

# NextGen 529<sup>®</sup> Principal Plus Portfolio Client Select Series

Class I for Fee Based Advisors

For the New York Life Guaranteed Interest Account

As of 7/1/2024

Category	Stable Principal
Interest rate <sup>2</sup>	3.38%
GIA portfolio expense <sup>3</sup>	0.05%
NextGen program expense <sup>4</sup>	0.09%
Net rate (after expenses)	3.24%

The Principal Plus Portfolio Select Series invests in the GIA, a broadly diversified fixed income portfolio within the New York Life General Account. It was established to provide stable low-risk returns in support of the guarantees of principal and accumulated interest offered under GIA funding agreement contracts<sup>2</sup> issued by New York Life Insurance Company (New York Life). The GIA interest rate credited by New York Life is reset every January 1st and July 1st of each year.

## Product Management

The GIA is not managed to a specific benchmark. Rather, New York Life utilizes a disciplined and highly collaborative investment process that is grounded on the following key principles:

- Portfolio diversification
- Long-term focus
- Bottom-up fundamental research
- Appropriate level of liquidity

New York Life may use affiliated and/or unaffiliated investment managers in the implementation of the overall General Account investment strategy.

## New York Life General Account

Sector Diversification	As of 3/31/2024
Public / Private Corporates & Municipals	53.8%
Commercial Mortgage Loans	11.5%
Cash / U.S. Govt & Agency Securities	10.3%
Asset-Backed Securities	8.0%
Other	6.6%
Commercial Mortgage-Backed Securities	4.6%
Policy Loans	4.2%
Mortgage-Backed Securities/Collateralize Mortgage Obligations	1.0%

The Principal Plus Portfolio currently invests in one or more New York Life's Guaranteed Interest Account (GIA) contracts. The GIA is a general account funding agreement seeking to provide a low-risk, stable investment option. The GIA offers participants competitive yields and limited volatility, with a guarantee of principal and accumulated interest.<sup>1</sup>

## Contract Issuer and Guarantee Provider

New York Life issues the GIA funding agreement and provides the guarantee of principal and accumulated interest.<sup>1</sup>

A leading provider of stable value products for over 35 years, New York Life currently manages more than \$35 billion in stable value assets. New York Life Insurance Company, a mutual life insurance company founded in 1845, holds the highest ratings for financial strength currently awarded to a U.S. insurer from the principal rating agencies:

A++	AAA	Aaa	AA+
SUPERIOR	EXCEPTIONALLY STRONG	EXCEPTIONAL	VERY STRONG
A.M. BEST	FITCH	MOODY'S	STANDARD & POOR'S

Source: Individual third-party ratings reports as of 11/17/2023.

Note: The financial strength of New York Life Insurance Company applies only to its insurance products and not to investment products which are subject to market risk and fluctuation in value.

Guarantees are based on the claims-paying ability of New York Life.

## Principal Plus Portfolio & Transfer Restrictions

Participants may deposit and withdraw on a daily basis at contract value. Participants may also transfer to other investment options in the plan. Transfer restrictions may exist for any plan offering competing funds. Competing funds may include money market funds, other guaranteed funds, and bond funds with a duration of less than three years. Participants should contact the plan administrator with questions regarding transfers from this option.



1. While the GIA carries relatively low risk, there are some risks associated with the GIA agreement, including, but not limited to: (1) the risk that New York Life will default on its obligations under the agreement or that other events could render the agreement invalid; (2) the risk that the agreement is terminated and, as a result, payments from the agreement are paid over an extended period of time; or (3) that certain transfers to the NextGen<sup>®</sup> Savings Portfolio will require a 90-day holding period in an investment option with increased exposure to risk.

2. Rate effective July 1, 2024 – December 31, 2024. The Principal Plus Portfolio is invested in two separate New York Life GIA contracts. Funding Agreement 80407, issued July 15, 2024, has a rate of 5.2%. Funding Agreement 80144 issued June 8, 2015, has a rate of 3.0%. The rate reflected above is the approximate weighted average blended rate based on the asset levels in each funding agreement as of 7/1/2024. This rate can change daily depending on asset levels in each contract. See [NextGenforME.com](https://www.nextgenforME.com) for a periodically updated blended rate reflecting a more recent point in time.

3. An annual expense charge of up to 0.15% accrues daily on assets in the GIA and is allocated between New York Life and the Program's investment manager to cover their expenses. New York Life deducts this expense charge to arrive at the GIA interest rate.

4. A separate annual fee of 0.09% is charged against the assets of the Principal Plus Portfolio. Please see the Principal Plus Portfolio Client Select Series Program Description for additional information about NextGen 529 program fees.

The GIA is issued as a funding agreement or group annuity contract and is NOT a mutual fund or a collective trust. New York Life provides the guarantee of principal and accumulated interest. New York Life may earn more or less than the interest rate it credits to the GIA. The interest rate that New York Life credits to the GIA will never be less than 1.00%, however this is before expenses that may be charged by the Principal Plus Portfolio. Neither the New York Life GIA nor the Principal Plus Portfolio Client Select Series are guaranteed by the FDIC or the federal government. Past performance is no guarantee of future results.

The product features described in this document are governed by the terms of the funding agreement between New York Life Insurance Company and the Agreement Holder. Policy Form No: GIA NON-QUAL.- (Funding Agreement 529) - 80144 and 80407 New York Life Insurance Company, New York, NY.

New York Life may earn more or less from amounts invested in the GIA than the interest amount it credits depending on investment conditions affecting the general account. When the investments in the GIA earn more than what is credited, New York Life retains the difference, known as "spread" revenue.

Investing in stable value products is typically more involved than investing in other diversified fund offerings. Such investments are typically subject to plan level withdrawal restrictions that may limit liquidity. A stable value investment option is not a mutual fund registered under the Investment Company Act of 1940, a prospectus is not available, and shares are not publicly traded on exchanges. The designation 'stable value' does not suggest this investment option will maintain a constant net asset value.

NextGen 529<sup>®</sup> is a Section 529 plan administered by the Finance Authority of Maine (FAME). You may obtain the NextGen 529<sup>®</sup> Program Description by requesting a copy from your financial professional, visiting [NextGenforME.com](https://www.nextgenforME.com) or calling the program manager at 1-833-336-4529. The Program Description should be read carefully before investing.

The Program Description contains more complete information, including investment objectives, charges, expenses and risks of investing in NextGen 529<sup>®</sup>, which you should carefully consider before investing. If you are not a Maine resident, you also should consider whether your home state or your designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan. NextGen 529<sup>®</sup> accounts are not bank deposits and are not insured by the Federal Deposit Insurance Corporation (FDIC).

Returns on investments in NextGen 529<sup>®</sup> accounts are not guaranteed or insured by the State of Maine, FAME or any NextGen 529<sup>®</sup> service providers. NextGen 529<sup>®</sup> participants assume all investment risk of an investment in NextGen 529<sup>®</sup>, including the potential loss of principal and liability for tax penalties that are assessable in connection with certain types of withdrawals of amounts invested in NextGen 529<sup>®</sup>.

Vestwell State Savings, LLC ("Vestwell") is the program manager, The Bank of New York Mellon is the program custodian, BlackRock Advisors, LLC is the program investment manager, and BlackRock Investments, LLC is the program distributor and underwriter.



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