This ADV brochure, dated October 17, 2012,
provides information about the qualifications and business practices of:

NEW YORK LIFE INVESTMENT MANAGEMENT LLC

51 Madison Ave
New York, New York 10010
www.nylim.com

If you have any questions about the content of this brochure please contact:

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The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. In addition, registration as an investment adviser does not imply a certain level of skill or training. Additional information about New York Life Investment Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: SUMMARY OF MATERIAL CHANGES

Since our last annual update, filed March 30th, 2012, the following material changes were made:

- The “Advisory Business” section was revised to correct an understatement of the discretionary assets managed by the firm as of December 30, 2011.

- The “Other Financial Industry Activities and Affiliations” section was revised to remove references to McMorgan & Company LLC which as of June 29, 2012 is no longer an affiliated investment adviser.

- References to “Fixed Income Investors Group” and “Real Estate Investors” were changed to “Fixed Income Investors” and “Real Estate Investors”, respectively, in order to reflect each division’s revised marketing logo.

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ITEM 4: ADVISORY BUSINESS

New York Life Investment Management LLC ("New York Life Investments") is an indirect wholly-owned subsidiary of New York Life Insurance Company ("New York Life") and a wholly-owned subsidiary of New York Life Investment Management Holdings LLC. As of December 30, 2011, New York Life Investments managed $219, 904, 976, 442 of client assets on a discretionary basis, and $1,568,462,258 of client assets on a non-discretionary basis.

New York Life Investments provides a broad array of investment advisory services to: affiliated insurance companies' general and separate accounts and other affiliated corporate entities; third-party institutional clients; investment companies; other pooled investment vehicles; and wrap fee programs sponsored by unaffiliated entities (see *"Types of Clients*" section below).

Founded by New York Life in April, 2000, New York Life Investments is comprised of the following investment divisions: i) Fixed Income Investors; ii) Real Estate Investors; and iii) Separately Managed Accounts Group. Through these investment divisions, New York Life Investments offers advisory services which may be tailored to meet a client's needs. For example, a client may prohibit the purchase of specific securities, or may prohibit the purchase of securities within a specific sector or industry. Client imposed restrictions are detailed in the client's investment advisory agreement. With respect to our Separately Managed Accounts clients, these restrictions are typically communicated to us by the sponsor.

New York Life Investments also has a Retirement Plans Services business that provides an array of full-service defined benefit (DB), defined contribution (DC), integrated DB/DC, and Taft-Hartley services. The platform offers an open architecture that incorporates a variety of investment options including target date funds, group separate accounts, commingled funds, self-directed brokerage accounts, and proprietary and non-proprietary mutual funds.

Finally, New York Life Investments offers, either directly or through subadvisers, fixed income and equity advisory services to various proprietary registered investment companies. These mutual funds are marketed under the name "*The MainStay Funds"* and include: The MainStay Funds (File No. 811-4550); Eclipse Funds Inc. (File No. 811-06175); Eclipse Funds (File No. 811-04847); MainStay VP Funds Trust (File No. 811-03833); and MainStay Funds Trust (File No. 811-22321).

Fixed Income Investors

Our Fixed Income Investors division ("FII") offers fixed income advisory services. FII has expertise in most major U.S. dollar fixed income sectors including: high yield bonds, floating rate loans, investment grade corporate bonds, mortgage-backed securities, asset-backed securities, and government securities. FII also manages investment and non-investment grade securities issued as traditional private placements or under Rule 144A of the Securities Act of 1933 for a wide range of sectors. FII also serves as collateral manager for a series of collateralized loan obligation vehicles.

FII employs a team-oriented approach to managing fixed income portfolios for affiliated and unaffiliated clients in the institutional and retail markets. Using a combination of top-down fundamental analysis and bottom-up credit research, FII constructs diversified portfolios that are designed to deliver consistent performance and stability. This is accomplished by striving to add incremental excess return while avoiding principal loss.

Real Estate Investors

Our Real Estate Investors division ("REI") offers real estate debt and equity advisory services to our parent company, New York Life, and its affiliates, and to third-party investors through our pooled real estate investment funds. With respect to real estate-related debt products, REI's capabilities and services include origination, underwriting and loan administration. These products include: commercial mortgage loans, mezzanine, bridge and structured debt investments, commercial mortgage-backed securities, unsecured REIT bonds, and single family jumbo loan pools. REI also provides acquisition, disposition and asset management services with respect to real estate equity investments for New York Life and its affiliates. Additionally, within the real estate asset class, REI identifies and underwrites investments in third party-sponsored real estate equity and debt funds, and low income housing tax credit (LIHTC) funds. Lastly, REI provides advisory and asset management services to New York Life for its corporate properties and for its leased properties.

Separately Managed Accounts Group

Our Separately Managed Accounts Group ("SMA Group") performs the operational and administrative functions for New York Life Investments' high net worth individual and retail separately managed accounts ("SMAs"). These SMAs are offered through programs sponsored by unaffiliated broker-dealers whereby portfolio management, brokerage execution, custodial and administrative services are provided by the broker-dealer for a single charge (commonly referred to as a "wrap fee program").

As the investment adviser to these SMAs, New York Life Investments receives a portion of the wrap fee charged by the sponsor. For this fee, we perform operations, administrative and trading services, and engage subadvisers to provide subadvisory and trading services if applicable. In rare cases, we may be paid an advisory fee for these services directly by the client rather than through the sponsor. We currently have subadvisory agreements with the following federally registered investment managers, or "subadvisers": MacKay Shields LLC, (SEC File No. 801-5594); Institutional Capital LLC (SEC File No. 801-40779); and Epoch Investment Partners, Inc. (SEC File No. 801-63118). MacKay Shields LLC and Institutional Capital LLC are both wholly-owned subsidiaries of New York Life Investment Management Holdings LLC and are therefore affiliated persons. Epoch Investment Partners Inc. is an unaffiliated subadviser. We also retain SEI Global Services Inc. to provide certain non-advisory administrative services.

The investment strategies offered by our SMA Group are different from the investment strategies offered by our other investment divisions. These strategies include: i) convertible bonds; ii) municipal bonds; iii) small-mid cap equity; iv) large cap equity; v) all cap equity;

vi) global choice equity; and vii) global equity yield. MacKay Shields LLC is the subadviser to the convertible bond and municipal bond strategies. Institutional Capital LLC is the subadviser to the large cap equity strategy. Epoch Investment Partners is the subadviser to the small-mid cap equity, large cap equity, all cap equity, global choice equity and global equity yield strategies.

New York Life Investments also provides non-discretionary advisory services to sponsors of Unified Management Accounts and Diversified Managed Accounts. In these cases, our services are generally limited to providing model portfolios to the sponsors, but in some cases, we may also provide trading services, depending upon the sponsor firm agreement. These model portfolios are generated by the subadviser.

Retirement Plan Services

Our Retirement Plan Services business offers advisory services through its *On Target* product. A separate brochure has been filed with the SEC describing this product. Such brochure is available on the SEC's website at www.adviserinfo.sec.gov. It is also available upon written request to:

New York Life Investment Management LLC
169 Lackawanna Avenue
Parsippany, New Jersey 07054
Attention: Ramona Walsh

Mutual Funds

For certain fixed income portfolios of *The MainStay Funds*, New York Life Investments manages the money directly through FII. For other funds, we hire federally registered subadvisers to provide investment management services. Subadvisers are selected based on an evaluation of their skills and investment results in managing assets for specific asset classes, investment styles and strategies. Currently, we engage the following affiliated subadvisers: MacKay Shields LLC (SEC File No. 801-5594), Institutional Capital LLC (SEC File No. 801-40779), and Madison Square Investors LLC (SEC File No. 801-69663). We also engage the following unaffiliated subadvisers: Winslow Capital Management, Inc. (SEC File No. 801-41316); Markston International, LLC (SEC File No. 801-56141); Epoch Investment Partners, Inc. (SEC File No. 801-63118); Van Eck Associates Corporation (SEC File No. 801-21340); Dimensional Fund Advisors LP (SEC File No. 801- 16283); DuPont Capital Management Corporation (SEC File No. 801-44730); Eagle Asset Management, Inc. (SEC File No. 801-21343); Janus Capital Management LLC (SEC File No. 801-13991); Massachusetts Financial Services Company (SEC File No. 801-17352); Pacific Investment Management Company LLC (SEC File No. 801-48187); Marketfield Asset Management LLC (SEC File No. 801-77055) and T. Rowe Price Associates, Inc. (SEC File No. 801-856).

For additional information regarding *The MainStay Funds'* investment strategies and associated risks please refer to *The MainStay Funds'* Prospectuses and Statements of Additional Information which are available on our website at www.nylim.com.

ITEM 5: FEES AND COMPENSATION

FEES

Clients are generally billed for advisory services according to the fee schedule agreed to by the client and included in their investment management agreement. Generally, advisory fees are payable either monthly or quarterly in arrears, based on the value of assets under management at the end of the period.

All advisory arrangements may be terminated by the client upon assignment or by either party upon prior written notice, according to the termination provisions outlined in the investment management agreement. If a contract is terminated, all advisory fees are subject to pro-rata adjustment based upon the date of termination.

Fee schedules are negotiable and can vary depending on a variety of factors such as the client, size of the account and the investment program selected. Our typical fee schedules are as follows.

Fixed Income Investors

FII's management fees generally range from .01% to 1.00% of average daily net assets under management. However, performance and fixed fees could be higher than 1.00% depending on account performance and account size. The annual fee schedules for the managed accounts that are invested in FII's significant investment strategies (see "*Investment Strategies and Risk of Loss*" section below) are:

Investment Grade Corporate	0.25% for all asset levels
Core Fixed Income	0.25% for all asset levels
Investment Grade Bond Index	0.10% for all asset levels
Intermediate Government Credit	0.25% for all asset levels
Floating Rate	0.45% for all asset levels
High Yield	0.45% for all asset levels

In addition to the management fees described above, there are other fees associated with the management of FII client accounts. For example, the custodian for your account, which you independently select, charges a custodial fee that varies by custodian. In addition, the broker-dealers that we select to execute transactions in your account charge a fee. Brokerage and custody fees are not included in the investment management fee that you pay to us. Instead, custodian fees are charged to you separately by the custodian, and brokerage fees affect your account during the trade execution process. Please refer to "*Brokerage Practices*" section below for additional information regarding our process for selecting brokers to execute transactions in client accounts.

FII is also the principal investment manager for general and separate account assets of our parent company, New York Life and its insurance affiliates, New York Life Insurance and Annuity Corporation ("NYLIAC") and NYLIFE Insurance Company of Arizona ("NYLAZ") both of which are wholly-owned subsidiaries of New York Life. We charge these affiliates a negotiated management fee based on asset class and may earn performance based fees. The average fixed income management fee for affiliated accounts is .089%, but is subject to change as the asset mix changes. The annual fixed income performance fee for affiliated accounts is determined using a transaction-based value added system. In general, the performance fees paid by our affiliates over the last five years have ranged from .01% to .02%.

<u>Real Estate Investors</u>

REI charges New York Life a range of asset-based advisory fees for managing the various types of real estate-related investments. In certain cases, such as real estate equities, the fees are on a sliding scale. Borrowers and/or third party investors are charged servicing fees for the mortgages held under co-lending agreements and management fees for their capital in the pooled real estate investment funds that we manage. These fees are based on a percentage of the loan or investment.

<u>Separately Managed Accounts Group</u>

With respect to our SMAs, clients pay the third-party sponsor a single wrap fee. This single wrap fee covers our investment advisory fee, the subadviser's investment advisory fee, custody fees, performance measurement costs, and administrative costs. We may also participate in wrap programs where the fees are unbundled and the client may incur commission costs.

For our services, the sponsor or client pays us an annual advisory fee ranging from .28% to .80%. Our annual fee varies from program to program depending on the sponsor, the type of account, the services provided, and the amount of assets in the program. Upon receiving our fee from the sponsor, we pay a portion of our fee to the subadvisers that we hire to manage assets.

SMA advisory fees are generally charged and payable quarterly in advance or in arrears based on the value of assets under management at the end of the quarter. In rare cases, fees are paid less frequently than quarterly but not more than six months in advance. The compensation schedules for the SMAs are dictated by the sponsor's billing practices**.**

Mutual Funds

With respect to *The MainStay Funds*, the advisory and other fees charged for managing each portfolio of the Funds are outlined in the Fund's Prospectus and Statement of Additional Information. These fees are based on a percentage of assets under management, as approved by the Boards of Directors/Trustees of the Funds.

COMPENSATION

There may be instances where our supervised persons recommend that an advisory client, or prospective advisory client, invest in either *The MainStay Funds* or in a private fund that we sponsor. When this occurs, neither New York Life Investments nor any of our supervised persons receive asset-based compensation for the sales that result from these recommendations.

ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As noted above, FII manages general and separate account assets of our parent company, New York Life and its insurance affiliates, NYLIAC and NYLAZ. New York Life Investments charges these affiliates a negotiated management fee based on asset class and we may also earn performance based fees. The annual fixed income performance fee is determined using a transaction-based value added system. Over the past five years, these performance fees have ranged from .01% to .02%.

Given the percentage of assets under management that are attributable to these affiliated entities, the performance based fees that are generated by these accounts could be substantial. As a result, the appearance of a conflict exists whereby our portfolio managers may have an incentive to favor these accounts over our other accounts. This potential conflict is mitigated by the fact that the combined management fee and performance based fee that we charge to our affiliates is on average lower than the management fee that we charge to our other clients. In addition, we have policies and procedures in place to make sure that all clients are treated fairly and to ensure that no client account receives preferential treatment in the allocation of investment opportunities (see "*Brokerage Practices*" section below).

FII also serves as collateral manager for a series of collateralized loan obligation vehicles ("CLOs"). As collateral manager of these vehicles, FII is entitled to additional compensation on a subordinated basis out of excess loan proceeds if loans in the investment pool generate proceeds above certain thresholds. As a result, the appearance of a conflict may exist where our portfolio managers may have an incentive to favor these vehicles over other accounts pursuing a floating rate debt strategy. This conflict is mitigated by the fact that the CLOs have investment guidelines that are typically more restrictive than the other accounts managed in the floating rate debt strategy. In addition, we have policies and procedures in place to make sure that all clients are treated fairly and to ensure that no client account receives preferential treatment in the allocation of investment opportunities (see "*Brokerage Practices*" section below).

ITEM 7: TYPES OF CLIENTS

As discussed in detail in the "*Advisory Business*" section above, New York Life Investments provides a broad array of investment advisory services to affiliated insurance companies' general and separate accounts and other affiliated corporate entities; third-party institutional clients; investment companies; other pooled investment vehicles; and wrap fee programs sponsored by unaffiliated entities. It also serves as collateral manager to certain special purpose vehicles including, but not limited to, collateralized loan obligations. The minimum initial account size for FII separately managed accounts is typically $100 million.

REI offers real estate debt and real estate equity advisory services to our parent company, New York Life, and to third-party qualified investors through our pooled real estate investment funds. For third-party accounts invested in our real estate investment funds, the minimum account size is typically $1,000,000.

Finally, our SMA Group provides fixed income and equity advisory services to wrap fee programs sponsored by unaffiliated entities. The minimum initial account size for our SMAs is typically $100,000. This minimum however, may be lower in the case of the Unified Management Accounts and Diversified Managed Accounts managed by our SMA Group.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Although New York Life Investments offers advisory services in several asset classes through our Fixed Income Investors, Real Estate Investors, Separately Managed Accounts Group, and through *The MainStay Funds* (please refer to the "*Advisory Business*" section above), our significant investment strategies are managed by FII.

As discussed above, FII is a multi-product fixed income investment manager with expertise in most major U.S. dollar fixed income sectors including: high yield bonds, floating rate loans, investment grade corporate bonds, mortgage-backed securities, asset-backed securities, and government securities. Within these sectors, FII's significant investment strategies include:

- Investment Grade Corporate: Seeks to maximize total return relative to the Barclay's Capital US Credit Index.

- Core Fixed Income: Seeks to outperform the total return of the Barclays Capital Aggregate Bond Index over a full market cycle.

- Investment Grade Bond Index: Seeks to replicate the risk/return characteristics of the Barclays Capital Aggregate Bond Index.

- Intermediate Government Credit: Seeks to outperform the total return of the Bank of America Merrill Lynch 1-10 Year U.S. Corporate & Government Index.

- Floating Rate: Seeks to provide high income by tapping the potential of the floating rate loan market.

- High Yield: Seeks to outperform the total return of the U.S. non-investment grade credit market as measured by the Citigroup High Yield Market Capped Index over a full market cycle.

Investment Process

Investment Grade Corporate, Core Fixed Income, Investment Grade Bond Index, and Intermediate Government Credit

For its Investment Grade Corporate, Core Fixed Income and Intermediate Government Credit strategies, FII's goal is to deliver consistent performance and stability by adding incremental returns in excess of the benchmark while avoiding principal loss. For its Investment Grade Bond Index strategy, the goal is to mirror the risk/return of the index. To achieve these goals, FII implements a risk-controlled, value-oriented investment process focused on active team management that leverages the top-down and bottom-up capabilities of the FII investment management team.

By following a highly collaborative top-down and bottom-up investment process, FII seeks to generate excess return from four different areas:

- *Sector Allocation:* Sector allocation refers to the different asset classes within the fixed income marketplace that a portfolio will be invested in versus its respective benchmark. For example, subject to unique investment guidelines, a core fixed income portfolio that is benchmarked against the Barclays Aggregate Index will be invested in five major sectors of the investment grade fixed income market. Those sectors are U.S. Treasuries, U.S. government agencies, mortgage backed securities, corporate bonds, and structured securities such as asset-backed securities. Particular emphasis is placed on corporate bonds and structured securities. In order to determine optimal sector allocation, FII performs scenario analysis to provide quantitative support for allocation decisions with the objective of maximizing risk-adjusted excess return over a cycle.

- *Security Selection:* Security selection refers to the specific securities comprising the portfolio. Decisions to overweight or underweight an individual security are made within the framework of overall portfolio construction. Specific security selection risks are managed through diversification and adherence to position limits.

- *Duration Management:* Duration management refers to the change in the level of interest rates. Focus in this area is on the long term trend in the direction of interest rates rather than short-term trading opportunities. FII uses a combination of fundamental, technical, and quantitative tools to assist in the decision-making process.

- *Yield Curve Management:* Yield curve management refers to the positioning of the portfolio across the term structure of interest rates versus its respective benchmark. Yield curve management differs from duration management in that duration management is more closely aligned with a parallel shift in the yield curve (i.e. interest rates moving up or down) while yield curve management is focused on the changing shape of the term structure of interest rates (i.e. the yield curve flattening or steepening). At any given duration level, a portfolio can have very different yield curve profiles that will lead to different return characteristics. FII uses scenario analysis and other quantitative and fundamental tools to determine the optimal yield curve positioning.

Floating Rate and High Yield

FII's Floating Rate and High Yield strategies are managed by the High Yield Credit Group within FII ("HYG"). The HYG practices bottom-up fundamental credit research and prefers credits with positive free cash flow, solid collateral, and proven management. It typically avoids investment decisions based simply on credit ratings, and typically does not engage in technical trading or market timing. It also maintains significant diversification across issuers and industries in order to distribute risk on a broad basis. While not active traders in this strategy, the HYG will trade to avoid significant credit deterioration or credit events. It will also trade to improve diversification or improve risk-adjusted yield.

Prior to making an investment, an initial screen of the investment opportunity is undertaken based on credit statistics, deal structure, relative value and portfolio needs. Analyst input is critical to the HYG's decision making process. The foundation of its research process is the consistent, repeatable, first-person evaluation of all aspects of an existing or prospective borrower. Upon initial purchase, and subsequent surveillance of a credit, the analysts seek an informed opinion as to the long-term creditworthiness of such credit using all available sources of internal and external information, without excessive reliance on the view of any one source or the rating agencies. The HYG will sell an asset to avoid credit deterioration, to improve diversification or to enhance risk-adjusted yield.

RISK OF LOSS

You should be aware that there are certain material risks associated with investing in the strategies noted above. These risks include (without limitation):

- *Credit Risk*: The risk that an issuer of a debt security may fail to repay the interest or principal when due.

- *Liquidity Risk*: The risk that you cannot sell a security, or that the cost to sell the security is extraordinarily high. Liquidity risk is often measured by how often a security trades. The more that a security trades, the lower the risk.

- *Interest Rate Risk*: The risk that fluctuating interest rates will cause a security's value to change. When interest rates go up, the value of a non-callable debt security tends to go down, and when interest rates go down, the value of a non-callable debt security tends to go up.

- *Call & Repayment Risk*: The risk that a security is repaid prior to expectations or maturity. This risk is elevated when interest rates decline and the issuer of the security has the ability to refinance the security at a lower cost. When this occurs, the proceeds from the called bond would have to be invested at the new lower interest rate which may not be sufficient to replace the income or cash flow produced by the called security because interest rates have declined.

- *Junk Bond Risk:* The floating rate loans and high yield bonds in which FII's HYG invests are usually rated below investment grade (sometimes referred to as "junk bonds") and are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities. Although certain floating rate loans are collateralized, there is no guarantee that the value of the collateral will be sufficient to repay the loan in the event of default.

- *Extension Risk:* The risk that the average life of the security extends therefore delaying the return of principal and possibly causing a missed opportunity to invest at a higher interest rate.

- *Floating Rate Loan Risk:* Floating rate loans may, under certain circumstances, be less liquid than higher quality debt securities, and an active trading market may not exist. In addition, some loans may be subject to restrictions on their resale, which may prevent your account from obtaining the full value of the loan when it is sold.

ITEM 9: DISCIPLINARY INFORMATION

On May 27, 2009, New York Life Investments settled charges by the SEC relating to the MainStay Equity Index Fund (the "Fund"). The Fund is a series of *The MainStay Funds* and is managed by New York Life Investments. The settlement relates to the period from March 12, 2002 through June 30, 2004, during which time the SEC alleged that New York Life Investments failed to provide the Fund's board with information necessary to evaluate the cost of a guarantee provided to shareholders of the Fund, and that prospectus and other disclosures misrepresented that there was no charge to the Fund or its shareholders for the guarantee.

Without admitting or denying the allegations, we consented to the entry of an administrative cease and desist order finding violations of Sections 15(c) and 34 (b) of the Investment Company Act of 1940, and Section 206(2) of the Investment Advisers Act of 1940, as amended, and were required to pay a civil penalty of $800,000, disgorge $3,950,075 (which represents a portion of its management fees relating to the Fund for the relevant period), and pay interest of $1,350,709. Pursuant to the SEC order, approximately $3.5 million has been distributed to shareholders who held shares of the Fund between March 2002 and June 2004, and the remainder has been paid to the SEC, for deposit in the U.S. Treasury. On June 27, 2011, the SEC approved the final accounting and ordered the termination of the settlement fund used to distribute payments to shareholders. These amounts, totaling approximately $6.101 million, did not have any material financial impact on New York Life Investments.

There are no other legal or disciplinary events involving New York Life Investments that are material to our advisory business or to the management of your account to report at this time. In the event that your account is managed by a subadviser hired by New York Life Investments, please refer to the Form ADV of the subadviser for a description of material disciplinary events, if any, involving such subadviser.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The following relationships or arrangements with related persons are material to our business and may create potential conflicts of interest:

Broker-Dealers

Some of our employees, including some of our executive officers, are registered with the Financial Industry Regulatory Association (FINRA) as representatives and principals of NYLIFE Distributors LLC. NYLIFE Distributors is our affiliate and is registered as a broker-dealer with the SEC.

We serve as the investment manager for various registered investment companies known as *The MainStay Funds*. NYLIFE Distributors LLC serves as the principal underwriter and distributor of *The MainStay Funds*. By virtue of their FINRA registrations, certain of our employees may promote the sale of *The MainStay Funds* to registered representatives of other broker-dealers who may recommend that their clients purchase these products. In limited circumstances, we may also recommend that our clients purchase *The MainStay Funds.*

Our employees who are registered representatives of NYLIFE Distributors may also promote the sale of our SMA accounts.

NYLIFE Distributors may compensate registered employees who promote the sale of *The MainStay Funds* or the SMA accounts for their efforts, and New York Life Investments may make payments to NYLIFE Distributors to help fund such compensation.

Other than for transactions involving *The MainStay Funds*, we do not use affiliated broker-dealers to execute securities transactions for our clients.

Investment Companies

We serve as the investment adviser for *The MainStay Funds*. Conflicts may arise as to the allocation of investment opportunities among *The MainStay Funds* and our other clients. We have policies and procedures in place to make sure that all clients are treated fairly and to ensure that no client account receives preferential treatment in the allocation of investment opportunities (see "*Brokerage Practices*" section below).

Investment Advisers

We are affiliated with, and have material relationships with, the following federally registered investment advisers:

- MacKay Shields LLC (File No. 801-5594), acts as a subadviser for various mutual funds, and for certain institutional accounts, for which New York Life Investments serves as adviser. MacKay Shields LLC also provides advisory services to our separately managed account clients who participate in wrap programs that are sponsored by unaffiliated investment advisers or broker-dealers. MacKay Shields also serves as the investment manager of various limited partnerships and also engages in other advisory services. Clients of New York Life Investments may be solicited to invest in such limited partnerships or in others for which MacKay Shields serves in a similar capacity.

- Institutional Capital LLC (File No. 801-40779), acts as a subadviser for various mutual funds for which New York Life Investments serves as adviser.

- Madison Square Investors LLC (File No. 801-69663), acts as a subadviser for various mutual funds for which New York Life Investments serves as adviser, and may provide certain non-advisory services in connection with New York Life Investment's management of *The MainStay Funds*.

- NYLCAP Manager LLC (File No. 801-61010), serves as the investment manager of various limited partnerships and also engages in other advisory services. Clients of New York Life Investments may be solicited to invest in such limited partnerships or in others for which NYLCAP Manager serves in a similar capacity.

- Private Advisors, LLC (File No. 801-55696), serves as the investment manager of various limited partnerships and also engages in other advisory services. Clients of New York Life Investments may be solicited to invest in such limited partnerships or in others for which Private Advisors serves in a similar capacity.

- MCF Capital Management LLC (File No. 801-73076), manages portfolios of commercial loans and related debt and equity investments. While MCF

Capital Management maintains autonomous investment processes, it may leverage the resources and services of New York Life Investments for certain functions including the implementation of its Rule 206(4)-7 Compliance Program. In addition, certain officers of New York Life Investments may also serve as officers of MCF Capital Management.

From time to time, we may enter into arrangements with our affiliated investment advisers to recommend clients to each other. If we pay a cash fee to anyone for soliciting clients on our behalf or if we receive a cash fee from another investment adviser for recommending clients to it, we comply with the requirements of the SEC's cash solicitation rule to the extent that they apply. This rule requires a written agreement between the investment adviser and the person soliciting clients on its behalf. The rule may also require that the soliciting person provide a disclosure document to the potential client at the time that the solicitation is made. As required by the rule, we will not engage another person to solicit clients on our behalf if that person has been subject to securities regulatory or criminal action within the preceding ten years.

Banking Institution

New York Life Trust Company is our affiliate and is a New York State chartered trust company. Some officers and employees of New York Life Investments are also officers, employees or directors of New York Life Trust Company. New York Life Trust Company acts as a directed trustee or custodian for the retirement plan accounts for which New York Life Investments is the recordkeeper. New York Life Trust Company effects securities transactions for such accounts, and, unless otherwise directed by the applicable plan sponsor, New York Life Trust Company utilizes the services of affiliated broker-dealers in effecting such transactions.

New York Life Investments also serves as subadviser to a collective investment trust for which New York Life Trust Company acts as trustee, and is the named custodian.

Insurance Company

New York Life Investments is a wholly-owned, indirect subsidiary of New York Life. New York Life is a mutual insurance company that is an admitted insurer in all 50 states and in the District of Columbia. Subject to New York Life's supervision, we serve as the principal investment adviser for the general account and separate accounts of New York Life and NYLIAC, as well as for the general account of NYLAZ. NYLIAC and NYLAZ are wholly-owned subsidiaries of New York Life. New York Life and NYLIAC may also invest in the *Private Investment Funds* that we or our affiliates manage.

New York Life, NYLIAC and NYLAZ supervise our management of their accounts which make up a substantial portion of our assets under management. Some of our employees are also officers of New York Life in accordance with state insurance law requirements. Given the percentage of assets under management that are attributable to these entities, the appearance of a conflict may arise as to the allocation of investment opportunities between them and our other clients.

To address this potential conflict of interest, we have adopted several trading procedures that are intended to ensure that all client accounts are treated fairly and equitably. Pursuant to these procedures, it is not permissible to allocate or re-allocate an order to enhance the performance of one account over another (see "*Brokerage Practices*" below). It is also not permissible to favor any account over another. Compliance with these requirements is monitored on a daily basis as part of our supervisory review process.

To further mitigate this potential conflict, our affiliated insurance company general accounts generally follow buy-and-hold strategies and have different investment objectives from our third-party and separate accounts, which generally follow total return strategies with specific benchmarks and investment objectives. As a result of these different strategies, transactions that are appropriate for an affiliated general account may not be appropriate for a separate account or unaffiliated account and vice versa. Such a determination is typically made by the portfolio manager prior to executing a trade, and the rationale for the investment decision is documented as part of the trading process. As noted above, allocation practices are reviewed for appropriateness on a daily basis by FII as part New York Life Investments' supervisory review process. In addition, our Compliance Department conducts periodic reviews to ensure that allocation decisions are being properly documented.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING:

Code of Ethics and Personal Trading

New York Life Investments has a fiduciary relationship with our clients that requires that we and our employees place the interests of our clients first and foremost. As such, our Code of Ethics (the "Code") covers all employees and sets forth guidelines that promote ethical conduct generally. In addition to the Code's policies regarding personal securities trading, the Code requires our employees to follow policies and procedures relating to the conduct standards of our Code including: conflicts of interest, inside information and information barriers, gifts and entertainment, personal political contributions, and selective disclosure of mutual fund portfolio holdings. A copy of our Code is available upon request. Our contact information appears on the cover page of this brochure.

While we permit our employees to engage in personal securities transactions, as a company we recognize that these transactions may raise potential conflicts of interests. This is particularly true when they involve securities owned by, or considered for purchase or sale for, a client account.

We address potential conflicts of interests in our Code by requiring that, with regard to investments and investment opportunities, our employees' first obligation is to our clients. Our Code requires that all of our employees adhere to the highest duty of trust and fair dealing. All employees: (i) must conduct their personal securities transactions in a manner that does not interfere with any client's portfolio transactions, or take inappropriate advantage of an employee's relationship with a client, (ii) may not trade while in possession of material, non-public information, (iii) may not engage in short-term trading (the purchase and sale or sale and purchase within 30 days) of any mutual fund advised or subadvised by us, and (iv) must certify annually to compliance with the Code and related policies.

Some provisions of our Code, particularly with respect to personal trading, apply only to "Access Persons" and “Investment Personnel”. Access Persons are defined as officers or directors of New York Life Investments, or employees who have access to non-public information regarding any client's purchase or sale of securities, or who have non-public information regarding the portfolio holdings of any mutual fund that we advise. While certain exceptions may apply, generally Access Persons:

- May not purchase or sell “Covered Securities” without pre-clearance through our Compliance Department. Covered Securities include everything except: i) transactions involving direct obligations of the US Government; ii) shares of unaffiliated open end investment companies; iii) commercial paper; iv) certificates of deposit; and v) high quality short term investments and interests in qualified state college tuition programs.

- May not profit from the purchase and sale or sale and purchase of the same Covered Security within 60 days.

- May not purchase or sell a Covered Security on a day when there is a buy or sell order for a client.

- May not purchase securities in initial public offerings or in connection with private placements except with the express written prior approval our Chief Compliance Officer.

- May not participate in Investment Clubs.

- Must file quarterly reports and certifications of covered trading activity.

Investment Personnel must adhere to the following additional restrictions. Investment Personnel are defined as employees who in connection with their regular functions participate in making recommendations regarding the purchase or sale of securities for client accounts (i.e., portfolio managers, traders and analysts):

- May not purchase or sell securities (subject to a de minimus threshold) for their own account if such securities have been purchased or sold for a client account in the prior seven days, or can reasonably be expected to be purchased or sold for a client account in the next seven days.

- May not trade in options with respect to individual securities.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

In the ordinary course of providing our investment advisory services, we may also recommend that clients purchase or sell securities or interests in which our affiliates have a material financial interest. For example:

- We are the investment adviser for the general and separate accounts of our parent company New York Life as well as for NYLIAC and NYLAZ which are wholly-owned subsidiaries of New York Life. New York Life Investments may recommend that clients purchase or sell securities that are also held in these affiliated accounts.

- We may purchase or sell shares of our proprietary mutual funds, *The MainStay Funds*, for client accounts.

- We may recommend investments to our clients that the clients of our advisory affiliates also own.

- We or an affiliate may serve as the general partner for a pooled investment vehicle that we advise and recommend to clients.

As a result of these recommendations and potential transactions, potential conflicts of interest could arise between us and our clients. These potential conflicts include:

- Unfair allocation of limited investment opportunities between our affiliated and unaffiliated accounts.

- Preferential allocation of investment opportunities to our accounts that pay a performance-based management fee.

- Placing trades for our affiliated accounts before or after trades for our other accounts to take advantage of (or avoid) market impact.

- Using information concerning transactions in our advisory affiliate's client accounts, or in *The MainStay Funds*, to the benefit of our client accounts.

These potential conflicts are mitigated by the fact that our affiliated insurance company general accounts generally have different investment strategies than our unaffiliated accounts (see the "*Industry Affiliations*" section above). As a result of these different strategies, transactions that are appropriate for an affiliated account may not be appropriate for an unaffiliated account and vice versa.

To further mitigate these potential conflicts of interest, when purchases or sales are appropriate for both an affiliated and an unaffiliated account, such orders are typically aggregated or "bunched" as one order. These orders are then allocated across client accounts in a fair and equitable manner to ensure that no one client account receives preferential treatment over another (see "*Brokerage Practices*" below).

To address potential conflicts of interest across affiliates, each adviser affiliate operates independently with respect to investment strategy, trading and operations. Furthermore, affiliates are generally not privy to another affiliate's information (i.e. investment decisions, research, client information) that may potentially pose conflicts of interest. Specifically, New York Life Investments and its affiliates have established information barrier policies that serve to limit the dissemination of material non-public information. In the event such information is shared, appropriate controls are placed around the information in order to limit any potential conflicts of interest.

ITEM 12: BROKERAGE PRACTICES

BROKERAGE PRACTICES

When we select or recommend a broker-dealer for transactions in our clients' accounts, we consider a number of factors regarding the broker-dealer and the reasonableness of its compensation. The factors we consider in selecting a broker-dealer and determining the reasonableness of its compensation include:

- Security price and spreads;
- Commission rates, if applicable;
- Size of the order;
- Nature and extent of services and frequency of coverage;
- Integrity, reputation, financial responsibility and stability;
- Market knowledge and ability to understand trading characteristics of the security an overall performance;
- Ability to execute in desired volume and to act on a confidential basis;
- Willingness to commit capital;
- Access to underwritten offerings and secondary markets;
- Operational efficiency and facilities made available including trading networks, access to multiple brokers and markets, and significant resources for positioning as principals; and
- Nature and extent of research services (i.e., soft dollars).

When selecting a broker-dealer, we do not consider its referral of clients to us. We also do not consider its sale of shares of *The MainStay Funds* or of any private funds that we or any of our affiliates advise. While we may direct brokerage to broker-dealers that have consulting divisions that might refer clients or investors to us, we have no agreements to do so. When evaluating compensation (e.g., commissions), we are not required to solicit competitive bids, and do not have an obligation to seek the lowest available commission cost, but rather best overall execution.

For clients that invest through the SMAs, the wrap fee charged by the sponsor firm covers trade and execution services. As a result, the sponsor and client typically request that transactions for clients' accounts be executed by the sponsor of the wrap fee program (or its affiliate) or a broker-dealer designated by the sponsor firm. In the event that the sponsor cannot provide "best execution" for a given transaction, we or the subadviser that we retain for the SMA has the option to trade away (that is, trade with a different broker-dealer). If this occurs, the client may incur a commission cost. The subadvisers who provide models with respect to trades in the SMAs may execute trades for other clients with similar strategies prior to our placing trades with wrap sponsors.

SOFT DOLLARS

New York Life Investments receives brokerage and research services from broker-dealers that execute portfolio transactions for clients, and from third parties with which such broker-dealers have arrangements. The brokerage commissions that are used to acquire research in these types of arrangements are known as "soft dollars."

Specifically, New York Life Investments obtains soft dollar credits (to pay for soft dollar services) from the portfolios of *The MainStay Funds* that execute agency transactions including OTC agency transactions. These soft dollar credits may be generated by either New York Life Investments directly or by a subadviser to *The MainStay Funds*.

In all cases, the total amount of soft dollar commissions generated from each eligible *MainStay Fund* account is capped at 30% of eligible commissions on an annual basis. The nature of the products and services provided by brokerage firms generally include information and analysis concerning investment strategy, securities markets and economic and industry matters.

An inherent conflict of interest exists with respect to the use of soft dollars because of an investment advisers' ability to purchase certain products and services on a cash basis using its own resources. Thus, the adviser has an incentive to disregard its best execution obligation when directing transactions and an incentive to generate more trades to earn soft dollar credits for services.

To manage the conflicts related to soft dollar usage, we, and each subadviser to *The MainStay Funds,* reviews all soft dollars and determines in good faith that the amount of commissions paid is reasonable in relation to the value of the brokerage and research services provided. In addition, soft dollar arrangements are only entered into for services and products that qualify under the "safe harbor" provisions set forth in Section 28(e) ("Section 28(e)") of the Securities Exchange Act of 1934, as amended.

Research products and services provided by brokers through which transactions are effected on behalf of client accounts are used for the benefit of all clients collectively. We also seek to allocate soft dollar benefits to client accounts in proportion to the soft dollar credits that are generated by the account.

Sometimes, a portion of the brokerage and research products and services used by our subadvisers are eligible under Section 28(e) and another portion is not eligible. These are referred to as "mixed-use" products and services. When this occurs, the subadviser will make a good faith allocation between the research and non-research portion of services, and will use its own funds to pay for the percentage of the service that is used for non-research purposes.

AGGREGATION AND ALLOCATION

If we believe that the purchase or sale of the same security is in the best interest of more than one client, we may aggregate the securities to be sold or purchased. We will not aggregate trades (also known as "bunching" trades) unless we believe that doing so is consistent with our duty to seek best execution for our clients.

When we allocate bunched trades to client accounts, we do not favor the interest of one client over another. In addition, it is not permissible to allocate or re-allocate an order to enhance the performance of one account over another, or to favor one account over another.

To the extent possible, orders are pre-allocated prior to execution. However, there may be instances where pre-allocating certain trades may not be feasible or practicable given the unique nature of the respective market. In these instances, an allocation is made promptly following confirmation of the trade. Such allocation will never unfairly discriminate against or advantage one account over another.

There may be instances when there is a limited supply for a particular security or investment opportunity. In such cases, all orders will receive an equitable allocation based on account suitability and account size, and where appropriate, adjusted in consideration of a "normal minimum holding". Normal minimum holdings are determined based on characteristics of the particular asset class.

ITEM 13: REVIEW OF ACCOUNTS

MONITORING

Fixed Income Investors

All FII managed accounts are monitored continuously in an effort to ensure that client objectives are being achieved. Each FII investment team has the primary responsibility for review of the accounts it is managing, including review of the appropriateness of portfolio holdings and transactions in light of each account's investment objectives, guidelines and restrictions. Investment Team reviews may include (depending on the asset class) reviews of sectors, securities, trade levels, durations and yield exposures.

Formal weekly and informal ad hoc meetings are typically held to discuss portfolio positions, strategies, trends and relative value. Where possible, portfolio attributions versus the benchmarks are calculated monthly/quarterly to determine how investment decisions and associated risks have performed. Quarterly portfolio reviews are also conducted which typically include a review of attribution, strategies and account performance versus portfolio benchmarks.

In addition, all FII trading activity is reviewed daily/weekly by a supervisor or his delegate to ensure that all trading was conducted in accordance with firm procedures. In all cases, accounts are subject to review by Compliance Personnel who monitor account trading on a daily basis with the assistance of Aladdin, our front-end trade order management and compliance system that incorporates pre-trade and post-trade compliance testing against account restrictions. Our Compliance Personnel review and investigate any alerts or breaches identified by the system.

Finally, with respect to custodial reconciliations, on a daily basis our Securities Operations Department reconciles our records for cash, transactions, and holdings to the custodian bank's records, and researches and resolves any discrepancies in a timely manner. With respect to our affiliated accounts, holdings are reconciled monthly. A significant portion of our reconciliation process has been automated to avoid mistakes and to reinforce controls. All reconciliation breaks are recorded and tracked to ensure timely and proper resolution. To confirm trades, our Securities Operations Department transmits trades via OMGEO (depending on the broker) while simultaneously remitting trade instructions via SWIFT to the appropriate custodian.

Separately Managed Accounts Group

For our SMAs, certain elements of the account maintenance and reconciliation functions have been outsourced to a third party vendor. Nonetheless, our SMA Group continues to be responsible for overseeing client accounts. As such, on a daily basis, performance is reviewed by the SMA Group to gauge actual portfolio performance against model portfolio performance. Deviations from the model portfolios are appropriately addressed and corrected. In addition, investment guidelines are monitored on a pre-trade basis via our sub-administrators' Fiserv APL Accounting System. On a daily basis the SMA Group also reviews: i) trade reconciliation reports; ii) new account activity; iii) cash reports; and iv) trade settlement reports.

Mutual Funds

For *The MainStay Funds*, our Mutual Fund Compliance Department works with the Funds' administrator to conduct daily back-end reviews of each fund portfolio to ensure that the investment policies, restrictions, and objectives are being met. In addition, on a monthly basis, each mutual fund portfolio manager is asked to certify that the account has been in compliance throughout the month and that all trade errors have been properly reported.

Trade Errors

New York Life Investments has a policy in place pertaining to the correction of trade errors. In the event that an error occurs, the error is identified and corrected as soon as practicable. Generally, client accounts are made whole for any losses. However, pursuant to the policy, we may not reimburse for a de minimis error, which is defined as a loss of $25 or less.

CLIENT REPORTING

With respect to client reporting, the content and frequency of client reports varies by client. Such reporting requirements are typically part of the contract negotiations and are memorialized in the signed investment management agreement. Our client reports typically include portfolio holdings, transaction and performance information, and information covering capital markets and portfolio outlook. Customized reporting is typically provided as frequently as desired by clients. With respect to our SMAs, account holders typically receive client reports from the account sponsor and do not receive client reports from us.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Under a client and investor services agreement with one of our affiliated investment advisers, the adviser pays us a percentage of the compensation that it receives from certain of its international investment advisory clients and international investors in private investment funds that it manages, in exchange for us providing client relations services to these clients/investors. We also have a solicitation services agreement in place with the same affiliated investment adviser under which the adviser pays us for soliciting certain international investment advisory clients. The compensation that the adviser pays to us under this agreement does not increase the fees or costs payable by the adviser's client or investor. In addition, we do not exercise investment discretion or otherwise provide investment advice to the adviser's international clients.

In addition to the solicitation agreement noted above, from time to time we may enter into other solicitation agreements with certain of our other affiliated investment advisers to refer clients to each other. In this case we may pay or receive a cash fee for such referrals. If we pay or receive a cash fee for client referrals, we comply with the requirements of the SEC's cash solicitation rule to the extent that they apply.

Finally, at times we may have arrangements in place whereby we compensate an unaffiliated third-party for soliciting investors to invest in pooled investment vehicles managed or subadvised by New York Life Investments. These arrangements will be disclosed to the investor in the respective offering memorandum. This is not a solicitation of advisory services and therefore, the arrangement does not fall under SEC Rule 204(4)-3 regarding solicitation arrangements.

ITEM 15: CUSTODY

We do not have direct custody of client funds or securities. All client accounts are maintained at qualified custodians, such as banks or broker-dealers that are chosen by the client. Clients receive account statements directly from their custodians. In addition, clients receive duplicate account statements from us. When you receive an account statement from us, you are encouraged to compare it to the account statement that you received from your custodian. The two statements should be consistent.

In rare cases, we may be deemed to have indirect custody of a client's account because the account is custodied with an affiliate or because we serve as general partner to a limited partnership. When we are deemed to have indirect custody of a client's account, we comply fully with the custody rules under the Investment Advisers Act of 1940.

ITEM 16: INVESTMENT DISCRETION

We have investment discretion to manage securities on behalf of client accounts. Clients may impose restrictions on this discretion by, among other things, prohibiting the purchase of specific securities, or prohibiting the purchase of securities within a specific industry. Clients may also restrict the use of certain broker-dealers to execute trades, or may restrict the amount of securities that can be bought or sold within the account. We may also accept client accounts on a non-discretionary basis.

Client imposed restrictions are detailed in the client's investment advisory agreement. Prior to boarding a new client account, we obtain all necessary information to ensure that the account, including any relevant restrictions, is properly established on our trading and accounting systems.

ITEM 17: VOTING CLIENT SECURITIES

New York Life Investments has adopted a Proxy Voting Policy. This Policy is designed to ensure that all proxies are voted in the best interest of our clients without regard to our interests or the interests of our affiliates.

To assist us in researching and voting proxies, we have engaged Institutional Shareholder Services ("ISS") which is a third party proxy service provider. Where a client has contractually delegated proxy voting authority to us, we vote proxies in accordance with ISS' standard voting guidelines unless the client provides us with alternative guidelines. Alternative guidelines must be detailed in the client's investment advisory agreement.

A portfolio manager can override an ISS voting recommendation if he/she believes it is in the best interest of our clients to vote otherwise. To override an ISS recommendation, the portfolio manager must submit a written override request to our Compliance Department. Upon receipt of an override request, Compliance reviews the request to determine whether any potential material conflict of interests exist between us and our clients.

Material Conflicts may exist when we or one of our affiliates:

- Manages the issuer's or proponent's pension plan.
- Administers the issuer's or proponent's employee benefit plan.
- Provides brokerage, underwriting, insurance or banking services to the issuer or proponent.
- Manages money for an employee group.

Additional material conflicts may exist if one of our executives is a close relative of, or has a personal or business relationship with:

- An executive of the issuer or proponent.
- A director of the issuer or proponent.
- A person who is a candidate to be a director of the issuer.
- A participant in the proxy contest.
- A proponent of a proxy proposal.

A material conflict may also exist when we manage a separate account, a fund or other collective investment vehicle that invests in *The MainStay Funds*.

If a potential conflict exists, our Compliance Department refers the override requests to our Proxy Voting Committee for appropriate resolution. The Proxy Voting Committee considers the facts and circumstances of the potential conflict, and determines how to vote. This determination could include: permitting or denying the override request; delegating the vote to an independent third party; or obtaining voting instructions from the client.

With respect to proxy votes relating to *The MainStay Funds*, to avoid potential conflicts of interest, we vote such proxies in accordance with ISS' voting recommendation. If ISS does not have a recommendation, we address the conflict by referring the vote to the subadviser of the underlying fund.

Clients of New York Life Investments wishing to obtain a copy of our proxy voting policies and procedures or information as to how proxies were voted for securities held in their account, should send a written request to:

New York Life Investments
169 Lackawanna Avenue
Parsippany, New Jersey 07054
Attention: Tara McAleer, Chief Compliance Officer

ITEM 18: FINANCIAL INFORMATION

At this time, New York Life Investments is not required to file a balance sheet for our most recent fiscal year because we do not require or solicit prepayment of more than $1,200 in fees per client six months or more in advance.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

New York Life Investments is registered with the SEC and provides notice filings to certain states. We are not registered with any state securities authorities.

Kirk Lehneis
Managing Director

New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor
New York, NY 10010
(973) 394-3831

This brochure supplement dated March 30th, 2012 provides information about Kirk Lehneis that supplements the New York Life Investment Management LLC brochure. You should have received a copy of that brochure. Please contact Hanna Salvatore at 973-394-3923 if you did not receive New York Life Investment Management's brochure or if you have questions about the contents of this supplement.

Year of Birth: 1974

Business Background and Education: Mr. Lehneis is a Managing Director at New York Life Investments responsible for product development for MainStay Investments, the retail mutual fund and separate account ("SMA") businesses. In this role, Kirk is responsible for the management and oversight of SMA subadvisory relationships for New York Life Investments. Prior to joining New York Life Investments in 2005, Mr. Lehneis worked for GivingCapital, Inc. as Director of Client Service and Product Development for donor-advised fund products distributed to the financial services market. Mr. Lehneis received a BA from the University of Pennsylvania.

Disciplinary Information: New York Life Investments is required to disclose all material facts regarding legal or disciplinary events that would materially impact a client's evaluation of Kirk Lehneis. Mr. Lehneis does not have any legal or disciplinary events to report.

Outside Business Activities: New York Life Investments is required to disclose any outside business activities or occupations for compensation that could potentially create a conflict of interest with clients. Mr. Lehneis is not engaged in any such activities or occupations.

Additional Compensation: Mr. Lehneis does not receive economic benefits for providing advisory services, other than the regular compensation paid by New York Life Investments.

Supervision: Kirk Lehneis is supervised by Stephen Fisher, Senior Managing Director of New York Life Investment Management. Mr. Fisher is President of the MainStay Funds and Chief Marketing Officer for New York Life Insurance Company's Investment Group. Mr. Fisher is responsible for overseeing the MainStay Funds, mutual fund and SMA product initiatives and marketing strategies, and mutual fund administration. Mr. Fisher can be reached at (973) 394-4409.

Dale Hanley
Director

New York Life Investment Management LLC
51 Madison Avenue, 2nd Floor
New York, NY 10010
(212) 576-4476

This brochure supplement dated March 30th, 2012 provides information about Dale Hanley that supplements the New York Life Investment Management LLC brochure. You should have received a copy of that brochure. Please contact Hanna Salvatore at 973-394-3923 if you did not receive New York Life Investment Management's brochure or if you have questions about the contents of this supplement.

Year of Birth: 1975

Business Background and Education: Mr. Hanley is a Director at New York Life Investments responsible for overseeing the Investment Consulting Group. The Investment Consulting Group conducts investment related oversight of the subadvisers to New York Life Investments' retail separate account ("SMA") products. Aspects of the role include the review of various performance and risk measures as well as the assessment of a subadviser's investment process and staff. Prior to joining New York Life Investments, Mr. Hanley spent ten years at Citigroup in a variety of roles including in the Asset Management Division as a Portfolio Risk Manager, and as a Senior Investment Officer in the Trust division. Furthermore, Mr. Hanley spent two years in Citi's Corporate Finance Management Associate Program rotating through various business units and functions within Citi. Mr. Hanley has a BA in Economics from the University of Maryland at College Park as well as an MBA from Cornell University.

Disciplinary Information: New York Life Investments is required to disclose all material facts regarding legal or disciplinary events that would materially impact a client's evaluation of Dale Hanley. Mr. Hanley does not have any legal or disciplinary events to report.

Outside Business Activities: New York Life Investments is required to disclose any outside business activities or occupations for compensation that could potentially create a conflict of interest with clients. Mr. Hanley is not engaged in any such activities or occupations.

Additional Compensation: Mr. Hanley does not receive economic benefits for providing advisory services, other than the regular compensation paid by New York Life Investments.

Supervision: Dale Hanley is supervised by Stephen Fisher, Senior Managing Director of New York Life Investment Management. Mr. Fisher is President of the MainStay Funds and Chief Marketing Officer for New York Life Insurance Company's Investment Group. Mr. Fisher is responsible for overseeing the MainStay Funds, mutual fund and SMA product initiatives and marketing strategies, and mutual fund administration. Mr. Fisher can be reached at (973) 394-4409.

FACTS	What Does New York Life Investment Management LLC Do With Your Personal Information?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ■ Social Security number and income ■ Account balance and transaction history ■ Account transactions and checking account information When you are *no longer* our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons New York Life Investment Management LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does New York Life Investment Management LLC share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	No	We don't share.
For joint marketing with other financial companies	No	We don't share.
For our affiliates' everyday business purposes— information about your transactions and experiences	No	We don't share.
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share.
For nonaffiliates to market to you	No	We don't share.

Questions?	Call: MainStay Funds **800-MAINSTAY (624-6782)** MainStay Managed Accounts **866-MAINSMA (624-6762)** Scholar's Edge **800-MAINSTAY (624-6782)**

New York Life Investment Management LLC

Who we are	
Who is providing this notice?	New York Life Investment Management LLC, MainStay Funds MainStay Managed Accounts, Scholar's Edge

What we do	
How does New York Life Investment Management LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Access to customer information is limited to personnel who need the information to perform their job responsibilities.
How does New York Life Investment Management LLC collect my personal information?	We collect your personal information, for example, when you ■ Open an account ■ Make deposits or withdrawals from your account ■ Give us your income information ■ Show your government issued ID ■ Provide account information
Why can't I limit all sharing?	Federal law gives you the right to limit only ■ sharing for affiliates' everyday business purposes—information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ■ *Our affiliates include companies listed on the New York Life Family of Companies.**
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ■ *New York Life Investment Management LLC does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ■ *New York Life Investment Management LLC does not jointly market.*

***The New York Life Family of Companies currently includes the following insurance and financial services affiliates and funds:**

New York Life Insurance Company
New York Life Insurance and Annuity Corporation
New York Life International LLC
New York Life Investment Management LLC
Eagle Strategies LLC
Eclipse Funds
ICAP Funds, Inc.
Institutional Capital LLC
Madison Square Investors LLC
MainStay Funds
MainStay Funds Trust
MainStay VP Series Fund, Inc.
McMorgan & Company LLC
New York Life Trust Company
NYLIFE Distributors LLC
NYLIFE Insurance Company of Arizona
NYLIFE Securities LLC
NYLIM Service Company LLC
NYLINK Insurance Agencies
NYL Executive Benefits LLC

NEW YORK LIFE INVESTMENT MANAGEMENT LLC
PROXY VOTING POLICY AND PROCEDURES

I. Introduction

New York Life Investment Management LLC ("New York Life Investments") (the "Adviser") has adopted these "Proxy Voting Policy and Procedures" ("Policy") to ensure compliance with Rule 206(4)-6 under the Investment Advisers Act of 1940 (the "Advisers Act") and Rule 30b1-4 under the Investment Company Act of 1940 and other applicable fiduciary obligations. The Policy is designed to provide guidance to portfolio managers and others in discharging the Adviser's proxy voting duty, and to ensure that proxies are voted in the best interests of New York Life Investments' clients.

II. Statement of Policy

It is New York Life Investments' policy, that where proxy voting authority has been delegated to the Adviser by clients, all proxies shall be voted in the best interest of the client without regard to the interests of the Adviser or other related parties. For purposes of the Policy, the "best interests of clients" shall mean, unless otherwise specified by the client, the clients' best economic interests over the long term – that is, the common interest that all clients share in seeing the value of a common investment increase over time. It is further the policy of the Adviser that complete and accurate disclosure concerning its proxy voting policies and procedures and proxy voting records, as required by the Advisers Act, be made available to clients.

III. Procedures

A. Account Set-up and Review

Initially, the Adviser must determine whether the client seeks to retain the responsibility of voting proxies or seeks to delegate that responsibility to the Adviser. The responsibility to vote proxies and the guidelines that will be followed for such client will be specified in the client's investment advisory contract with the Adviser. The client may choose to have the Adviser vote proxies in accordance with the Adviser's standard guidelines (Appendix A), or the Adviser, in its discretion, may permit a client to adopt modified guidelines for its account. Alternatively, the Adviser may decline to accept authority to vote such client's proxies. Designated personnel within each portfolio management area will be responsible for ensuring that each new client's account for which the client has delegated proxy voting authority is established on the appropriate systems.

B. Proxy Voting

1. Guidelines for Recurring Issues

The Adviser has adopted proxy voting guidelines as reflected in Appendix A ("Guidelines") with respect to certain recurring issues. These Guidelines are reviewed on an annual basis by the Adviser's Proxy Voting Committee and revised when the Proxy Voting Committee determines that a change is appropriate. These Guidelines are meant to convey the Adviser's general approach to voting decisions on certain issues. Nevertheless the Adviser's portfolio managers maintain responsibility for reviewing all proxies individually and making final decisions based on the merits of each case.

2. Use of Third Party Proxy Service

In an effort to discharge its responsibility, the Adviser has examined third-party services that assist in the researching and voting of proxies and development of voting guidelines. After such review, the Adviser has selected Institutional Shareholder Services Inc. ("ISS"), formerly RiskMetrics Group, – a proxy research and voting service – to assist it in researching and voting proxies. ISS helps institutional investors research the financial implications of proxy proposals and cast votes that will protect and enhance shareholder returns. The Adviser will utilize the research and analytical services, operational implementation and recordkeeping, and reporting services provided by ISS to research each proxy and provide a recommendation to the Adviser as to how to vote on each issue based on its research of the individual facts and circumstances of the proxy issue and its application of its research findings to the Guidelines. For clients using proxy voting guidelines different from the Adviser's Guidelines, the Adviser will instruct ISS to make its voting recommendations in accordance with such modified guidelines. ISS will cast votes in accordance with its recommendations unless instructed otherwise by a portfolio manager as set forth below.

3. Review of Recommendations

The Adviser's portfolio managers (or other designated personnel) have the ultimate responsibility to accept or reject any ISS proxy voting recommendation ("Recommendation"). Consequently, the portfolio manager or other appointed staff are responsible for understanding and reviewing how proxies are voted for their clients, taking into account the Policy, the guidelines applicable to the account(s), and the best interests of the client(s). The portfolio manager shall override the Recommendation should he/she not believe that such Recommendation, based on all facts and circumstances, is in the best interest of the client(s). The Adviser will memorialize the basis for any decision to override a Recommendation or to abstain from voting, including the resolution of any conflicts as further discussed below. The Adviser may have different policies and procedures for different clients which may result in different votes. Also, the Adviser may choose not to vote proxies under the following circumstances:

- If the effect on the client's economic interests or the value of the portfolio holding is indeterminable or insignificant;
- If the cost of voting the proxy outweighs the possible benefit; or
- If a jurisdiction imposes share blocking restrictions which prevent the Adviser from exercising its voting authority.

4. Addressing Material Conflicts of Interest

Prior to overriding a Recommendation, the portfolio manager (or other designated personnel) must complete the Proxy Vote Override Form, attached as Appendix B, and submit it to Compliance for determination as to whether a potential material conflict of interest exists between the Adviser and the client on whose behalf the proxy is to be voted ("Material Conflict"). Portfolio managers have an affirmative duty to disclose any potential Material Conflicts known to them related to a proxy vote. Material Conflicts may exist in situations where the Adviser is called to vote on a proxy involving an issuer or proponent of a proxy proposal regarding the issuer where the Adviser or an affiliated person of the Adviser also:

- Manages the issuer's or proponent's pension plan;
- Administers the issuer's or proponent's employee benefit plan;
- Provided brokerage, underwriting, insurance or banking services to the issuer or proponent; or
- Manages money for an employee group.

Additional Material Conflicts may exist if an executive of the Adviser or its control affiliates is a close relative of, or has a personal or business relationship with:

- An executive of the issuer or proponent;
- A director of the issuer or proponent;
- A person who is a candidate to be a director of the issuer;
- A participant in the proxy contest; or
- A proponent of a proxy proposal.

Material Conflicts based on business relationships or dealings of affiliates of the Adviser will only be considered to the extent that the applicable portfolio management area of the Adviser has actual knowledge of such business relationships. Whether a relationship creates a Material Conflict will depend on the facts and circumstances. Even if these parties do not attempt to influence the Adviser with respect to voting, the value of the relationship to the Adviser can create a Material Conflict.

Material Conflicts may exist when the Adviser manages a separate account, a fund or other collective investment vehicle that invests in affiliated funds. When the Adviser receives proxies in its capacity as a shareholder of an underlying fund, the Adviser will vote in accordance with the recommendation of an independent service provider applying the Adviser's pre-determined guidelines. If there is no relevant pre-determined guideline, the Adviser will vote in accordance with the recommendation of the independent service provider. If the independent service provider does not provide a recommendation, the Adviser then may address the conflict by "echoing" or "mirroring" the vote of the other shareholders in those underlying funds.

If Compliance determines that there is no potential Material Conflict mandating a voting recommendation from the Proxy Voting Committee, the portfolio manager may override the Recommendation and vote the proxy issue as he/she determines is in the best interest of clients. If Compliance determines that there exists or may exist a Material Conflict, it will refer the issue to the Proxy Voting Committee for consideration. The Proxy Voting Committee will consider the facts and circumstances of the pending proxy vote and the potential or actual Material Conflict and make a determination (by majority vote) as to how to vote the proxy – i.e., whether to permit or deny the override of the Recommendation, or whether to take other action, such as delegating the proxy vote to an independent third party or obtaining voting instructions from clients. In considering the proxy vote and potential Material Conflict, the Committee may review the following factors, including but not limited to:

- The percentage of outstanding securities of the issuer held on behalf of clients by the Adviser.
- The nature of the relationship of the issuer with the Adviser, its affiliates or its executive officers.
- Whether there has been any attempt to directly or indirectly influence the portfolio manager's decision.
- Whether the direction (for or against) of the proposed vote would appear to benefit the Adviser or a related party.
- Whether an objective decision to vote in a certain way will still create a strong appearance of a conflict.

The Adviser may not abstain from voting any such proxy for the purpose of avoiding conflict.

In the event ISS itself has a conflict and thus, is unable to provide a recommendation, the portfolio manager will make a voting recommendation and complete a Proxy Vote Override Form. Compliance will review the form and if it determines that there is no potential Material Conflict mandating a voting recommendation from the Proxy Voting Committee, the portfolio manager may instruct ISS to vote the proxy issue as he/she determines is in the best interest of clients. If Compliance determines that there exists or may exist a Material Conflict, it will refer the issue to the Proxy Voting Committee for consideration.

5. Lending

The Adviser will monitor upcoming meetings and call stock loans, if applicable, in anticipation of an important vote to be taken among holders of the securities or of the giving or withholding of their consent on a material matter affecting the investment. In determining whether to call stock loans, the relevant portfolio manager(s) shall consider whether the benefit to the client in voting the matter outweighs the benefit to the client in keeping the stock on loan.

6. Use of Subadvisers

To the extent that the Adviser may rely on subadvisers, whether affiliated or unaffiliated, to manage any client account on a discretionary basis, the Adviser may delegate responsibility for voting proxies to the subadvisers. However, such subadvisers will be required either to follow the Policy and Guidelines or to demonstrate that their proxy voting policies and procedures are consistent with this Policy and Guidelines or otherwise implemented in the best interests of the Adviser's clients and appear to comply with governing regulations.

C. Proxy Voting Committee

The Proxy Voting Committee will consist of representatives from various functional areas within the Adviser. It will meet annually and as needed to address potential Material Conflicts as further described above. [1]

III. Compliance Monitoring

A. Monitoring of Overrides

Compliance will periodically review ISS reports of portfolio manager overrides to confirm that proper override and conflict checking procedures were followed. Supervisors must approve all portfolio manager requests for overrides and evidence such approval by signing the completed Proxy Override Request Form.

B. Oversight of Sub-advisers

Non-Mutual Fund Accounts:

Compliance will annually review the proxy voting policies and procedures of the Adviser's sub-advisers and report to the Proxy Voting Committee its view as to whether such policies and procedures appear to comply with governing regulations. The Proxy Voting Committee will also review the voting records of the Adviser's sub-advisers as necessary.

Mutual Fund Accounts:

With respect to The MainStay Group of Funds (the "Funds"), the Fund's Chief Compliance Officer will annually review each sub-adviser's proxy voting policies and procedures, and report to the Fund's Board of Directors/Trustees his/her view as to

[1] The Proxy Voting Committee will initially consist of the members of the New York Life Investments Compliance Committee. The participation of five members of the Proxy Voting Committee in any meeting will constitute a quorum.

whether such policies and procedures appear to comply with governing regulations. The Fund's Chief Compliance Officer will also provide the Board of Directors/Trustees with information regarding each sub-adviser's voting record as necessary.

C. Annual Compliance Reporting

Annually, Compliance will provide the Proxy Voting Committee with sufficient information to satisfy the following responsibilities:

- Review Risk Metrics Guidelines for voting on recurring matters and make revisions as it deems appropriate.
- Recommend and adopt changes to this Policy as needed.
- Review all portfolio manager overrides.
- Review ISS voting reports, including Votes Against Management Reports.
- Review the performance of ISS and determine whether the Adviser should continue to retain ISS' services.
- Review the Adviser's voting record (or applicable summaries of the voting record).
- Review the voting records (or applicable summaries of the voting records) of the sub-advisers to non-mutual fund accounts.
- Oversee compliance with the regulatory disclosure

Annually, the Chief Compliance Officer of the Funds will provide the Fund's Board of Directors/Trustees with a report of relevant proxy voting matters related to the Adviser, such as any proposed changes to the proxy voting policy or guidelines, comments on the voting record of the Funds (e.g., votes against management), and any votes presenting Material Conflicts.

To assist the Fund's Chief Compliance Office with satisfying this responsibility, each quarter, New York Life Investment's Chief Compliance Officer will report to the Fund's Chief Compliance Officer all proxy votes involving the Fund's in which the Adviser has overridden the Recommendation, and include a description of the reason for the override and whether such override involved a potential material conflict and participation of the Proxy Voting Committee.

IV. Client Reporting

A. Disclosure to Advisory Clients

The Adviser will provide a copy of this Policy and the Guidelines upon request from a client. In addition, the Adviser will provide any client who makes a written or verbal request with a copy of a report disclosing how the Adviser voted securities held in that client's portfolio. Reports will be available for each twelve month period from July 1 to June 30 of the following year. The report will be produced using ISS Proxy Master software and will generally contain the following information:

- The name of the issuer of the security:
- The security's exchange ticker symbol;
- The security's CUSIP number;
- The shareholder meeting date;
- A brief identification of the matter voted on;
- Whether the matter was proposed by the issuer of by a security holder;
- Whether the Adviser cast its vote on the matter;
- How the Adviser voted; and
- Whether the Adviser voted for or against management.

B. Investment Company Disclosures

For each investment company that the Adviser manages, the Adviser will ensure that the proxy voting record for the twelve-month period ending June 30 for each registered investment company is properly reported on Form N-PX no later than August 31 of each year. The Adviser will also ensure that each such fund states in its Statement of Additional Information ("SAI") and its annual and semiannual report to shareholders that information concerning how the fund voted proxies relating to its portfolio securities for the most recent twelve-month period ending June 30, is available through the fund's website and on the SEC's website.

The Adviser will ensure that proper disclosure is made in each fund's SAI describing the policies and procedures used to determine how to vote proxies relating to such fund's portfolio securities. The Adviser will further ensure that the annual and semiannual report for each fund states that a description of the fund's proxy voting policies and procedures is available: (1) without charge, upon request, by calling a specified toll-free telephone number; (2) on the fund's website; and (3) on the SEC's website.

V. Recordkeeping

Either the Adviser or ISS as indicated below will maintain the following records:

- A copy of the Policy and Guidelines (Adviser);

- A copy of each proxy statement received by the Adviser regarding client securities (ISS);

- A record of each vote cast by the Adviser on behalf of a client (ISS);

- A copy of all documents created by the Adviser that were material to making a decision on the proxy voting, (or abstaining from voting) of client securities or that memorialize the basis for that decision including the resolution of any conflict, a copy of all Proxy Vote Override Forms and all supporting documents (ISS and Adviser);

- A copy of each written request by a client for information on how the Adviser voted proxies on behalf of the client, as well as a copy of any written response by the Adviser to any request by a client for information on how the adviser voted proxies on behalf of the client. Records of oral requests for information or oral responses will not be kept. (Adviser); and

- Minutes of Proxy Voting Committee meetings with supporting documents. (Adviser)

Such records must be maintained for at least six years.

Attachments:

Proxy Vote Override Form

December, 2011

Proxy Vote Override Form

Portfolio Manager Requesting Override: ________________________

Security Issuer: _______________ Ticker symbol: ______________

Cusip #: ____________ # of Shares held: ___________

Percentage of outstanding shares held: ___________

Type of accounts holding security: Mutual Funds (name each fund): ___
Separate Accounts (specify number): ____
NYLIC/NYLIAC General Account: _____
Other (describe): _________

Applicable Guidelines (check one): ☐ New York Life Investments Standard
☐ Other (specify): _________________

Shareholder Meeting Date: _________________

Response Deadline: ___________________

Brief Description of the Matter to be Voted On:

____
____
____
____
____

Proposal Type (check one): ☐ Management Proposal
☐ Shareholder Proposal (identify proponent:
__________________________________)

Recommended vote by issuer's management (check one): ☐ For ☐ Against

Recommended vote by ISS (check one): ☐ For ☐ Against ☐ Abstain
☐ No Recommendation

Portfolio manager recommended vote (check one): ☐ For ☐ Against ☐ Abstain

Describe in detail why you believe this override is in the client's best interest (attach supporting documentation):

____
____

Are you aware of any relationship between the issuer, or its officers or directors, and New York Life Investment Management or any of its affiliates?

☐ No ☐ Yes (describe below)

Are you aware of any relationship between the issuer, including its officers or directors, and any executive officers of New York Life Investment Management or any of its affiliates?

☐ No ☐ Yes (describe below)

Are you aware of any relationship between the proponents of the proxy proposal (if not the issuer) and New York Life Investment Management or any of its affiliates?

☐ No ☐ Yes (describe below)

Are you aware of any relationship between the proponents of the proxy proposal (if not the issuer) and any executive officers of New York Life Investment Management or any of its affiliates?

☐ No ☐ Yes (describe below)

Has anyone (outside of your portfolio management area) contacted you in an attempt to influence your decision to vote this proxy matter?

☐ No ☐ Yes

If yes, please describe below who contacted you and on whose behalf, the manner in which you were contacted (such as by phone, by mail, as part of group, individually etc.), the subject matter of the communication and any other relevant information, and attach copies of any written communications.

____

____

____

Are you aware of any facts related to this proxy vote that may present a potential conflict of interest with the interests of the client(s) on whose behalf the proxies are to be voted?

☐ No ☐ Yes (describe below)

____

____

____

<u>Certification</u>:

The undersigned hereby certifies to the best of his or her knowledge that the above statements are complete and accurate, and that such override is in the client’s best interests without regard to the interests of New York Life Investments or any related parties.

__________________________ Date: __________________________

Name:
Title:

<u>Supervisor Concurrence with Override Request</u>:

__________________________ Date: __________________________

Name:
Title:

<u>Compliance Action</u>:

☐ Override approved
☐ Referred to Proxy Voting Committee

__________________________ Date: __________________________

Name:
Title: