDULE B - VERIFICATION**Mortgage Loans**

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year..... | 7,734,764,804 | 7,742,981,003 |
| 2. Amount loaned during period: | | |
| 2.1. Actual cost at time of acquisitions | 845,092,761 | 1,364,168,227 |
| 2.2. Additional investment made after acquisitions | 5,216,483 | 22,225,308 |
| 3. Accrual of discount and mortgage interest points and commitment fees | 701,088 | 3,678,224 |
| 4. Increase (decrease) by adjustment | | |
| 5. Total profit (loss) on sale | 855,624 | (43,895,864) |
| 6. Amounts paid on account or in full during the period | 488,707,396 | 1,354,460,088 |
| 7. Amortization of premium | 16,079 | 29,057 |
| 8. Increase (decrease) by foreign exchange adjustment | 31,879 | 97,051 |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period | 8,097,939,164 | 7,734,764,804 |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | 8,097,939,164 | 7,734,764,804 |
| 12. Total nonadmitted amounts | | |
| 13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) | 8,097,939,164 | 7,734,764,804 |

SCHEDULE BA - VERIFICATION**Other Invested Assets**

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year..... | 5,360,825,792 | 5,455,881,671 |
| 2. Cost of acquisitions during period: | | |
| 2.1. Actual cost at time of acquisitions | 50,355,610 | 188,435,666 |
| 2.2. Additional investment made after acquisitions | 10,628,988,632 | 17,875,444,826 |
| 3. Accrual of discount | | |
| 4. Increase (decrease) by adjustment | (69,301,487) | 46,582,931 |
| 5. Total profit (loss) on sale | 4,891,519 | 21,256,717 |
| 6. Amounts paid on account or in full during the period | 11,292,442,970 | 18,223,942,713 |
| 7. Amortization of premium | 6,389,881 | 16,615 |
| 8. Increase (decrease) by foreign exchange adjustment | | |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period | 4,676,927,215 | 5,363,642,483 |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | 4,676,927,215 | 5,363,642,483 |
| 12. Total nonadmitted amounts | 243,524,159 | 151,134,836 |
| 13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) | 4,433,403,056 | 5,212,507,647 |

SCHEDULE D - VERIFICATION**Bonds and Stocks**

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 69,265,370,266 | 62,975,988,191 |
| 2. Cost of bonds and stocks acquired | 22,085,210,074 | 33,258,309,595 |
| 3. Accrual of discount | 133,543,001 | 247,046,876 |
| 4. Increase (decrease) by adjustment | (568,535,611) | 849,308,400 |
| 5. Increase (decrease) by foreign exchange adjustment | 28,048,469 | (58,940,533) |
| 6. Total profit (loss) on disposal | 233,935,172 | 332,669,560 |
| 7. Consideration for bonds and stocks disposed of | 19,408,647,363 | 28,104,274,373 |
| 8. Amortization of premium | 53,594,689 | 93,934,129 |
| 9. Book/adjusted carrying value, current period | 71,715,329,319 | 69,406,173,587 |
| 10. Total valuation allowance | | |
| 11. Subtotal (Lines 9 plus 10) | 71,715,329,319 | 69,406,173,587 |
| 12. Total nonadmitted amounts | 140,803,311 | 140,803,311 |
| 13. Statement value | 71,715,329,319 | 69,265,370,276 |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

| | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|-------------------------------------|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. Class 1 | 45,494,896,845 | 91,168,883,728 | 90,465,446,633 | 252,430,177 | 45,494,896,845 | 46,450,764,117 | | 43,611,737,035 |
| 2. Class 2 | 15,814,418,304 | 3,388,626,421 | 3,038,333,371 | (268,833,757) | 15,814,418,304 | 15,895,877,597 | | 15,704,399,873 |
| 3. Class 3 | 1,977,772,799 | 165,360,750 | 108,803,233 | 104,555,883 | 1,977,772,799 | 2,138,886,199 | | 2,034,666,141 |
| 4. Class 4 | 2,163,778,943 | 287,027,242 | 186,428,114 | 29,482,981 | 2,163,778,943 | 2,293,861,052 | | 2,069,128,507 |
| 5. Class 5 | 463,702,109 | 31,944,567 | 31,311,933 | (17,895,505) | 463,702,109 | 446,439,238 | | 447,053,945 |
| 6. Class 6 | 45,853,299 | 1,994,538 | 23,275 | 4,105,320 | 45,853,299 | 51,929,882 | | 64,247,749 |
| 7. Total Bonds | 65,960,422,299 | 95,043,837,246 | 93,830,346,559 | 103,845,099 | 65,960,422,299 | 67,277,758,085 | | 63,931,233,250 |
| PREFERRED STOCK | | | | | | | | |
| 8. Class 1 | 165,379,379 | | 30,810,516 | (18,705,817) | 165,379,379 | 115,863,046 | | 166,000,789 |
| 9. Class 2 | 106,180,403 | 6,608,405 | 11,000,000 | 18,731,551 | 106,180,403 | 120,520,359 | | 80,520,098 |
| 10. Class 3 | 4,630,000 | | 4,630,000 | | 4,630,000 | | | 6,396,191 |
| 11. Class 4 | 68,843,070 | 4,586,000 | 26,815,650 | (2,682,652) | 68,843,070 | 43,930,768 | | 54,181,194 |
| 12. Class 5 | 35,034,919 | 1,707,184 | 16,116,659 | 319,433 | 35,034,919 | 20,944,877 | | 34,131,055 |
| 13. Class 6 | 13,991,115 | 1,417,532 | | (720,129) | 13,991,115 | 14,688,518 | | 14,384,594 |
| 14. Total Preferred Stock | 394,058,886 | 14,319,121 | 89,372,825 | (3,057,614) | 394,058,886 | 315,947,568 | | 355,613,921 |
| 15. Total Bonds and Preferred Stock | 66,354,481,185 | 95,058,156,367 | 93,919,719,384 | 100,787,485 | 66,354,481,185 | 67,593,705,653 | | 64,286,847,171 |

SCHEDULE DA - PART 1**Short-Term Investments Owned End of Current Quarter**

| | 1 | 2 | 3 | 4 | 5 |
|----------------|---------------------------------|-----------|---------------|------------------------------------|--|
| | Book/Adjusted Carrying Value | Par Value | Actual Cost | Interest Collected Year To Date | Paid for Accrued Interest Year To Date |
| 8299999 Totals | 1,480,695,744 | XXX | 1,479,988,575 | 1,218,759 | 45,939 |

SCHEDULE DA - PART 2- VERIFICATION**Short-Term Investments Owned**

| | 1 | 2 |
|---|-----------------|---------------------------------|
| | Year To Date | Prior Year Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year..... | 1,149,902,879 | 796,583,937 |
| 2. Cost of short-term investments acquired | 156,001,315,184 | 193,348,910,277 |
| 3. Increase (decrease) by adjustment | 1,575,844 | 592,096 |
| 4. Increase (decrease) by foreign exchange adjustment | | |
| 5. Total profit (loss) on disposal of short-term investments | (3,534) | 783 |
| 6. Consideration received on disposal of short-term investments | 155,672,094,629 | 192,996,184,214 |
| 7. Book/adjusted carrying value, current period | 1,480,695,744 | 1,149,902,879 |
| 8. Total valuation allowance | | |
| 9. Subtotal (Lines 7 plus 8) | 1,480,695,744 | 1,149,902,879 |
| 10. Total nonadmitted amounts | | |
| 11. Statement value (Lines 9 minus 10) | 1,480,695,744 | 1,149,902,879 |
| 12. Income collected during period | 33,477,029 | 32,467,186 |
| 13. Income earned during period | 33,196,879 | 32,634,819 |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

SCHEDULE DB - PART F- SECTION 1

Replicated (Synthetic) Assets Open

| Replicated (Synthetic) Asset | | | | | Components of the Replicated (Synthetic) Asset | | | | | | |
|------------------------------------|---------------------------------------|--|-------------------------|--------------------|--|-----------------|-------------------------|------------------|--------------------------|--------------------|---|
| 1 Replication RSAT Number | 2 Description | 3 NAIC Designation or Other Description | 4 Statement Value | 5 Fair Value | Derivative Instruments Open | | Cash Instrument(s) Held | | | | |
| | | | | | 6 Description | 7 Fair Value | 8 CUSIP | 9 Description | 10 Statement Value | 11 Fair Value | 12 NAIC Designation or Other Description |
| 478366E*4 | Johnson Controls 5 yr bond | 1 | 10,000,000 | 10,027,441 | Johnson Controls Credit Default Swap | 536 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,026,905 | 1 |
| 928670A@7 | Volkswagon 5 yr bond | 1 | 10,000,000 | 10,073,914 | Volkswagon Credit Default Swap | 73,914 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 06738CF*5 | Barclays Bank 5 yr bond | 1 | 10,000,000 | 10,039,253 | Barclays Bank Credit Default Swap | 39,253 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 86959CA*4 | Svenska 5 yr bond | 1 | 10,000,000 | 10,031,327 | Svenska Credit Default Swap | 31,327 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 22160KA*6 | Costco Wholesale 5 yr bond | 1 | 10,000,000 | 10,025,723 | Costco Wholesale Credit Default Swap | 25,723 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 14911RA*0 | Caterpillar Financial 5 yr bond | 1 | 10,000,000 | 10,035,790 | Caterpillar Financial Credit Default Swa | 35,790 | 912828-BR-0 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 83364LA*0 | Societe Generale 5 yr bond | 1 | 10,000,000 | 10,039,081 | Societe Generale Credit Default Swap | 39,081 | 912828-BH-2 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 037411B@3 | Apache Corp 5 yr bond | 1 | 10,000,000 | 10,029,730 | Apache Corp Credit Default Swap | 39,837 | 912828-BR-0 | U.S. Treasury | 10,000,000 | 9,989,893 | 1 |
| N2821#AA2 | E. On International Finance 5 yr bond | 1 | 10,000,000 | 10,025,862 | E.On International Finance Credit Default | 25,862 | 912828-BR-0 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| N7273#AA4 | RWE Finance 5 yr bond | 1 | 10,000,000 | 10,034,045 | RWE Finance Credit Default Swap | 34,045 | 912828-BR-0 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 009158E*3 | Air Products and Chemical | 1 | 10,000,000 | 10,025,724 | Air Products & Chemical Credit Default S | 25,724 | 912828-BR-0 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 14149YA*9 | Cardinal Health Inc. | 1 | 10,000,000 | 10,033,880 | Cardinal Health Credit Default Swap | 33,880 | 912828-CA-6 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 235851D*0 | Danaher | 1 | 10,000,000 | 10,042,448 | Danaher Corp Credit Default Swap | 42,448 | 912828-CA-6 | U.S. Treasury | 10,000,000 | 10,000,000 | 1 |
| 9999999 Totals | | | 130,000,000 | 130,464,218 | XXX | 447,421 | XXX | XXX | 130,000,000 | 130,016,797 | XXX |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

SCHEDULE DB - PART F - SECTION 2

Reconciliation of Replicated (Synthetic) Assets Open

| | First Quarter | | Second Quarter | | Third Quarter | | Fourth Quarter | | Year-to-Date | |
|---|--------------------------|--|--------------------------|--|--------------------------|--|--------------------------|--|--------------------------|---|
| | 1 Number of Positions | 2 Total Replicated (Synthetic) Assets Statement Value | 3 Number of Positions | 4 Total Replicated (Synthetic) Assets Statement Value | 5 Number of Positions | 6 Total Replicated (Synthetic) Assets Statement Value | 7 Number of Positions | 8 Total Replicated (Synthetic) Assets Statement Value | 9 Number of Positions | 10 Total Replicated (Synthetic) Assets Statement Value |
| 1. Beginning Inventory | 17 | 170,000,000 | 14 | 140,000,000 | | | | | 17 | 170,000,000 |
| 2. Add: Opened or Acquired Transactions | | | | | | | | | | |
| 3. Add: Increases in Replicated Asset Statement Value | XXX | | XXX | | XXX | | XXX | | XXX | |
| 4. Less: Closed or Disposed of Transactions | 3 | 30,000,000 | 1 | 10,000,000 | | | | | 4 | 40,000,000 |
| 5. Less: Positions Disposed of for Failing Effectiveness Criteria | | | | | | | | | | |
| 6. Less: Decreases in Replicated (Synthetic) Asset Statement Value | XXX | | XXX | | XXX | | XXX | | XXX | |
| 7. Ending Inventory | 14 | 140,000,000 | 13 | 130,000,000 | | | | | 13 | 130,000,000 |

SCHEDULE S—CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

| 1 NAIC Company Code | 2 Federal ID Number | 3 Name of Reinsurer | 4 Location | 5 Is Insurer Authorized? (Yes or No) |
|---------------------------|---------------------------|------------------------------------|---------------|---|
| | | LIFE AND ANNUITY AFFILIATES | | |
| | | LIFE AND ANNUITY NON-AFFILIATES | | |
| | | ACCIDENT AND HEALTH AFFILIATES | | |
| | | ACCIDENT AND HEALTH NON-AFFILIATES | | |
| NONE | | | | |

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

| States, Etc. | 1 | Direct Business Only | | | | | |
|--|-------------------------|------------------------|---|-----------------------------|----------------------|---------------|-------------|
| | | Life Contracts | | 4 | 5 | 6 | |
| | | 2 | 3 | | | | |
| Is Insurer Licensed? (Yes or No) | Life Insurance Premiums | Annuity Considerations | Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | Deposit-Type Contract Funds | Other Considerations | | |
| 1. Alabama | AL | Yes | 30,428,562 | 82,008 | 3,752,566 | 1,449,085 | (70,808) |
| 2. Alaska | AK | Yes | 12,822,821 | 128,828 | 1,094,300 | 39,987 | (120,073) |
| 3. Arizona | AZ | Yes | 31,478,962 | 678,970 | 3,977,350 | 885,346 | (483,735) |
| 4. Arkansas | AR | Yes | 15,550,468 | 181,333 | 2,044,834 | 297,955 | 232,561 |
| 5. California | CA | Yes | 310,848,072 | 13,637,441 | 27,934,555 | 2,126,371 | 76,411,421 |
| 6. Colorado | CO | Yes | 31,887,085 | 480,095 | 5,103,583 | 96,686 | (448,757) |
| 7. Connecticut | CT | Yes | 21,199,507 | 299,821 | 2,543,268 | 69,546 | (126,720) |
| 8. Delaware | DE | Yes | 6,061,649 | 145,805,568 | 495,851 | 1,620,513,418 | 7,210,091 |
| 9. District of Columbia | DC | Yes | 4,848,627 | 410,146 | 483,708 | 99,750 | (222,144) |
| 10. Florida | FL | Yes | 83,052,699 | 9,360,765 | 13,162,229 | 1,320,721 | (1,100,978) |
| 11. Georgia | GA | Yes | 55,011,579 | 3,447,676 | 6,471,453 | 100,502,071 | 9,842,387 |
| 12. Hawaii | HI | Yes | 12,566,572 | 384,292 | 1,604,117 | 200,475 | (397,137) |
| 13. Idaho | ID | Yes | 6,668,297 | 620,381 | 1,151,443 | 304,219 | (179,206) |
| 14. Illinois | IL | Yes | 72,170,067 | 20,162,871 | 8,317,529 | 200,186,690 | 15,277,354 |
| 15. Indiana | IN | Yes | 17,622,076 | 155,973 | 2,791,392 | 349,261 | (156,682) |
| 16. Iowa | IA | Yes | 25,563,483 | 2,785,456 | 3,504,292 | 615,130 | 164,595 |
| 17. Kansas | KS | Yes | 22,020,739 | 1,204,013 | 2,893,617 | 489,028 | (493,300) |
| 18. Kentucky | KY | Yes | 21,918,217 | 1,236,496 | 2,599,872 | 41,160 | (185,904) |
| 19. Louisiana | LA | Yes | 56,095,081 | 369,752 | 13,376,464 | 606,656 | (353,883) |
| 20. Maine | ME | Yes | 5,679,914 | 160,191 | 941,548 | 201,269 | (176,002) |
| 21. Maryland | MD | Yes | 43,319,166 | 7,904,470 | 4,462,759 | 379,200 | 8,194,166 |
| 22. Massachusetts | MA | Yes | 49,899,657 | 7,999,744 | 4,589,231 | 171,945,301 | 114,304,320 |
| 23. Michigan | MI | Yes | 32,726,977 | 2,142,521 | 3,969,469 | 450,241 | 873,457 |
| 24. Minnesota | MN | Yes | 22,952,121 | 935,194 | 2,111,900 | 331,603 | 10,894,217 |
| 25. Mississippi | MS | Yes | 15,628,009 | 36,766 | 4,914,357 | 61,293 | (36,766) |
| 26. Missouri | MO | Yes | 26,436,381 | 530,191 | 4,155,451 | 196,143 | (352,770) |
| 27. Montana | MT | Yes | 10,269,606 | 101,627 | 1,362,628 | 56,000 | (49,528) |
| 28. Nebraska | NE | Yes | 11,352,682 | 50,149 | 2,043,784 | 353,886 | (50,149) |
| 29. Nevada | NV | Yes | 21,545,556 | 2,049,591 | 1,814,809 | 103,816 | 2,330,446 |
| 30. New Hampshire | NH | Yes | 10,816,947 | 161,981 | 1,246,778 | 184,976 | (84,287) |
| 31. New Jersey | NJ | Yes | 83,323,785 | 3,701,973 | 6,805,395 | 385,120,809 | (952,206) |
| 32. New Mexico | NM | Yes | 13,363,720 | 63,264 | 1,868,240 | 26,832,581 | (34,483) |
| 33. New York | NY | Yes | 259,568,771 | 20,080,319 | 36,325,612 | 902,447,324 | 606,402,631 |
| 34. North Carolina | NC | Yes | 44,948,230 | 524,701 | 5,840,717 | 235,092 | 117,130 |
| 35. North Dakota | ND | Yes | 4,085,521 | 33,830 | 455,747 | 32,398 | (22,508) |
| 36. Ohio | OH | Yes | 55,251,742 | 727,857 | 6,143,838 | 55,910,533 | 152,043 |
| 37. Oklahoma | OK | Yes | 22,756,448 | 1,254,723 | 8,291,137 | 280,194 | 1,985,530 |
| 38. Oregon | OR | Yes | 16,022,947 | 541,204 | 2,417,891 | 314,661 | (600,874) |
| 39. Pennsylvania | PA | Yes | 74,567,490 | 423,296 | 7,394,678 | 770,806 | 23,948,854 |
| 40. Rhode Island | RI | Yes | 4,770,209 | 34,554 | 453,448 | 258,431 | (34,374) |
| 41. South Carolina | SC | Yes | 27,801,411 | 2,009,344 | 3,217,498 | 263,266 | (73,987) |
| 42. South Dakota | SD | Yes | 15,179,734 | 20,478 | 1,351,840 | 85,961 | (19,974) |
| 43. Tennessee | TN | Yes | 20,657,087 | 278,284 | 3,732,293 | 111,722 | (310,057) |
| 44. Texas | TX | Yes | 122,283,983 | 57,716,154 | 29,924,072 | 326,968,760 | 2,525,858 |
| 45. Utah | UT | Yes | 14,983,997 | 939,825 | 1,125,260 | 136,948 | (437,749) |
| 46. Vermont | VT | Yes | 4,969,270 | 636 | 646,320 | 195,750 | (396) |
| 47. Virginia | VA | Yes | 53,579,930 | 25,454,662 | 7,185,344 | 459,093 | (156,804) |
| 48. Washington | WA | Yes | 47,354,498 | 2,209,746 | 4,843,752 | 91,924,727 | (791,974) |
| 49. West Virginia | WV | Yes | 9,815,377 | 43,210 | 1,049,343 | 88,116 | (43,204) |
| 50. Wisconsin | WI | Yes | 23,008,694 | 1,829,756 | 3,908,906 | 205,602 | 8,832,379 |
| 51. Wyoming | WY | Yes | 6,669,471 | 51,070 | 1,140,514 | | (43,061) |
| 52. American Samoa | AS | No | | | | | |
| 53. Guam | GU | No | 121,778 | | 8,186 | | |
| 54. Puerto Rico | PR | Yes | 786,793 | 20,371 | 303,808 | | (20,371) |
| 55. US Virgin Islands | VI | Yes | 833,360 | 4,410 | 21,119 | | (4,410) |
| 56. Northern Mariana Islands | MP | No | | | | | |
| 57. Canada | CN | Yes | 9,862,582 | 263,239 | 176,385 | | (263,239) |
| 58. Aggregate Other Alien | OT | XXX | 10,611,631 | 48,677 | 291,484 | 341,255,916 | (48,596) |
| 59. Subtotal | (a) 53 | | 2,035,620,038 | 341,779,893 | 269,837,964 | 4,238,355,973 | 880,752,344 |
| 90. Reporting entity contributions for employee benefit plans | XXX | | 60,484 | | | | |
| 91. Dividends or refunds applied to purchase paid-up additions and annuities | XXX | | 602,512,972 | 362,557 | | | |
| 92. Dividends or refunds applied to shorten endowment or premium paying period | XXX | | | | | | |
| 93. Premium or annuity considerations waived under disability or other contract provisions | XXX | | 24,197,945 | 1,187 | 3,792,530 | | |
| 94. Aggregate of other amounts not allocable by State | XXX | | 289,780,970 | | | | |
| 95. Totals (Direct Business) | XXX | | 2,952,172,409 | 342,143,637 | 273,630,494 | 4,238,355,973 | 880,752,344 |
| 96. Plus Reinsurance Assumed | XXX | | 218,223,374 | | 7,546,476 | | |
| 97. Totals (All Business) | XXX | | 3,170,395,783 | 342,143,637 | 281,176,970 | 4,238,355,973 | 880,752,344 |
| 98. Less Reinsurance Ceded | XXX | | 121,015,510 | | 45,915,671 | | |
| 99. Totals (All Business) less Reinsurance Ceded | XXX | | 3,049,380,273 | 342,143,637 | 235,261,299 | 4,238,355,973 | 880,752,344 |
| DETAILS OF WRITE-INS | | | | | | | |
| 5801. Other Foreign | XXX | | 10,611,631 | 48,677 | 291,484 | 341,255,916 | (48,596) |
| 5802. | XXX | | | | | | |
| 5803. | XXX | | | | | | |
| 5898. Summary of remaining write-ins for Line 58 from overflow page | XXX | | | | | | |
| 5899. Totals (Lines 5801 thru 5803 plus 5898)(Line 58 above) | XXX | | 10,611,631 | 48,677 | 291,484 | 341,255,916 | (48,596) |
| 9401. Paid-up Additions Applied as Credits | XXX | | 281,039,804 | | | | |
| 9402. Dividend Accumulations applied as premium or annuity consider in states not allow a dividend deduction | XXX | | 8,741,166 | | | | |
| 9403. | XXX | | | | | | |
| 9498. Summary of remaining write-ins for Line 94 from overflow page | XXX | | | | | | |
| 9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above) | XXX | | 289,780,970 | | | | |

(a) Insert the number of yes responses except for Canada and Other Alien.

STATEMENT AS OF JUNE 30, 2006 OF THE NEW YORK LIFE INSURANCE COMPANY

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

Haier New York Life Insurance Company Limited (2),
New York Life Insurance and Annuity Corporation (13-3044743) (1): NAIC Company Code 91596; DE,
New York Life International, LLC (13-4199614) (1),
NYLIFE Insurance Company of Arizona (52-1530175) (1): NAIC Company Code 81353; AZ,
are direct insurance subsidiaries of
New York Life Insurance Company (13-5582869) (1): NAIC Company Code 66915; NY,
Express Scripts Insurance Company (86-0754726) (1): NAIC Company Code 60025; AZ, Fianzas Monterrey, S.A. (2), ,
HSBC New York Life Seguros de Retiro (Argentina), S.A. (2),
HSBC New York Life Seguros de Vida (Argentina), S.A. (2),
Max New York Life Insurance Company Limited (2),
New York Life Insurance (Philippines), Inc. (2),
New York Life Insurance Limited (2),
New York Life Insurance Taiwan Corporation (2),
New York Life Insurance Worldwide Limited (2),
Seguros Monterrey New York Life, SA. de C.V. (2),
Siam Commercial New York Life Insurance Public Company Limited (2),
are indirect insurance subsidiaries of New York Life Insurance Company.
New York Life Investment Management Holdings, LLC (52-2206685) (1) and NYLIFE LLC (13-4081725) (1)
are direct non-insurance subsidiaries of New York Life Insurance Company.
Express Scripts, Inc. (43-1420563) (1),
is both a direct and indirect non-insurance subsidiary of
New York Life Insurance Company.

(1) Federal Employer's Identification Number

(2) Indicates Foreign Company; thus, no Federal Employer's Identification Number is Shown

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1.

Bar Code:

1.



OVERFLOW PAGE FOR WRITE-INS

LQ002 Additional Aggregate Lines for Page 02 Line 23.

*ASSETS

| | 1 | 2 | 3 | 4 |
|---|---------------|-----------------------|---|--|
| | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | December 31 Prior Year Net Admitted Assets |
| 2304. Amount due for undelivered securities..... | 32,187,544 | 431,054 | 31,756,490 | 12,345,068 |
| 2305. Federal employees' group life conversion pool fund..... | 3,378,073 | | 3,378,073 | 3,378,073 |
| 2306. Administrative and other fees due and unpaid..... | 1,596,629 | | 1,596,629 | 1,325,730 |
| 2307. Prepaid real estate taxes..... | 501,827 | | 501,827 | 718,798 |
| 2308. Miscellaneous..... | 1,124,932,778 | 1,124,932,778 | | |
| 2397. Summary of remaining write-ins for Line 23 from Page 02 | 1,162,596,851 | 1,125,363,832 | 37,233,019 | 17,767,669 |

LQ003 Additional Aggregate Lines for Page 03 Line 25.

*LIAB

| | 1 | 2 |
|---|------------------------------|---------------------------|
| | Current Statement Date | December 31 Prior Year |
| 2504. Obligations under structured settlement agreements..... | 154,265,158 | 152,951,546 |
| 2505. Indemnity reserve on surplus notes..... | 88,889,000 | 100,000,000 |
| 2506. General contingency reserve..... | 56,213,761 | 58,767,204 |
| 2507. Liability for interest on claims..... | 19,825,083 | 17,642,185 |
| 2508. Adjustment to agents' progress sharing plan liability..... | 18,934,220 | 20,864,717 |
| 2509. Reserves required on certain group annuity separate accounts..... | 13,732,498 | 16,457,333 |
| 2510. Conversion costs payable..... | 318,025 | 6,350 |
| 2597. Summary of remaining write-ins for Line 25 from Page 03 | 352,177,745 | 366,689,335 |

LQ004 Additional Aggregate Lines for Page 04 Line 27.

*SUMOPS

| | 1 | 2 | 3 |
|---|-------------------------|-----------------------|---------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| 2704. Fines and penalties from regulatory authorities..... | 60,394 | 94,003 | 79,246 |
| 2797. Summary of remaining write-ins for Line 27 from Page 04 | 60,394 | 94,003 | 79,246 |

LQ004 Additional Aggregate Lines for Page 04 Line 53.

*SUMOPS

| | 1 | 2 | 3 |
|---|-------------------------|-----------------------|---------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| 5304. Prior period correction..... | | (5,000,000) | (5,000,000) |
| 5305. Minimum pension liability adjustment..... | | | (20,784,971) |
| 5397. Summary of remaining write-ins for Line 53 from Page 04 | | (5,000,000) | (25,784,971) |