

New York Life's Terminal Funding Contract



Description

New York Life Insurance Company's (New York Life) Terminal Funding Contract (Form GP-TFCQ) is a non-participating group annuity contract designed to provide guaranteed fixed annuity benefits payable under Qualified Defined Benefit or Defined Contribution plans.

Product Objective

To provide plan sponsors with a secure vehicle to purchase guaranteed fixed annuity benefits for retiring plan participants.

Benefits To Plan Sponsors

- Long-term financial liability for paying monthly benefits is transferred to New York Life.
- Ongoing administrative responsibilities for paying monthly benefits are eliminated.
- For active plans, purchases can be made on an ongoing, month-by-month basis at the time plan participants retire.
- Cash flow is controlled as purchases can be made throughout the year at the time plan participants retire.

Features

Benefit and claims processing handled directly by New York Life:

- Benefit illustrations available to plan sponsors
- Benefit elections and payment start-up
- Federal, state and foreign tax withholding elections
- Death benefits and contingent benefit payments

Administrative servicing for plan participants provided by New York Life:

- Benefit payments made monthly by choice of electronic fund transfer or by check
- Federal, state and foreign income tax withholding and reporting
- Address and payment directive changes
- Income verifications
- Beneficiary designation changes

- Toll free number or internet address (www.nylim.com/gp) for retirees to contact New York Life

Non-Participating Benefit Payments

Lock in actuarial basis at date of purchase.

- No interest volatility associated with benefit distributions.
- No additional administrative costs incurred by the plan sponsor.

Guarantee

The guarantee is provided by New York Life Insurance Company