STATE OF NEW YORK DEPARTMENT OF FINANCIAL SERVICES

REPORT ON FINANCIAL CONDITION EXAMINATION

OF THE

MONY LIFE INSURANCE COMPANY

CONDITION: DECEMBER 31, 2010

DATE OF REPORT: APRIL 16, 2012

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EXAMINER:	MARC TSE

TABLE OF CONTENTS

NEW YORK STATE
DEPARTMENT of
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Benjamin M. Lawsky
Superintendent

June 8, 2012

Honorable Benjamin M. Lawsky
Superintendent of Financial Services
New York, New York 10004

Sir:

In accordance with instructions contained in Appointment No. 30661, dated February, 24, 2011 and annexed hereto, an examination has been made into the condition and affairs of MONY Life Insurance Company, hereinafter referred to as "the Company," at its home office located at 1290 Avenue of the Americas, New York, New York 10104. The examination was conducted by the New York Department of Financial Services, hereinafter referred to as the "the Department," with participation from the State of Nevada representing the Western Zone.

On October 3, 2011, the Insurance Department merged with the Banking Department to create the New York State Department of Financial Services. Wherever "Department" appears in this report, it refers to the State of New York Department of Financial Services.

The report indicating the results of this examination is respectfully submitted.

1. SCOPE OF EXAMINATION

The examination of the Company was a financial examination as defined in the *NAIC Financial Condition Examiners Handbook*, 2010 *Edition* (the "Handbook"). The examination covers the five-year period from January 1, 2006 to December 31, 2010. 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, 2010, but prior to the date of this report (i.e., the completion date of the examination) were also reviewed.

The financial examination was conducted concurrently with a market conduct examination of the Company, covering the same five year period noted above. In the course of the market conduct examination, a review was made of the manner in which the Company conducts its business and fulfills its contractual obligations to policyholders and claimants. The findings from the market conduct examination will be communicated in a separate report.

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 Department statutes and 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 2006 through 2010, by the accounting firm of PricewaterhouseCoopers, LLP. The Company received an unqualified opinion in all years. 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") and the applicable sections of the NAIC's revised Annual Financial Reporting Model Regulation ("MAR"). Where applicable, internal audit, SOX and MAR workpapers and reports were reviewed and portions were relied upon for this examination.

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.

2. DESCRIPTION OF COMPANY

A. History

The Company was incorporated as a mutual insurance company under a special act of the New York State Legislature on April 12, 1842, and commenced business on February 1, 1843, under the name Mutual Life Insurance Company of New York ("MONY"). On April 1, 1952, the Company began to issue individual accident and health insurance. In 1953, the Company entered the group insurance business by offering a plan known as "module insurance," which provided for various combinations of life insurance, accident and health insurance and retirement income in a single package to small employer groups. In 1989, the Company exited the group employer life and accident and health insurance business. In 1990, the Company stopped writing group association life and accident and health insurance business.

On December 31, 1993, the Company entered into an agreement with AEGON USA, Inc. under which the Company agreed to transfer substantially all of its group pension business and operations, including its full service group pension contracts, to AEGON USA, Inc.'s wholly owned subsidiary, AUSA Life Insurance Company, Inc.

On November 16, 1998, pursuant to an order issued by the New York Superintendent of Insurance approving a Plan of Reorganization ("The Plan") under Section 7312 of the New York Insurance Law, as amended, the Company converted from a mutual life insurance company to a domestic stock life insurance company and became a wholly owned subsidiary of The MONY Group Inc. ("The MONY Group"), a Delaware corporation organized for the purpose of becoming the parent holding company of MONY. Also on November 16, 1998, The MONY Group consummated an initial public offering of approximately 12.9 million shares of its common stock at $23.50 per share.

Under The Plan, The MONY Group, in exchange for its policyholder membership interests in the MONY, issued approximately 34.4 million shares of common stock, accrued or paid $20.6 million in cash, and credited $13.3 million in policy credits to its policyholders. Unassigned surplus of $610.7 million was transferred to paid in surplus in conjunction with the issuance of common stock to policyholders.

Effective November 16, 1998, the Company changed its name to MONY Life Insurance Company.

The Company issued two surplus notes to The MONY Group on March 8, 2000, one for $115 million and another for $100 million, and received a capital contribution in the amount of $65 million from The MONY Group related to the repurchase of outstanding surplus notes. The notes were subsequently transferred to AXA Financial.

On February 27, 2002, pursuant to the Articles of Incorporation approved by the Delaware Secretary of State, MONY Holdings, LLC became a wholly owned subsidiary of The MONY Group. All issued and outstanding shares of the Company have been transferred to MONY Holdings, LLC.

On July 8, 2004, AXA Financial, Inc. completed its acquisition of The MONY Group.

The Company paid a dividend of $33.0 million in 2004 and an additional dividend of $75.0 million in 2005 to MONY Holdings, LLC. Additionally, during 2007 and 2006, The Company paid a dividend to MONY Holdings, LLC of $80 million and $35 million, respectively.

During 2010 and 2008 The Company paid dividends to AXA Equitable Financial Services, LLC of $70 million and $95 million, respectively.

On June 16, 2006 and December 14, 2007, the Company repaid $115 million and $100 million of surplus notes respectively. The repayment of the notes reduced the Company's surplus by a corresponding amount.

On November 30, 2007, MONY Holding, LLC merged into AXA Equitable Financial Services, LLC, a wholly owned subsidiary of AXA Financial.

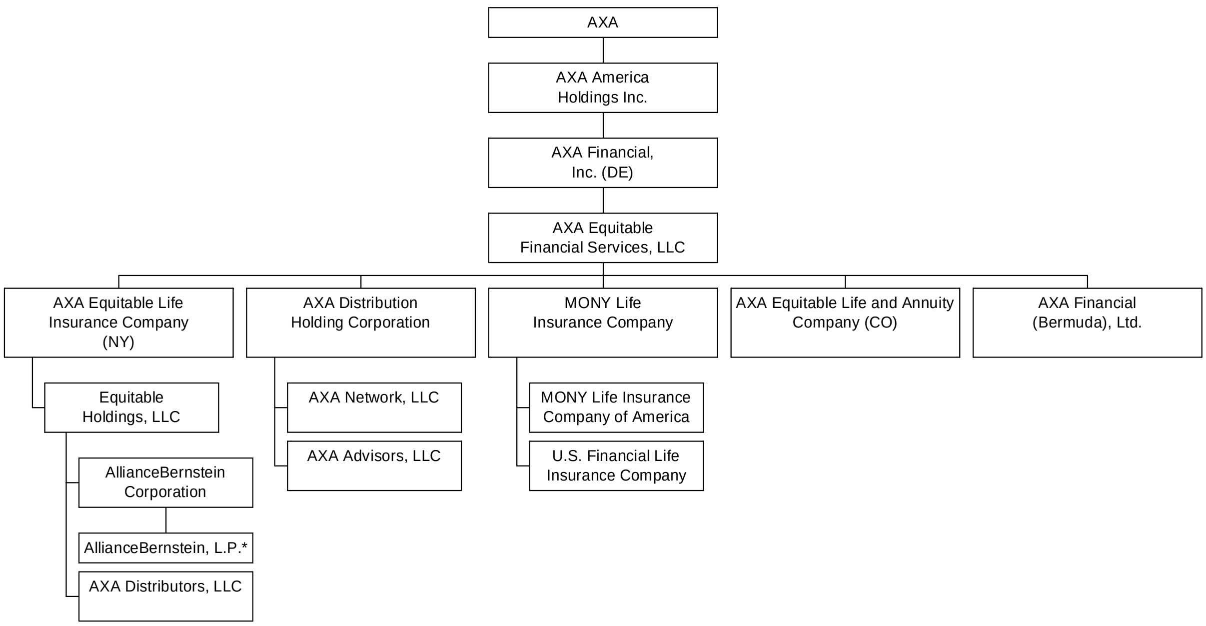
As of December 31, 2010, the Company had 2,500,000 shares of common stock outstanding and capital and paid in and contributed surplus of $2,500,000 and $1,343,359,984, respectively. Total capital and surplus as of December 31, 2010 was $567,221,062.

B. Holding Company

The Company is a wholly owned subsidiary of AXA Equitable Financial Services, LLC, a Delaware corporation, organized for the purpose of being a holding company. All 2,500,000 issued and outstanding shares of common stock of the Company are owned by AXA Equitable Financial Services, LLC. AXA Equitable Financial Services, LLC is in turn a wholly owned subsidiary of AXA Financial Inc., a Delaware corporation. The ultimate parent of the Company is AXA**,** a French holding company for a group of international insurance and financial service companies**.** AXA Equitable Life Insurance Company ("AXA Equitable") is an affiliated life insurer domiciled in the state of New York which is authorized to write life insurance, annuities, and accident and health insurance. The examination of AXA Equitable was performed concurrently with the examination of the Company.

C. Organizational Chart

An organization chart reflecting the relationship between the Company and significant entities in its holding company system as of December 31, 2010 follows:



*AXA Equitable Life Insurance Company and its subsidiaries own approximately 35% and other AXA U.S. affiliates own portion of Alliance Bernstein, LP.

MONY has two principal wholly owned life insurance subsidiaries. A brief description for each subsidiary as of December 31, 2010 follows:

MONY Life Insurance Company of America ("MLOA") is licensed in the District of Columbia, Puerto Rico, the U.S. Virgin Islands and all states except New York. MLOA writes non-participating individual and group interest sensitive insurance products and individual term life insurance. As of December 31, 2010, MLOA had assets of $4,122,366,099 and stockholder's equity of $227,865,372.

U.S. Financial Life Insurance Company ("USFL") is an Ohio domiciled insurer that underwrites specialty risk term and universal life insurance products. USFL is licensed in all states except New York. As of December 31, 2010, USFL had assets of $621,287,891 and stockholder's equity of $70,982,607.

D. Service Agreements

The Company had 15 service agreements in effect with affiliates during the examination period. Under certain service agreements, the Company reimburses various affiliates for the use of personnel, property, facilities, distribution and investment management and advisory services utilized in conducting various aspects of their business activities.

The following table shows reimbursements made by the Company to affiliates or subsidiaries for management, advisory and product distribution services during the last 2 years of the examination period:

Amounts paid to affiliate or subsidiary (in millions)

Affiliate/Subsidiary	Service Description	2010	2009
AXA Equitable	Personnel, property and facilities allocations	$52.0	$17.9
AllianceBernstein, L.P.	Investment management and advisory fees	$ 6.6	$ 6.5
AXA Network, LLC	Distribution fees	$18.3	$18.7
AXA Distributors, LLC	Distribution fees	$ 0.3	$ 0.4

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

E. Management

The Company's charter provides that the board of directors shall be comprised of not less than 7 and not more than 36 directors. Directors are elected for a period of one year at the annual meeting of the stockholders held in May of each year. As of December 31, 2010, the board of directors consisted of 15 members. Meetings of the board are held monthly, except for January and August, unless a change is ordered by board resolution.

The 15 board members and their principal business affiliation, as of December 31, 2010, were as follows:

Name and Residence	Principal Business Affiliation	Year First Elected
Henri de Castries Paris, France	Chairman of the Board and Chief Executive Officer AXA	2004
Christopher M. Condron New York, NY	Chairman of the Board, President and Chief Executive Officer MONY Life Insurance Company	2004
Denis Duverne Paris, France	Deputy Chief Executive Officer, Finance, Strategy and Operations AXA	2004
Charlynn Goins* New York, NY	Chairman of the Board The New York Community Trust	2006
Danny L. Hale* Nashville, TN	Retired Senior Vice President and Chief Financial Officer The Allstate Corporation	2010
Anthony J. Hamilton London, England	Chairman of the Board AXA UK plc	2006
Mary R. Henderson* Kent, CT	President Henderson Advisory Consulting	2004
James F. Higgins* Bay Head, NJ	Retired President and Chief Operating Officer Individual Investor Group Morgan Stanley Dean Witter	2004
Peter S. Kraus New York, NY	Chairman of the Board and Chief Executive Officer AllianceBernstein, Corporation.	2009
Scott D. Miller* Snowmass, CO	Chief Executive Officer SSA & Company	2004
Joseph H. Moglia* Omaha, NB	Chairman of the Board TD Ameritrade Holding Corporation	2004

Name and Residence	Principal Business Affiliation	Year First Elected
Lorie A. Slutsky* New York, NY	President The New York Community Trust	2006
Ezra Suleiman* Princeton, NJ	Professor of Politics, IBM Professor of International Studies Princeton University	2006
Peter J. Tobin* Denville, NJ	Retired Dean, Peter J. Tobin College of Business, St. John's University and Retired Chief Financial Officer, Chase Manhattan Corporation	2004
Richard C. Vaughan* Naples, FL	Retired Executive Vice President and Chief Financial Officer Lincoln Financial Group	2010

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

In January, 2011, Christopher M. Condron retired as Chairman of the Board and Henri de Castries was elected Chairman of the Board on an interim basis. In February, 2011, Mark Pearson replaced Henri de Castries as Chairman of the Board. In May, 2011, Mary R. Henderson and Joseph H. Moglia retired from the board and were replaced by Andrew J. McMahon and Ramon de Oliveira, 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, 2010:

Name	Title
Christopher M. Condron	Chairman of the Board, President and Chief Executive Officer
Andrew J. McMahon	Senior Executive Vice President
Richard S. Dziadzio	Senior Executive Vice President and Chief Financial Officer
James A. Shepherdson, III	Senior Executive Vice President
Richard V. Silver	Senior Executive Vice President, Chief Administrative Officer and Chief Legal Officer
Jennifer L. Blevins	Executive Vice President

Name	Title
Kevin R. Byrne	Executive Vice President, Chief Investment Officer and Treasurer
Charles A. Marino	Executive Vice President and Chief Actuary
Alvin H. Fenichel	Senior Vice President and Chief Accounting Officer
Keith E. Floman	Senior Vice President and Appointed Actuary
Andrew O. Raftis	Senior Vice President and Auditor
Karen F. Hazin	Vice President, Secretary and Associate General Counsel
William Haviland*	Assistant Vice President, Customer Relations Officer

* Designated consumer services officer per Section 216.4(c) of Department Regulation No. 64

In January, 2011, Christopher M. Condron retired as Chairman President and Chief Executive Officer and was replaced by Henri de Castries as Chairman, on an interim basis, and Andrew J. McMahon as President. The board authorized Mr. McMahon to act as chief executive officer until the effective date of Mr. Pearson. In February, 2011, Mark Pearson replaced Henri de Castries as Chairman of the Board and was also elected to the position of Chief Executive Officer.

In February, 2011, James A. Shepherdson resigned as Senior Executive Vice President and Nicholas B. Lane was elected as Senior Executive Vice President.

In February, 2011, Jennifer L. Blevins resigned as Executive Vice President and Salvatore Piazzolla was elected as Senior Executive Vice President.

In September, 2011, Kevin R. Byrne resigned as Executive Vice President, Chief Investment Officer and Treasurer and Richard S. Dziadzio was elected Senior Executive Vice President, Chief Financial Officer and Treasurer.

In November, 2011, Richard S. Dziadzio resigned from the position of Treasurer and Bertrand Poupart-Lafarge was elected Executive Vice President, Chief Investment Officer and Treasurer.

3. 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 50 states, the District of Columbia, Guam, Puerto Rico, U.S. Virgin Islands, and Canada. In 2010, 21.5% of life premiums, 93.7% of annuity considerations, and 10.4% of accident and health premiums were received from New York.

A. Statutory and Special Deposits

As of December 31, 2010, the Company had $5,084,477 *(*carrying value) of United States Treasury Notes on deposit with the State of New York, its domiciliary state, for the benefit of all policyholders, claimants and creditors of the Company. As per confirmations received from the following states which were reported in Schedule E of the 2010 filed annual statement, an additional $2,102,920 was being held by the States of Arkansas, Georgia, New Mexico, North Carolina, Oklahoma, the Commonwealth of Virginia, and the territories of Guam and the US Virgin Islands.

B. Direct Operations

The Company discontinued marketing its products as of December 31, 2008, except for face amount increases on in-force policies. Prior to that time the Company did not market products in New York other than Interest Sensitive Whole Life and Fixed Annuities in order to avoid competing with the products of its affiliate, AXA Equitable.

C. Reinsurance

As of December 31, 2010, the Company had reinsurance treaties in effect with 20 companies, of which 15 were authorized or accredited. The Company’s life, accident and health business is reinsured on a coinsurance and yearly renewable term basis. Reinsurance is provided on an automatic and/or facultative basis.

The maximum retention limit for individual life contracts is $25 million. The total face amount of life insurance ceded as of December 31, 2010, was $4,495,875,000, which represents 14.2% of the total face amount of life insurance in force. Reserve credit taken for reinsurance ceded to unauthorized companies, totaling $345,173,216, was supported by letters of credit and trust agreements.

4. 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, 2005	December 31, 2010	Increase (Decrease)
Admitted assets	$11,022,767,778	$8,795,001,814	$(2,227,765,964)
Liabilities	$10,054,208,445	$8,227,780,752	$(1,826,427,693)
Common capital stock	$ 2,500,000	$ 2,500,000	$ 0
Surplus notes	216,090,548	1,090,548	(215,000,000)
Gross paid in and contributed surplus	1,343,359,984	1,343,359,984	0
Reserve for aviation insurance	25,000,000	25,000,000	0
Group contingency life reserve	950,000	550,000	(400,000)
Additional admitted deferred tax asset	0	56,237,000	56,237,000
Unassigned funds (surplus)	(619,341,199)	(861,516,470)	(242,175,271)
Total capital and surplus	$ 968,559,333	$ 567,221,062	$ (401,338,271)
Total liabilities, capital and surplus	$11,022,767,778	$8,795,001,814	$(2,227,765,964)

The Company's invested assets as of December 31, 2010, exclusive of separate accounts, were mainly comprised of bonds (64.6%), mortgage loans (13.9%), policy loans (11.6%) and stocks (6.2%).

The majority (93.9%) of the Company's bond portfolio, as of December 31, 2010, was comprised of investment grade obligations.

The decline in assets from $11,022,767,778 in 2005 to $8,795,001,814 in 2010 includes a $382.1 million decline in closed block assets reflecting runoff, a $702.5 million decline in separate account assets and a $1.1 billion decline in open block general account assets. The separate account asset decline includes a $466.2 million group pension decline during 2006 due to the termination of the third party administration contract with Diversified Investment

Advisors. This resulted in the Company’s employee and field underwriter pension plans being moved to a third party ($421.0 million), with the remainder of the group pension balances moving primarily to AEGON and AXA Equitable. The remaining separate account decline in years 2007 through 2010 primarily reflects net withdrawals. The decline in the open block general account assets includes a $215.0 million payoff of surplus notes, $280.0 million of dividends paid to its parent over the period, unrealized depreciation, net of deferred tax, on investments of $272.5 million, and a decline in in-force policies resulting primarily from the discontinuance of new sales in 2005.

The decline in liabilities includes a $645.6 million decrease in closed block liabilities primarily reflecting reserve declines due to runoff, a $703.0 million decline in separate account liabilities and a $477.9 million decline in open block general account liabilities. The decline in the open block general account liabilities includes $223.7 million of reserve declines due primarily to in-force runoff, a $100.3 million AVR decline as well as declines in various other liabilities.

The decrease in surplus notes from $216,090,548 in 2005 to $1,090,548 in 2010 was the result of the Company’s repayment of the $100 million and $115 million face amount notes held by AXA Financial, on December 14, 2007 and June 16, 2006, respectively.

The group contingency life reserve declined from $950,000 in 2005 to $550,000 in 2010 due to the run-off of the closed block of business with no new sales. The reserves are based on the annualized premiums which have been declining from 2005 to 2010.

The increase of $56,237,000 in additional admitted deferred tax asset from 2005 to 2010 is due to the Company’s adoption of SSAP 10R.

Unassigned surplus declined from ($619,341,199) in 2005 to ($861,516,470) in 2010. This decline was mainly due to market turmoil, dividends to parent, and net realized and unrealized losses.

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

	Individual Whole Life		Individual Term		Group Life	
Year	Issued	In Force	Issued	In Force	Issued & Increases	In Force
2006	$36,050	$21,999,221	$3,535	$18,865,224	$106	$10,028,619
2007	$29,947	$21,543,354	$2,320	$16,818,827	$468	$ 195,122
2008	$21,499	$19,314,914	$9,865	$16,654,524	$ 0	$ 172,785
2009	$ 8,397	$18,052,210	$ 10	$15,599,138	$ 75	$ 156,414
2010	$ 7,393	$16,890,949	$ 10	$14,596,351	$ 0	$ 143,976

The yearly decline in whole life insurance issued is because the Company did not market its products during the period under examination. The issued amounts shown represent new riders on in-force business.

In 2006, the individual term issued amounts included a few policies that were applied for in 2005. In 2008, an existing level term policy was split into two policies. For years 2009 and 2010, the issued amounts are the result of additions from riders on in-force polices.

During 2007, the Company ceased its assumed reinsurance of Service Employees Group Life Insurance with Prudential. This caused the significant decrease in the company's group life in-force from 2006 to 2007. The year to year fluctuations from 2007 to 2010 are due to a declining closed block of business. The fluctuation in group life issues in 2006 to 2007 is due to winding down of new sales.

The following contract counts were extracted from the Exhibits of Annuities in the filed annual statements for each of the years under review:

Ordinary Annuities

	2006	2007	2008	2009	2010
Outstanding, end of previous year	17,376	15,475	13,546	11,810	10,577
Issued during the year	34	39	29	10	16
Other net changes during the year	(1,935)	(1,968)	(1,765)	(1,243)	(1,190)
Outstanding, end of current year	15,475	13,546	11,810	10,577	9,403

In conjunction with the Company's integration with AXA Financial, new sales of annuity products were terminated, except for certain products in limited markets. As a result, Ordinary annuities' "Other Net Changes" has generally been declining.

Group Annuities

	2006	2007	2008	2009	2010
Outstanding, end of previous year	184	10,464	9,592	9,159	8,547
Issued during the year		0	0	0	0
Other net changes during the year	(29)	(872)	(433)	(612)	(527)
Outstanding, end of current year	155	9,592	9,159	8,547	8,020

During 2006 and 2007, the Company began administering a block of group annuities that previously had been administered by a third party. These group annuities had been counted as a single contract but should have been counted as the number of individual contracts. The Company restated the opening balance in 2007 to make this correction. In 2008, an underreporting of about 140 contracts was discovered and corrected in the end of year values. There are almost no new issues and therefore terminations drive the other net changes reported during the year for this largely closed block of business.

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

	2006	2007	2008	2009	2010
Ordinary:					
Life insurance	$228,118,633	$135,423,437	$114,471,472	$ 81,727,046	$141,419,023
Individual Annuities	341,337	943,562	(13,398,180)	14,133,660	(4,651,314)
Supplementary Contracts	2,731,346	2,299,957	2,404,002	1,594,483	955,479
Total ordinary	$231,191,316	$138,666,956	$103,477,294	$ 97,455,189	$137,723,188
Group:					
Life	$ 4,925,980	$ 2,778,864	$ 2,278,807	$ 1,736,470	$ 1,796,047
Annuities	4,894,661	543,708	(24,462,340)	15,567,898	(3,799,652)
Total group	$ 9,820,641	$ 3,322,572	$ (22,183,533)	$ 17,304,368	$ (2,003,605)
Accident and health:					
Group	$ 6,369,062	$ 3,438,692	$ 2,430,961	$ 1,994,246	$ 2,619,550
Other	(2,281,885)	(3,129,793)	(3,119,510)	(1,050,456)	(5,855,339)
Total accident and health	$ 4,087,177	$ 308,899	$ (688,549)	$ 943,790	$ (3,235,789)
All other lines	$ (484,336)	$ 271,110	$ 155,203	$ (113,239)	$ 265,754
Total	$244,614,798	$142,569,537	$ 80,760,415	$115,590,108	$132,749,548

The decreasing trend in net gain for the individual life insurance line of business from $228,118,633 in 2006 to $81,727,046 in 2009 primarily reflects lower investment income. The increase from $81,727,046 in 2009 to $141,419,023 in 2010 is primarily due to lower dividends paid to policyholders, higher income in affiliated dividends and higher partnership distributions.

The fluctuation in net gain (loss) for the individual annuities line of business from $341,337 in 2006 to ($4,651,314) in 2010 is primarily driven by the impact of additional reserves established as a result of deficiencies revealed as a result of cash flow testing. The Company established an additional reserve of $15 million in 2008 which was released in 2009. The $5 million loss in 2010 includes a large allocation for interest charges relating to the non-qualified company benefit plans.

The fluctuation of net gain (loss) for the group annuities line of business from $4,894,661 in 2006 to ($3,799,652) in 2010 is primarily driven by the impact of additional reserves established for cash flow testing purposes. The Company established an additional reserve of $25 million in 2008 from which $15 million was released in 2009. In 2010, the Company established an additional reserve of $5 million as the result of cash flow testing.

5. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, capital and surplus as of December 31, 2010, as contained in the Company's 2010 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 assessment of risk and related financial reporting controls, including the 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, 2010 filed annual statement.

A. Independent Accountants

The firm of PricewaterhouseCoopers, LLP, was retained by the Company to audit the Company's combined statutory basis statements of financial position of the Company as of December 31st 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.

PricewaterhouseCoopers, LLP 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	$5,170,519,252
Stocks:	
Preferred stocks	67,102,522
Common stocks	429,607,824
Mortgage loans on real estate:	
First liens	1,114,432,386
Cash, cash equivalents and short term investments	189,804,146
Contract loans	924,266,671
Other invested assets	103,308,832
Receivable for securities	272
Investment income due and accrued	103,327,079
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	3,638,477
Deferred premiums, agents' balances and installments booked but deferred and not yet due	63,736,412
Reinsurance:	
Amounts recoverable from reinsurers	12,484,559
Other amounts receivable under reinsurance contracts	749,055
Net deferred tax asset	133,154,000
Guaranty funds receivable or on deposit	3,198,063
Receivables from parent, subsidiaries and affiliates	6,160,549
Officers and Trustees' life insurance-cash value	208,159,827
Prepaid pension	6,073,000
Aviation reinsurance premium due and unpaid	123,093
Miscellaneous assets	1,497,908
From separate accounts, segregated accounts and protected cell accounts	253,657,887
Total admitted assets	$8,795,001,814

C. Liabilities, Capital and Surplus

Aggregate reserve for life policies and contracts	$6,990,872,844
Aggregate reserve for accident and health contracts	10,722,153
Liability for deposit-type contracts	361,509,352
Contract claims:	
Life	44,868,998
Accident and health	1,059,501
Policyholders' dividends and coupons due and unpaid	2,273,777
Provision for policyholders' dividends and coupons payable in following calendar year – estimated amounts	
Dividends apportioned for payment	134,774,657
Premiums and annuity considerations for life and accident and health contracts received in advance	2,223,093
Contract liabilities not included elsewhere:	
Surrender values on cancelled contracts	1,018
Other amounts payable on reinsurance	75,000
Interest maintenance reserve	16,814,036
Commissions to agents due or accrued	1,884,158
Commissions and expense allowances payable on reinsurance assumed	13
General expenses due or accrued	107,054,517
Transfers to separate accounts due or accrued	(2,886,595)
Taxes, licenses and fees due or accrued, excluding federal income taxes	8,004,697
Current federal and foreign income taxes	1,313,895
Unearned investment income	405,786
Amounts withheld or retained by company as agent or trustee	9,432,387
Remittances and items not allocated	2,663,518
Liability for benefits for employees and agents if not included above	260,856,251
Miscellaneous liabilities:	
Asset valuation reserve	9,280,077
Reinsurance in unauthorized companies	762,211
Payable to parent, subsidiaries and affiliates	1,148,946
Outstanding drafts pending escheatment	2,540,555
Aviation reinsurance losses	1,872,639
Miscellaneous	5,015,503
From Separate Accounts statement	253,237,765
Total liabilities	$8,227,780,752
Common capital stock	$ 2,500,000
Surplus notes	1,090,548
Gross paid in and contributed surplus	1,343,359,984
Reserve for aviation insurance	25,000,000
Group contingency life reserve	550,000
Additional admitted tax deferred asset	56,237,000
Unassigned funds (surplus)	(861,516,470)
Surplus	$ 564,721,062
Total capital and surplus	$ 567,221,062
Total liabilities, capital and surplus	$8,795,001,814

D. Condensed Summary of Operations

	2006	2007	2008	2009	2010
Premiums and considerations	$ 493,410,431	$ 452,780,840	$ 434,420,019	$ 401,994,053	$ 391,119,995
Investment income	615,741,997	557,754,586	521,274,680	459,281,657	464,781,465
Net gain from operations from Separate Accounts	0	0	(67,241)	13,459	297,894
Commissions and reserve adjustments on reinsurance ceded	4,312,039	6,893,210	8,881,505	822,204	5,876,888
Miscellaneous income	13,729,257	13,027,511	14,961,731	11,021,785	7,807,983
Total income	$1,127,193,724	$1,030,456,148	$ 979,470,693	$ 873,133,158	$ 869,884,225
Benefit payments	$1,307,321,935	$ 817,651,231	$ 790,535,454	$ 712,851,818	$ 682,240,667
Increase in reserves	(149,166,782)	(157,775,701)	(118,418,765)	(175,872,194)	(124,661,295)
Commissions	26,529,395	22,758,613	20,635,608	18,695,030	18,212,060
General expenses and taxes	86,259,343	63,045,416	69,268,911	52,171,765	59,003,567
Increase in loading on deferred and uncollected premiums	1,361,378	(63,959)	(537,380)	(598,541)	78,576
Net transfers to (from) separate accounts	(534,551,559)	(64,633,293)	(61,771,043)	(27,667,787)	(36,862,508)
Aviation reinsurance (gains) losses	236,125	(296,621)	(3,704)	241,363	(171,497)
Commissions on aviation reinsurance	518	558	(246)	589	21
Increase in unearned premium reserve for aviation reinsurance	(63)	0	0	0	0
Fine & Penalties of regulatory authorities	19,037	24,339	709	53,222	10,360
Miscellaneous	(23,502,544)	(14,554,670)	3,105,443	2,624,841	2,538,254
Total deductions	$ 714,506,783	$ 666,155,913	$ 702,814,986	$ 582,500,106	$ 600,388,205
Net gain (loss)	$ 412,686,940	$ 364,300,235	$ 276,655,707	$ 290,633,052	$ 269,496,020
Dividends	$ 140,197,142	$ 154,018,215	$ 160,986,798	$ 161,042,944	$ 135,466,028
Federal and foreign income taxes Incurred	27,875,000	67,712,483	34,908,494	14,000,000	1,280,444
Net gain (loss) from operations before net realized capital gains	$ 244,614,798	$ 142,569,537	$ 80,760,415	$ 115,590,108	$ 132,749,548
Net realized capital gains (losses)	48,865,084	(12,150,830)	(77,881,980)	(71,024,990)	(78,527,607)
Net income	$ 293,479,882	$ 130,418,707	$ 2,878,435	$ 44,565,118	$ 54,221,941

E. Capital and Surplus Account

	2006	2007	2008	2009	2010
Capital and surplus, December 31, prior year	$ 968,559,333	$1,069,547,397	$ 961,273,907	$520,732,120	$ 728,705,509
Net income	293,479,882	130,418,707	2,878,435	44,565,118	54,221,941
Change in net unrealized capital gains (losses)	(26,435,168)	(36,029,513)	(233,112,386)	123,698,940	(100,573,643)
Change in net deferred income tax	(133,533,868)	13,394,495	(9,964,372)	(39,647,771)	8,876,405
Change in non-admitted assets and related items	169,028,860	(9,652,835)	(42,147,652)	50,820,898	(44,909,613)
Change in liability for reinsurance in unauthorized companies	(68,377)	(94,322)	(632)	(69,097)	27,919
Change in reserve valuation basis	0	0	0	0	0
Change in asset valuation reserve	(51,483,264)	25,293,497	78,415,820	8,509,322	39,537,523
Surplus (contributed to), withdrawn from Separate Accounts during Period	0	0	(141,059)	(32,951)	(2,000)
Other changes in surplus in Separate Accounts statement	0	0	141,059	32,951	2,000
Change in surplus notes	(115,000,000)	(100,000,000)	0	0	0
Dividends to stockholders	(35,000,000)	(80,000,000)	(95,000,000)	0	(70,000,000)
Additional minimum liability on pension plans	0	(1,086,819)	(141,611,000)	(35,580,000)	(49,226,000)
Additional DTA admitted	0	0	0	55,675,979	561,021
Interest on IRS settlement	0	(50,516,700)	0	0	0
Net change in capital and surplus for the year	$ 100,988,064	$ (108,273,490)	$(440,541,787)	$207,973,389	$(161,484,447)
Capital and surplus, December 31, current year	$1,069,547,397	$ 961,273,907	$ 520,732,120	$728,705,509	$ 567,221,062

Respectfully submitted,

/s/
Marc Tse
Associate Insurance Examiner

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

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

/s/
Marc Tse

Subscribed and sworn to before me

this__________ day of ____________________

APPOINTMENT NO. 30661

STATE OF NEW YORK

INSURANCE DEPARTMENT

I, JAMES J. WRYNN, Superintendent of Insurance of the State of New York,

pursuant to the provisions of the Insurance Law, do hereby appoint:

MARC TSE

as a proper person to examine into the affairs of the

MONY 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 24th day of February, 2011

STATE OF NEW YORK ★ SUPERINTENDENT OF INSURANCE ★ EXCELSIOR

JAMES J. WRYNN
Superintendent of Insurance

Superintendent