We always knew whole life was good for your family. Now we know it can be good for your portfolio, too.

Give your loved ones income protection, and more.

People buy whole life insurance for a whole lot of reasons—mostly for the peace of mind and financial security the death benefit provides. But, as a recent study found, whole life insurance has a unique combination of benefits that protects your family, and supports your portfolio, at the same time.

Enjoy cash value growth—with less risk to your portfolio.

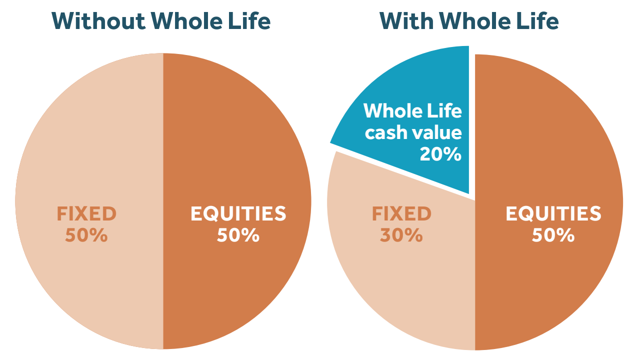
While we have long believed that the guaranteed cash value[1] and dividend potential[2] of whole life insurance can benefit a portfolio, we commissioned Morningstar Investment Management to test our theory. They compared two model portfolios—one with a 50–50 mix of stocks and traditional fixed income investments (such as bonds or bond funds), and one that replaced 20% of the fixed income investments with whole life insurance. Here's what they found.

Morningstar tested it—and confirmed it.

The Morningstar study found that the portfolio with whole life generated potentially almost the same return as the portfolio without it, but because the cash value accumulation grew more steadily than the fixed income investments (which rose and fell with market conditions), the risk/volatility was significantly lower.[3] Plus, the cash value accumulated tax-deferred, which tipped the scale even further in whole life's direction. Please see footnote 4 for assumptions related to the data. Results for any individual may vary significantly.[4]

The more life you add, the less risk potential you get.

So what happened when Morningstar adjusted the portfolio mix and added even more whole life to the equation? As you can see from the following table, the return was only minimally affected, while the overall portfolio risk was reduced by .27 basis points when whole life replaced 20% of the fixed income portion of the portfolio, and .43% when it replaced 40% of the portfolio.

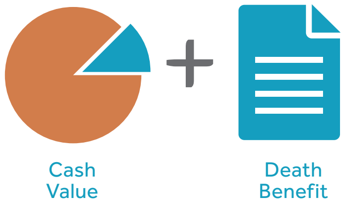


	Portfolio Without Whole Life	Portfolio With Whole Life	Basis Point Difference
Return	6.39%	6.35%	.04
Risk	8.41%	8.14%	.27

	Portfolio A 50% Stocks 50% Bonds 0% Whole Life	Portfolio B 50% Stocks 30% Bonds 20% Whole Life	Portfolio C 50% Stocks 10% Bonds 40% Whole Life	Basis Point Difference (Portfolio A-C)
Return	6.39%	6.35%	6.31%	.08
Risk	8.41%	8.14%	7.98%	.43

[1] Guarantees are based on the claims-paying ability of the issuer.
[2] Dividends are not guaranteed, but have been paid for 163 consecutive years.
[3] The return for the whole life policy in this context is a measure of the interest rate at which the net present value of the premiums paid equals the net present value of the cash value, over a given period of time. The risk of the cash value of a whole life policy is the percentage variation between the projected and realized cash surrender values on an annual basis. A higher risk percentage indicates greater volatility. The risk of the equity and fixed income indexes represents the percentage variation in price changes for the securities making up the indexes.
[4] These results were based on an evaluation of the realized dividends and cash surrender values of a whole life policy issued 1/1/82–12/31/16 (35-year-old male, $250,000 face amount, best risk class rating, annual premium of $3,585) and the historical results of the S&P 500 and Bloomberg Barclays US Aggregate Bond Index. The indexes are unmanaged broad-based indicators of the U.S. stock and bond markets. Past results of the policy and the indexes are no indication of future results. Index results have been reduced to reflect Morningstar's estimate of taxes and investment management fees. Pricing and underwriting factors have changed significantly since 1982, which can affect the results.

The death benefit adds even more value.



If you're still not convinced about the long-term value life insurance provides, take a moment to consider the death benefit your loved ones will eventually receive. From the moment your policy is in force, your family is 100% protected and, as long as you continue to pay your premiums, your death benefit is 100% guaranteed.[1] What's more, the proceeds of a life insurance policy are usually free from federal income tax—making it an extremely efficient way to transfer wealth.

Limitations of the study.

The Morningstar study assumes the hypothetical owner remains in the policy for 35 years and pays all premiums. It assumes that no withdrawals or loans have been made during the period, although policy owner actions can affect the results of a life insurance policy significantly. The results are based on past dividend history, but it's important to know that dividends are not guaranteed and future dividend payout rates cannot be predicted. Because New York Life's future investment results, mortality experience, and expenses will be different from the past, this research cannot make any assurances about the future.

What about liquidity?

While stocks and bonds can be liquidated as needed, timing can be an issue since the value of your assets will often fluctuate with the market. Plus, you may have to pay taxes on any profits and may lose some opportunity for future growth. If, on the other hand, your need for death benefit protection changes, you can access the cash value of your policy as needed, and replace it whenever it is convenient. Best of all, any money you borrow can be 100% tax-free if structured properly.[5] (Keep in mind that a life insurance policy is not designed to be as liquid as an equity or fixed income investment. A life insurance policy involves a risk of lapse or a reduction in death benefit if premiums are not paid and dividends are not high enough to pay them.)

[5] Loans against the policy and cash value accrue interest and, if not paid back, will reduce the policy's death benefit and cash value. There may be tax implications for loans from policies recognized as modified endowment contracts (MECs), or if you partially surrender your policy with the surrender exceeding the cost basis of the policy. Distributions, including loans, from an MEC are taxable to the extent of the gain in the policy and may be subject to a 10% additional tax if the owner is under age 59½.

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New York Life Insurance Company is the issuer of New York Life Whole Life.
In Oregon, the Whole Life policy form number is ICC15216-50P.

New York Life Insurance Company

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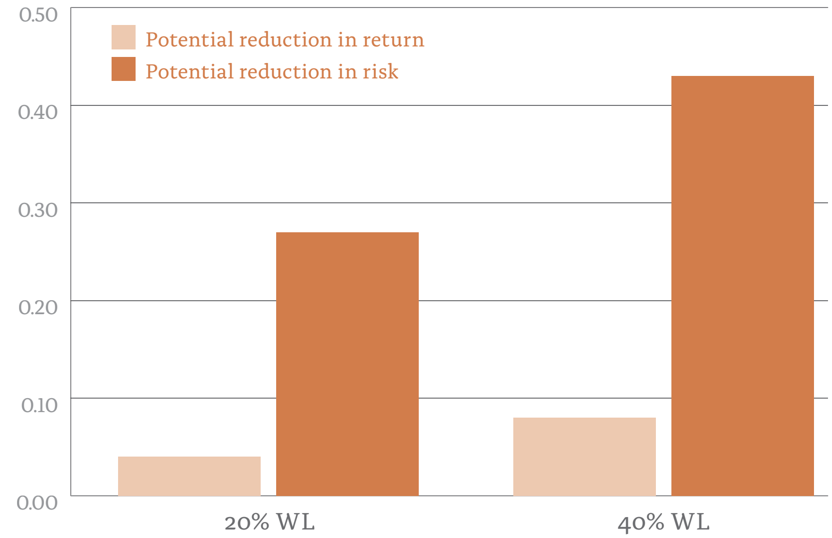
IS THE TRADE-OFF WORTH IT?[3,4]

(Change in risk/return when adding whole life to the portfolio.)



	20% WL	40% WL
Potential reduction in return	.04	.08
Potential reduction in risk	.27	.43

Act now to protect your family and your portfolio.

Let us show you how whole life insurance can help protect your family—and strengthen your portfolio—all in one easy step. All you have to do is ask, and your New York Life agent will be happy to answer all your questions.