STATE OF NEW YORK INSURANCE DEPARTMENT

REPORT ON FINANCIAL CONDITION EXAMINATION

OF THE

METROPOLITAN LIFE INSURANCE COMPANY

CONDITION: DECEMBER 31, 2008

DATE OF REPORT: JUNE 30, 2011

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AS OF

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EXAMINER:	ANTHONY MAURO

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STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004

Andrew M. Cuomo
Governor

James J. Wrynn
Superintendent

June 30, 2011

Honorable James J. Wrynn
Superintendent of Insurance
Albany, New York 12257

Sir:

In accordance with instructions contained in Appointment No. 30260, dated October 23, 2008, and annexed hereto, an examination has been made into the condition and affairs of Metropolitan Life Insurance Company, hereinafter referred to as “the Company” or “MLIC,” at its home office located at 200 Park Avenue, New York, New York 10166.

The examination was conducted by the New York State Insurance Department, hereinafter referred to as the “the Department,” with participation from the State of Nevada representing the Western Zone.

1. EXECUTIVE SUMMARY

The material violations and recommendations contained in this report are summarized below.

- The Company violated Section 310 (a) of the New York Insurance Law when it failed to provide access to documentation that was relevant to the examination and by failing to facilitate the timely completion of this examination. (See item 7 of this report)
- The examiner strongly recommends that the Company's executive management immediately establish a policy and action plan in consultation with and subject to the approval of the Company's board of directors to ensure that the Company fully complies with Section 310 of the New York Insurance Law. (See item 7 of this report)
- The Company violated Section 312 (b) of the New York Insurance Law when it failed to provide to the Department a statement confirming that each board member has received and read the 2003 report on examination and when it failed to provide a confirmation that a copy of the report was filed with the state insurance regulator of each state where the company is licensed to do business. (See item 3E of this report)
- The examiner recommends that the board of directors be provided with the filed 2003 Report on Examination and the Company's response thereto and that the Company obtain a signed attestation from each board member confirming that they received and read the 2003 Report on Examination.
- The examiner recommends that the Company take the necessary corrective action to accurately calculate, capture and report the income or expenses incurred under each of its service agreements and/or terminate any agreements no longer in use. (See item 3D of this report)
- On January 31, 2005, MetLife, Inc. entered into an agreement to acquire Citigroup's Travelers Life & Annuity business ("Travelers"), and substantially all of Citigroup's international insurance businesses (except its business in Mexico), for $11.5 billion. In connection with the transaction, Citigroup and MetLife, Inc. have entered into ten year agreements under which MetLife, Inc. will expand its distribution by making products available through some Citigroup distribution channels, including Smith Barney, Citibank branches, and Primerica in the U.S., as well as a number of international distribution channels. The acquisition of Travelers was completed for a final acquisition price of $12.0 billion. Consideration paid by MetLife, Inc. consisted of approximately $10.9 billion in cash and 22,436,617 shares of the Company's common stock with a market value of approximately $1 billion. The cash portion

of the purchase price was financed through the issuance of debt securities, common equity units, preferred shares, and cash on-hand. During June 2005, in connection with the acquisition of Travelers, MetLife, Inc. issued $2.0 billion senior debt, $2.07 billion common equity units and $2.1 billion preferred stock**.** (See item 3A of this report)

2. SCOPE OF EXAMINATION

The examination of the Company was a full scope examination as defined in the *NAIC Financial Condition Examiners Handbook, 2008 Edition* (the "Handbook"). The examination covers the five-year period from January 1, 2004 through December 31, 2008. The examination was conducted observing the guidelines and procedures in the Handbook and, where deemed appropriate by the examiner, transactions occurring subsequent to December 31, 2008 but prior to the date of this report (i.e., the completion date of the examination) were also reviewed.

The examination was conducted on a risk focused basis in accordance with the provisions of the Handbook published by the National Association of Insurance Commissioners ("NAIC"). The Handbook guidance provides for the establishment of an examination plan based on the examiner's assessment of risk in the insurer's operations and utilizing that evaluation in formulating the nature and extent of the examination. The examiner planned and performed the examination to evaluate the current financial condition as well as identify prospective risks that may threaten the future solvency of the insurer. The examiner identified key processes, assessed the risks within those processes and evaluated the internal control systems and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, evaluating the overall financial statement presentation, and determining management's compliance with New York statutes and Department guidelines, Statutory Accounting Principles as adopted by the Department and annual statement instructions.

Information about the Company's organizational structure, business approach and control environment were utilized to develop the examination approach. The Company's risks and management activities were evaluated incorporating the NAIC's nine branded risk categories. These categories are as follows:

- Pricing/Underwriting
- Reserving
- Operational
- Strategic
- Credit

- Market
- Liquidity
- Legal
- Reputational

The Company was audited annually, for the years 2004 through 2008, by the accounting firm of Deloitte & Touche LLP ("Deloitte"). The Company received an unqualified opinion for all years under review.

Certain audit workpapers of the accounting firm were reviewed and relied upon in conjunction with this examination. The Company has an internal audit department and a separate internal control department which was given the task of assessing the internal control structure and compliance with the Sarbanes-Oxley Act of 2002 ("SOX"). Where appropriate, SOX workpapers and reports were reviewed and portions were relied upon for this examination.

The examiner reviewed the corrective actions taken by the Company with respect to the violations, recommendations and/or comments contained in the prior report on examination. The results of the examiner's review are contained in item 9 of this report.

This report on examination is confined to financial statements and comments on those matters which involve departure from laws, regulations or rules, or which require explanation or description.

3. DESCRIPTION OF COMPANY

A. History

The Company was incorporated as a stock life insurance company under the laws of the State of New York on March 24, 1868 (in succession to National Travelers Insurance Company, incorporated May 1866), and commenced business on March 25, 1868. In 1915, the Company converted from a stock company to a mutual company, a company operated for the benefit of its policyholders. The Company converted back to a stock company on April 7, 2000, and became a wholly owned subsidiary of MetLife, Inc.

On November 29, 1998, the Company announced that it would pursue conversion to a stock company from a mutual company through demutualization under Section 7312 of the New York Insurance Law. On February 18, 2000, the Company's policyholders approved the plan to convert to a stock company. The demutualization plan was approved by the Superintendent and the Company demutualized on April 7, 2000.

When the Company converted to a stock company on April 7, 2000, it became a wholly owned subsidiary of MetLife, Inc., a Delaware holding company. Each policyholder's ownership interest in the Company was extinguished and each eligible policyholder received, in exchange for that interest, trust interests representing shares of common stock of MetLife, Inc. held in the MetLife Policyholder Trust, cash, or an adjustment to their policy values in the form of policy credits, as provided in the reorganization plan. On the date of demutualization, MetLife, Inc. conducted an initial public offering of 202,000,000 shares of its common stock and a concurrent private placement of an aggregate of 60,000,000 shares of its common stock at an offering price of $14.25 per share. The shares of common stock issued in the offerings were in addition to 494,466,664 shares of MetLife, Inc. common stock distributed to the MetLife Policyholder Trust for the benefit of the policyholders of the Company in connection with the demutualization. On April 10, 2000, MetLife, Inc. issued 30,300,000 additional shares of its common stock as a result of the exercise of over-allotment options granted to underwriters in the initial public offering.

On the date of demutualization, April 7, 2000, the Company established a closed block for the benefit of individual participating policyholders who are expected to receive ongoing dividend payments as part of their policies. The Company designated assets to the closed block in an amount that it reasonably expected would, together with revenue from the policies in the closed block, be sufficient to pay benefits and certain taxes and expenses of the closed block, and provide for the continuation of the then current dividend scales, if the experience underlying such dividend scales continued and for appropriate changes in such scales if the experience changed. These cash flows are expected to be sufficient to pay each policyholder, including the last surviving individual, a commensurate amount of cash flow for policyholder benefits and dividends.

On June 27, 2000, MetLife, Inc.'s board of directors authorized the repurchase of up to $1 billion of MetLife, Inc.'s outstanding common stock. After the completion of this repurchase program, MetLife, Inc.'s board of directors authorized another $1 billion common stock repurchase program on March 27, 2001. Both authorizations allowed MetLife, Inc. to purchase common stock from the Metropolitan Life Policyholder Trust, in the open market, and in private transactions.

After the demutualization, the Company streamlined its corporate structure in 2002 and 2003. The overall objective that triggered the 2002 and 2003 restructuring efforts was to simplify and flatten the corporate structure by moving up to MetLife, Inc. operating companies held by the Company. The restructuring efforts in 2002 and 2003 were accomplished via cash purchases of Company subsidiaries at fair market value. As a result, the Company replaced investments in subsidiaries with cash or securities.

In 2000, the Company completed its acquisition of GenAmerica Financial, LLC, which is the parent company of General American Life Insurance Company ("GALIC"). Other companies acquired include Reinsurance Group of America, Incorporated, Cova Corporation, Equity Intermediary Company, Paragon Life Insurance Company ("Paragon"), and Missouri Reinsurance (Barbados), Inc.

On February 13, 2001, the Federal Reserve Board approved the Company's application to acquire Grand Bank N.A. of Kingston, New Jersey. The Federal Reserve Board also approved the Company's request for financial holding company status. On February 28, 2001, MetLife, Inc., purchased Grand Bank N.A. and re-named it MetLife Bank N.A. ("MetLife Bank") MetLife Bank offers interest bearing FDIC insured accounts, including checking and money market accounts and certificates of deposit.

On January 1, 2003, MetLife, Inc. established a new direct subsidiary, MetLife Group, Inc., as an employee services company to provide personnel to support all activities of the MetLife enterprise. With certain limited exceptions, all United States associates formerly employed by the Company became employees of MetLife Group, Inc. For regulatory purposes, certain employees who adjudicate insurance claims remained employees of the Company. In addition, certain sales force and agency administrative support personnel remained employees of the Company.

In the third quarter of 2004, the Company entered into an agreement to sell its subsidiary, SSRM Holdings, Inc. ("SSRM") to Blackrock, Inc. On January 31, 2005, the sale was completed for $328 million in cash and stock. As a result of the sale, the Company realized a gain of $180 million, net of income taxes. SSRM was a provider of a broad variety of asset management products and services to the Company, third-party institutions and individuals. SSRM conducts its operations through two wholly-owned subsidiaries: State Street Research & Management Company, a full-service investment management firm; and SSR Realty Advisors, Inc., a full-service real estate investment advisor. SSRM offers investment management services in all major investment disciplines through multiple channels of distribution in both the retail and institutional marketplaces.

On January 31, 2005, MetLife, Inc. entered into an agreement to acquire Citigroup's Travelers Life & Annuity business ("Travelers"), and substantially all of Citigroup's international insurance businesses (except its business in Mexico), for $11.5 billion. In connection with the transaction, Citigroup and MetLife, Inc. have entered into ten year agreements under which MetLife, Inc. will expand its distribution by making products available through some Citigroup distribution channels, including Smith Barney, Citibank branches, and Primerica in the U.S., as well as a number of international distribution channels. The acquisition of Travelers was completed for a final acquisition price of $12.0 billion. Consideration paid by MetLife, Inc. consisted of approximately $10.9 billion in cash and 22,436,617 shares of the Company's common stock with a market value of approximately $1 billion. The cash portion of the purchase price was financed through the issuance of debt securities, common equity units, preferred shares, and cash on-hand. During June 2005, in connection with the acquisition of Travelers, MetLife, Inc. issued $2.0 billion senior debt, $2.07 billion common equity units and $2.1 billion preferred stock.

On September 29, 2005, the Company completed the sale of P.T. Sejahtera to a third party resulting in a realized gain of $10 million, net of income taxes.

In May 2005, MetLife, Inc. sold its 200 Park Avenue property in Manhattan for $1.72 billion with a book value of $1.329 billion. In addition, the Company sold its property located at One Madison Avenue in Manhattan to SL Green Realty for $918 million. As of December 31, 2004, the book value of this property was $239.7 million.

On October 20, 2006, MetLife, Inc. sold its wholly owned subsidiary, Citicorp Life Insurance Company ("CLIC") and its subsidiary First Citicorp Life Insurance Company ("FCLIC") to the Company. Immediately following the sale, CLIC and FCLIC merged with and into the Company.

On May 1, 2006, General American sold, its wholly subsidiary, Paragon to its ultimate parent, the MetLife Inc. Immediately following the sale, Paragon was merged with and into the Company.

The Company dissolved Metropolitan Asset Management Company ("MAMCO") in September 2007 and on October 3, 2007, MetLife Capital LP, MetLife Capital Limited Partnerships, MetLife Investments Asia Limited, LA Investments S.A. and MetLife Latin America Aesorias e Inversiones Limitada, all former subsidiaries of MAMCO, became direct subsidiaries of the Company upon the dissolution of MAMCO.

On November 1, 2007, the Company sold to MetLife International Holdings, an affiliated holding company, its interest in MetLife Mexico S.A. and its interest in MetLife Pensiones, S.A.

In November 1993, February 1994 and November 1995, the Company issued $1.55 billion of 10, 20 or 30 year surplus notes at interest rates between 6.3% and 7.875%. In 2002, the Company issued two capital notes in the amounts of $100 million and $400 million at an interest rate of 7.129%. The notes will mature in 2032 and 2033. In December 2007, the Company repaid an $800 million surplus note to MetLife Inc. and subsequently issued a two year $700 million surplus note. On December 31, 2009, the Company repaid the outstanding principal and interest on the two year $700 million surplus note. On December 28, 2009 and December 31, 2009, the Company issued surplus notes to MetLife Inc. in the amounts of $300 million and $775 million, respectively.

On September 12, 2008, MetLife, Inc. and Reinsurance Group of America, Inc. ("RGA"), an indirect subsidiary of the Company, completed tax-free spin off transaction whereby MetLife divested itself of substantially all of its 52% ownership in RGA. The Company paid an extraordinary dividend to MetLife, Inc. of $1,318 billion in the form of RGA class B common stock.

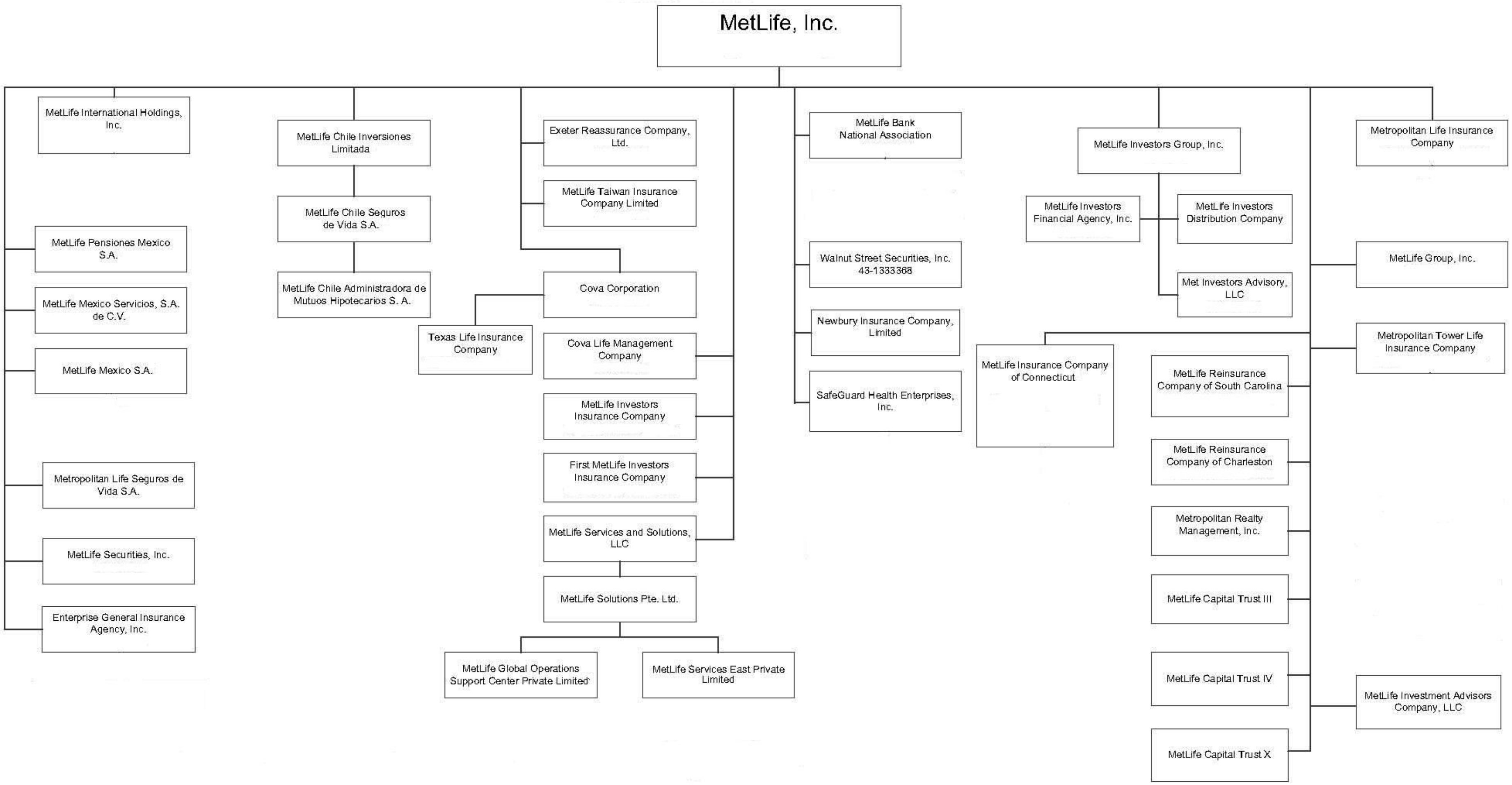
The Company paid an ordinary common stock dividend in the amount of $500 million to MetLife Inc. in 2007.

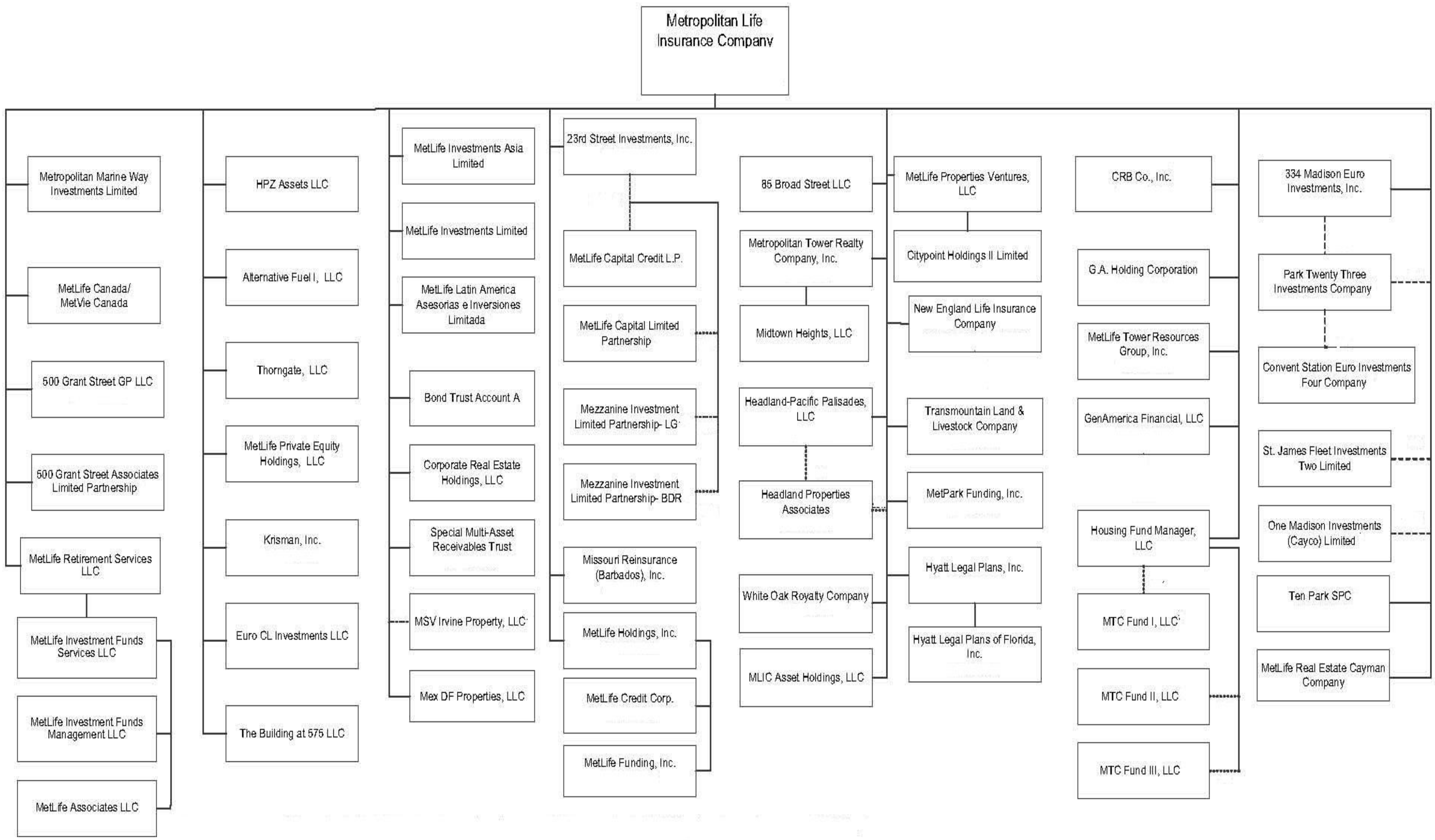
B. Holding Company

The Company is a wholly owned subsidiary of MetLife Inc., a Delaware holding company.

C. Organizational Chart

Organization charts reflecting the relationship between the Company, its parent and significant entities in its holding company system as of December 31, 2008 follows:


MetLife, Inc.
MetLife International Holdings, Inc.
MetLife Pensiones Mexico S.A.
MetLife Mexico Servicios, S.A. de C.V.
MetLife Mexico S.A.
Metropolitan Life Seguros de Vida S.A.
MetLife Securities, Inc.
Enterprise General Insurance Agency, Inc.
MetLife Chile Inversiones Limitada
MetLife Chile Seguros de Vida S.A.
MetLife Chile Administradora de Mutuos Hipotecarios S. A.
Exeter Reassurance Company, Ltd.
MetLife Taiwan Insurance Company Limited
Cova Corporation
Texas Life Insurance Company
Cova Life Management Company
MetLife Investors Insurance Company
First MetLife Investors Insurance Company
MetLife Services and Solutions, LLC
MetLife Solutions Pte. Ltd.
MetLife Global Operations Support Center Private Limited
MetLife Services East Private Limited
MetLife Bank National Association
Walnut Street Securities, Inc. 43-1333368
Newbury Insurance Company, Limited
SafeGuard Health Enterprises, Inc.
MetLife Investors Group, Inc.
MetLife Investors Financial Agency, Inc.
MetLife Investors Distribution Company
Met Investors Advisory, LLC
MetLife Insurance Company of Connecticut
MetLife Reinsurance Company of South Carolina
MetLife Reinsurance Company of Charleston
Metropolitan Realty Management, Inc.
MetLife Capital Trust III
MetLife Capital Trust IV
MetLife Capital Trust X
Metropolitan Life Insurance Company
MetLife Group, Inc.
Metropolitan Tower Life Insurance Company
MetLife Investment Advisors Company, LLC


Metropolitan Life Insurance Company
Metropolitan Marine Way Investments Limited
MetLife Canada/ MetVie Canada
500 Grant Street GP LLC
500 Grant Street Associates Limited Partnership
MetLife Retirement Services LLC
MetLife Investment Funds Services LLC
MetLife Investment Funds Management LLC
MetLife Associates LLC
HPZ Assets LLC
Alternative Fuel I, LLC
Thorngate, LLC
MetLife Private Equity Holdings, LLC
Krisman, Inc.
Euro CL Investments LLC
The Building at 575 LLC
MetLife Investments Asia Limited
MetLife Investments Limited
MetLife Latin America Asesorias e Inversiones Limitada
Bond Trust Account A
Corporate Real Estate Holdings, LLC
Special Multi-Asset Receivables Trust
MSV Irvine Property, LLC
Mex DF Properties, LLC
23rd Street Investments, Inc.
MetLife Capital Credit L.P.
MetLife Capital Limited Partnership
Mezzanine Investment Limited Partnership- LG
Mezzanine Investment Limited Partnership- BDR
Missouri Reinsurance (Barbados), Inc.
MetLife Holdings, Inc.
MetLife Credit Corp.
MetLife Funding, Inc.
85 Broad Street LLC
Metropolitan Tower Realty Company, Inc.
Midtown Heights, LLC
Headland-Pacific Palisades, LLC
Headland Properties Associates
White Oak Royalty Company
MLIC Asset Holdings, LLC
MetLife Properties Ventures, LLC
Citypoint Holdings II Limited
New England Life Insurance Company
Transmountain Land & Livestock Company
MetPark Funding, Inc.
Hyatt Legal Plans, Inc.
Hyatt Legal Plans of Florida, Inc.
CRB Co., Inc.
G.A. Holding Corporation
MetLife Tower Resources Group, Inc.
GenAmerica Financial, LLC
Housing Fund Manager, LLC
MTC Fund I, LLC
MTC Fund II, LLC
MTC Fund III, LLC
334 Madison Euro Investments, Inc.
Park Twenty Three Investments Company
Convent Station Euro Investments Four Company
St. James Fleet Investments Two Limited
One Madison Investments (Cayco) Limited
Ten Park SPC
MetLife Real Estate Cayman Company

D. Service Agreements

The Company had 34 investment, service, marketing and distribution agreements in effect with affiliates during the examination period.

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Service Agreement	01/01/1978	Company	Various subsidiaries	Certain services, property, facilities and equipment, including but not limited to: accounting, tax and auditing services, legal services; actuarial services; employee benefit plans and personnel administration; sales services; software development services; electronic data processing operations; communications operations and investment services; electronic data processing equipment; business property; communications equipment and security vault; as recipient may, from time to time request.	2004: $196,646,728 2005: $268,408,474 2006: $ 79,184,940 2007: $ 81,570,309 2008: $141,446,683
Service Agreement	06/29/1992	Company	MetLife Mexico S.A.	Administrative, financial and technical services.	2004: $2,049,255 2005: $2,352,799 2006: $3,541,722 2007: $ 0 2008: $ 0
Service Agreement	10/29/1992	Company	MetLife Investments Limited	Certain services, property, facilities and equipment, including but not limited to: accounting, tax and auditing services, legal services; actuarial services; employee benefit plans and personnel administration; sales services; software development services; electronic data processing operations; communications operations and investment services; electronic data processing equipment; business property; communications equipment and security vault; as each party may, from time to time, request.	2004:$ 8,203,193 2005:$ 1,192,213 2006:$10,373,812 2007: $ 534,195 2008: $ ($95,317)

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Service Agreement	07/01/1995	Company	Metropolitan Life Insurance Company of Hong Kong	Administrative, technical and managerial services.	2004: $1,387,073 2005: $1,807,934 2006: $ 0 2007: $ 0 2008: $ 0
Product Cross Selling Agreement	01/01/1997	Company	New England Life Insurance Company ("NELICO")	MLIC field force is able to sell NELICO products and MLIC will provide certain administrative services with respect to such sales.	2004: $ 0 2005: $ 0 2006: $ 0 2007: $1,342,276 2008: $1,342,276
Administrative Services Agreement	07/01/1998	Company	MetLife Investors USA Insurance Company ("MLI USA")	The Company agreed to provide to the MLI USA necessary and appropriate services, including marketing, sales, underwriting, policy issuance, general administrative, actuarial, compliance, legal, financial and accounting, data processing, claims administration, reinsurance administration, and related services in connection with specified term life insurance products issued by MLI USA.	2004: $ 0 2005: $4,894,695 2006: $4,614,696 2007: $4,032,075 2008: $5,063,464
Investment Management Agreement	11/01/1999	Company	Texas Life Insurance Company ("Texas Life")	Company agreed to provide investment management services to the general account of recipient	2004: $743,195 2005: $731,573 2006: $ 0 2007: $533,155 2008: $512,021

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Service Agreement	04/01/2000	Company	MetLife, Inc.	Such services and facilities as recipient may determine to be reasonably necessary, including but not limited to the following services: accounting, tax and auditing services, legal services; actuarial services; employee benefit plans and personnel administration; sales services; software development services; electronic data processing operations; communications operations and investment services; and the following facilities : computer hardware and software; business property; and communications equipment.	2004: $7,101,038 2005: $6,143,000 2006: $ 0 2007: $ 0 2008: $ 0
Product Cross Selling Agreement	05/01/2000	NELICO	Company	NELICO agreed that its field force would sell certain MLIC insurance and annuity products.	2004: $ 0 2005: $ 0 2006: $ 0 2007: $(19,926,017) 2008: $(14,806,515)
Investment Management Agreement	10/01/2000	Company	First MetLife Insurance Company ("FMLIC")	Company agreed to provide investment management services to the general account of recipient.	2004: $ 0 2005: $150,447 2006: $699,387 2007: $126,276 2008: $143,150

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Service Agreement	10/30/2000	The Company	Exeter Reassurance Company, Ltd.	Such services and facilities as recipient may determine to be reasonably necessary, including but not limited to the following services: accounting, tax and auditing services, legal services; actuarial services; employee benefit plans and personnel administration; sales services; software development services; electronic data processing operations; communications operations and investment services; and the following facilities : computer hardware and software; business property; and communications equipment.	2004: $ 492,583 2005: $ 573,927 2006: $1,433,791 2007: $1,640,382 2008: $ 748,546
Investment Management Agreement	01/01/2001	Company	MetLife Investors Insurance Company	Company agreed to provide investment management services to the general account of recipient.	2004: $1,982,811 2005: $1,452,884 2006: $1,387,133 2007: $1,377,556 2008: $1,271,136
Investment Management Agreement	01/01/2001	Company	MLI USA	Company agreed to provide investment management services to the general account of recipient	2004: $ 0 2005: $3,095,539 2006: $2,221,502 2007: $2,035,303 2008: $1,589,716
Marketing Agreement	01/01/2001	GALIC	The Company	GALIC makes available competitive individual disability income and long term care products to be sold to individuals and business entities by and through its General Agents, Agents and Brokers. MLIC is the manufacturer of the products and performs certain underwriting, administration and sales support functions	2004: $ 0 2005: $ 0 2006: $ 0 2007: $(4,065,253) 2008: $(4,440,485)

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Investment Management Agreement	01/01/2001	Company	General American	Company agreed to provide investment management services to the general account of recipient	2004: $ 0 2005: $5,822,898 2006: $4,988,725 2007: $5,497,783 2008: $ 0
Service Agreement	02/28/2001	Company	MetLife Bank	Such services and facilities as recipient may determine to be reasonably necessary, including but not limited to the following services: accounting, tax and auditing services, legal services; actuarial services; employee benefit plans and personnel administration; sales services; software development services; electronic data processing operations; communications operations and investment services; and the following facilities : computer hardware and software; business property; and communications equipment.	2004: $ 9,734,000 2005: $13,351,609 2006: $17,265,450 2007: $25,228,960 2008: $21,037,315
Marketing Agreement	04/01/2001	Company	GALIC	MLIC markets and sells certain insurance products of GALIC through MLIC's career agents/agency, MetLife General Insurance Agency, Inc. GALIC shall perform certain manufacturing and administration services for the sale of the insurance products.	2004: $ 0 2005: $ 0 2006: $521,752 2007: $521,752 2008: $446,847
Investment Management Agreement	05/01/2001	Company	NELICO	Company agreed to provide investment management services to the general account of recipient	2004: $675,755 2005: $559,752 2006: $582,150 2007: $668,845 2008: $665,206

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Shareholder Service Agreement	01/01/2002	Company	MetLife Investors Distribution Company (“MLIDC”)	Company agreed to provide certain personal, shareholder and account maintenance services to MLIDC, and MLIDC agreed to pay to MLIC an amount equal to certain Rule 12b-1 fees received by MLIDC under Rule 12b-1 plans adopted by Met Investors Series Trust. This Agreement terminates as to any 12b-1 fees when the related Rule 12b-1 plan is terminated by Met Investors Series Trust.	2004: $ 0 2005: $ 0 2006: $ 0 2007: $11,205,174 2008: $12,145,071
Distribution Agreement	04/18/2002	Walnut Street Securities (“WSS”)	Company	MLIC has authorized WSS to sell certain variable insurance products issued by MLIC.	2004: $(1,668,615) 2005: $(1,854,644) 2006: $(3,013,496) 2007: $(1,852,619) 2008: $ 0
Master Services	12/31/2002	Company	FMLIC	Provide accounting, tax, auditing, legal, actuarial, sales, electronic data processing, communication and investment management and other services and facilities	2004: $ 1,024,430 2005: $ 655,770 2006: $ 699,387 2007: $14,215,021 2008: $10,869,190
Master Service Agreement	12/31/2002	Company	Various affiliates	Services, facilities and equipment as requested by and deemed necessary to its operations, including, but not limited to the following services: legal, controller communications, human resources, broker-dealer, general management, , investment management, actuarial, treasury, benefits management, systems and technology, general, adjusting services and claims, underwriting and policyholder services.	2004: $481,519,057 2005: $252,658,682 2006: $469,856,898 2007: $819,286,552 2008: $666,796,536

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Investment, personal Services Agreement	1/1/2003	MetLife Group, Inc.	Company	Personnel, on an as needed basis, qualified to perform services including the following: investment management services including the following: asset management, including investment advice relating to the recipient's general accounts and in connection with the recipient's contractual obligations to third parties, including separate accounts, affiliates and mutual funds; trade processing and oversight of custodian and investment management relationships with third party managers; asset/liability management and investment accounting services; and review and/or preparation of internal investment accounting reports, Schedule D submissions, and statutory schedules for recipient statutory reports, legal, communications, human resources, broker-dealer, general management, controller, actuarial, treasury, benefits management, information systems and technology, and claims, underwriting and policyholder services.	2004: $(1,713,000,000) 2005: $(2,072,452,474) 2006: $(1,903,152,331) 2007: $(1,945,400,499) 2008: $(2,129,631,161)
Marketing Agreement	05/01/2004	Company	MLI USA	MLIC agreed to distribute certain term life products issued by MLI USA.	2004: $ 0 2005: $ 0 2006: $41,826,805 2007: $47,765,699 2008: $58,650,788
Marketing Agreement	5/1/2004	Company	FMLIC	MLIC agreed to distribute certain term life products issued by FMLIC.	2004: $ 0 2005: $ 0 2006: $2,782,822 2007: $2,848,148 2008: $4,044,456

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Distribution Agreement	10/1/2004	Tower Square Securities, Inc. ("TSS")	Company	MLIC has authorized TSS to sell certain securities issued by MLIC.	2004: $ 0 2005: $ 0 2006: $(2,438,235) 2007: $(478,955) 2008: $ 0
Shareholder Service Agreement	07/01/2004	Company	MLIDC	Company agreed to provide certain personal shareholder and account maintenance services to the Company, and MLIDC agreed to pay the Company an amount equal to certain Rule 12b-1 fees received by MLIDC under Rule 12b-1 plans adopted by Metropolitan Series Fund, Inc.	2004: $ 0 2005: $ 0 2006: $ 0 2007: $12,768,182 2008: $ 0
Distribution Agreements	10/26/2004	MLIDC	Company	MLIDC agreed to distribute, a wholesale basis, products issued by the Company.	2004: $ 0 2005: $ 0 2006: $(561,378) 2007: $(663,317) 2008: $(977,684)
Marketing Agreement	10/1/2005	Company	MetLife Insurance Company of Connecticut ("MICC")	MICC issues certain life insurance policies and annuities and MLIC makes these products available for sale to individuals and business entities by and through its contracted agents.	2004: $ 0 2005: $ 0 2006: $ 0 2007: $ 0 2008: $2,292,340
Product Cross Selling Agreement	5/1/1997 Amended 01/01/2006	Company	Texas Life	MLIC provides certain services to Texas Life, including training, background checks, agency management and communication and accounting services.	2004: $1,130,756 2005: $1,045,854 2006: $ 508,805 2007: $1,366,756 2008: $2,232,953

Type of Agreement	Effective Date	Provider(s) of Service(s)	Recipient(s) of Service(s)	Specific Service(s) Covered	Income/ (Expense)* For Each Year of the Examination
Principal Underwriting Agreement	05/01/2007	MLIDC	Company	MLIDC acts as the principal underwriter for variable annuities and variable life insurance issued by the Company. MLIDC receives an amount equal to all expenses, direct and indirect, reasonably and equitably determined by MLIDC to be attributable to the underwriting and distribution services provided by MLIDC to the Company, including commissions and other compensation related costs paid by the Company to broker dealers.	2007: $(474,425,243) 2008: $(609,048,623)
Common Paymaster Agreement	01/01/2008	MLI USA	Company	MLI USA is responsible for the preparation and distribution of compensation payments to insurance producers utilized by the other affiliate insurance companies.	2008: $(80,861,612)
Service Agreement	10/01/2008	Company	MLIDC	Company agreed to provide certain personal, shareholder and account maintenance services to MLIDC, and MLIDC agreed to pay to MLIC an amount equal to certain Rule 12b-1 fees received by MLIDC from the funds underlying the variable contracts or policies issued by MLIC.	2008: $183,442
Service Agreement	1/01/2007 Amended 11/1/2008	MetLife Services and Solutions, LLC	Company	Agreement provides for specified services to be rendered and facilities and equipment to be provided by MetLife Services and Solutions to MLIC. Services, facilities and equipment are requested by MLIC as deemed necessary to its operations.	2007: $(3,110,165) 2008: $(8,857,520)

*Amount of Income or (Expense) Incurred by the Company

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The amounts in the chart were furnished by the corporate governance office taken from the filings “Annual Report filed pursuant to Article 15 of the New York Insurance Law and 11 NYCRR 80-1.4 - Department Regulation No. 52.” The annual report allows for transactions not deemed material, in series or numerous similar transactions to be reported in aggregate. Certain instances where no income or expense was reported in any one year, for any particular agreement, was attributed to the aggregation of amounts for the affiliate receiving or rendering services pursuant to an executed agreement. However, there were instances where the failure to report any income or expense could not be adequately explained to the examiner and therefore compliance with the terms of the agreement could not be verified.

The examiner recommends that the Company take the necessary corrective action to accurately calculate, capture and report the income or expenses incurred under each of its service agreements and/or terminate any agreements no longer in use.

The Company participates in a federal income tax allocation agreement with its parent and affiliates.

The Company has entered into separate net worth maintenance agreements with NELIC and GALIC whereby the Company agreed to maintain as to the amount of minimum capital and surplus, total adjusted capital and liquidity necessary to meets their current obligations without limitation.

On September 12, 2008, the Company paid an extraordinary dividend to MetLife Inc. of $1,318 million in the form of RGA class B common stock. The Company paid an ordinary common stock dividend in the amount of $500 million to MetLife Inc. in 2007.

E. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than 13 and not more than 30 directors. Directors are elected for a period of one year at the annual meeting of the stockholders held in April of each year. As of December 31, 2008, the board of directors consisted of 13 members. Meetings of the board are held periodically by resolution of the board. In 2008, meetings were held in January, February, March, July, September, October and December.

The 13 board members and their principal business affiliation, as of December 31, 2008, were as follows:

Name and Residence	Principal Business Affiliation	Year First Elected
Sylvia Mathews Burwell* Seattle, WA	President Global Development Program The Bill and Melinda Gates Foundation	2004
Eduardo Xavier Castro-Wright* Rogers, AR	Vice Chairman Wal-Mart Stores, Inc.	2008
Burton A. Dole, Jr.* Pauma Valley, CA	Retired	1996
Cheryl Wray Grise* West Hartford, CT	Retired	2004
Carl R. Henrikson New Canaan, CT	Chairman of the Board, President and Chief Executive Officer Metropolitan Life Insurance Company.	2005
Robert G. Hubbard* New York, NY	Dean of the Graduate School of Business and the Russell L. Carson Professor of Finance and Economics Columbia University	2007
John M. Keane* McLean, VA	Co-founder and Senior Managing Director Keane Advisors, LLC, President GSI, LLC	2003
James M. Klits* Greenwich, CT	Partner, Centerview Partners Management, LLC	2008

Name and Residence	Principal Business Affiliation	Year First Elected
Hugh B. Price* New Rochelle, NY	John L. Weinberg/Goldman Sachs Visiting Professor of Public and International Affairs Woodrow Wilson School, Princeton University	1994
David Satcher* Jonesboro, GA	Director of the Satcher Health Leadership Institute and the Center of Excellence on Health Disparities Morehouse School of Medicine	2007
Kenton J. Sicchitano* Naples, FL	Retired	2003
William C. Steere, Jr*. Rye, NY	Retired.	1997
Lulu Chow Wang* New York, NY	Chief Executive Officer Tupelo Capital Management, LLC	2008

* Not affiliated with the Company or any other company in the holding company system

As of December 31, 2009, the board consisted of fifteen (15) members with Catherine R. Kinney, and Alfred F. Kelly, Jr. being added to the Board as of 4/28/09 and 6/23/09 respectively.

The examiner’s review of the minutes of the meetings of the board of directors and its committees indicated that meetings were well attended and that each director attended a majority of meetings.

The following is a listing of the principal officers of the Company as of December 31, 2008:

Name	Title
Carl R. Henrikson	Chairman of the Board, President, and Chief Executive Officer
William J. Toppeta	President International Business
William J. Mullaney	President Institutional Business
Lisa Merry Weber	President Individual Business
Ruth Ann Fattori	Executive Vice President and Chief Administrative Officer
Steve A. Kandarian	Executive Vice President and Chief Investment Officer
Joseph J. Prochaska, Jr.	Executive Vice President and Chief Accounting Officer
William J. Wheeler	Executive Vice President and Chief Financial Officer
James L. Lipscomb	Executive Vice President and General Counsel
Maria R. Morris	Executive Vice President, Technology and Operations
Gwenn L. Carr	Senior Vice President and Secretary
Eric T. Steigerwalt	Senior Vice President and Treasurer

David Rupper is the designated consumer services officer per Section 216.4(c) of Department Regulation No. 64.

On July 14, 2009, MetLife, Inc. announced the combination of its institutional and individual businesses as well as its Auto and Home unit into a single U.S. Business organization with William J. Mullaney, who served as President – Institutional business since 2007 as President of U.S. Business operations.

On February 5, 2009, Ruth Ann Fattori resigned as Executive Vice President and Chief Administrative Officer. On May 19, 2009, Peter M. Carlson replaced Joseph J. Prochaska Jr. as Executive Vice President and Chief Accounting Officer. On June 23, 2009, Jeffrey A. Welikson replaced Gwenn L. Carr as Senior Vice President and Secretary. On August 1, 2009, Steven J. Goulart replaced Eric T. Steigerwalt as Senior Vice President and Treasurer. On May 1, 2010, Nicholas D. Latrenta replaced James L. Lipscomb as General Counsel.

Section 312 (b) of the New York Insurance Law states:

> "A copy of the report shall be furnished by such insurer or other person to each member of its board of directors and each such member shall sign a statement which shall be retained in the insurer's files confirming that such member has received and read such report. The superintendent may require that a copy of the report shall also be furnished by such insurer to the supervising insurance official of each state in the United States in which such insurer is authorized to do an insurance business."

In a letter dated August 24, 2007, the Company was informed that the 2003 report on examination was adopted by the Department, made an official record thereof, and filed accordingly. In that letter, specific requirements related to the 2003 report were outlined:

- The Company's attention was directed to the requirements of Section 312 of the New York Insurance Law whereby a copy of the report on examination as filed shall be furnished to each member of the board of directors and each such member shall sign a statement which shall be retained in the Company's files confirming that such member has received and read such report. In addition, a certified transcript from the minutes of the meeting of the board of directors indicating compliance as outlined above was to be maintained,
- A written confirmation that a copy of the report was filed with the state insurance regulator of each state where the Company is licensed to do business,
- A statement indicating what steps have been taken or are contemplated, in order to comply with each of the examiner's comments, suggestions or recommendations.

In a follow-up correspondence dated August 11, 2008, the Department reminded the Company that it had not responded to the letter dated August 24, 2007.

A review of the board minutes, the last of which occurred in March 2010, revealed no evidence that each or any board member signed a statement that such member has received and read the 2003 report on examination.

The Company violated Section 312 (b) of the New York Insurance Law when it failed to provide to the Department a statement confirming that each board member has received and read the 2003 report on examination and when it failed to provide a confirmation that a copy of the report was filed with the state insurance regulator of each state where the company is licensed to do business.

The examiner recommends that the board of directors be provided with the filed 2003 Report on Examination and the Company's response thereto and that the Company obtain a signed attestation from each board member confirming that they received and read the 2003 Report on Examination.

4. TERRITORY AND PLAN OF OPERATIONS

The Company is authorized to write life insurance, annuities and accident and health insurance as defined in paragraphs 1, 2 and 3 of Section 1113(a) of the New York Insurance Law.

The Company is licensed to transact business in all fifty states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and Guam. In 2008, 15.89% of life premiums, 9.26% of accident and health premiums, 14.20% of annuity considerations, 64.85% of deposit type funds and 26.17% of all other premiums were received from New York. Policies are written on a participating and non-participating basis.

The following tables show the percentage of direct premiums received, by state, and by major lines of business for the year 2008:

Life Insurance Premiums	
New York	15.89%
California	9.43%
Texas	6.52%
Michigan	5.55%
New Jersey	4.98%
Subtotal	42.37%
All others	57.63%
Total	100.00%

Annuity Considerations	
New York	14.20%
Florida	8.25%
Pennsylvania	6.85%
New Jersey	6.56%
California	5.94%
Subtotal	41.80%
All others	58.20%
Total	100.00%

Accident and Health Insurance Premiums	
California	10.77%
New York	9.26%
Texas	7.31%
Florida	5.98%
Illinois	5.06%
Subtotal	38.38%
All others	61.62%
Total	100.00%

Deposit Type Funds	
New York	64.85%
Delaware	33.91%
Subtotal	98.76%
All others	1.24%
Total	100.00%

Other Considerations

New York	26.17%
California	8.91%
Pennsylvania	8.81%
New Jersey	8.11%
Illinois	7.06%
Subtotal	59.06%
All others	40.94%
Total	100.00%

A. Statutory and Special Deposits

As of December 31, 2008, the Company had $5,798,550 on deposit with the State of New York, its domiciliary state, for the benefit of all policyholders, claimants and creditors of the Company and $287,814,682 on special deposit for thirteen (13) states and Canada as detailed in Schedule E of the 2008 filed annual statement.

B. Direct Operations

The Company offers a wide variety of individual and group products. Individual products offered by the Company include traditional whole life and term, universal and variable universal life, disability and long-term care insurance, as well as qualified and non-qualified variable and fixed annuities. The markets targeted for individual insurance include, the middle-income, affluent and business owner markets.

Group products offered by the Company include term life, private placement variable life, general and separate account annuities, dental, long-term disability, and long-term care insurance. The markets targeted for group insurance include small, medium and large employers, either as an integrated employee benefits package or as a stand alone product offering.

Retirement and savings products offered by the Company include administrative services to sponsors of 401(k) and other defined contribution plans and guaranteed interest products. The markets targeted for retirement and savings products include the small and midsize groups markets. The Company offers a variety of guaranteed interest contracts and funding arrangements for qualified retirement and savings plans.

The Company’s agency operations are conducted through its career agency force, independent agents, financial institutions, affiliated broker/dealers, third party marketing organizations, including direct marketing efforts, affinity groups and joint ventures. Major individual life and annuity products continued to be sold primarily through the Metropolitan Life career agency sales force through 6,362 career representatives at the end of 2008. MetLife offers its major individual life insurance and annuity products primarily through the MetLife Distribution channel. The primary distribution channels for group health and welfare products and group annuity products are brokers and consultants. The Individual Business distribution channels offer disability income and individual long-term care.

C. Reinsurance

As of December 31, 2008, the Company had reinsurance treaties in effect with seventy three (73) companies, of which thirty two (32) were authorized or accredited. The Company's life, accident and health business is reinsured on a coinsurance, modified-coinsurance, and/or yearly renewable term basis. Reinsurance is provided on an automatic and/or facultative basis.

The Company reinsures up to 90% of the mortality risk in excess of $1 million for most new individual maximum life insurance policies. On a case-by-case basis, the Company may retain up to $20 million per life and reinsure 100% of the amounts in excess of the retention limits. The total face amount of life insurance ceded as of December 31, 2008, was $898,071,323,422, which represents 25.5% of the total face amount of life insurance in force. Reserve credit taken for reinsurance ceded to unauthorized companies, totaling $21,156,579,434 was supported by letters of credit, trust agreements and/or funds withheld.

The total face amount of life insurance assumed as of December 31, 2008, was $696,297,069,970.

Effective October 1, 2000 and October 1, 2001, the Company reinsured 90% of its closed block business to a group of unaffiliated reinsurers on a modified coinsurance basis. Effective December 20, 2007, the Company recaptured approximately 45.3% of the closed block and ceded this business on a coinsurance basis to MetLife Reinsurance Company of Charleston ("MRC"), an affiliated insurance company. After the cession, 49.25% of the closed block remains reinsured with various unaffiliated reinsurers, 40.75% is reinsured to MRC and 10% remains with the Company. The Company reported that reinsurance credits taken from MRC were supported by funds withheld.

5. SIGNIFICANT OPERATING RESULTS

Indicated below is significant information concerning the operations of the Company during the period under examination as extracted from its filed annual statements. Failure of items to add to the totals shown in any table in this report is due to rounding.

The following table indicates the Company's financial growth (decline) during the period under review:

	December 31, 2004	December 31, 2008	Increase (Decrease)
Admitted assets	$244,236,104,468	$289,578,008,962	$45,341,904,494
Liabilities	$235,431,609,605	$277,985,745,657	$42,554,136,052
Common capital stock	$ 4,944,667	$ 4,944,667	$ 0
Surplus notes	847,830,497	1,991,383,496	1,143,552,999
Gross paid in and contributed surplus	5,370,736,433	5,785,924,427	415,187,994
Special surplus fund reserve	201,512,859	0	(201,512,859)
Unassigned funds (surplus)	2,379,470,407	3,810,010,715	1,430,540,308
Total capital and surplus	$ 8,804,494,863	$ 11,592,263,305	$ 2,787,768,442
Total liabilities, capital and surplus	$244,236,104,468	$289,578,008,962	$45,341,904,494

The Company's invested assets as of December 31, 2008, exclusive of separate accounts, were mainly comprised of bonds (56.7%), mortgage loans (19.0%), cash and short-term investments (7.3%), other invested assets (6.2%) and stocks (4.2%).

Management purposefully enhanced the Company's liquidity position in the second half of 2008 by holding high levels of cash, cash equivalents and short-term investments in order to provide additional flexibility to address potential variations in cash needs while credit market conditions remained distressed. In 2009, the Company's cash position was 2.3% of invested assets.

The majority (91.3%) of the Company's bond portfolio was comprised of investment grade obligations with (71.6%) in Class 1 and (19.7%) Class 2 bonds. The Company held privately placed bonds which comprised (25.2%) of the bond portfolio. Multi-class mortgage backed/asset-backed securities comprised (22.7%) of the bond portfolio. Furthermore, the multi-class portfolio of consisted of (30.1%) residential and (18.6%) commercial mortgage-backed/asset-backed securities. Direct exposure to sub-prime mortgage risk on residential mortgage backed securities was 4.2% of that portfolio. The Company's holdings of real estate joint ventures represented (21%) of the total invested asset portfolio as of December 31, 2008. In 2009, the Company recognized impairment loss write-downs of $46 million or 2% of the portfolio.

The Company entered into funding agreements with the Federal Home Loan Bank of New York ("FHLBNY") in exchange for cash and for which FHLBNY has been granted a lien on certain assets including residential mortgage backed securities which are used to collateralize the obligations under the agreement. The estimated fair value as of December 31, 2008 was $17.8 billion.

The following indicates, for each of the years listed below, the amount of life insurance issued and in force by type (in thousands):

	Individual Whole Life		Individual Term		Group Life	
Year	Issued	In Force	Issued	In Force	Issued & Increases	In Force
2004	$13,356,653	$274,944,039	$23,315,216	$146,310,216	$136,369,952	$ 1,329,620,927
2005	$13,465,783	$280,895,645	$22,568,902	$163,142,845	$150,700,054	$1,469,773,486
2006	$12,303,936	$290,911,415	$17,713,433	$178,772,494	$138,543,541	$1,625,771,113
2007	$13,109,244	$287,543,020	$16,508,695	$211,484,201	$183,930,031	$1,721,330,329
2008	$10,612,980	$284,961,943	$11,450,299	$402,325,872	$192,600,266	$2,016,027,304

The increase in individual term insurance from 2007 to 2008 relates to $167 billion in face amount of insurance assumed from Northwestern Mutual Life Insurance Company. The decline in new issues during the same period is attributed to the discontinuance of the Enterprise Term product in 2008.

The following has been extracted from the Exhibits of Annuities in the filed annual statements for each of the years under review (in thousands):

	Ordinary Annuities				
	2004	2005	2006	2007	2008
Outstanding, end of previous year	1,693,709	1,760,905	1,807,325	858,484	794,802
Issued during the year	129,151	98,997	61,465	57,546	90,255
Other net changes during the year	(61,955)	(64,938)	(1,010,306)	(121,228)	(49,996)
Outstanding, end of current year	1,760,905	1,794,964	858,484	794,802	835,061

The 2005 “Outstanding at end of current year” did not carry forward to the 2006 “Outstanding at the end of the prior year” due to the mergers of CLIC and FCLIC into the Company in 2006.

Group Annuities

	2004	2005	2006	2007	2008
Outstanding, end of previous year	1,985,628	1,988,413	1,970,047	1,488,434	1,472,013
Issued during the year	64,552	50,659	79,227	53,337	72,261
Other net changes during the year	(61,767)	(69,025)	(560,840)	(69,758)	(82,207)
Outstanding, end of current year	1,988,413	1,970,047	1,488,434	1,472,013	1,462,067

The following has been extracted from the Exhibits of Accident and Health Insurance in the filed annual statements for each of the years under review (in thousands):

Other Accident and Health

	2004	2005	2006	2007	2008
Outstanding, end of previous year	388,263	391,635	398,827	232,751	239,729
Issued during the year	19,079	23,683	21,060	24,404	53,630
Other net changes during the year	(15,707)	(16,491)	(187,136)	(17,426)	190,103
Outstanding, end of current year	391,635	398,827	232,751	239,729	483,462

Group Accident and Health

	2004	2005	2006	2007	2008
Outstanding, end of previous year	107,914	125,774	130,132	13,559,368	21,289,403
Issued during the year	18,233	4,680	592	7,730,360	4,121,954
Other net changes during the year	(373)	(322)	(33,552)	(325)	(2,568,004)
Outstanding, end of current year	125,774	130,132	97,172	21,289,403	22,843,353

In 2004, 2005 and 2006, the Company reported the number of group contracts starting in 2007 the Company began reporting the number of certificates as per the annual statement instructions.

The following is the net gain (loss) from operations by line of business after federal income taxes but before realized capital gains (losses) reported for each of the years under examination in the Company's filed annual statements:

	2004	2005	2006	2007	2008
Ordinary:					
Life insurance	$ 130,422,622	$(243,283,275)	$(160,567,007)	$ (93,975,838)	$(139,537,329)
Individual annuities	534,047,653	31,630,464	84,090,928	179,837,727	(339,102,399)
Supplementary contracts	127,713,579	163,243,552	163,015,804	206,499,375	209,490,430
Total ordinary	$ 792,183,854	$ (48,409,259)	$ 86,539,725	$ 292,361,264	$(269,149,298)
Industrial Life	$ 16,817,607	$ 22,975,993	$ 22,837,370	$ 14,843,163	$ 614,719
Credit life	$ 0	$ 0	$ 733,585	$ 0	$ (300,482)
Group:					
Life	$ 238,530,246	$ 167,340,137	$ 130,971,015	$ 271,224,514	$ 256,929,814
Annuities	602,984,054	470,464,400	445,197,830	810,059,785	(836,006,465)
Total group	$ 841,514,300	$ 637,804,537	$ 576,168,845	$1,081,284,299	$(579,076,651)
Accident and health:					
Group	$ 176,755,754	$ 130,571,288	$ 192,888,136	$ 280,011,752	$ 7,170,137
Other	(21,772,092)	(63,135,377)	(300,275,564)	(50,699,724)	(77,749,388)
Total accident and health	$ 154,983,662	$ 67,435,911	$ (107,387,428)	$ 229,312,028	$ (70,579,251)
All other lines	$ 729,492,570	$ 661,787,127	$ 717,581,529	$ 451,903,251	$1,470,989,605
Total	$2,534,991,993	$1,341,594,309	$1,296,473,625	$2,069,704,005	$ 552,498,642

The gain on ordinary life in 2004 is primarily due to the recapture of two universal life coinsurance treaties initiated by the reorganization of a former subsidiary. Because of this recapture, the Company recognized a higher net gain from operations due to an increase in assumed reserve adjustments from the affiliate. However, in 2005 through 2008 the losses are consistent with prior and current period losses on the ordinary individual business operations due to surplus strain caused by increased new issues.

The decrease in individual annuities in 2005 compared to 2004 is primarily due to the recapture of a reinsurance treaty in 2004, which was partially offset by single premium deferred annuity (“SPDA”) sales. The net loss in 2008 was mainly due to increases in ordinary individual annuity reserves as a result of a shift in customer preferences from variable to fixed investment funds, an increase in assumed SPDA benefits and expenses related to higher sales in the fourth quarter of 2008, changes in the Commissioners' Annuity Reserve Valuation Method (“CARVM”) allowance and reserve adjustments.

The net gain in credit life for 2006 is the result of general ledger entries recorded when the Company merged with two subsidiaries that issued credit life and the subsequent ceding of the policies to an unaffiliated reinsurer. The net loss in 2008 is due to the write off of a debit balance in a pending reserve account associated with the credit life business.

The drop in the net gain on group annuities between 2004 and 2005 is primarily due to a net underwriting decrease (i.e., premiums, less surrenders and increases in reserves). The net gain increased approximately 55% in 2007 from 2006 primarily due to the impact of a 2006 recapture of the Company’s structured settlement business that resulted in net loss of approximately $240 million in 2006. The net loss in 2008 was primarily due to the impact of a $922 million increase in supplemental separate account reserves plus incremental sales of larger pension closeout contracts that caused surplus strain totaling $155 million.

The decrease in net gain from group accident and health insurance in 2008 from 2007 was primarily due to a decline in earnings associated with the group long-term care product, primarily with AARP.

The net loss in other accident and health during the examination period was primarily due to unfavorable underwriting results on the long-tem care product line, increased asset adequacy reserves resulting from cash flow testing and changes in the valuation reserve assumptions.

The net gain from all other lines primarily represent investment income re-allocated to the corporate statutory management account based on excess surplus calculated using the methodologies described in the Company’s Regulation No. 33 filing which was approved by the Department.

6. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2008, as contained in the Company's 2008 filed annual statement, a condensed summary of operations and a reconciliation of the capital and surplus account for each of the years under review. The examiner's review of a sample of transactions did not reveal any differences which materially affected the Company's financial condition as presented in its financial statements contained in the December 31, 2008 filed annual statement.

A. Independent Accountants

The firm of Deloitte was retained by the Company to audit its combined statutory basis statements of financial position as of December 31 of each year in the examination period, and the related statutory-basis statements of operations, capital and surplus, and cash flows for the year then ended.

Deloitte concluded that the statutory financial statements presented fairly, in all material respects, the financial position of the Company at the respective audit dates. Balances reported in these audited financial statements were reconciled to the corresponding years' annual statements with no discrepancies noted.

B. Net Admitted Assets

Bonds	$120,898,280,061
Stocks:	
Preferred stocks	6,959,555,776
Common stocks	1,903,882,857
Mortgage loans:	
Mortgage loans on real estate -first liens	40,495,031,828
Real estate:	
Properties occupied by the company	244,444,291
Properties held for the production of income	3,288,504,192
Properties held for sale	1,293,305
Cash, cash equivalents and short term investments	15,468,126,784
Contract loans	5,784,410,026
Other invested assets	13,126,243,399
Receivable for securities	23,950,853
Derivative instruments	4,712,591,527
Deposits in connection with investments	206,886,091
Investment tax credits	80,214
Investment income due and accrued	1,847,075,761
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	3,289,370,268
Deferred premiums, agents' balances and installments booked but deferred and not yet due	389,574,541
Reinsurance:	
Amounts recoverable from reinsurers	461,736,562
Other amounts receivable under reinsurance contracts	954,598,576
Amounts receivable relating to uninsured plans	6,168,490
Net deferred tax asset	1,062,901,696
Guaranty funds receivable or on deposit	38,989,125
Electronic data processing equipment and software	59,223,724
Net adjustments in assets and liabilities due to foreign exchange rates	395,938,477
Receivables from parent, subsidiaries and affiliates	184,760,525
Value of company owned life insurance	1,852,787,433
Finite risk insurance receivable	316,145,189
Other assets	130,820,714
Intangible asset offsetting minimum pension liability	40,635,000
Receivable on reinsurance assumed	3,692,364
From Separate Accounts, Segregated Accounts and Protected Cell Accounts	65,430,309,313
Total admitted assets	$289,578,008,962

Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	$ 98,812,447,721
Aggregate reserve for accident and health contracts	10,903,562,735
Liability for deposit-type contracts	52,102,162,517
Contract claims:	
Life	2,469,776,031
Accident and health	313,341,265
Policyholders' dividends and coupons due and unpaid	(387,064,443)
Policyholder's dividends apportioned for payment	925,096,583
Premiums and annuity considerations for life and accident and health contracts received in advance	356,644,291
Contract liabilities not included elsewhere:	
Provision for experience rating refunds	60,964,994
Other amounts payable on reinsurance	2,015,657,107
Commissions to agents due or accrued	25,198,369
Commissions and expense allowances payable on reinsurance assumed	46,411,361
General expenses due or accrued	497,122,128
Transfers to Separate Accounts due or accrued	(568,808,058)
Taxes, licenses and fees due or accrued, excluding federal income taxes	74,447,682
Current federal and foreign income taxes	646,312,064
Unearned investment income	10,962,487
Amounts withheld or retained by company as agent or trustee	515,234,231
Amounts held for agents' account	18,325,392
Remittances and items not allocated	39,294,949
Liability for benefits for employees and agents if not included above	585,102,786
Borrowed money and interest thereon	2,294,445
Miscellaneous liabilities:	
Asset valuation reserve	3,454,816,868
Reinsurance in unauthorized companies	20,711,724
Funds held under reinsurance treaties with unauthorized reinsurers	16,217,921,079
Payable to parent, subsidiaries and affiliates	459,527,843
Payable for securities	69,602,532
Capital notes and interest thereon	501,584,222
Securities lending liability	13,954,866,802
Cash collateral on derivatives	3,500,162,099
Derivative instruments	2,193,991,341
Amounts held for deferred benefits	1,178,205,186
Legal contingency reserve	805,331,973
Other liabilities	463,163,923
FEGLI contingency reserve	215,559,431
Funding obligation for joint ventures	59,719,614
FEGLI conversion pool funds	15,098,343
Aviation reinsurance liability	1,822,000
From Separate Accounts statement	65,409,174,040
Total liabilities	$277,985,745,657
Common capital stock	$ 4,944,667
Surplus notes	1,991,383,496
Gross paid in and contributed surplus	5,785,924,427
Unassigned funds (surplus)	3,810,010,715
Total capital and surplus	$ 11,592,263,305
Total liabilities, capital and surplus	$289,578,008,962

D. Condensed Summary of Operations

	2004	2005	2006	2007	2008
Premiums and considerations	$26,942,290,658	$26,459,872,080	$25,766,036,841	$26,355,102,652	$34,015,648,188
Investment income	9,474,182,284	9,890,046,866	10,575,365,690	11,468,123,970	11,946,887,263
Net gain (loss) from operations from Separate Accounts	9,525,332	6,844,044	252,891	1,606,153	(445,451)
Commissions and reserve adjustments on reinsurance ceded	(1,332,003,133)	(2,003,419,384)	(1,997,215,113)	(19,301,220,035)	(1,676,576,853)
Miscellaneous income	1,258,438,998	729,512,938	819,074,171	909,772,687	827,738,686
Total income	$36,352,434,139	$35,082,856,544	$35,163,514,480	$19,433,385,427	$45,113,251,833
Benefit payments	$21,986,725,268	$24,220,655,216	$27,446,610,678	$27,891,603,736	$27,455,510,493
Increase in reserves for life & A&H	3,351,940,738	3,666,553,237	(467,442,106)	(15,226,702,677)	10,739,015,977
Commissions	1,004,430,419	697,540,886	740,033,652	728,341,775	844,556,823
General expenses and taxes	2,856,389,654	2,962,569,224	3,211,504,559	3,233,302,260	3,578,457,017
Increase in loading on deferred and uncollected premiums	5,188,891	(7,757,049)	(2,360,948)	(26,553,559)	3,213,178
Net transfers to Separate Accounts	944,598,270	1,368,037,137	740,073,115	495,260,356	638,466,542
Miscellaneous deductions	2,669,733,472	45,392,621	1,494,565,183	(197,043,201)	974,766,709
Total deductions	$32,819,006,712	$32,952,991,272	$33,162,984,133	$16,898,208,690	$44,233,986,739
Net gain	3,533,427,427	2,129,865,272	2,000,530,346	2,535,176,737	879,265,094
Dividends	265,432,821	179,986,504	182,981,917	(399,153,428)	192,724,049
Federal and foreign income taxes incurred	733,002,613	608,284,460	521,074,804	864,626,161	134,042,402
Net gain from operations before net realized capital gains	2,534,991,993	1,341,594,308	1,296,473,625	2,069,704,004	552,498,643
Net realized capital gains (losses)	113,203,138	813,451,105	(269,262,899)	53,390,778	(890,142,490)
Net income (loss)	$ 2,648,195,131	$ 2,155,045,413	$ 1,027,210,726	$ 2,123,094,782	$ (337,643,847)

The $7.6 billion increase in premium and considerations from 2007 to 2008 was partially driven by an increase in individual annuity sales of $2 billion on SPDA products which were assumed from affiliates; the increased sales volume resulting from higher interest rates offered on these products and a $5 billion increase in group annuity considerations pertaining to retirement pension plans and guaranteed insurance contracts.

In 2007, the reserve adjustment on ceded reinsurance of ($19.3) billion is due to the reinsurance transaction with MRC. (See item 4C of this report)

The large decrease in reserves in 2007 is primarily due to a $17 billion transaction related to the MRC reinsurance agreement. This was partially offset by a $1 billion reserve increase from the transfer of LTC contracts from separate accounts to the general account and a $2 billion reserve increase from normal operations.

E. Capital and Surplus Account

	2004	2005	2006	2007	2008
Capital and surplus, December 31, prior year	$7,967,392,438	$8,804,494,863	$8,790,463,162	$ 9,197,538,827	$13,003,979,094
Net income	2,648,195,131	2,155,045,413	1,027,210,726	2,123,094,783	($337,643,847)
Change in net unrealized capital gains (losses)	281,919,617	510,852,490	393,246,139	185,511,391	577,125,878
Change in net unrealized foreign exchange capital gain (loss)	44,901,922	35,722,164	(8,644,155)	428,290,746	(129,061,507)
Change in net deferred income tax	446,008,651	334,551,500	720,626,765	49,713,342	815,463,404
Change in non-admitted assets and related items	(768,869,103)	(556,842,482)	(1,223,570,701)	(135,242,943)	(822,240,674)
Change in liability for reinsurance in unauthorized companies	(34,458,758)	27,730,198	(6,403,261)	9,755,494	(3,695,334)
Change in reserve valuation basis	(587,588,909)	(275,000,000)	(194,630,745)	(10,930,825)	0
Change in asset valuation reserve	(518,222,168)	177,454,240	(428,664,051)	(150,859,345)	(63,543,386)
Surplus (contributed to), withdrawn from Separate Accounts during period	74,643,680	21,445,191	(4,747,108)	0	7,274,819
Other changes in surplus in Separate Accounts statement	77,221,319)	(24,647,238)	11,174,295	4,034,204	(19,233,157)
Change in surplus notes	0	550,000,000	0	593,553,000	0
Surplus adjustments:					
Paid in	90,315,761	3,086,239	405,821,755	0	0
Change in surplus as a result of reinsurance	(34,652,580)	0	233,790,143	1,279,501,388	(55,645,531)
Dividends to stockholders	(797,000,000)	(3,200,000,000)	(863,000,000)	(500,000,000)	(1,317,740,443)
Special Surplus Adjustments transferred back to unassigned funds	0	0	0	0	371,251,375
Other Surplus Adjustments	69,130,500	(86,737,692)	10,264,478	(88,153,294)	(62,776,011)
Prior Period adjustments to value of joint ventures	0	0	373,836,690	0	0
Good will write-off due to merger			(28,654,510)	0	
Special Surplus Adjustments	0	162,146,986	(10,580,798)	18,172,327	(371,251,375)
Net change in capital and Surplus for the year	$ 837,102,425	$ (165,192,991)	$ 407,075,664	$ 3,806,440,268	$(1,411,715,789)
Capital and surplus, December 31, current year	$8,804,494,863	$8,639,301,872	$9,197,538,827	$13,003,979,094	$11,592,263,305

The 2005 ending capital and surplus does not carry forward to the 2006 beginning amount due to the mergers with Paragon, CLIC and FCLIC.

7. FACILITATION

Section 310 (a) of the New York Insurance Law states in part:

> "… (2) Any examiner authorized by the superintendent shall be given convenient access at all reasonable hours to the books, records, files, securities and other documents of such insurer or other person, including those of any affiliated or subsidiary companies thereof, which are relevant to the examination …"
>
> (3) The officers and agents of such insurer or other person shall facilitate such examination and aid such examiners in conducting the same so far as it is in their power to do so…"

From the outset of the examination and continuing throughout its course, the Company failed to timely provide certain policyholder information and related systems access such that progress on the examination was severely delayed. Department examination requests, including the Information Systems Questionnaire and the Examination Planning Questionnaire, were not provided on a timely basis. On numerous occasions, the examiner attempted to obtain the requested documentation without success. A number of other requests were slow to be provided, or not provided at all. The examiner was required to repeatedly and continuously remind the Company's designated examination liaison of the need for the outstanding materials and the need to facilitate the examination.

As a result of the Company's failure to facilitate the examination in this regard, the examiners were forced to identify and employ alternative methods to satisfy certain examination objectives. Although the financial examination was completed, there were areas for which the examiner's work was made difficult due to the lack of access to complete documentation from the Company. Furthermore, the delays and alternate methods caused the examination to run over budget from both a time and cost perspective.

The Company violated Section 310 (a) of the New York Insurance Law when it failed to provide access to documentation that was relevant to the examination and by failing to facilitate the timely completion of this examination.

The examiner strongly recommends that the Company’s executive management immediately establish a policy and action plan in consultation with and subject to the approval of the Company's board of directors to ensure that the Company fully complies with Section 310 of the New York Insurance Law.

Additionally, the Department remains concerned regarding the lack of access to certain documentation during the examination, even though alternative methods were employed to satisfy key examination objectives. As a result, the Department intends to review the areas where documentation was not provided on a timely basis and perform additional testing procedures in conjunction with the ongoing market conduct examination. The Department reserves all rights regarding further actions that may need to be taken as a result of such further testing.

8. SUBSEQUENT EVENTS

On March 8, 2010, MetLife Inc. and American International Group Inc. entered into a definitive agreement to sell American Life Insurance Co. to MetLife Inc. for about $15.5 billion. The purchase price includes $6.8 billion in cash and the remainder in equity securities of MetLife, subject to closing adjustments. The equity security portion of the purchase price, totaling an estimated $8.7 billion, will consist of 78.2 million shares of MetLife common stock valued at $3.0 billion, 6.9 million shares of contingent convertible preferred stock valued at $2.7 billion and 40 million equity units with an aggregate stated value of $3.0 billion. The values of the common stock and the preferred stock are based upon the closing price of MetLife's common stock on March 5, 2010.

9. PRIOR REPORT SUMMARY AND CONCLUSIONS

Following are the financial condition violations, recommendations and comments contained in the prior report on examination and the subsequent actions taken by the Company in response to each citation:

Item	Description
A	Comment that the Company has agreed to withdraw several of its service agreements with affiliates where services are no longer being provided. A review of the Company's filings to the Department revealed that referenced service agreements were withdrawn.
B	The Company violated Section 1505(d)(2) of the New York Insurance Law by failing to file six reinsurance treaties with the Superintendent at least 30 days prior to entering into such reinsurance treaties with its affiliates. In addition, the Company has agreed to file the reinsurance treaties still in effect between the Company and its former subsidiaries that have now become sister affiliates. A review of the Company's filings to the Department revealed that referenced reinsurance agreements were filed.
C	The examiner recommends that the Company report only identifiable claim amounts paid but not reimbursed by the reinsurer on line 13.1 of the annual statement for "Amounts recoverable from reinsurers." A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of reinsurance and financial reporting give the impression that the necessary internal controls have been implemented and are functioning as designed.
D	The examiner recommends that the Company revise the four reinsurance agreements with ReliaStar Life Insurance Company so that the insolvency clause complies with Section 1308(a)(2)(A)(i) of the New York Insurance Law. The Company amended the agreements to contain the insolvency clause as per Section 1308(a)(2)(A)(i) of the New York Insurance Law.
E	The Company violated Section 125.5(b)(1) of Department Regulation No. 20 by taking reserve credit without obtaining reports from assuming insurers that identified the aggregate of the net amount of reserves plus the liability for any unallocated amounts held by the assuming unauthorized insurers and by each subsequent retrocessionaire on behalf of such reinsurance.

Item	Description
	A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of reinsurance and financial reporting give the impression that the necessary internal controls have been implemented and are functioning as designed.
F	In the interest of transparency, the examiner recommends that the Company report the securities lending collateral liability as a separate write-in item clearly identified as such.
	A review of the annual statement revealed that the Company is reporting the securities lending collateral liability as a separate write-in item.
G	The Department raised concerns with respect to reinvestment risks for the Company's Structured Settlement and Single Premium Immediate Annuity business, due to the prevailing low interest rate environment.
	The Company addressed these concerns by strengthening related reserves by the amount of $600 million as of December 31, 2004.
H	The Department raised concerns with respect to certain reinsurance agreements for secondary guarantees on universal life insurance. These treaties failed to satisfy the conditions required by Department Regulation No. 102 to be eligible for coinsurance reserve credit; however, these reinsurance agreements remain eligible for yearly renewable term reserve credit. The net effect is disallowance of reserve credit in the amount of $13 million as of December 31, 2003, and in the amount of $43 million as of December 31, 2004.
	The Company addressed the reserve concern with their 12/31/05 valuation submission and the signing of the 2005 actuarial opinion.
I	The Department raised concerns regarding the classification of certain guaranteed interest contracts as cash flow matched for computing reserves pursuant to Department Regulation No. 128. The Company has agreed to address these concerns by revising their methodology consistent with the Department's position, which considers the Company's management practices, for calculating such reserves commencing with the December 31, 2005 reserve valuation.
	The Company addressed the reserve concern with their 12/31/05 valuation submission and the signing of the 2005 actuarial opinion.
J	The Department raised concerns regarding the lack of conservatism in certain assumptions with respect to the Company's LTC reserves. The Company has agreed to strengthen its LTC reserves, by $450 million.
	The Company addressed the reserve concern with their 12/31/05 valuation submission and the signing of the 2005 actuarial opinion.

Item	Description
K	Comment that with respect to the Company's loaned securities program during the examination period, the failure to maintain daily Broker Collateralization Reports, documented collateral requests for undercollateralized brokers and documented explanations of collateral price overrides are indicative of a lack of adequate internal controls. A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of securities lending give the impression that the necessary internal controls have been implemented and are functioning as designed.
L	The examiner recommends that the Company correctly designate its leased securities on Schedule D of its filed annual statement. The review of Schedule D revealed that 'leased securities' were clearly identified with the designation "LS"
M	The examiner recommends that the Company maintain documentation sufficient to evidence that it performs periodic cash reconciliations in a timely manner between the general ledger balance and the bank balance for its bank accounts and that such reconciliations include adequate supporting detail. A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of cash and cash reconciliations give the impression that the necessary internal controls have been implemented and are functioning as designed.
N	The examiner recommends that the Company perform timely periodic reconciliations with adequate supporting detail between the Real Estate Managing Agents' accounts listed in Schedule E – Part 1 and the bank balance for its real estate bank accounts and maintain documentation of such reconciliations. A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of cash and financial reporting give the impression that the necessary internal controls have been implemented and are functioning as designed.
O	The examiner recommends that the Company comply with the SVO filing requirements in the future with respect to the rating of securities. A review of the SVO filing requirements and internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of investment and financial reporting give the impression that the necessary internal controls have been implemented and are functioning as designed

Item	Description
P	The examiner recommends that the Company provide a complete listing of custodians in response to the custodian General Interrogatory question and examiner requests in the future. A review of the General Interrogatory revealed that the Company listed the names and addresses of its custodians.
Q	The examiner recommends that the Company develop a procedure so that, when requested, reinsurance contracts will be provided on a more timely basis. Reinsurance contracts were provided on a timely basis.
R	The examiner recommends that the Company develop and implement a plan to improve the Company's system of internal controls in the areas of financial reporting and recordkeeping, information systems, and market conduct (regulatory compliance). A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of financial reporting, recordkeeping, and information systems reporting give the impression that the necessary internal controls have been implemented and are functioning as designed
S	The Company violated Section 1410(b)(3)(A)(ii) of the New York Insurance Law by failing to have the board of directors, or a committee thereof, assure that all individuals conducting, monitoring, controlling and auditing derivative transactions were suitably qualified and had appropriate levels of knowledge and experience. A review of internal controls, conducted on a risk focused basis in accordance with the provisions of the Handbook, in the areas of corporate governance and Enterprise Risk Management cash and financial reporting give the impression that the necessary internal controls have been implemented, functioning as designed, and all individuals conducting, monitoring, controlling and auditing derivative transactions were suitably qualified and had appropriate levels of knowledge and experience.
T	The Company violated Section 178.4(c)(4) of Department Regulation No. 163 as a result of management's failure to take corrective action with respect to the deficiencies noted by the Company's independent certified public accountant in its evaluation of accounting procedures and internal controls over derivative transactions for the years 2003 and 2004. A review of internal controls over derivative transactions, conducted on a risk focused basis in accordance with the provisions of the Handbook, give the impression that corrective action taken in response to deficiencies noted by the Company's independent certified public accountant have been implemented.

Item	Description
U	Inasmuch as Metronome has enabled the Company to invest in new offerings of Eurobonds from which US entities are normally precluded by Regulation S, the examiner recommends that the Company consider obtaining a legal opinion from the SEC regarding the legality of the Metronome investment and related transactions. The Company stated that SEC staff does not as a matter of strict policy, provide "no action" relief with respect to transactions that have already taken place.
V	The examiner recommends that the Company record unrealized losses on the forward transfer agreements as an unrealized foreign exchange capital loss. The Company indicated that beginning with the 2004 annual statement, it made the necessary changes in the annual statement presentation. In addition, the subsequent review of internal controls in the areas of the investment and financial reporting as outlined and performed under the risk focused examination process appears to be functioning as designed.
W	The examiner recommends that the Company take greater care in the preparation of the annual statement to prevent future misclassifications of unrealized foreign exchange capital gains or losses on forward contractual obligations. The Company indicated that beginning with the 2006 annual statement, it made the necessary changes in the annual statement presentation. In addition, the subsequent review of internal controls in the areas of the investment and financial reporting as outlined and performed under the risk focused examination process appears to be functioning as designed.
X	In an effort to increase transparency, the examiner recommends that going forward the Company report the details of the Metronome joint venture and related transactions in a note to the annual statement due to the materiality and complexity of the transaction. The review revealed that on subsequent annual statements, the transaction was reported as a write in liability.

10. SUMMARY AND CONCLUSIONS

Following are the violations, recommendations and comments contained in this report:

Item	Description	Page No(s).
A	The examiner recommends that the Company take the necessary corrective action to accurately calculate, capture and report the income or expenses incurred under each of its service agreements and terminate any agreements no longer in use.	21
B	The Company violated Section 312 (b) of the New York Insurance Law when it failed to provide to the Department a statement confirming that each board member has received and read the 2003 report on examination and when it failed to provide a confirmation that a copy of the report was filed with the state insurance regulator of each state where the company is licensed to do business.	26
C	The examiner recommends that the board of directors be provided with the filed 2003 Report on Examination and the Company's response thereto and that the Company obtain a signed attestation from each board member confirming that they received and read the 2003 Report on Examination.	26
D	The Company violated Section 310 (a) of the New York Insurance Law when it failed to provide access to documentation that was relevant to the examination and by failing to facilitate the timely completion of this examination.	40
E	The examiner strongly recommends that the Company's executive management immediately establish a policy and action plan in consultation with and subject to the approval of the Company's board of directors to ensure that the Company fully complies with Section 310 of the New York Insurance Law.	41

Respectfully submitted,

____
Anthony Mauro
Associate Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF NEW YORK)

Anthony Mauro, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

____
Anthony Mauro

Subscribed and sworn to before me

this__________ day of ____________________2011.

APPOINTMENT NO. 30260

STATE OF NEW YORK

INSURANCE DEPARTMENT

*I, **ERIC R. DINALLO**, Superintendent of Insurance of the State of New York, pursuant to the provisions of the Insurance Law, do hereby appoint:*

ANTHONY MAURO

as a proper person to examine into the affairs of the

METROPOLITAN LIFE INSURANCE COMPANY

and to make a report to me in writing of the condition of the said

COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed by name
and affixed the official Seal of the Department
at the City of New York

this 23rd day of October, 2008

ERIC R. DINALLO
Superintendent of Insurance

Superintendent