



# 12.00%

## Premium Deposit Account Rate for the month of January

All,

For the month of January, the rate on the New York Life Premium Deposit Account (PDA) is increasing to 12.00% for the first year.<sup>1</sup> This first-year promotional rate is followed by 6.00% in subsequent years, when 4 or more life insurance premiums are funded through the Premium Deposit Account\*\*.

At current rates, the PDA can reduce your client's out-of-pocket costs by<sup>2</sup>:

- **5-Pay:** 14%
- **10-Pay:** 25%
- **15-Pay:** 34%

*The PDA does not reduce premiums. It applies an interest rate to the premiums, in order to reduce out-of-pocket costs. The PDA is used to fund a Custom Whole Life, Secure Wealth Plus, VUL Accumulator II, or Market Wealth Plus policy in a lump sum without creating a modified endowment contract. The PDA interest is applied to premiums to reduce the client's out-of-pocket costs.*

Please call your Field Director for more info.

Scott

H. Scott Long, CLU, ChFC

## Head of Third Party Distribution, Retail Life New York Life Insurance Company

<sup>1</sup>Eligible on four or more life insurance premiums funded through a Premium Deposit Account. The first-year rate does not reflect the effective yield of the Premium Deposit Account, which will vary based on how long the premium-paying period is and will be lower than the first-year rate stated above. A Premium Deposit Account is designed to fund a Custom Whole Life policy in a lump sum and offers a guaranteed interest rate that is applied to the payment of premiums, reducing out-of-pocket costs. Premium Deposit Account rates are subject to change. Guarantees are based on the claims-paying ability of the issuer. A penalty may apply if the Premium Deposit Account is surrendered. Any interest earned on the PDA will be taxable and, subject to requirements, will be reported to you on IRS Form 1099-INT.

<sup>2</sup>The out of pocket % savings shown are based on a 12% first year Premium Deposit Account rate and a 6% rate thereafter.

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