



# ANNUAL STATEMENT

For the Year Ended December 31, 2008  
of the Condition and Affairs of the

## Metropolitan Property and Casualty Insurance Company

NAIC Group Code.....241, 241 (Current Period) (Prior Period)	NAIC Company Code..... 26298	Employer's ID Number..... 13-2725441
Organized under the Laws of Rhode Island	State of Domicile or Port of Entry Rhode Island	Country of Domicile US
Incorporated/Organized..... August 31, 1972	Commenced Business..... December 8, 1972	
Statutory Home Office	700 Quaker Lane..... Warwick ..... RI ..... 02886-6669 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	700 Quaker Lane..... Warwick ..... RI ..... 02886-6669 <i>(Street and Number) (City or Town, State and Zip Code)</i>	401-827-2400 <i>(Area Code) (Telephone Number)</i>
Mail Address	PO Box 350, 700 Quaker Lane..... Warwick ..... RI ..... 02887-0350 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	700 Quaker Lane..... Warwick ..... RI ..... 02886-6669 <i>(Street and Number) (City or Town, State and Zip Code)</i>	800-638-4208 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.metlife.com	
Statutory Statement Contact	James Jeffrey DeAlmo <i>(Name)</i> jdealmo@metlife.com <i>(E-Mail Address)</i>	800-638-4208 <i>(Area Code) (Telephone Number) (Extension)</i> 401-827-2315 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. William Douglas Moore	President	2. Maura Catherine Travers	Secretary
3. Eric Thomas Steigerwalt	Treasurer	4.	

### OTHER

Susan Ann Buffum	Vice President	Richard Eugene Calogero	Vice President
Charles Phillip Cavas	Associate General Counsel	Christopher Cawley	Senior Vice President
William Mark Coggan	Vice President	Michael Frederick Convery	Vice President
Martin William Deede	Vice President	Michelle Mohr DeWine	Vice President
Darla Ann Finchum	Vice President	Paul Edward Gavin	Vice President
Lise Ann Hasegawa	Vice President	Brenda Ann Johnson	Vice President
Scott David Kuczmariski	Vice President	Richard Paul Lonardo	Vice President
Rudolph Marcus Loney	Vice President	Paul Anthony Lonnemann	Senior Vice President
Robert Francis Lundgren	Vice President	Barbara Jean Lynch	Vice President
Thomas John McHugh	Vice President	Barry Gregory Morphis	Vice President
Margaret Nickerson Redd	Vice President	Vhonda Lee Ridley	Vice President
Margaret Ann Rody	Vice President	Jonathan Lloyd Rosenthal	Vice President
Joseph Urba Rupp, Jr. #	Vice President	Mark Jay Silverman	Vice President
Ralph George Spontak	Vice President and Controller	Edward Elliot Veazey	
Michael Clifford Walsh	Senior Vice President and Chief Financial Officer	Christen White	Vice President
Anne Kaiper Wilson	Vice President		

### DIRECTORS OR TRUSTEES

Francis Donnantuono	James Louis Lipscomb	William Douglas Moore	William Joseph Mullaney
Lisa Merry Weber			

State of..... Rhode Island  
County of..... Kent

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) William Douglas Moore	_____ (Signature) Maura Catherine Travers	_____ (Signature) Eric Thomas Steigerwalt
1. (Printed Name) President	2. (Printed Name) Secretary	3. (Printed Name) Treasurer
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me  
This 12th day of February 2009

a. Is this an original filing? Yes [X] No [ ]  
b. If no 1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	2,655,120,935	0	2,655,120,935	2,775,187,311
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	279,895,764	0	279,895,764	446,292,231
2.2 Common stocks.....	786,726,905	1,406,554	785,320,351	747,261,420
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	182,407	0	182,407	76,594
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(97,509,259), Sch. E-Part 1), cash equivalents (\$.....924,215, Sch. E-Part 2) and short-term investments (\$.....0, Sch. DA).....	(96,585,044)	0	(96,585,044)	92,261,687
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Other invested assets (Schedule BA).....	64,025,008	0	64,025,008	110,960,465
8. Receivables for securities.....	184,777	0	184,777	0
9. Aggregate write-ins for invested assets.....	263,422	0	263,422	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	3,689,814,174	1,406,554	3,688,407,620	4,172,039,708
11. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
12. Investment income due and accrued.....	42,845,071	0	42,845,071	44,205,615
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection.....	61,687,368	10,106,920	51,580,448	55,058,131
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	632,642,024	0	632,642,024	625,909,555
13.3 Accrued retrospective premiums.....	0	0	0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	8,440,168	1,420,386	7,019,782	12,551,014
14.2 Funds held by or deposited with reinsured companies.....	147,286	0	147,286	153,314
14.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
15. Amounts receivable relating to uninsured plans.....	0	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	7,050,288	0	7,050,288	5,110,881
16.2 Net deferred tax asset.....	169,654,267	63,245,181	106,409,086	106,317,874
17. Guaranty funds receivable or on deposit.....	3,725,238	0	3,725,238	3,981,319
18. Electronic data processing equipment and software.....	24,674,894	24,674,894	0	0
19. Furniture and equipment, including health care delivery assets (\$.....0).....	6,913,570	6,913,570	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates.....	0	0	0	0
22. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
23. Aggregate write-ins for other than invested assets.....	412,776,716	96,961,747	315,814,969	308,219,197
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	5,060,371,064	204,729,252	4,855,641,812	5,333,546,608
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
26. TOTALS (Lines 24 and 25).....	5,060,371,064	204,729,252	4,855,641,812	5,333,546,608

**DETAILS OF WRITE-INS**

0901. CDS MTM.....	18,107	0	18,107	0
0902. FX Swaps.....	245,315	0	245,315	0
0903.....	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	263,422	0	263,422	0
2301. Advances.....	1,055	1,055	0	0
2302. COLI.....	262,173,481	0	262,173,481	252,043,722
2303. DAC Taxes Receivable.....	2,951,387	0	2,951,387	3,793,055
2398. Summary of remaining write-ins for Line 23 from overflow page.....	147,650,793	96,960,692	50,690,101	52,382,420
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	412,776,716	96,961,747	315,814,969	308,219,197

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	1,329,097,954	1,409,360,456
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	44,504	47,230
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	347,551,298	396,730,417
4. Commissions payable, contingent commissions and other similar charges.....	36,596,888	39,820,345
5. Other expenses (excluding taxes, licenses and fees).....	89,084,920	83,629,685
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	15,514,344	14,978,439
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	0	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....15,578,835 and including warranty reserves of \$.....0).....	1,203,775,028	1,225,484,902
10. Advance premium.....	30,110,609	27,791,070
11. Dividends declared and unpaid:		
11.1 Stockholders.....	821,503	1,739,806
11.2 Policyholders.....	6,840,372	6,600,007
12. Ceded reinsurance premiums payable (net of ceding commissions).....	6,319,972	16,242,920
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	0	0
14. Amounts withheld or retained by company for account of others.....	5,444	(15,209)
15. Remittances and items not allocated.....	1,687,182	1,376,358
16. Provision for reinsurance (Schedule F, Part 7).....	115,269	0
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	15,583,099	8,484,200
20. Payable for securities.....	95,647	98,994
21. Liability for amounts held under uninsured plans.....	0	0
22. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
23. Aggregate write-ins for liabilities.....	10,063,036	275,347,328
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	3,093,307,069	3,507,716,948
25. Protected cell liabilities.....	0	0
26. Total liabilities (Lines 24 and 25).....	3,093,307,069	3,507,716,948
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	3,000,000	3,000,000
29. Preferred capital stock.....	315,000,000	315,000,000
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....	0	0
32. Gross paid in and contributed surplus.....	1,088,693,363	1,088,693,363
33. Unassigned funds (surplus).....	355,641,379	419,136,303
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....	0	0
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39).....	1,762,334,742	1,825,829,666
36. TOTALS (Page 2, Line 26, Col. 3).....	4,855,641,811	5,333,546,614

**DETAILS OF WRITE-INS**

2301. Accounts Payable - Security Lending.....	1,210,000	265,975,748
2302. Deferred Gain.....	1,921,650	1,794,450
2303. Florida Hurricane CAT Fund Emergency Assessment.....	74,881	61,379
2398. Summary of remaining write-ins for Line 23 from overflow page.....	6,856,505	7,515,751
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	10,063,036	275,347,328
2701. ....	0	0
2702. ....	0	0
2703. ....	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001. ....	0	0
3002. ....	0	0
3003. ....	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	2,984,212,917	2,973,443,836
<b>DEDUCTIONS</b>		
2. Losses incurred (Part 2, Line 35, Column 7).....	1,648,998,396	1,508,321,198
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	269,584,023	298,562,978
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	807,360,387	849,216,222
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	2,725,942,806	2,656,100,398
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	258,270,111	317,343,438
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	182,325,120	197,465,582
10. Net realized capital gains (losses) less capital gains tax of \$.....(14,136,434) (Exhibit of Capital Gains (Losses)).....	(75,851,313)	4,816,200
11. Net investment gain (loss) (Lines 9 + 10).....	106,473,807	202,281,782
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....8,124,675).....	(8,124,675)	(1,931,610)
13. Finance and service charges not included in premiums.....	8,585,914	8,364,479
14. Aggregate write-ins for miscellaneous income.....	13,701,189	15,782,796
15. Total other income (Lines 12 through 14).....	14,162,428	22,215,665
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	378,906,346	541,840,885
17. Dividends to policyholders.....	3,265,447	3,377,499
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	375,640,899	538,463,386
19. Federal and foreign income taxes incurred.....	102,870,933	137,999,275
20. Net income (Line 18 minus Line 19) (to Line 22).....	272,769,966	400,464,111
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	1,825,829,664	1,850,581,756
22. Net income (from Line 20).....	272,769,966	400,464,111
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(17,921,044).....	(2,433,746)	(16,292,968)
25. Change in net unrealized foreign exchange capital gain (loss).....	(213,489)	397,084
26. Change in net deferred income tax.....	43,464,233	1,527,782
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26 Column 3).....	(67,243,951)	1,773,513
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(115,269)	1,930,537
29. Change in surplus notes.....	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0
31. Cumulative effect of changes in accounting principles.....	0	0
32. Capital changes:		
32.1 Paid in.....	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0
32.3 Transferred to surplus.....	0	0
33. Surplus adjustments:		
33.1 Paid in.....	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0
33.3. Transferred from capital.....	0	0
34. Net remittances from or (to) Home Office.....	0	0
35. Dividends to stockholders.....	(309,722,668)	(414,552,151)
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1).....	0	0
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(63,494,924)	(24,752,092)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35).....	1,762,334,740	1,825,829,664
<b>DETAILS OF WRITE-INS</b>		
0501. ....	0	0
0502. ....	0	0
0503. ....	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Cash Surrender Value of COLL.....	9,288,092	11,632,971
1402. Group Property and Casualty - Misc. Other Commission.....	30,458	44,997
1403. Loss On Sale of Assets.....	0	(284)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	4,382,639	4,105,112
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	13,701,189	15,782,796
3701. ....	0	0
3702. ....	0	0
3703. ....	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**CASH FLOW**

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	2,950,531,147	2,970,972,478
2. Net investment income.....	181,409,416	198,096,536
3. Miscellaneous income.....	13,277,415	20,107,684
4. Total (Lines 1 through 3).....	3,145,217,978	3,189,176,698
5. Benefit and loss related payments.....	1,718,394,141	1,571,661,384
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,123,099,765	1,149,341,433
8. Dividends paid to policyholders.....	3,025,082	2,677,495
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	89,788,893	152,405,747
10. Total (Lines 5 through 9).....	2,934,307,881	2,876,086,059
11. Net cash from operations (Line 4 minus Line 10).....	210,910,097	313,090,639
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	1,130,286,661	1,117,154,363
12.2 Stocks.....	237,844,983	126,067,982
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	54,978,721	57,931,298
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(300)	0
12.7 Miscellaneous proceeds.....	0	247,295
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,423,110,065	1,301,400,938
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	1,040,568,984	901,408,698
13.2 Stocks.....	163,532,532	165,186,666
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	(73,475)
13.5 Other invested assets.....	32,892,577	78,191,506
13.6 Miscellaneous applications.....	188,124	22,796,532
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,237,182,217	1,167,509,927
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	185,927,848	133,891,011
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	310,640,971	413,731,957
16.6 Other cash provided (applied).....	(275,043,718)	155,956,300
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(585,684,689)	(257,775,657)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(188,846,744)	189,205,993
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	92,261,700	(96,944,293)
19.2 End of year (Line 18 plus Line 19.1).....	(96,585,044)	92,261,700
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 .....	0	0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS EARNED**

Line of Business	1	2	3	4
	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	3,977,877	4,841,774	3,679,606	5,140,045
2. Allied lines.....	140,517	210,554	78,119	272,952
3. Farmowners multiple peril.....	.0	.0	.0	.0
4. Homeowners multiple peril.....	804,364,289	449,328,092	441,773,968	811,918,413
5. Commercial multiple peril.....	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0
9. Inland marine.....	33,975,943	18,183,149	17,743,954	34,415,138
10. Financial guaranty.....	.0	.0	.0	.0
11.1 Medical malpractice - occurrence.....	.0	.0	.0	.0
11.2 Medical malpractice - claims-made.....	.0	.0	.0	.0
12. Earthquake.....	12,736,350	6,844,719	6,882,986	12,698,083
13. Group accident and health.....	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0
15. Other accident and health.....	9,325,151	1,255,663	1,349,206	9,231,608
16. Workers' compensation.....	83,983	44,452	44,982	83,453
17.1 Other liability - occurrence.....	34,871,309	17,151,920	17,727,418	34,295,811
17.2 Other liability - claims-made.....	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	1,196,315,698	422,728,618	416,329,116	1,202,715,200
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0
21. Auto physical damage.....	866,711,925	304,895,947	298,165,660	873,442,212
22. Aircraft (all perils).....	.0	.0	.0	.0
23. Fidelity.....	.0	.0	.0	.0
24. Surety.....	.0	.0	.0	.0
26. Burglary and theft.....	.0	.0	.0	.0
27. Boiler and machinery.....	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	.0	14	14	.0
33. Reinsurance - nonproportional assumed financial lines.....	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0
35. TOTALS.....	2,962,503,043	1,225,484,902	1,203,775,028	2,984,212,917

**DETAILS OF WRITE-INS**

3401. ....	.0	.0	.0	.0
3402. ....	.0	.0	.0	.0
3403. ....	.0	.0	.0	.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	3,679,606	0	0	0	3,679,606
2.	Allied lines.....	78,119	0	0	0	78,119
3.	Farmowners multiple peril.....	0	0	0	0	0
4.	Homeowners multiple peril.....	441,773,968	0	0	0	441,773,968
5.	Commercial multiple peril.....	0	0	0	0	0
6.	Mortgage guaranty.....	0	0	0	0	0
8.	Ocean marine.....	0	0	0	0	0
9.	Inland marine.....	17,743,954	0	0	0	17,743,954
10.	Financial guaranty.....	0	0	0	0	0
11.1	Medical malpractice - occurrence.....	0	0	0	0	0
11.2	Medical malpractice - claims-made.....	0	0	0	0	0
12.	Earthquake.....	6,882,986	0	0	0	6,882,986
13.	Group accident and health.....	0	0	0	0	0
14.	Credit accident and health (group and individual).....	0	0	0	0	0
15.	Other accident and health.....	1,349,206	0	0	0	1,349,206
16.	Workers' compensation.....	44,982	0	0	0	44,982
17.1	Other liability - occurrence.....	17,700,988	0	0	26,429	17,727,418
17.2	Other liability - claims-made.....	0	0	0	0	0
18.1	Products liability - occurrence.....	0	0	0	0	0
18.2	Products liability - claims-made.....	0	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	416,329,116	0	0	0	416,329,116
19.3, 19.4	Commercial auto liability.....	0	0	0	0	0
21.	Auto physical damage.....	298,165,660	0	0	0	298,165,660
22.	Aircraft (all perils).....	0	0	0	0	0
23.	Fidelity.....	0	0	0	0	0
24.	Surety.....	0	0	0	0	0
26.	Burglary and theft.....	0	0	0	0	0
27.	Boiler and machinery.....	0	0	0	0	0
28.	Credit.....	0	0	0	0	0
29.	International.....	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability.....	0	0	0	14	14
33.	Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	1,203,748,585	0	0	26,443	1,203,775,028
36.	Accrued retrospective premiums based on experience.....					0
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					1,203,775,028

**DETAILS OF WRITE-INS**

3401.	.....	0	0	0	0	0
3402.	.....	0	0	0	0	0
3403.	.....	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

(a) State here basis of computation used in each case: Monthly Pro-rata

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1B - PREMIUMS WRITTEN**

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	5,430,881	173,798	0	0	1,626,802	3,977,877
2. Allied lines.....	19,318,803	275,024	0	0	19,453,310	140,517
3. Farmowners multiple peril.....	0	0	0	0	0	0
4. Homeowners multiple peril.....	475,943,909	370,565,888	0	0	42,145,508	804,364,289
5. Commercial multiple peril.....	0	0	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0	0
9. Inland marine.....	18,359,085	17,070,549	0	0	1,453,691	33,975,943
10. Financial guaranty.....	0	0	0	0	0	0
11.1 Medical malpractice - occurrence.....	0	0	0	0	0	0
11.2 Medical malpractice - claims-made.....	0	0	0	0	0	0
12. Earthquake.....	6,452,248	6,959,821	0	0	675,719	12,736,350
13. Group accident and health.....	0	0	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	9,325,151	0	0	0	0	9,325,151
16. Workers' compensation.....	38,546	45,652	0	0	215	83,983
17.1 Other liability - occurrence.....	26,846,740	8,219,635	(2,148)	0	192,918	34,871,309
17.2 Other liability - claims-made.....	0	0	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	350,407,826	858,884,387	9,987,355	0	22,963,870	1,196,315,698
19.3, 19.4 Commercial auto liability.....	0	0	0	0	0	0
21. Auto physical damage.....	242,911,333	632,875,783	2,410,634	0	11,485,825	866,711,925
22. Aircraft (all perils).....	0	0	0	0	0	0
23. Fidelity.....	0	0	0	0	0	0
24. Surety.....	0	0	0	0	0	0
26. Burglary and theft.....	0	0	0	0	0	0
27. Boiler and machinery.....	0	0	0	0	0	0
28. Credit.....	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	.XXX	0	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	.XXX	0	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	.XXX	0	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	1,155,034,521	1,895,070,538	12,395,841	0	99,997,857	2,962,503,043

**DETAILS OF WRITE-INS**

3401. ....	0	0	0	0	0	0
3402. ....	0	0	0	0	0	0
3403. ....	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [ ] No [ X ]

If yes: 1. The amount of such installment premiums \$.0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	3,150,341	3,337,611	17,402	6,470,550	13,491,788	3,215,586	16,746,753	325.8
2. Allied lines.....	16,694,646	82,779	16,388,896	388,529	881,659	1,732,241	(462,053)	(169.3)
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0.0
4. Homeowners multiple peril.....	282,931,607	239,987,233	5,567,484	517,351,356	254,503,622	249,235,846	522,619,131	64.4
5. Commercial multiple peril.....	0	0	0	0	0	0	0	0.0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	0	0	0	0	5,278	37,252	(31,974)	0.0
9. Inland marine.....	5,558,684	5,900,498	2,169	11,457,013	6,996,381	7,077,331	11,376,063	33.1
10. Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1 Medical malpractice - occurrence.....	0	0	0	0	0	0	0	0.0
11.2 Medical malpractice - claims-made.....	0	0	0	0	0	0	0	0.0
12. Earthquake.....	0	3,556	0	3,556	1,579,764	1,957,084	(373,764)	(2.9)
13. Group accident and health.....	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	3,786,870	0	0	3,786,870	934,284	897,004	3,824,150	41.4
16. Workers' compensation.....	2,980	49,617	0	52,597	39,196	27,337	64,456	77.2
17.1 Other liability - occurrence.....	11,916,950	10,197,766	134,432	21,980,284	65,278,085	65,536,282	21,722,087	63.3
17.2 Other liability - claims-made.....	0	0	0	0	0	0	0	0.0
18.1 Products liability - occurrence.....	0	0	0	0	0	0	0	0.0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....	202,484,487	553,382,645	27,087,569	728,779,563	961,010,266	1,052,576,893	637,212,936	53.0
19.3, 19.4 Commercial auto liability.....	0	0	0	0	60	62	(2)	0.0
21. Auto physical damage.....	131,353,620	315,872,726	8,681,619	438,544,726	22,923,582	25,477,183	435,991,125	49.9
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0.0
23. Fidelity.....	0	0	0	0	0	0	0	0.0
24. Surety.....	0	0	0	0	0	0	0	0.0
26. Burglary and theft.....	0	0	0	0	0	0	0	0.0
27. Boiler and machinery.....	0	0	0	0	0	0	0	0.0
28. Credit.....	0	0	0	0	0	0	0	0.0
29. International.....	0	0	0	0	0	0	0	0.0
30. Warranty.....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX	445,854	0	445,854	1,453,989	1,590,355	309,488	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	657,880,185	1,129,260,285	57,879,571	1,729,260,898	1,329,097,954	1,409,360,456	1,648,998,396	55.3

**DETAILS OF WRITE-INS**

3401. ....	0	0	0	0	0	0	0	0.0
3402. ....	0	0	0	0	0	0	0	0.0
3403. ....	0	0	0	0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	2,036,642	11,114,447	0	13,151,090	176,097	165,233	631	13,491,788	839,748
2. Allied lines.....	1,658,866	406,520	1,422,140	643,246	147,425	95,103	4,115	881,659	161,249
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril.....	100,644,140	57,358,176	9,926,949	148,075,367	55,319,149	51,458,115	349,009	254,503,622	75,233,301
5. Commercial multiple peril.....	0	0	0	0	0	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	0	960	0	960	0	4,318	0	5,278	709
9. Inland marine.....	1,336,081	646,037	0	1,982,118	2,188,987	2,827,733	2,457	6,996,381	1,745,536
10. Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1 Medical malpractice - occurrence.....	0	0	0	0	0	0	0	0	0
11.2 Medical malpractice - claims-made.....	0	0	0	0	0	0	0	0	0
12. Earthquake.....	0	6,750	0	6,750	605,416	967,598	0	1,579,764	175,482
13. Group accident and health.....	0	0	0	0	0	0	0	(a) 0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	934,284	0	0	934,284	0	0	0	(a) 934,284	0
16. Workers' compensation.....	26,325	1,053	0	27,378	5,427	6,391	0	39,196	11,072
17.1 Other liability - occurrence.....	15,841,002	14,756,622	0	30,597,624	24,722,622	10,317,798	359,958	65,278,085	5,519,877
17.2 Other liability - claims-made.....	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0	0	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	217,382,559	610,724,144	58,079,284	770,027,419	42,284,696	149,531,080	832,929	961,010,266	253,139,624
19.3, 19.4 Commercial auto liability.....	0	8,000	8,000	0	0	60	0	60	7
21. Auto physical damage.....	15,189,868	34,108,768	1,115,421	48,183,215	(13,810,298)	(11,395,732)	53,602	22,923,582	10,723,532
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23. Fidelity.....	0	0	0	0	0	0	0	0	0
24. Surety.....	0	0	0	0	0	0	0	0	0
26. Burglary and theft.....	0	0	0	0	0	0	0	0	0
27. Boiler and machinery.....	0	0	0	0	0	0	0	0	0
28. Credit.....	0	0	0	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	XXX	1,253,989	0	1,253,989	XXX	200,000	0	1,453,989	1,162
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	355,049,768	730,385,466	70,551,795	1,014,883,439	111,639,521	204,177,697	1,602,702	1,329,097,954	347,551,298

**DETAILS OF WRITE-INS**

3401. ....	0	0	0	0	0	0	0	0	0
3402. ....	0	0	0	0	0	0	0	0	0
3403. ....	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

(a) Including \$.....0 for present value of life indemnity claims.

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - EXPENSES**

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	14,148,753	0	0	14,148,753
1.2 Reinsurance assumed.....	29,053,283	0	0	29,053,283
1.3 Reinsurance ceded.....	1,289,175	0	0	1,289,175
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	41,912,861	0	0	41,912,861
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	90,070,762	0	90,070,762
2.2 Reinsurance assumed, excluding contingent.....	0	142,655,289	0	142,655,289
2.3 Reinsurance ceded, excluding contingent.....	0	14,237,727	0	14,237,727
2.4 Contingent - direct.....	0	9,846,685	0	9,846,685
2.5 Contingent - reinsurance assumed.....	0	0	0	0
2.6 Contingent - reinsurance ceded.....	0	0	0	0
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	228,335,009	0	228,335,009
3. Allowances to manager and agents.....	0	0	0	0
4. Advertising.....	6,555	42,704,000	183	42,710,738
5. Boards, bureaus and associations.....	1,147,464	7,675,962	0	8,823,426
6. Surveys and underwriting reports.....	15,429	14,771,247	0	14,786,676
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	117,643,093	221,580,902	789,497	340,013,492
8.2 Payroll taxes.....	10,081,694	17,660,488	44,074	27,786,256
9. Employee relations and welfare.....	32,836,043	43,518,646	69,961	76,424,650
10. Insurance.....	0	161,157	0	161,157
11. Directors' fees.....	0	496	0	496
12. Travel and travel items.....	4,170,615	10,139,830	37,701	14,348,146
13. Rent and rent items.....	15,106,134	30,730,645	56,817	45,893,596
14. Equipment.....	6,414,035	12,363,864	13,641	18,791,540
15. Cost or depreciation of EDP equipment and software.....	1,852,034	11,672,958	0	13,524,992
16. Printing and stationery.....	1,950,309	4,661,085	2,862	6,614,256
17. Postage, telephone and telegraph, exchange and express.....	6,219,691	19,460,000	201,063	25,880,754
18. Legal and auditing.....	(7,207,671)	1,588,717	112,983	(5,505,971)
19. Totals (Lines 3 to 18).....	190,235,425	438,689,997	1,328,782	630,254,204
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....235,528.....	0	55,843,047	0	55,843,047
20.2 Insurance department licenses and fees.....	0	5,304,596	0	5,304,596
20.3 Gross guaranty association assessments.....	0	2,623,256	0	2,623,256
20.4 All other (excluding federal and foreign income and real estate).....	0	1,187,891	0	1,187,891
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	64,958,790	0	64,958,790
21. Real estate expenses.....	0	150,354	0	150,354
22. Real estate taxes.....	0	109,928	0	109,928
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	37,435,737	75,116,309	1,291,599	113,843,645
25. Total expenses incurred.....	269,584,023	807,360,387	2,620,381	(a).....1,079,564,791
26. Less unpaid expenses - current year.....	347,551,295	141,196,152	0	488,747,447
27. Add unpaid expenses - prior year.....	396,730,417	138,428,470	0	535,158,887
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	318,763,145	804,592,705	2,620,381	1,125,976,231

**DETAILS OF WRITE-INS**

2401. LAD service Fee.....	0	2,526,582	0	2,526,582
2402. Miscellaneous.....	121,622	17,803,107	354,595	18,279,324
2403. Income from Services.....	(65,850)	(90,273)	0	(156,123)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	37,379,965	54,876,893	937,004	93,193,862
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	37,435,737	75,116,309	1,291,599	113,843,645

(a) Includes management fees of \$.....274,283,962 to affiliates and \$.....27,924,884 to non-affiliates.

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....317,628	.....266,649
1.1 Bonds exempt from U.S. tax.....	(a).....136,231,416	.....136,437,955
1.2 Other bonds (unaffiliated).....	(a).....21,024,947	.....19,666,348
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....25,206,757	.....25,051,222
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....1,033,577	.....1,031,613
2.21 Common stocks of affiliates.....	.....0	.....0
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....1,871,364	.....1,871,364
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....61,567	.....61,567
7. Derivative instruments.....	(f).....(12,992)	.....(12,992)
8. Other invested assets.....	.....952,134	.....952,134
9. Aggregate write-ins for investment income.....	.....(370,842)	.....(370,842)
10. Total gross investment income.....	.....186,315,556	.....184,955,018
11. Investment expenses.....		(g).....2,620,381
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....0
14. Depreciation on real estate and other invested assets.....		(i).....9,517
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....2,629,898
17. Net investment income (Line 10 minus Line 16).....		.....182,325,120

**DETAILS OF WRITE-INS**

0901. Interest Received - Involuntary Reinsurance.....	.....852,138	.....852,138
0902. Make Whole Provision.....	.....197,848	.....197,848
0903. Miscellaneous Interest.....	.....12,827	.....12,827
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....(1,433,655)	.....(1,433,655)
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....(370,842)	.....(370,842)
1501. ....		.....0
1502. ....		.....0
1503. ....		.....0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		.....0

- (a) Includes \$.....9,118,430 accrual of discount less \$.....6,859,807 amortization of premium and less \$.....7,181,376 paid for accrued interest on purchases.
- (b) Includes \$.....41,081 accrual of discount less \$.....13,939 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....60,976 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....9,517 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....2,480	.....0	.....2,480	.....0	.....0
1.1 Bonds exempt from U.S. tax.....	(3,320,751)	.....0	(3,320,751)	.....0	.....0
1.2 Other bonds (unaffiliated).....	(2,707,252)	(1,375,294)	(4,082,546)	(24,993,016)	(213,489)
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	(5,334,672)	(70,784,314)	(76,118,986)	(14,990,274)	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	(2,537,405)	(3,930,243)	(6,467,648)	(1,436,112)	.....0
2.21 Common stocks of affiliates.....	.....0	.....0	.....0	44,960,953	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(300)	.....0	(300)	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	952,972	.....0
8. Other invested assets.....	.....0	.....0	.....0	(24,849,313)	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....(13,897,900)	.....(76,089,851)	.....(89,987,751)	.....(20,354,790)	.....(213,489)

**DETAILS OF WRITE-INS**

0901. ....	.....0	.....0	.....0	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	1,406,554	1,406,387	(167)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	0	0	0
7. Other invested assets (Schedule BA).....	0	0	0
8. Receivables for securities.....	0	0	0
9. Aggregate write-ins for invested assets.....	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,406,554	1,406,387	(167)
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued.....	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection.....	10,106,920	8,993,219	(1,113,701)
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers.....	1,420,386	6,752,609	5,332,223
14.2 Funds held by or deposited with reinsured companies.....	0	0	0
14.3 Other amounts receivable under reinsurance contracts.....	0	0	0
15. Amounts receivable relating to uninsured plans.....	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
16.2 Net deferred tax asset.....	63,245,181	1,951,116	(61,294,065)
17. Guaranty funds receivable or on deposit.....	0	0	0
18. Electronic data processing equipment and software.....	24,674,894	24,592,342	(82,552)
19. Furniture and equipment, including health care delivery assets.....	6,913,570	7,673,405	759,835
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
21. Receivables from parent, subsidiaries and affiliates.....	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets.....	96,961,747	86,116,223	(10,845,524)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	204,729,252	137,485,301	(67,243,951)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. TOTALS (Lines 24 and 25).....	204,729,252	137,485,301	(67,243,951)

**DETAILS OF WRITE-INS**

0901.....	0	0	0
0902.....	0	0	0
0903.....	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0
2301. Advances.....	1,055	24,780	23,725
2302. Deferred Assets.....	(1)	(1)	0
2303. Deferred Expenses.....	18,674,511	15,920,692	(2,753,819)
2398. Summary of remaining write-ins for Line 23 from overflow page.....	78,286,182	70,170,752	(8,115,430)
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	96,961,747	86,116,223	(10,845,524)

## NOTES TO FINANCIAL STATEMENTS

### 1. Nature of Operations and Summary of Significant Accounting Policies

#### Nature of Operations

The Metropolitan Property and Casualty Insurance Company (“the Company”) is incorporated under the laws of the State of Rhode Island. The Company is a wholly owned subsidiary of MetLife, Inc (“MetLife”), incorporated in the State of Delaware, a public company whose shares are traded on the New York Stock Exchange. As of December 31, 2008, the Company owned 100% of the outstanding common stock of the following affiliated consolidated subsidiaries: Metropolitan Casualty Insurance Company (“Met CAS”), Metropolitan General Insurance Company (“Met GEN”), Metropolitan Group Property and Casualty Insurance Company (“Met Group”), Metropolitan Direct Property and Casualty Insurance Company (“Met Direct”), Economy Fire & Casualty Company (“EFAC”), and the Company reports its investment in Metropolitan Lloyds Insurance Company of Texas (“Met Lloyds”) in Schedule BA (See Note 10.B.). As of December 31, 2008, the Company owned 100% of the outstanding common stock of the following affiliated unconsolidated subsidiaries: Metropolitan Lloyds, Inc., MetLife Auto & Home Insurance Agency, Inc., and Met P&C Managing General Agency, Inc.

The Company is engaged, principally in the United States, in the property-liability insurance business. The Company’s primary ongoing business is the sale of private passenger automobile, homeowners and personal umbrella insurance.

The Company is authorized to sell property-liability insurance in 48 states and the District of Columbia. The top geographic locations for statutory direct earned premiums were Connecticut, Massachusetts, New York, and Rhode Island for the year ended December 31, 2008. No other jurisdiction accounted for more than 5% of statutory direct earned premiums.

The Company distributes its property-liability products through different distribution systems including exclusive agents, work-site marketing, direct response and independent agents.

The Company has exposure to catastrophes, which are an inherent risk of the property-liability insurance business, which have contributed, and will continue to contribute, to material year-to-year fluctuations in the Company’s results of operations and financial position. The Company defines a catastrophe as an event that produces a number of claims in excess of a preset per-event threshold of average claims in a specific area.

#### Summary of Significant Accounting Policies

##### A. Accounting Practices

The Company’s statement is presented on the basis of accounting practices prescribed or permitted by the Rhode Island Department of Business Regulation, Insurance Division (“RI DBR, Insurance Division”). While the RI DBR, Insurance Division has the right to permit specific practices that may deviate from prescribed practices, the Company did not follow any permitted practices other than those prescribed by the RI DBR, Insurance Division.

The RI DBR, Insurance Division has adopted the National Association of Insurance Commissioners’ statutory accounting practices (“NAIC SAP”) as the basis of its statutory accounting practices.

Accounting practices and procedures of the NAIC are a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (“GAAP”). The more significant differences are as follows:

- (1) Investment in bonds are generally carried at amortized cost, while under GAAP, they are carried at either amortized cost or fair value based on their classification according to the Company’s ability and intent to hold or trade the securities;
- (2) Investments in common stocks are valued as prescribed by the Securities Valuation Office (“SVO”) of the NAIC, while under GAAP, common stocks are reported at market value;
- (3) Acquisition costs, such as commissions and other costs related to acquiring new business, are expensed as incurred, while under GAAP, they are deferred and amortized to income as premiums are earned or in relation to estimated gross profits;
- (4) Prior to January 1, 2001, a Federal income tax provision was made only on a current basis for Statutory Accounting, while under GAAP, a provision was also made for deferred taxes on temporary differences between the financial reporting and tax bases of assets and liabilities. Subsequent to January 1, 2001, NAIC SAP requires an amount to be recorded for deferred taxes however, there are limitations as to the amount of deferred tax assets that may be reported as “admitted assets”;
- (5) Assets are reported under NAIC SAP as “admitted-asset” value and “non-admitted” assets are excluded through a charge against surplus, while under GAAP, “non-admitted assets” are reinstated to the balance sheet, net of any valuation allowance;
- (6) The change in provision for reinsurance is charged or credited directly through surplus under NAIC SAP, while this provision is not recognized for GAAP purposes;
- (7) The balance sheet under NAIC SAP is reported net of reinsurance, while under GAAP, the balance sheet reports reinsurance recoverables, including amounts related to losses incurred but not reported, and prepaid reinsurance premium as assets;
- (8) Comprehensive income and its components are not presented in the statutory financial statements;
- (9) Subsidiaries are included as common stock carried under the equity method, with the equity in net income of subsidiaries credited directly to the Company’s surplus for NAIC SAP, while GAAP requires either consolidation or the equity in earnings of subsidiaries or net income of subsidiaries to be credited to the income statement; and
- (10) Goodwill under GAAP is calculated as the difference between the cost of acquiring the entity and the fair value of the assets received and liabilities assumed. Under NAIC SAP, goodwill is calculated as the difference between the cost of acquiring the entity and the reporting entity’s share of the historical book value of the acquired entity. However, under NAIC SAP the amount of goodwill recorded as an “admitted asset” is subject to limitations. In June 2001, SFAS No. 142, Goodwill and Other Intangible Assets significantly changed the method of accounting for intangible assets. Previous authoritative guidance presumed that goodwill and all other intangible assets were wasting assets, and thus the amounts assigned them should be amortized in determining net income. SFAS No. 142 does not presume that those assets are wasting assets. Instead, goodwill and intangible assets that have indefinite useful lives will not be amortized but rather will be tested at least annually for impairment by comparing the fair values of those assets with their recorded amounts.

NOTES TO FINANCIAL STATEMENTS

B. Use of Estimates

The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are generally recognized as revenue on a pro rata basis over the policy term. The portion of the premiums written applicable to the unexpired terms of the policies is recorded as unearned premiums.

- (1) Short-term investments include all investments whose maturities, at the time of acquisition, are one year or less and are stated at amortized cost, which approximates fair value.
- (2) Bonds not backed by other loans are generally stated at amortized cost unless rated by the NAIC as a 3, 4, 5, or 6 which are stated at the lower of amortized cost or fair value. Bonds not backed by other loans are amortized using the scientific method.
- (3) Common stocks of non-affiliates are stated at fair value except for investments in stock of uncombined subsidiaries and affiliates in which the Company has a controlling interest, see Note 1C(7).
- (4) Preferred stocks are generally stated at cost or amortized cost unless they have a NAIC rating designation of 3, 4, 5, or 6 which are stated at the lower of cost, amortized cost or fair value. Perpetual preferred stocks are generally stated at cost unless they have a NAIC rating designation of 3, 4, 5 or 6 which are stated at the lower of cost or fair value.
- (5) The Company has no mortgage loans.
- (6) Mortgage-backed bonds included in bonds are stated at amortized cost using the scientific method unless they have a NAIC rating designation of 3, 4, 5 or 6 which are stated at the lower of amortized cost or fair value. Amortization of the discount or premium from the purchase of these securities considers the estimated timing and amount of prepayments of the underlying mortgage loans. Actual prepayment experience is periodically reviewed and effective yields are recalculated when differences arise between the prepayments originally anticipated and the actual prepayments received and currently anticipated. For credit-sensitive mortgage-backed and asset-backed bonds and certain prepayment-sensitive bonds (e.g., interest-only securities) the effective yield is recalculated on a prospective basis. For all other mortgage-backed and asset-backed bonds the effective yield is recalculated on a retrospective basis.
- (7) For investments in stocks of uncombined subsidiaries and affiliates in which holdings has an interest of 10% or more are carried on the equity basis. The change in the stated value is recorded as a change in net unrealized capital gains (losses), a component of unassigned surplus.
- (8) Investments in partnerships, joint ventures and limited liability corporations are accounted for under the equity method of accounting. Undistributed earnings of these entities are recognized in the unrealized gains or losses.
- (9) For derivative accounting policy, see Note 8.
- (10) For premium deficiency reserve policy, see Note 29.
- (11) The liability for unpaid reported losses is based on a case by case estimate (case reserves) for most lines of business, for the other lines of business, unpaid losses are based on average "statistical" reserves. There is an additional overall estimate (supplemental reserves for several specific lines of business) based on the Company's past experience, this is also known as an additional reserve on known claims. A provision also is made for losses incurred but not reported on the basis of estimates and past experience modified for current trends and estimates of expenses for investigating and settling claims, reduced for anticipated salvage and subrogation. The liability for unpaid losses on business assumed is based in part on reports received from ceding companies.

Management believes that the liability for unpaid losses and loss adjustment expenses is adequate to cover ultimate unpaid losses and loss adjustment expenses incurred. However, such liability is necessarily based on estimates, and the ultimate liability may vary significantly from such estimates. In accordance with industry practice, the Company regularly reviews its estimated liability, and any adjustments are reflected in the period in which they become known. In accordance with guidelines established by the NAIC, the liability for unpaid losses at December 31, 2008 is reported net of estimated salvage and subrogation recoverable.

- (12) The Company has not modified its capitalization policy from the prior year end.
- (13) The Company does not have pharmaceutical rebate receivables.
- (14) EDP equipment and operating system software are stated at cost, less accumulated depreciation. Furniture and fixtures, leasehold improvements and non-operating system computer software are classified as non-admitted assets. Changes in non-admitted assets are recorded as a charge or credit to surplus.

Depreciation is determined using the straight-line method. EDP equipment and operating system software are depreciated over the lesser of its useful life or three years. Non-operating system software is depreciated over the lesser of its useful life or five years. Estimated lives of furniture and fixtures range from five to seven years. Leasehold improvements are depreciated over the remaining lease term or ten years, whichever is shorter.

The cost basis of EDP equipment and operating system software was \$15,679,063 and \$15,600,527 at December 31, 2008 and 2007, respectively. Accumulated depreciation of EDP equipment and operating system software was \$15,209,702 and \$14,834,829 at December 31, 2008 and 2007, respectively. Related depreciation expense was \$377,687 and \$417,468 for the years ended December 31, 2008 and 2007, respectively.

The cost basis of furniture and fixtures, equipment, leasehold improvements and computer software was \$145,422,775 and \$137,815,982 at December 31, 2008 and 2007, respectively. Accumulated depreciation of furniture and fixtures, equipment, leasehold improvements and computer software was \$114,303,673 and \$106,315,935 at December 31, 2008 and 2007, respectively. Related depreciation expense was \$8,047,980 and \$6,966,706 at December 31, 2008 and 2007, respectively.

Depreciation expenses are recorded in insurance expense and taxes (other than federal income and capital gains taxes).

2. Accounting Changes and Corrections of Errors

- A. The Company has no accounting changes or corrections of errors.

NOTES TO FINANCIAL STATEMENTS

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Effective September 30, 1999, the Company acquired the standard personal lines property and casualty operations (“SPPI”) of St. Paul Fire and Marine Insurance Company (“St. Paul”). Such transactions included the purchase of Economy Fire & Casualty Company and Subsidiaries (the “Economy Companies”) through a Stock and Asset Purchase Agreement and the assumption of the remaining SPPI inforce policies from St. Paul and 13 of its subsidiaries through a Buyer Reinsurance and Facility Agreement. The Economy Companies, Economy Fire & Casualty Company, Economy Premier Assurance Company and Economy Preferred Insurance Company are reported as a component of the investment using the Statutory purchase method of accounting.

The cost of acquiring the Economy Companies was \$442,056,365 and the amount of goodwill is \$159,462,713. The amortization of goodwill recorded was \$15,146,268 for the periods ended December 31, 2008 and December 31, 2007 which was recorded as unrealized capital gains and had no effect on the Income Statement.

B. Statutory Merger

Not Applicable.

C. Impairment Loss

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable.

B. Debt Restructuring

Not Applicable.

C. Reverse Mortgages

Not Applicable.

D. Loan-Backed Securities

(1) The Company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date.

(2) Prepayment assumptions were obtained from published broker dealer values and internal estimates.

(3) The Company did not have any negative yield situations resulting in a change from the retrospective to prospective methodology.

E. Repurchase Agreements

Not Applicable.

F. Real Estate

Not Applicable.

G. Low Income Housing Tax Credits

Not Applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable.

7. Investment Income

A. No due and accrued interest was excluded (non-admitted) from investment income.

B. Not Applicable

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**NOTES TO FINANCIAL STATEMENTS**

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**8. Derivative Instruments****Overview**

The Company, in connection with its insurance operations, uses derivatives: (i) to reduce market risks from changes in foreign currency values; (ii) to hedge against changes in the value of investments due to credit events; and (iii) to replicate the investment performance of otherwise permissible investments. Insurance statutes restrict the Company's use of derivative instruments primarily to hedging activities intended to offset changes in the market value of assets held, obligations, and anticipated transactions and prohibit the use of derivatives for speculation.

To qualify for hedge accounting under SSAP No. 86, Accounting for Derivative Instruments and Hedging, Income Generation, and Replication (Synthetic Asset) Transactions ("SSAP 86"), at the inception of the hedging relationship, the Company formally documents its risk management objective and strategy for undertaking the hedging transaction, as well as its designation of the hedge as either (i) a hedge of the fair value of a recognized asset or liability or an unrecognized firm commitment ("fair value hedge") or (ii) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge"). A derivative designated as a hedging instrument must be highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and throughout the life of the hedging relationship.

The Company can hold cash flow and fair value derivatives that hedge bonds and liability portfolios; the derivatives that hedge those assets and liabilities are valued in a manner consistent with the underlying hedged item. Bonds that have an NAIC rating of 1 through 5 are carried at amortized cost; therefore, the derivatives are also carried at amortized cost. Bonds that have an NAIC rating of 6 are carried at the lower of amortized cost or market; therefore, the derivatives are also carried at the lower of amortized cost or market. Liabilities of the Company are carried at amortized cost; therefore, the derivatives are also carried at amortized cost. Effective foreign currency swaps have a foreign currency adjustment recorded in "change in net unrealized foreign exchange capital gain (loss)" pursuant to SSAP 86 by using the same procedures as done to translate the hedged item.

The Company discontinues hedge accounting prospectively when: (i) it is determined that the derivative is no longer highly effective in offsetting changes in the fair value or cash flows of a hedged item; (ii) the derivative expires is sold, terminated, or exercised; (iii) it is no longer probable that the forecasted transaction will occur; (iv) a hedged firm commitment no longer meets the definition of a firm commitment; (v) the Company removes the designation of the hedge; or (vi) the derivative is deemed to be impaired.

When hedge accounting is discontinued because it is determined that the derivative is not highly effective in offsetting changes in the fair value or cash flows of a hedged item, the derivative is carried on the assets or the liabilities, surplus and other funds in the annual statement at its fair value, with changes in fair value recognized in "change in net unrealized capital gains (losses)" and any fair value changes attributable to changes in foreign exchange rates are recognized in "change in net unrealized foreign exchange capital gain (loss)" on the summary of operations in the annual statement.

Upon termination of a derivative that qualified for hedge accounting, the gain or loss is reflected as an adjustment to the basis of the hedged item and is recognized in income consistent with the hedged item. If the hedged item is sold, the gain or loss on the derivative is realized but is subject to the interest maintenance reserve.

To the extent the Company chooses not to designate its derivatives for hedge accounting or its designated derivatives no longer meet the criteria of an effective hedge, the derivatives are carried at fair value with changes in their fair value included in "change in net unrealized capital gains (losses)" and any changes in fair value attributable to changes in foreign exchange rates are recognized in "change in net unrealized foreign exchange capital gain (loss)", with the exception of RSATs. RSATs are carried at amortized cost.

**Types of Derivative Instruments**

Foreign currency swaps are used by the Company to reduce the risk from fluctuations in foreign currency exchange rates associated with its assets denominated in foreign currencies. In a foreign currency swap transaction, the Company agrees with another party to exchange, at specified intervals, the difference between one currency and another at a forward exchange rate calculated by reference to an agreed upon principal amount. The principal amount of each currency is exchanged at the inception and termination of the currency swap by each party. These transactions are entered into pursuant to master agreements that provide for a single net payment to be made by the counterparty for payments made in the same currency at each due date. See Schedule DB, Part C.

Certain credit default swaps are used by the Company to hedge against credit-related changes in the value of its investments and to diversify its credit risk exposure in certain portfolios. In a credit default swap transaction, the Company agrees with another party, at specified intervals, to pay a premium to insure credit risk. If a credit event, as defined by the contract, occurs, generally the contract will require the swap to be settled gross by the delivery of par quantities of the referenced investment equal to the specified swap notional in exchange for the payment of cash amounts by the counterparty equal to the par value of the investment surrendered. See Schedule DB, Part C.

Credit default swaps are also used in replication synthetic asset transactions to synthetically create investments that are either more expensive to acquire or otherwise unavailable in the cash markets. RSAT is a combination of a written credit default swap and one or more U.S. Treasuries, agency securities or other fixed maturity holdings. See Schedule DB, Part F.

**Fair Value Hedges**

The Company held no fair value hedges during the years ended December 31, 2008 and 2007.

**Cash Flow Hedges**

The Company designates and accounts for foreign currency swaps to hedge the foreign currency cash flow exposure of foreign currency denominated investments as cash flow hedges, when they have met the effectiveness requirements of SSAP 86.

In assessing effectiveness, no component of the derivative's gain or loss was excluded.

## NOTES TO FINANCIAL STATEMENTS

There were no hedged forecasted transactions, other than the receipt or payment of variable interest payments, for the years ended December 31, 2008 and 2007.

For the year ended December 31, 2008, gains of \$755,515 were recorded in "change in net unrealized capital gains (losses)" from cash flow derivatives that no longer qualify for hedge accounting. For the year ended December 31, 2008, gains of \$215,957 were recorded in "change in net unrealized foreign exchange capital gain (loss)" from cash flow derivatives that no longer qualify for hedge accounting. For the year ended December 31, 2007, the Company did not discontinue hedge accounting for any cash flow derivatives. In certain instances, the Company discontinues cash flow hedge accounting because the forecasted transactions did not occur on the anticipated date or within two months of that date. For the years ended December 31, 2008 and 2007, none of the Company's cash flow hedges were discontinued because it was no longer probable that the original forecasted transactions would occur by the end of the originally specified time period or within two months of that date.

#### Non-Qualifying Derivatives

The Company enters into the following derivatives that do not qualify for hedge accounting under SSAP 86 or for purposes other than hedging: (i) foreign currency swaps, to minimize its exposure to adverse movements in exchange rates; (ii) credit default swaps to minimize its exposure to adverse movements in credit; and (iii) RSATs to synthetically create investments.

#### Credit Risk

The Company enters into various collateral arrangements, which require both the pledging and accepting of collateral in connection with its derivative instruments. As of December 31, 2008 and 2007, the Company had not pledged or accepted collateral in connection with the collateral agreements.

### 9. Income Taxes

- A. The components of net deferred income tax assets and liabilities as of December 31 consisted of the following:

	<u>2008</u>	<u>2007</u>
Total of all deferred income tax assets (admitted and non-admitted)	\$ 182,876,528	\$ 151,895,855
Total of all deferred income tax liabilities	(13,222,261)	(20,755,335)
Net deferred tax asset	169,654,267	131,140,520
Total deferred income tax assets non-admitted in accordance with SSAP No. 10, Income Taxes	(63,245,181)	(24,822,646)
Total net admitted deferred tax asset (liability)	<u>\$ 106,409,086</u>	<u>\$ 106,317,874</u>
(Increase) decrease in deferred income tax assets non-admitted	<u>\$ (38,422,535)</u>	<u>\$ (24,822,646)</u>

- B. There are no deferred tax liabilities which are not recognized.

- C. Current income taxes incurred consisted of the following major components:

	<u>2008</u>	<u>2007</u>
Federal	\$ 102,870,933	\$ 137,999,275
Foreign	-	-
Total income tax on gain from operations	102,870,933	137,999,275
Federal income tax on capital gains and losses	(14,136,434)	3,058,907
Federal and foreign income taxes incurred	<u>\$ 88,734,499</u>	<u>\$ 141,058,182</u>

The changes in the main components of deferred tax amounts as of December 31 are as follows:

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Deferred tax assets resulting from book/tax differences in			
Reserves	\$ 88,800,103	\$ 93,592,597	\$ (4,792,494)
Investments	44,556,999	7,681,147	36,875,852
Non-admitted assets	49,519,426	47,436,965	2,082,461
Other	-	3,185,146	(3,185,146)
Total deferred income tax assets - (admitted and non-admitted)	<u>\$ 182,876,528</u>	<u>\$ 151,895,855</u>	<u>\$ 30,980,673</u>
Less: deferred income tax assets - (non-admitted)	(63,245,181)	(24,822,646)	(38,422,535)
Total deferred tax assets - (admitted)	<u>\$ 119,631,347</u>	<u>\$ 127,073,209</u>	<u>\$ (7,441,862)</u>
Deferred tax liabilities resulting from book/tax differences in			
Employee benefits	\$ (1,714,059)	\$ (10,457,531)	\$ 8,743,472
Property and equipment	\$ (10,558,164)	(10,297,804)	(260,360)
Other	(950,038)	-	(950,038)
Total deferred income tax liability	<u>\$ (13,222,261)</u>	<u>\$ (20,755,335)</u>	<u>\$ 7,533,074</u>
Net admitted deferred tax asset (liability)	<u>\$ 106,409,086</u>	<u>\$ 106,317,874</u>	<u>\$ 91,212</u>
			38,422,535
			(17,921,044)
			<u>\$ 20,592,703</u>

## NOTES TO FINANCIAL STATEMENTS

- D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	2008
Net income after dividends to policyholders and before federal income taxes @ 35%	\$ 158,022,275
Net realized capital gains @ 35%	(31,495,711)
Tax exempt income	(44,410,574)
Dividends received deduction	(5,431,750)
Change in non-admitted	(2,082,461)
Prior years adjustments and accruals	(6,846,635)
Other	386,652
Total	<u>\$ 68,141,796</u>
Federal and foreign income taxes incurred including tax on realized capital gains	\$ 88,734,499
Change in net deferred income tax	(20,592,703)
Total statutory taxes	<u>\$ 68,141,796</u>

- E. (1) As of December 31, 2008, the Company had no capital or operating loss carryforwards.
- (2) The following are the Company's federal income taxes incurred in the current and prior years that will be available for recoupment in the event of future losses:
- |    |      |    |             |
|----|------|----|-------------|
| a. | 2008 | \$ | 92,414,553  |
| b. | 2007 | \$ | 142,283,958 |
| c. | 2006 | \$ | 149,878,279 |

- (3) Admitted Deposits - Section 6603 Internal Revenue Service Code

Not applicable.

- F. (1) The Company joins with MetLife, Inc. (the "Holding Company") and its includable subsidiaries in filing a federal consolidated life/non-life tax return.

The Company's federal income tax return is consolidated with the following entities:

23rd Street Investments, Inc.	MetLife Reinsurance Company of Charleston
334 Madison Euro Investments, Inc.	MetLife Reinsurance Company of Vermont
Cova Corporation	MetLife Securities, Inc.
Cova Life Management Company	MetLife Taiwan Insurance Company Limited
CRB Co., Inc.	MetLife Tower Resources Group, Inc.
DPA Holding Corporation	MetLife Worldwide Holdings, Inc.
Economy Fire & Casualty Company	MetPark Funding, Inc.
Economy Preferred Insurance Company	Metropolitan Casualty Insurance Company
Economy Premier Assurance Company	Metropolitan Direct Property and Casualty Insurance Company
Enterprise General Insurance Agency, Inc.	Metropolitan General Insurance Company
Exeter Reassurance Company, Ltd.	Metropolitan Group Property and Casualty Insurance Company
Federal Flood Certification Corporation	Metropolitan Life Insurance Company
First MetLife Investors Insurance Company	Metropolitan Lloyds Insurance Company of Texas
G.A. Holding Corporation	Metropolitan Lloyds, Inc.
General American Life Insurance Company	Metropolitan Realty Management, Inc.
Hyatt Legal Plans of Florida, Inc.	Metropolitan Tower Life Insurance Company
Hyatt Legal Plans, Inc.	Metropolitan Tower Realty Company, Inc.
Krisman, Inc.	Missouri Reinsurance (Barbados), Inc.
Met P & C Managing General Agency, Inc.	Natiloportem Holdings, Inc.
MetLife Auto & Home Insurance Agency, Inc.	New England Life Insurance Company
MetLife Bank N.A.	New England Securities Corporation
MetLife Credit Corp.	Newbury Insurance Company Limited
MetLife Funding, Inc.	SafeGuard Health Enterprises, Inc.
MetLife General Insurance Agency of Massachusetts	SafeGuard Dental Services, Inc.
MetLife General Insurance Agency of Ohio	SafeGuard Health Plans, Inc.
MetLife General Insurance Agency of Texas	SafeHealth Life Insurance Company
MetLife Global, Inc.	SafeGuard Health Plans, Inc. (FL)
MetLife Group, Inc.	SafeGuard Health Plans, Inc. (NV)
MetLife Holdings, Inc.	SafeGuard Health Plans, Inc. (TX)
MetLife, Inc.	Texas Life Insurance Company
MetLife International Holdings, Inc.	Transmountain Land & Livestock Company
MetLife Investors Distribution Company	Walnut Street Securities, Inc.
MetLife Investors Group, Inc.	White Oak Royalty Company
MetLife Investors Insurance Company	

- (2) The consolidating companies have executed a tax allocation agreement. Under this agreement, current federal income tax expense (benefit) is computed on a separate return basis and provides that members shall make payments to (receive reimbursement from) the Holding Company, MetLife Inc, to the extent that their income (losses and other credits) contributes to (reduces) the consolidated federal income tax expense. The consolidating companies are reimbursed for net operating losses or other tax attributes they have generated when utilized in the consolidated return.

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. The Company is a wholly owned subsidiary of MetLife, Inc. ("MetLife"), incorporated in the State of Delaware, a public company whose shares are traded on the New York Stock Exchange.
- B. – C.

- (1) For transactions by the Company and any affiliated insurer with any affiliate, see Note 13 and Schedule Y Part 2.
- (2) The Company reports its investment in Metropolitan Lloyds Insurance Company of Texas in Schedule BA with a book value of \$7,358,644 and a statement value of \$13,805,643 on page 2.
- (3) The Company is a party to service agreements with its affiliates. See Note 10.F. for details. The Company establishes guidelines for reasonable determination of costs and services provided, based on time spent or use of services, and charges its subsidiaries for services rendered. The charges for such services to the Company were \$287,985,491 and \$295,457,419 during 2008 and 2007, respectively. The charges to the Company for services from Metropolitan Life Insurance Company ("MLIC") were \$278,969,161 and \$288,248,578 during 2008 and 2007, respectively with balances due to MLIC of \$14,480,115 and \$6,622,665 as of December 31, 2008 and December 31, 2007, respectively. The charges to the Company for services from MetLife Group, Inc. were \$9,016,330 and \$7,208,841 during 2008 and 2007, respectively with balances

## NOTES TO FINANCIAL STATEMENTS

due to Met Life Group, Inc. of \$108,397 and \$750 as of December 31, 2008 and December 31, 2007, respectively.

## (4) Asset Transfers

The Company received a common stock dividend from its affiliates, Met GEN and Met CAS on September 24, 2004 totaling \$1,094,145 and \$2,188,290, respectively. The Company received the proceeds from investments in bonds of \$3,282,435 including accrued interest of \$54,000 from Met GEN and Met CAS. The Company recorded a deferred realized capital gain liability and an unrealized capital gain adjustment to surplus of \$116,844 on the bond investment transfer for the difference between the fair value \$3,228,435 and book value of \$3,111,591 on the transaction date. The realized capital gain had no impact on the Company's surplus. The Company recorded the investments in bonds at their fair value of \$3,228,435 on the transaction date.

The Company received a common stock dividend from its affiliate, Met Group April 16, 2004 totaling \$60,000,000. The Company received cash of \$568,965 and investments in preferred stock with a fair value of \$59,431,035. The Company recorded a deferred realized capital gain liability and a unrealized capital gain adjustment to surplus of \$8,042,066 on the preferred stock investment transfer for the difference between the fair value \$59,431,035 and Met Group's book value of \$51,388,969 on the transaction date. The realized capital gain had no impact on the Company's surplus. The Company recorded the investments in preferred stock at their fair value of \$59,431,035 on the transaction date.

For the year ended 12/31/2008, the Company's deferred gain liability has been increased \$127,200 to a balance of \$1,921,650 as a result of the sale of the investments to independent third parties.

## D. The Company had the following amounts due from or (due to) related parties as of:

	December 31, 2008	December 31, 2007
	<u>Due From (To)</u>	<u>Due From (To)</u>
Economy Fire & Casualty Company	\$ 30,618	\$ 81,527
Economy Preferred Insurance Company	(9,086)	(25,888)
Economy Premier Assurance Company	(139,334)	(282,196)
General American Life Insurance Company	0	3
MetLife Auto & Home Insurance Agency, Inc.	(18)	2,085
MetLife Bank	33,949	0
MetLife Credit Corp.	0	(1,320)
MetLife General Insurance Agency	926	(1,010,731)
MetLife Group, Inc.	(108,397)	(750)
MetLife Insurance Company ("MLIC")	(14,480,115)	(6,622,254)
MetLife Investors Group	(609)	229
MetLife Services and Solutions	(336,401)	(269,999)
MetLife, Inc. ("MetLife")	(208,879)	(367,593)
Metropolitan Casualty Insurance Company	(227,782)	112,776
Metropolitan Direct Property and Casualty Insurance Company	(32,819)	6,017
Metropolitan General Insurance Company	(25,923)	(2,673)
Metropolitan Group Property and Casualty Insurance Company	(58,152)	(83,339)
Metropolitan Lloyds Insurance Company of Texas	(20,053)	(20,053)
Metropolitan Property Casualty Insurance Company	0	(51)
New England Life Insurance Company	(1,025)	0
Texas Life Insurance Company	0	10
Total	<u>\$ (15,583,100)</u>	<u>\$ (8,484,200)</u>

## E. Not Applicable

## F. Management and service contracts and all cost sharing agreements, other than cost allocation arrangements involving the Company or an affiliated insurer follow;

The Company is a party to service agreements with its affiliates, Metropolitan Life Insurance Company ("MLIC"), MetLife Services and Solutions, LLC and MetLife Group, Inc., that provide for personnel, facilities, and equipment to be made available and for a broad range of services to be rendered. Personnel, facilities, equipment, and services are requested by the Company as deemed necessary for its business and investment operations. These agreements involve cost allocation arrangements, under which the Company pays for all expenses, direct and indirect, reasonably and equitably determined to be attributable to the services provided.

The Company entered into a Marketing Agreement with MetLife Investors USA Insurance Company ("MLI-USA"), General American Life Insurance Company, First MetLife Investors Insurance Company, and Metropolitan Life Insurance Company, jointly referred to as the "Insurance Companies". The intent of the Agreement is to broaden and enhance the distribution of life insurance products issued by MLI-USA and other life insurance companies. In accordance with the Agreement, the Company will actively promote the sales of the products through its contracted agency sales force and other agents it introduces to the Insurance Companies. A subsequent Amendment No. 1 to the Marketing Agreement was filed. Both the Marketing Agreement and Amendment No. 1 were approved by the Rhode Island Department of Business Regulation, Insurance Division.

## G. The investments the Company holds in its subsidiaries or affiliates are disclosed within the Parents, Subsidiaries and Affiliates section of Schedule D Part 2 Section 2 (Common Stock Owned) and Schedule BA (Other Long-Term Invested Assets).

## H. Not Applicable

## I. Not Applicable

## J. Not Applicable.

## K. Not Applicable.

NOTES TO FINANCIAL STATEMENTS

L. Not Applicable.

11. Debt

Not Applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

Not Applicable.

B. Defined Contribution Plan

Not Applicable.

C. Multiemployer Plan

Not Applicable.

D. Consolidated/Holding Company Plans – Pension and Postretirement

**Savings and Investment Plans** - MLIC sponsors and administers qualified and non-qualified defined contribution savings and investment plans in which substantially all employees of the Company participate. A portion of employee contributions are matched in accordance with the terms of the respective plans. Under agreement between the Company and MLIC, the Company is responsible to reimburse MLIC for any such matching contributions made on behalf of the employees of the Company. The Company made contributions and recognized a corresponding expense of \$7.000 million and \$6.700 million, respectively, related to these plans for the years ended December 31, 2008 and 2007.

**Pension Plans** - MLIC sponsors and administers a qualified defined benefit pension plan in which all eligible (as defined in the plan) employees and sales representatives of the Company participate. The benefits are determined using a traditional formula or cash balance formula. Under the traditional formula benefits are calculated using years of credited service and either final average or career average earnings. The cash balance formula utilizes hypothetical or notional accounts to which participants are credited with benefits equal to a percentage of eligible pay as well as interest credits.

The Company records a prepaid or accrued pension benefit cost equivalent based on its participation in the qualified pension plan's assets and accrued benefit obligation. As of December 31, 2008 and 2007, the Company's participation in the qualified pension plan's assets exceeded its participation in the plan's accrued benefit obligation. Accordingly, the Company recorded prepaid pension benefit cost equivalents of \$78.288 million and \$70.187 million at December 31, 2008 and 2007, respectively, which were reported as non-admitted assets.

Under agreement with MLIC, the Company is allocated expense equal to the actuarially determined net periodic benefit cost accrued with respect to its employees. The Company's allocated expense with respect to the qualified defined benefit pension plan was \$5.181 million and \$5.673 million for the years ended December 31, 2008 and 2007, respectively.

The Company reimburses MLIC for any required or discretionary contributions made to the qualified pension plan, determined as an amount equal to the pro-rata portion of the obligation accrued on behalf of the employees of the Company to the total benefit obligation of the plan. During the year ended December 31, 2008, the Company's reimbursement to MLIC was \$13.282 million. No contribution reimbursement was made during 2007.

MLIC also sponsors and administers a non-qualified defined benefit pension plan that provides benefits, in excess of amounts permitted by government agencies, to certain executive level employees of the Company on substantially the same terms as those of the qualified plan. The Company reported accrued pension benefit cost equivalents related to the non-qualified defined benefit pension plan of \$9.362 million and \$8.555 million at December 31, 2008 and 2007, respectively, which is included in accrued expenses. The Company's allocated expense, equal to the actuarially determined net periodic benefit cost with respect to its employees, for to the non-qualified defined benefit pension plan was \$1.026 million and \$0.621 million for the years ended December 31, 2008 and 2007, respectively. As an unfunded obligation, the Company's contributions represent benefit payments to its retired employees. Such benefit payments totaled \$0.219 million and \$0.197 million for the years ended December 31, 2008 and 2007, respectively.

E. Postemployment Benefits and Compensated Absences

**Postemployment and Other Postretirement Benefit Plans** - Employees and retirees who meet age and service criteria while working for the Company may become eligible for postemployment and other postretirement medical and life benefits, at various levels, in accordance with the applicable plans. These postemployment and other postretirement benefit plans are also sponsored and administered by MLIC. The Company's allocated expense, equal to the actuarially determined net periodic benefit cost with respect to its employees, for the postemployment and other postretirement benefit plans was \$6.624 million and \$5.039 million for the years ended December 31, 2008 and 2007, respectively. Accrued postemployment and other postretirement benefit cost equivalents, which are included in accrued expenses, were \$42.232 million and \$39.416 million at December 31, 2008 and 2007, respectively. Although MLIC has partially funded the other postretirement and postemployment plans, it has been its practice to fund benefit payments as they come due from general assets. Accordingly, the Company reimbursed MLIC for benefit payments to its retirees and employees in the amount of \$3.874 million and \$3.357 million for the years ended December 31, 2008 and 2007, respectively.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

## 13. Capital and Surplus, Dividend Restrictions and Quasi Reorganization

- (1) The Company has 315,000 shares authorized, 315,000 shares issued and outstanding of Series C Adjustable Rate Cumulative Preferred Stock with a par value per share of \$1,000 as of December 31, 2008 and a maturity date on or before December 8, 2036. The Company has 1,000 shares authorized, issued, and outstanding of common stock with a par value per share of \$3,000 as of December 31, 2008.
- (2) On December 6, 2006, the Company received approval from the RI DBR, Insurance Division to redeem 315,000 shares of its issued and outstanding Series B Adjustable Rate Preferred Stock and issue 315,000 shares of Series C Adjustable Rate Preferred Stock. In a noncash transaction on December 8, 2006, the Company redeemed 315,000 shares of its Series B Adjustable Preferred Stock and issued 315,000 shares of Series C Adjustable Rate Preferred Stock. The Series C Adjustable Rate Preferred Stock shall be redeemed on or before the December 8, 2036. The dividend payment dates and dividend rates are unchanged from the Series B Adjustable Rate Preferred Stock. Preferred dividends are payable quarterly in arrears beginning February 15, 2007 at the Applicable Rate which will be recalculated on the first business day after each quarterly dividend payment date based on the product of (1 – the highest federal income tax rate for corporations applicable during such dividend period) times (the “AA” Composite Commercial Paper (Financial) Rate + 180 basis points). Dividends paid on preferred stock were \$10,640,971 and \$13,731,957 for the periods ended December 31, 2008 and 2007, respectively. Dividends paid on common stock were \$300,000,000 and \$400,000,000 for the periods ended December 31, 2008 and 2007, respectively.
- (3) Under Rhode Island State Insurance Law, the Company is permitted, without prior insurance regulatory clearance, to pay a stockholder dividend to MetLife and its affiliates as long as the aggregate amount of all such dividends in any twelve-month period does not exceed the lesser of (i) 10% of its surplus to policyholders as of the immediately preceding calendar year; or (ii) the next preceding two calendar years net income reduced by capital gains and dividends paid to shareholders. The Company will be permitted to pay a stockholder dividend to MetLife and its affiliates in excess of the lesser of such two amounts only if it files notice of its intention to declare such a dividend and the amount thereof with the RI DBR, Insurance Division and the RI DBR, Insurance Division does not disapprove the distribution within 30 days of its filing. Under Rhode Island State Insurance Law, the RI DBR, Insurance Division has broad discretion in determining whether the financial condition of a stock property and casualty insurance company would support the payment of such dividends to its shareholders. The Company may not pay any common or preferred stock dividends to MetLife and its affiliates in 2009 without prior regulatory approval for dividend payments with payment dates prior to December 12, 2009. Subsequent to December 12, 2009, the Company can pay common and preferred stock dividends totaling \$9,678,975 without requiring regulatory approval from the RI DBR, Insurance Division.
- (4) On September 23, 2008 the Company’s Board of Directors approved a \$300 million extraordinary cash dividend on its outstanding common stock, payable to MetLife. The Company received approval for this common stock dividend from the RI DBR, Insurance Division on December 2, 2008 and paid the dividend on December 12, 2008. The Company paid extraordinary preferred stock dividends of \$3,479,613, \$2,441,644, \$2,323,230, and \$2,396,485 on February 15, 2008, May 15, 2008, August 15, 2008, and November 14, 2008, respectively, to MetLife Credit Corp. The Company received approval for these preferred stock dividends from the RI DBR, Insurance Division on January 24, 2008 for the February dividend payment, on April 8, 2008 for the May dividend payment, on July 15, 2008 for the August dividend payment, and on September 30, 2008 for the November dividend payment.
- (5) No portion of the Company’s profits may be paid as ordinary dividends to stockholders prior to December 12, 2009. Refer to item (3), above.
- (6) - (9)  
Not Applicable.
- (10) The portion of unassigned funds (surplus) represented or reduced by unrealized capital gains (losses) was \$1,805,981.
- (11) - (13)  
Not Applicable.

## 14. Contingencies

## A. Contingent Commitments

The Company makes commitments to fund partnership investments. The amounts of these unfunded commitments were \$1,895,613 and \$8,358,189 at December 31, 2008 and 2007, respectively. The Company anticipates that these amounts will be invested in partnerships over the next five years. See Schedule BA Part 1 for details.

## B. Assessments

## (1) Guarantee Fund Assessments

The Company had initially estimated and recorded an accrual related primarily to the Reliance Insurance Company insolvency resulting in a liability of \$6,641,426 and an asset of \$2,828,724 for future premium tax offsets. There is no method to determine as to when these payments will be paid out or when all the premium tax offsets will be taken. The Company recorded charges to operations of \$0 and \$(2,576,398) as of December 31, 2008 and December 31, 2007, respectively. In June 2007, the accrual for the State of New York was removed. The Reliance insolvency and related accrual for New York is processed as part of the New York Property Casualty Fund. The New York Property Casualty Fund accrual has been included in the taxes, licenses and fees financial statement line. In addition, minor adjustments were made to several states (Florida, Mississippi, New Hampshire, Rhode Island, Missouri, and Tennessee) resulting in a guaranty fund liability of \$4,270,737 and a guaranty fund asset of \$2,683,383 as of December 31, 2008 for the Reliance insolvency.

## (2) Other Assessments

Texas Windstorm Insurance Association (“TWIA”) was created by the State of Texas to provide wind and hail insurance coverage to property owners unable to obtain this coverage in the private insurance market. TWIA is a pool of all property and casualty insurance companies authorized to write coverage in Texas. TWIA can levy an assessment on participating companies for a financial deficit. The State of Texas allows insurers to recoup these assessments through premium tax credits that may be carried forward from year to year until the total assessment is fully recouped. TWIA reported losses from Hurricane Ike in the third quarter of 2008 and determined that an initial assessment of pool members in the amount of \$430 million was necessary.

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2008, the Company recorded a total estimated expected future assessments by TWIA of \$14,222,000. The Company has recorded an asset of \$12,460,000 for recoverable state assessments that the Company expects to recover through premium tax credits over approximately the next 9 years. The Company was assessed \$3,107,000 as of December 31, 2008 by TWIA for the 2008 year. The Company expects to recoup \$1,345,000 of the amount assessed to date through 2008 premium tax credits filings, and recorded a charge to operations of \$1,762,000 for the current portion of the assessment that will not be recouped. The Company accrued an additional \$11,115,000 for expected future assessments that it expects to recover through premium tax credits over approximately the next 8 years.

C. Gain Contingencies

Not Applicable.

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

The dollar amount of any claims/losses related to extra contractual obligation lawsuits or bad faith lawsuits paid during the reporting period was \$13,257,235 excluding reinsurance recoverable of \$7,110,000, resulting in a net amount of \$6,147,235 for a total of 18 such claims.

E. All Other Contingencies

All of the information in this footnote is being reported on combined basis for the Company and its subsidiaries and affiliates.

A purported class action has been filed against the Met CAS, in Florida. The complaint alleges breach of contract and unfair trade practices with respect to allowing the use of parts not made by the original manufacturer to repair damaged automobiles. The complaint has been dismissed.

Two purported nationwide class actions have been filed against the Company in Illinois. One suit claims breach of contract and fraud due to the alleged underpayment of medical claims arising from the use of a purportedly biased provider fee pricing system. A motion for class certification has been filed and is scheduled to be argued on November 10, 2008. The second suit claims breach of contract and fraud arising from the alleged use of preferred provider organizations to reduce medical provider fees covered by the medical claims portion of the insurance policy. The fraud claim has been dismissed by the court.

A purported class action has been filed against the Company in Oklahoma. The suit claims breach of contract and fraud arising from the alleged use of preferred provider organizations to reduce medical provider fees covered by the medical claims portion of the insurance policy. The Company has filed a motion to dismiss the suit.

A purported class action has been filed against the Company in New Jersey Federal Court challenging the Company's use of the Mitchell Medical information and software to determine what constitutes reasonable payment of medical services under medpay and no fault coverages. Plaintiff seeks to represent both insureds whose claims for medical expenses were paid at less than the submitted amount and the medical service providers who obtained written assignments from those insureds. The alleged claims are for breach of contract and violation of state consumer protection statutes. The Company's motion to dismiss has been granted and plaintiffs have filed an appeal.

A purported Louisiana class action was filed against the Company in Louisiana federal court on behalf of insureds who incurred total property losses as a result of Hurricane Katrina. Plaintiffs claim they are entitled to coverage under a theory that Louisiana's "valued policy" law requires carriers to pay policy limits whenever an insured residence is declared a total loss and any of the damage is caused by a covered peril (for example, wind) even though some of the damage was caused by an excluded peril (for example, water). Some individual lawsuits challenging the denial of claims for property damage related to Hurricane Katrina have also been filed. The Company intends to vigorously defend these actions.

A putative collective action and class action has been filed against the Company in the U.S. District Court for the District of Connecticut alleging violations of the Fair Labor Standards Act and state wage and labor laws. The action is filed on behalf of current and former employees who worked as field adjusters, field appraisers or outside adjusters. The motion of the Company to dismiss the state law class action claims was granted. The Court denied the Company's motion for summary judgment and granted the Plaintiff's motion to proceed as a collective action under the Fair Labor Standards Act, to compel expedited disclosure of the names and addresses for the putative class and for permission to send a notice and consent document to all similarly situated individuals. A settlement agreement was approved by the Court and administration of the settlement with the class members has been completed.

A bad faith suit has been filed against Met Group in Arizona state court by a former insured alleging that Met Group improperly refused to deem his vehicle a total loss due to damage suffered when it was stolen. The insured claims there were unnecessary delays in the adjustment of the claim, and that Met Group's refusal to pay for the replacement of his vehicle was financially motivated. Met Group is vigorously defending this matter which is scheduled for trial in February, 2009.

Various litigation claims, and assessments against the Company, in addition to those discussed above and those otherwise provided for in the Company's financial statements, have arisen in the course of the Company's business, including but not limited to, in connection with its activities as an insurer, employer and taxpayer. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning the Company's compliance with applicable insurance and other laws and regulations.

It is not feasible to predict or determine the ultimate outcome of all pending investigations and legal proceedings or provide reasonable ranges of potential losses, except as noted above in connection with specific matters. In some of the matters referred to above, very large and/or indeterminate amounts, including punitive and treble damages, are sought. Although in light of these considerations it is possible that an adverse outcome in certain cases could have a material adverse effect upon the Company's financial position, based on information currently known by the Company's management, in its opinion, the outcomes of such pending investigations and legal proceedings are not likely to have such an effect. However, given the large and/or indeterminate amounts sought in certain of these matters and the inherent unpredictability of litigation, it is possible that

## NOTES TO FINANCIAL STATEMENTS

an adverse outcome in certain matters could, from time to time, have a material adverse effect on the Company's financial statements.

## 15. Leases

- A. The Company has entered into various lease agreements for office space, data processing and other equipment. Rental expense under such leases was \$16,022,851 and \$17,583,730 in 2008 and 2007, respectively. Future gross minimum rental payments under non-cancelable leases are as follows:

	Year Ended December 31,
2009	\$ 5,874,596
2010	4,180,866
2011	3,796,448
2012	3,135,520
2013	2,487,076
Thereafter	<u>791,376</u>
Total	<u>\$ 20,265,882</u>

- B. Leasing is not a significant part of the Company's business.

## 16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

- (1) The Company had no financial instruments (derivatives that are designated as effective hedging instruments) with off-balance sheet credit risk at December 31, 2008 and 2007.
- (2) See Note 8 for a description of the nature and terms of the Company's derivatives, including market risks, cash requirements, and related accounting policy.
- (3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but the Company does not expect any counterparties to fail to meet their obligations given their high credit ratings. Off-balance sheet credit exposure is the excess of positive fair value over positive statement value for the Company's highly effective hedges at the reporting date. All collateral accepted from counterparties to mitigate credit related losses is deemed worthless for the purpose of calculating the Company's off-balance sheet credit exposure. As of December 31, 2008 and 2007, the Company had no off-balance sheet credit exposure on its derivatives.
- (4) The current credit exposure of the Company's derivative contracts is limited to contracts with positive fair value at the reporting date. Credit risk is managed by entering into transactions with creditworthy counterparties and obtaining collateral per contractual terms. All net credit exposure for the Company related to derivative contracts is with investment grade counterparties. As of December 31, 2008 and 2007, no collateral was required by the Company on its derivatives.

## 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.

## A. Transfer of Receivables Reported as Sales

Not Applicable.

## B. Transfer and Servicing of Financial Assets

(1) Not Applicable

(2) The Company participates in securities lending programs whereby blocks of securities, which are included in investments, are loaned to third parties, primarily major brokerage firms. The Company requires a minimum of 100% of the fair value of the loaned securities to be separately maintained as collateral for the loans. Securities with a cost or amortized cost of \$0.973 million and \$246 million and an estimated fair value of \$1.2 million and \$262 million were on loan under the program at December 31, 2008 and December 31, 2007, respectively. The Company was liable for cash collateral under its control of \$1.2 million and \$266 million at December 31, 2008 and December 31, 2007, respectively. Security collateral on deposit from customers may not be sold or pledged and is not reflected in the financial statements.

(3) – (6) Not Applicable.

## C. Wash Sales

1. In the course of the Company's asset management, securities are not sold and reacquired within 30 days of the sale date to enhance the Company's yield on its investment portfolio. There may be occasional isolated incidents where wash sales occur.
2. The Company did not have any wash sales with an NAIC designation of 3 through 6 for the 12 month period ending December 31, 2008.

## 18. Gain or Loss to the Insurer from Uninsured A&amp;H Plans and the Uninsured Portion of Partially Insured Plans

Not Applicable.

## 19. Direct Premium Written by Managing General Agents/Third Party Administrators

No managing general agent or third party administrator writes direct premium equal to or greater than 5% of surplus. The only managing general agent or third party administrator the Company transacts with is as follows:

## NOTES TO FINANCIAL STATEMENTS

Name and Address of Managing General Agent And Third Party Administrator	FEI Number	Exclusive Contract	Type Of Business Written	Type of Authority Granted	Direct Written Premium
Seabury & Smith, Inc 200 Clarendon Street, Suite 37 Boston, MA 02116	13- 3112276	No	Automobile / Home / Other	B P	\$ 36,919,072

## 20. Other Items

## A. Extraordinary Items

Not Applicable.

## B. Troubled Debt Restructuring

Not Applicable.

## C. Other Disclosures

- (1) The Company has elected to use truncation in reporting amounts on all parts of Schedule D. Some Schedules and Exhibits may not agree due to rounding.
- (2) Management fees paid to MLIC totaled \$274,283,962 and \$279,101,625 for the period ended December 31, 2007 and 2006, respectively. These charges were allocated to the proper expense classifications based on information provided by MLIC.
- (3) Effective January 1, 2001, the NAIC and most state insurance departments implemented a comprehensive guide to Statutory Accounting Principles (Codification). These Accounting Practices and Procedures produced an increase to surplus for the Company in 2001 as a result of the recognition of deferred federal income taxes.
- (4) The Company contributed \$5,000 to the political action committee MetLife Political Participation Fund B as of December 31, 2008.

## D. Uncollectible Assets

Not Applicable.

## E. Business Interruption Insurance Recoveries

Not Applicable.

## F. State Transferable Tax Credits

Not Applicable.

## G. Hybrid Securities

The table below details the hybrid securities owned by the Company at December 31, 2008:

CUSIP	Issuer	Description	Book/Adjusted Carrying Value
00371G105	ABN Amro North America Capital Funding Trust I	Preferred Stocks - Industrial & Miscellaneous	\$ 45,921,650
06605VAA5	BankBoston Capital Trust III	Preferred Stocks - Industrial & Miscellaneous	1,000,000
161239AM0	Charter Mac Equity Issuer Trust	Preferred Stocks - Industrial & Miscellaneous	10,000,000
161480AA6	Chase Capital II	Preferred Stocks - Industrial & Miscellaneous	1,979,275
320808AD0	First Maryland Capital I	Preferred Stocks - Industrial & Miscellaneous	781,280
38144QAA7	Goldman Sachs Capital III	Preferred Stocks - Industrial & Miscellaneous	7,500,000
G60956AA0	HSBC Bank PLC	Preferred Stocks - Industrial & Miscellaneous	1,080,000
44978NAA3	ING Capital Funding Tr III	Preferred Stocks - Industrial & Miscellaneous	2,018,143
524908WZ9	Lehman Brothers Holdings Capital Trust VIII	Preferred Stocks - Industrial & Miscellaneous	0
55263KAA9	MBNA Capital B	Preferred Stocks - Industrial & Miscellaneous	2,000,000
62625XAM4	Munimae Te Bond Subsidiary LLC	Preferred Stocks - Industrial & Miscellaneous	3,716,640
62625XAP7	Munimae Te Bond Subsidiary LLC	Preferred Stocks - Industrial & Miscellaneous	1,648,840
62625XAQ5	Munimae Te Bond Subsidiary LLC	Preferred Stocks - Industrial & Miscellaneous	2,253,630
62625XBK7	Munimae Te Bond Subsidiary LLC	Preferred Stocks - Industrial & Miscellaneous	2,782,000
62625XBM3	Munimae Te Bond Subsidiary LLC	Preferred Stocks - Industrial & Miscellaneous	2,391,800
780097AH4	Royal Bank Of Scotland Group PLC	Preferred Stocks - Industrial & Miscellaneous	11,338,628
902973155	US Bancorp	Preferred Stocks - Banks, Trust & Ins. Companies	9,744,000
989938204	Zurich Regcaps Funding Trust	Preferred Stocks - Banks, Trust & Ins. Companies	4,192,190
989941208	Zurich Regcaps Funding Trust	Preferred Stocks - Banks, Trust & Ins. Companies	36,645,815
Total:			\$ 146,993,891

## H. Subprime Mortgage Related Risk Exposure

The table below details the subprime mortgage related risk exposure to the Company as of December 31, 2008. The Company owns three CUSIPs in the residential mortgage backed security category with subprime mortgage related risk exposure.

## NOTES TO FINANCIAL STATEMENTS

	Actual Cost	Book Adjusted Carry Value	Fair Value	Realized Gain (Loss) On Impairment
Residential Mortgage Backed Securities	654,397	654,793	531,377	0
Commercial Mortgage Backed Securities	0	0	0	0
Collateralized Debt Obligations	0	0	0	0
Structured Securities	0	0	0	0
Equity Investments in subsidiary, controlled or affiliated entities with subprime mortgage related risks exposure	0	0	0	0
Other Assets	0	0	0	0
	<u>654,397</u>	<u>654,793</u>	<u>531,377</u>	<u>0</u>

## 21. Events Subsequent

Not Applicable.

## 22. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company has unsecured aggregate recoverable losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premiums in the amount of \$16,710,681 with Commonwealth Automobile Reinsurers, (CAR), Federal I.D. #AA-9991161. CAR is a mandatory risk pool in which all direct writers of automobile coverage in the state require participation.

The underlying security of this pool is backed by every insurance company, which writes automobile insurance. In the worst case scenario, if a company that participates becomes insolvent, that company's share of the pool losses would be distributed on a pro rata basis to the remaining writers in the state.

The Company has a substantial amount of reinsurance recoverable with CAR since Massachusetts represents 40.92% of all automobile coverage written and 26.23% of all premiums written. The Company has participated in mandatory reinsurance facilities over a substantial number of years and has never experienced a reinsurance write-off.

In addition, it should be noted that the Company has a corresponding reinsurance payable of \$805,556 to CAR. Therefore, the net balance recoverable is \$15,905,125 from CAR.

## B. Reinsurance Recoverable in Dispute

Not Applicable.

## C. Reinsurance Assumed and Ceded

(1)	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve (1)	Commission Equity (2)	Premium Reserve (3)	Commission Equity (4)	Premium Reserve (5)	Commission Equity (6)
Affiliates	\$ 690,448,414	\$ 0	\$ 0	\$ 0	\$ 690,448,414	\$ 0
All Other	6,065,765	1,838,453	15,578,835	4,316,574	(9,513,070)	(2,478,121)
Total	<u>\$ 696,514,179</u>	<u>\$ 1,838,453</u>	<u>\$ 15,578,835</u>	<u>\$ 4,316,574</u>	<u>\$ 680,935,344</u>	<u>\$ (2,478,121)</u>

Direct Unearned Premium Reserve \$522,839,683

(2) The additional or return commission, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements are accrued as follows:

	Direct	Assumed	Ceded	Net
Contingent Commission	\$ 12,400,000	\$ 0	\$ 0	\$ 12,400,000
Sliding Scale Adjustments	0	0	0	0
Other Profit Commission Arrangements	0	0	0	0
Total	<u>\$ 12,400,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,400,000</u>

## D. Uncollectible Reinsurance

Not Applicable.

## E. Commutation of Ceded Reinsurance

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

F. Retroactive Reinsurance

Not Applicable.

G. Reinsurance Accounted for as a Deposit

Not Applicable.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not Applicable.

24. Change in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has decreased by \$922 million from \$1,806 million in 2007 to \$884 million in 2008. The prior year reserves have decreased principally for the private passenger auto liability and homeowners lines of insurance. The ultimate losses and loss adjustment expenses for the prior years have also decreased for most lines, but to a lesser extent. This is shown in Schedule P. The Company has no retrospectively rated policies.

25. Intercompany Pooling Arrangements

A. Effective January 1, 2001, the Company entered into a 100% Restated Quota Share Reinsurance Agreement with its subsidiary companies, Metropolitan Casualty Insurance Company, NAIC #40169, Metropolitan General Insurance Company, NAIC #39950, Metropolitan Direct Property and Casualty Insurance Company, NAIC #25321, Metropolitan Group Property and Casualty Insurance Company, NAIC #34339, Metropolitan Lloyds Insurance Company of Texas, NAIC #13938, and Economy Fire & Casualty Company, NAIC #22926.

B. The Restated Quota Share Reinsurance Treaty provides that the subsidiary companies obligate themselves to cede, and the Company obligates itself to accept, a 100% interest in each of the subsidiaries' gross net liabilities and its premiums, losses, expenses, payment fees, dividends and direct agents balance.

In addition, the Restated Quota Share Reinsurance Agreement provides that Economy Fire & Casualty Company's ("EFAC") subsidiary companies, Economy Preferred Insurance Company, NAIC #38067 and Economy Premier Assurance Company, NAIC #40649 are obligated to cede, and EFAC obligates itself to accept, a 100% interest in each of the subsidiaries' gross net liabilities and its premiums, losses, expenses, payment fees, dividends and direct agents balance.

All lines of business are subject to the reinsurance, except for the run-off of a book of reinsurance business transacted through the Odyssey Reinsurance Company and Metropolitan Group Property and Casualty Insurance Company arrangement.

C. The lead company, Metropolitan Property and Casualty Insurance Company, makes cessions to non-affiliated reinsurers subsequent to the cession of business from the affiliated members to the lead company, except for business transacted through the Odyssey Reinsurance Company and Metropolitan Group Property and Casualty Insurance Company arrangement.

Cessions to non-affiliated reinsurers of business subject to the reinsurance agreement are as follows:

Property Catastrophe Excess of Loss	All Property Business including but not limited to Homeowners, Dwelling Fire, Automobile Physical Damage and Inland Marine
Casualty Excess of Loss	Personal Liability including Automobile, Homeowners and Personal Umbrella Liability
Property Per Risk	Business classified by the Company as Personal Property
Mandatory Pools	Business transacted through Massachusetts, New Hampshire, North Carolina and South Carolina Automobile Facilities, various Mine Subsidence programs, Michigan Catastrophic Claims Association and Florida Hurricane Catastrophe Fund

D. All members are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the restated quota share reinsurance agreement. All members have a contractual right of direct recovery from the non-affiliated reinsurer.

E. There are no discrepancies between entries regarding reinsurance business on the assumed and ceded reinsurance schedules of the lead company and corresponding entries on the assumed and ceded reinsurance schedules of other pool participants.

F. The lead company, Metropolitan Property and Casualty Insurance Company, discloses all reinsurance related to non-affiliated companies of reinsurance business and therefore, discloses the entire Provision for Reinsurance, Schedule F Part 5.

26. Structured Settlements

A. The Company has purchased annuities with the claimant as payee for which the Company has a contingent liability. The Company eliminated its loss reserves for these claims at the time the annuities were purchased. A contingent liability exists to the extent that the issuers of the annuity contracts become unable to fulfill their contractual obligations. The present value of all annuity contracts still in force at December 31, 2008 was \$187,700,688. If the Company became responsible for any payments under these annuities, such payments could possibly be reduced by reinsurance recoverables.

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NOTES TO FINANCIAL STATEMENTS

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B. The Company has not purchased any annuities for which it has not obtained a release of liability from the claimant/annuitant as a result of the purchase of an annuity as of December 31, 2008.

27. Health Care Receivables

Not Applicable.

28. Participating Policies

Not Applicable.

29. Premium Deficiency Reserves

The Company had liabilities of \$551 and \$231 related to premium deficiency reserves as of December 31, 2008 and 2007, respectively. The Company did not consider anticipated investment income when calculating its premium deficiency reserves. The reserves are the result of the Company's participation in the Florida Automobile Joint Underwriting Association.

30. High Deductibles

Not Applicable.

31. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not Applicable.

32. Asbestos/Environmental (Mass Tort) Reserves

Not Applicable.

33. Subscriber Savings Accounts

Not Applicable.

34. Multiple Peril Crop Insurance

Not Applicable.

Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ X ] No [ ] N/A [ ]
- 1.3 State regulating? Rhode Island

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]
- 2.2 If yes, date of change: \_\_\_\_\_

- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/21/2005

- 3.4 By what department or departments? Rhode Island Insurance Division / Department of Business Regulation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ X ] No [ ] N/A [ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ X ] N/A [ ]

- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [ X ]
- 4.12 renewals? Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [ X ]
- 4.22 renewals? Yes [ ] No [ X ]

- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Co. Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [ X ]
- 6.2 If yes, give full information: \_\_\_\_\_

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [ X ]

- 7.2 If yes, 7.21 State the percentage of foreign control .....0.000 %
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ X ] No [ ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. MetLife, Inc. (a financial holding company)

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ X ] No [ ]

- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
MET INVESTORS ADVISORY	IRVINE, CA					YES
METLIFE ADVISERS LLC	BOSTON, MA					YES
METLIFE BANK, N.A.	BRIDGEWATER, NJ		YES			
METLIFE INVESTMENT ADVISORS COMPAN	WILMINGTON, DE					YES
METLIFE INVESTMENT FUNDS MANAGEME	EAST BRUNSWICK,					YES
METLIFE INVESTMENT FUNDS SERVICES L	EAST BRUNSWICK,					YES
METLIFE INVESTORS DISTRIBUTION COMP	IRVINE, CA					YES
METLIFE SECURITIES, INC.	NEW YORK, NY					YES
METROPOLITAN LIFE INSURANCE COMPAN	NEW YORK, NY					YES
NEW ENGLAND SECURITIES CORPORATIO	BOSTON, MA					YES
TOWER SQUARE SECURITIES, INC.	HARTFORD, CT					YES
WALNUT STREET SECURITIES, INC.	ST. LOUIS, MO					YES

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? Deloitte & Touche  
200 Berkley Street, Boston, MA 02116

10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? Michael Clifford Walsh, Senior Vice President and Chief Financial Officer  
Metropolitan Property and Casualty Insurance Company

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]  
 11.11 Name of real estate holding company \_\_\_\_\_
- 
- 11.12 Number of parcels involved .....0  
 11.13 Total book/adjusted carrying value \$.....0
- 11.2 If yes, provide explanation. \_\_\_\_\_
- 
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity? \_\_\_\_\_
- 
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]  
 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]  
 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]
- 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code. Yes [X] No [ ]
- 13.11 If the response to 13.1 is No, please explain: \_\_\_\_\_
- 
- 13.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]  
 13.21 If the response to 13.2 is Yes, provide information related to amendment(s). \_\_\_\_\_
- 
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]  
 13.31 If the response to 13.3 is yes, provide the nature of any waiver(s). \_\_\_\_\_
- 

**BOARD OF DIRECTORS**

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No [ ]  
 15. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]  
 16. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

**FINANCIAL**

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 18.11 To directors or other officers \$.....0  
 18.12 To stockholders not officers \$.....0  
 18.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 18.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 18.21 To directors or other officers \$.....0  
 18.22 To stockholders not officers \$.....0  
 18.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 19.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]  
 19.2 If yes, state the amount thereof at December 31 of the current year:  
 19.21 Rented from others \$.....0  
 19.22 Borrowed from others \$.....0  
 19.23 Leased from others \$.....0  
 19.24 Other \$.....0
- 20.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]  
 20.2 If answer is yes:  
 20.21 Amount paid as losses or risk adjustment \$.....0  
 20.22 Amount paid as expenses \$.....0  
 20.23 Other amounts paid \$.....0
- 21.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]  
 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

**INVESTMENT**

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 22.3)? Yes [ ] No [X]
- 22.2 If no, give full and complete information relating thereto. Yes [ ] No [X]  
Certain securities on deposit with States and loaned out under the securities lending program. JP Morgan Chase Bank is custodian for all securities under the Company's exclusive control.
- 22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 16 where this information is also provided).  
The Company participates in a securities lending program whereby blocks of securities, which are included in fixed maturity and short-term investments, are loaned to third parties, primarily major brokerage firms and commercial banks. The Company requires a minimum of 100% of the estimated fair value of the loaned securities to be separately maintained as collateral for the loans. Securities with a cost or amortized cost of \$973,195 and an estimated fair value of \$1,167,500 were on loan under the program at December 31, 2008. Securities loaned under such transactions may be sold or repledged by the transferee. The Company was liable for cash collateral under its control of \$1,210,000 at December 31, 2008.  
Security collateral of \$0 on deposit from counterparties in connection with the securities lending transactions at Decemebr 31, 2008 may not be sold or repledged and is not reflected in the consolidated financial statements.

- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ]
- 22.5 If answer to 22.4 is yes, report amount of collateral. \$.....1,210,000
- 22.6 If answer to 22.4 is no, report amount of collateral. \$.....0

- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3) Yes [X] No [ ]
- 23.2 If yes, state the amount thereof at December 31 of the current year:
- 23.21 Subject to repurchase agreements \$.....0
- 23.22 Subject to reverse repurchase agreements \$.....0
- 23.23 Subject to dollar repurchase agreements \$.....0
- 23.24 Subject to reverse dollar repurchase agreements \$.....0
- 23.25 Pledged as collateral \$.....0
- 23.26 Placed under option agreements \$.....0
- 23.27 Letter stock or securities restricted as to sale \$.....0
- 23.28 On deposit with state or other regulatory body \$.....4,434,590
- 23.29 Other \$.....0

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [ ]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [ ]  
 If no, attach a description with this statement.

- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year: \$.....0

26. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

26.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase Bank	4 New York Plaza, New York, NY 10004-2413

26.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [ ] No [X]

26.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

26.1 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
4095	Chris Bajak	200 Park Avenue, New York, NY 10166
4095	Bill Bixler	200 Park Avenue, New York, NY 10166
4095	Matt Blechner	200 Park Avenue, New York, NY 10166
4095	Steve Bruno	200 Park Avenue, New York, NY 10166
4095	Susan Buffum	200 Park Avenue, New York, NY 10166
4095	Brendan Cavanaugh	200 Park Avenue, New York, NY 10166
4095	Hank Chang	200 Park Avenue, New York, NY 10166
4095	Jason Chapin	200 Park Avenue, New York, NY 10166
4095	Vincent Cirulli	200 Park Avenue, New York, NY 10166
4095	Chris Costa	200 Park Avenue, New York, NY 10166
4095	Andy DeRosa	200 Park Avenue, New York, NY 10166
4095	Michael Fania	200 Park Avenue, New York, NY 10166
4095	David Farrell	200 Park Avenue, New York, NY 10166
4095	Erin Furey	200 Park Avenue, New York, NY 10166
4095	Dominic Guillossou	200 Park Avenue, New York, NY 10166
4095	Norman Hu	200 Park Avenue, New York, NY 10166
4095	Siri Hendricks	200 Park Avenue, New York, NY 10166
4095	Sean Huang	200 Park Avenue, New York, NY 10166
4095	Chris Johnson	200 Park Avenue, New York, NY 10166
4095	Kevin Kelly	200 Park Avenue, New York, NY 10166
4095	Wai Lee	200 Park Avenue, New York, NY 10166
4095	Jason Leinwand	200 Park Avenue, New York, NY 10166
4095	John Lima	200 Park Avenue, New York, NY 10166
4095	Stacey Lituchy	200 Park Avenue, New York, NY 10166
4095	Lisa Longino	200 Park Avenue, New York, NY 10166
4095	Carson Lu	200 Park Avenue, New York, NY 10166
4095	Kenneth Mahon	200 Park Avenue, New York, NY 10166
4095	Jason Manske	200 Park Avenue, New York, NY 10166
4095	William Moretti	200 Park Avenue, New York, NY 10166
4095	May Moy	200 Park Avenue, New York, NY 10166
4095	Nancy Mueller Handal	200 Park Avenue, New York, NY 10166
4095	Nowara Munir	200 Park Avenue, New York, NY 10166
4095	Matt Murphy	200 Park Avenue, New York, NY 10166
4095	Edward Palmer	200 Park Avenue, New York, NY 10166
4095	Tracy Pamperl	200 Park Avenue, New York, NY 10166
4095	Juan Peruyero	200 Park Avenue, New York, NY 10166
4095	Brad Rhoads	200 Park Avenue, New York, NY 10166
4095	John Rosenthal	200 Park Avenue, New York, NY 10166
4095	Dennis Sadak	200 Park Avenue, New York, NY 10166
4095	Farah Sayyed	200 Park Avenue, New York, NY 10166
4095	Sanket Sant	200 Park Avenue, New York, NY 10166
4095	Jonathan Schlein	200 Park Avenue, New York, NY 10166
4095	Charles Scully	200 Park Avenue, New York, NY 10166
4095	Michael Sing	200 Park Avenue, New York, NY 10166
4095	Gerd Stabbert	200 Park Avenue, New York, NY 10166
4095	Jeff Tapper	200 Park Avenue, New York, NY 10166
4095	Gregory Tell	200 Park Avenue, New York, NY 10166
4095	Mirsad Usejnoski	200 Park Avenue, New York, NY 10166
4095	Bernise Valdez	200 Park Avenue, New York, NY 10166
4095	Jason Valentino	200 Park Avenue, New York, NY 10166
4095	Michael Williams	200 Park Avenue, New York, NY 10166
4095	Lamont Wilson	200 Park Avenue, New York, NY 10166
4095	Jim Wiviott	200 Park Avenue, New York, NY 10166

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [ ] No [X]

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
27.2999. TOTAL		0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds.....	2,655,120,935	2,267,203,976	(387,916,959)
28.2 Preferred stocks.....	279,895,764	242,686,985	(37,208,779)
28.3 Totals.....	2,935,016,699	2,509,890,961	(425,125,738)

28.4 Describe the sources or methods utilized in determining the fair values:

Per Part 6, Section 2 of the SVO Purposes and Procedures Manual, Insurance companies can elect to not use prices provided by the NAIC.

They can select any of 5 price sources, as defined in this section, and identify them in their appropriate schedule.

MetLife and its affiliate insurance companies have chosen to not use market prices obtained from the NAIC.

First an external quoted price is sought. In cases where an external quoted price is not available, the fair value internally estimated using present value or valuation techniques. Factors considered in estimating fair value include:

coupon rate, maturity, estimated duration, call provisions, sinking fund requirements, credit rating, industry sector of the issuer and quoted market prices of comparable securities.

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

29.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No [ ]  
 29.2 If no, list exceptions:

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**OTHER**

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....8,804,534  
 30.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Insurance Service Office, Inc.	2,850,841

31.1 Amount of payments for legal expenses, if any? \$.....27,472  
 31.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Fragomen, Del Rey, Bernsen & Loewy, LLP.	15,169
Rivkin Radler, LLP.	12,303

32.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0  
 32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]  
 1.2 If yes, indicate premium earned on U.S. business only. \$.....0  
 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$.....0  
 1.31 Reason for excluding:

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$.....0  
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$.....0

- 1.6 Individual policies:  
 Most current three years:  
 1.61 Total premium earned \$.....0  
 1.62 Total incurred claims \$.....0  
 1.63 Number of covered lives .....0  
 All years prior to most current three years:  
 1.64 Total premium earned \$.....0  
 1.65 Total incurred claims \$.....0  
 1.66 Number of covered lives .....0

- 1.7 Group policies:  
 Most current three years:  
 1.71 Total premium earned \$.....0  
 1.72 Total incurred claims \$.....0  
 1.73 Number of covered lives .....0  
 All years prior to most current three years:  
 1.74 Total premium earned \$.....0  
 1.75 Total incurred claims \$.....0  
 1.76 Number of covered lives .....0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....9,231,608	\$.....8,243,059
2.2 Premium Denominator.....	\$.....2,984,212,917	\$.....2,973,443,836
2.3 Premium Ratio (2.1/2.2).....	.....0.3	.....0.3
2.4 Reserve Numerator.....	\$.....2,283,490	\$.....2,152,667
2.5 Reserve Denominator.....	\$.....2,880,442,341	\$.....3,031,584,748
2.6 Reserve Ratio (2.4/2.5).....	.....0.1	.....0.1

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [X]  
 3.2 If yes, state the amount of calendar year premiums written on:  
 3.21 Participating policies \$.....0  
 3.22 Non-participating policies \$.....0

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

- 4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ]  
 4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ]  
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? .....0.0 %  
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$.....0

5. FOR RECIPROCAL EXCHANGES ONLY:

- 5.1 Does the exchange appoint local agents? Yes [ ] No [ ]  
 5.2 If yes, is the commission paid:  
 5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]  
 5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]  
 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]  
 5.5 If yes, give full information:

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?  
Not Applicable

- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:  
The company's evaluation of the hurricane and earthquake perils (property business only) is based on EQECAT's WORLDCAT enterprise, Risk Management Solutions (RMS) and Applied Insurance Research (AIR) computer models. The largest probable maximum loss generated is produced by a hurricane in the northeast region of the United States.

- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?  
The Company is protected from this loss through the purchase of Property Catastrophe Excess of Loss Reinsurance Treaties.

- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss:

- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No [ ]

- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. ....1

- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [X]

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No [X]
- 8.2 If yes, give full information:  


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- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [ ] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliate represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes [ ] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
(a) The entity does not utilize reinsurance; or Yes [ ] No [X]  
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]  
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [ ] No [X]
- 11.2 If yes, give full information:  


---
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:  
12.11 Unpaid losses \$.....0  
12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0
- 12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: \$.....0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [ ] No [ ] N/A [X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:  
12.41 From .....0.0 %  
12.42 To .....0.0 %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [ ] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:  
12.61 Letters of credit \$.....0  
12.62 Collateral and other funds \$.....0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....4,000,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....2

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [ ] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
 \_\_\_\_\_  
 \_\_\_\_\_

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [ ]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [ ] No [ ]

14.5 If the answer to 14.4 is no, please explain:  
 \_\_\_\_\_  
 \_\_\_\_\_

15.1 Has the reporting entity guaranteed any financial premium accounts? Yes [ ] No [X]

15.2 If yes, give full information:  
 \_\_\_\_\_  
 \_\_\_\_\_

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	.....	.....	.....	.....	.....
16.12 Products.....	.....	.....	.....	.....	.....
16.13 Automobile.....	.....	.....	.....	.....	.....
16.14 Other*.....	.....	.....	.....	.....	.....

\* Disclose type of coverage: .....

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [ ] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5	\$.....0
17.12 Unfunded portion of Interrogatory 17.11	\$.....0
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$.....0
17.14 Case reserves portion of Interrogatory 17.11	\$.....0
17.15 Incurred but not reported portion of Interrogatory 17.11	\$.....0
17.16 Unearned premium portion of Interrogatory 17.11	\$.....0
17.17 Contingent commission portion of Interrogatory 17.11	\$.....0

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:

17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5	\$.....0
17.19 Unfunded portion of Interrogatory 17.18	\$.....0
17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$.....0
17.21 Case reserves portion of Interrogatory 17.18	\$.....0
17.22 Incurred but not reported portion of Interrogatory 17.18	\$.....0
17.23 Unearned premium portion of Interrogatory 17.18	\$.....0
17.24 Contingent commission portion of Interrogatory 17.18	\$.....0

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**FIVE-YEAR HISTORICAL DATA**

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2008	2 2007	3 2006	4 2005	5 2004
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,254,427,993	1,281,584,363	1,284,206,327	1,309,152,588	1,321,682,315
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	952,237,959	952,795,967	940,447,605	945,328,944	976,315,085
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	846,509,797	860,184,965	835,054,359	798,770,074	755,346,285
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	9,325,151	8,395,192	7,278,517	7,737,141	8,707,528
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
6. Total (Line 35).....	3,062,500,900	3,102,960,487	3,066,986,808	3,060,988,747	3,062,051,213
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,231,270,991	1,254,619,623	1,253,227,920	1,275,182,046	1,286,261,986
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	917,542,613	932,322,453	920,032,721	921,785,617	955,656,406
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	804,364,289	794,738,078	774,491,175	724,494,134	712,677,841
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	9,325,151	8,395,192	7,278,517	7,737,141	8,707,528
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
12. Total (Line 35).....	2,962,503,043	2,990,075,346	2,955,030,333	2,929,198,938	2,963,303,761
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	258,270,111	317,343,438	345,889,382	81,036,193	63,129,264
14. Net investment gain (loss) (Line 11).....	106,473,807	202,281,782	196,382,580	241,453,245	335,081,376
15. Total other income (Line 15).....	14,162,428	22,215,665	19,254,953	19,891,395	20,699,312
16. Dividends to policyholders (Line 17).....	3,265,447	3,377,499	3,822,207	2,623,859	2,240,718
17. Federal and foreign income taxes incurred (Line 19).....	102,870,933	137,999,275	172,418,237	50,743,279	60,984,176
18. Net income (Line 20).....	272,769,966	400,464,111	385,286,471	289,013,695	355,685,058
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3).....	4,855,641,812	5,333,546,608	5,305,099,235	5,348,248,625	5,192,195,854
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 13.1).....	51,580,448	55,058,131	57,159,348	61,178,291	63,560,114
20.2 Deferred and not yet due (Line 13.2).....	632,642,024	625,909,555	616,993,643	590,747,737	583,410,313
20.3 Accrued retrospective premiums (Line 13.3).....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 24).....	3,093,307,069	3,507,716,949	3,454,517,473	3,565,523,383	3,317,197,058
22. Losses (Page 3, Line 1).....	1,329,097,954	1,409,360,456	1,472,180,595	1,540,486,687	1,430,257,201
23. Loss adjustment expenses (Page 3, Line 3).....	347,551,298	396,730,417	426,790,312	436,875,564	343,855,576
24. Unearned premiums (Page 3, Line 9).....	1,203,775,028	1,225,484,902	1,208,853,392	1,186,205,653	1,176,872,248
25. Capital paid up (Page 3, Lines 28 & 29).....	318,000,000	318,000,000	318,000,000	318,000,000	318,000,000
26. Surplus as regards policyholders (Page 3, Line 35).....	1,762,334,742	1,825,829,666	1,850,581,761	1,782,725,242	1,874,998,801
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	210,910,097	313,090,640	355,930,440	490,648,043	668,233,579
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	1,762,334,742	1,825,829,666	1,850,581,761	1,782,725,242	1,874,998,801
29. Authorized control level risk-based capital.....	196,518,031	242,847,923	250,497,114	260,088,553	242,731,775
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 10, Col. 3) x 100.0					
30. Bonds (Line 1).....	72.0	66.5	71.7	74.0	77.8
31. Stocks (Lines 2.1 & 2.2).....	28.9	28.6	28.1	25.8	21.9
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5).....	(2.6)	2.2	(2.3)	(3.0)	(2.2)
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Other invested assets (Line 7).....	1.7	2.7	2.4	3.0	2.5
37. Receivable for securities (Line 8).....	0.0	0.0	0.0	0.2	0.0
38. Aggregate write-ins for invested assets (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Cash, cash equivalents and invested assets (Line 10).....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
40. Affiliated bonds (Sch. D, Summary, Line 25, Col. 1).....	0	0	0	0	0
41. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1).....	0	0	0	0	0
42. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 1).....	771,509,660	726,548,709	689,796,475	670,568,392	651,441,961
43. Affiliated short-term investments (Schedule DA, Verification, Col. 5, Line 10).....	0	0	0	0	0
44. Affiliated mortgage loans on real estate.....	0	0	0	0	0
45. All other affiliated.....	13,805,643	13,231,088	12,752,071	12,283,494	11,814,232
46. Total of above lines 40 to 45.....	785,315,303	739,779,797	702,548,546	682,851,886	663,256,193
47. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 46 above divided by Page 3, Col. 1, Line 35 x 100.0).....	44.6	40.5	38.0	38.3	34.7

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company  
FIVE-YEAR HISTORICAL DATA**

(Continued)

	1	2	3	4	5
	2008	2007	2006	2005	2004
<b>Capital and Surplus Accounts (Page 4)</b>					
48. Net unrealized capital gains (losses) (Line 24).....	.....(2,433,746)	.....(16,292,968)	.....(16,582,204)	.....12,135,754	.....(159,755,203)
49. Dividends to stockholders (Line 35).....	.....(309,722,668)	.....(414,552,151)	.....(313,971,314)	.....(410,397,284)	.....(306,570,314)
50. Change in surplus as regards policyholders for the year (Line 38).....	.....(63,494,919)	.....(24,752,092)	.....67,856,511	.....(92,273,558)	.....(121,334,645)
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1&amp;2)</b>					
51. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....778,034,445	.....759,248,737	.....718,670,618	.....726,277,575	.....772,010,944
52. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....481,954,461	.....442,639,849	.....442,509,042	.....472,356,855	.....457,498,101
53. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	.....522,918,840	.....424,177,295	.....417,568,034	.....456,896,653	.....347,336,015
54. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	.....3,786,870	.....3,421,117	.....2,926,309	.....3,702,904	.....4,647,029
55. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	.....445,854	.....302,830	.....335,108	.....448,415	.....395,270
56. Total (Line 35).....	.....1,787,140,470	.....1,629,789,828	.....1,582,009,111	.....1,659,682,402	.....1,581,887,359
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
57. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....750,812,444	.....736,065,339	.....694,028,664	.....701,098,574	.....734,313,133
58. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....456,864,374	.....433,270,389	.....432,503,573	.....453,807,951	.....445,895,902
59. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	.....517,351,356	.....398,081,661	.....377,704,464	.....360,031,599	.....339,241,848
60. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	.....3,786,870	.....3,421,117	.....2,926,309	.....3,702,904	.....4,647,029
61. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	.....445,854	.....302,830	.....335,108	.....448,415	.....395,270
62. Total (Line 35).....	.....1,729,260,898	.....1,571,141,336	.....1,507,498,118	.....1,519,089,443	.....1,524,493,182
<b>Operating Percentages</b> (Page 4) (Item divided by Page 4, Line 1) x 100.0					
63. Premiums earned (Line 1).....	.....100.0	.....100.0	.....100.0	.....100.0	.....100.0
64. Losses incurred (Line 2).....	.....55.3	.....50.7	.....49.1	.....55.7	.....58.0
65. Loss expenses incurred (Line 3).....	.....9.0	.....10.0	.....10.0	.....13.1	.....12.4
66. Other underwriting expenses incurred (Line 4).....	.....27.1	.....28.6	.....29.1	.....28.4	.....27.7
67. Net underwriting gain (loss) (Line 8).....	.....8.7	.....10.7	.....11.8	.....2.8	.....2.1
<b>Other Percentages</b>					
68. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	.....26.8	.....27.7	.....28.2	.....27.6	.....26.8
69. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	.....64.3	.....60.8	.....59.1	.....68.8	.....70.3
70. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 35, Col. 1 x 100.0).....	.....168.1	.....163.8	.....159.7	.....164.3	.....158.0
<b>One Year Loss Development (000 omitted)</b>					
71. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	.....(169,962)	.....(135,020)	.....(157,108)	.....(46,177)	.....20,577
72. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 71 above divided by Page 4, Line 21, Col. 1 x 100).....	.....(9.3)	.....(7.3)	.....(8.8)	.....(2.5)	.....1.0
<b>Two Year Loss Development (000 omitted)</b>					
73. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	.....(279,065)	.....(289,332)	.....(198,603)	.....42,825	.....131,442
74. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 73 above divided by Page 4, Line 21, Col. 2 x 100.0).....	.....(15.1)	.....(16.2)	.....(10.6)	.....2.1	.....6.7

Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**

**SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	4,136	1,337	412	21	548	0	205	3,739	XXX
2. 1999.....	1,716,571	356,689	1,359,882	950,322	98,170	34,458	8,675	110,294	4,073	83,085	984,157	XXX
3. 2000.....	2,321,697	461,260	1,860,437	1,488,081	207,377	54,457	20,509	174,872	23,096	139,630	1,466,429	XXX
4. 2001.....	2,985,508	226,741	2,758,767	1,901,398	67,814	52,551	1,508	230,610	224	146,602	2,115,013	XXX
5. 2002.....	2,921,579	82,928	2,838,651	1,685,057	47,458	52,200	1,330	230,631	382	145,197	1,918,718	XXX
6. 2003.....	3,011,841	93,753	2,918,088	1,635,376	52,107	46,850	1,134	245,093	463	146,454	1,873,615	XXX
7. 2004.....	3,054,742	97,232	2,957,510	1,542,026	41,185	40,361	1,065	248,528	487	147,267	1,788,177	XXX
8. 2005.....	3,052,121	132,255	2,919,866	1,707,460	214,419	36,595	11,672	260,486	831	151,317	1,777,618	XXX
9. 2006.....	3,046,444	114,061	2,932,383	1,417,832	38,004	21,338	815	259,662	515	142,585	1,659,496	XXX
10. 2007.....	3,088,979	115,534	2,973,445	1,351,533	29,736	10,699	462	255,422	316	148,099	1,587,140	XXX
11. 2008.....	3,084,200	99,987	2,984,213	1,183,518	19,694	2,854	218	196,651	200	92,502	1,362,911	XXX
12. Totals.....	XXX	XXX	XXX	14,866,739	817,300	352,776	47,410	2,212,796	30,587	1,342,943	16,537,013	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	20,834	14,223	6,512	1	3,647	1	1,290	0	4,273	1	0	22,331	XXX
2. 1999.....	1,811	353	291	(0)	338	0	51	0	265	0	191	2,405	XXX
3. 2000.....	4,353	2,764	3,861	2	799	0	532	0	1,107	0	124	7,886	XXX
4. 2001.....	3,983	645	4,975	17	635	3	433	1	1,892	2	201	11,251	XXX
5. 2002.....	9,238	2,324	11,739	47	1,294	1	1,583	1	3,779	1	335	25,259	XXX
6. 2003.....	21,217	11,859	12,592	68	3,123	13	2,189	6	5,733	4	915	32,905	XXX
7. 2004.....	25,565	4,925	30,471	204	3,166	26	2,919	13	7,127	10	1,394	64,070	XXX
8. 2005.....	62,620	11,242	51,740	302	7,359	495	5,361	25	16,196	20	2,456	131,193	XXX
9. 2006.....	102,769	4,377	65,665	577	12,480	62	8,148	26	20,723	21	5,488	204,722	XXX
10. 2007.....	196,327	5,279	117,128	987	23,314	139	12,919	60	38,787	48	13,436	381,961	XXX
11. 2008.....	460,178	10,386	187,383	1,573	40,706	477	18,707	125	98,480	225	68,614	792,668	XXX
12. Totals.....	908,895	68,377	492,357	3,778	96,861	1,216	54,133	257	198,362	332	93,153	1,676,649	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	13,122	9,209
2. 1999.	1,097,831	111,270	986,561	64.0	31.2	72.5	0	0	81.60	1,750	654
3. 2000.	1,728,063	253,748	1,474,315	74.4	55.0	79.2	0	0	81.60	5,448	2,438
4. 2001.	2,196,477	70,213	2,126,264	73.6	31.0	77.1	0	0	100.00	8,297	2,954
5. 2002.	1,995,521	51,544	1,943,976	68.3	62.2	68.5	0	0	100.00	18,606	6,652
6. 2003.	1,972,174	65,654	1,906,520	65.5	70.0	65.3	0	0	100.00	21,882	11,022
7. 2004.	1,900,162	47,915	1,852,247	62.2	49.3	62.6	0	0	100.00	50,907	13,164
8. 2005.	2,147,817	239,006	1,908,811	70.4	180.7	65.4	0	0	100.00	102,816	28,377
9. 2006.	1,908,616	44,398	1,864,218	62.7	38.9	63.6	0	0	100.00	163,480	41,242
10. 2007.	2,006,129	37,028	1,969,101	64.9	32.0	66.2	0	0	100.00	307,188	74,773
11. 2008.	2,188,477	32,898	2,155,579	71.0	32.9	72.2	0	0	100.00	635,602	157,066
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1,329,098	347,551

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	One Year	Two Year
1. Prior.....	270,344	266,901	264,879	266,453	291,881	289,523	294,778	297,074	298,431	300,257	1,826	3,183
2. 1999.....	857,752	866,765	869,572	877,878	879,340	882,086	895,731	887,130	882,913	880,075	(2,838)	(7,055)
3. 2000.....	XXX	1,222,162	1,293,339	1,294,346	1,318,867	1,332,292	1,339,706	1,335,752	1,328,323	1,321,431	(6,892)	(14,321)
4. 2001.....	XXX	XXX	1,828,339	1,880,651	1,895,112	1,923,641	1,921,493	1,908,643	1,903,591	1,893,989	(9,602)	(14,654)
5. 2002.....	XXX	XXX	XXX	1,717,403	1,744,321	1,740,631	1,755,599	1,725,014	1,717,387	1,709,949	(7,438)	(15,065)
6. 2003.....	XXX	XXX	XXX	XXX	1,772,091	1,750,822	1,733,934	1,681,416	1,666,887	1,656,161	(10,726)	(25,255)
7. 2004.....	XXX	XXX	XXX	XXX	XXX	1,757,423	1,688,997	1,642,782	1,607,213	1,597,090	(10,123)	(45,692)
8. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	1,738,748	1,734,065	1,674,908	1,632,980	(41,928)	(101,085)
9. 2006.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,643,491	1,640,695	1,584,370	(56,325)	(59,121)
10. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,701,173	1,675,257	(25,916)	XXX
11. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,860,873	XXX	XXX
12. Totals.....											(169,962)	(279,065)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008		
1. Prior.....	.000	125,114	156,092	220,151	246,396	256,383	270,043	275,081	279,008	282,199	XXX	XXX
2. 1999.....	521,641	722,867	754,598	820,472	847,268	863,283	870,241	874,886	876,972	877,936	XXX	XXX
3. 2000.....	XXX	774,744	1,011,395	1,157,005	1,234,892	1,276,517	1,296,845	1,307,295	1,312,116	1,314,653	XXX	XXX
4. 2001.....	XXX	XXX	1,201,325	1,593,797	1,733,852	1,805,684	1,847,992	1,871,497	1,880,208	1,884,628	XXX	XXX
5. 2002.....	XXX	XXX	XXX	1,067,525	1,421,795	1,536,398	1,609,623	1,657,800	1,679,447	1,688,469	XXX	XXX
6. 2003.....	XXX	XXX	XXX	XXX	1,062,125	1,373,812	1,488,615	1,563,502	1,610,649	1,628,985	XXX	XXX
7. 2004.....	XXX	XXX	XXX	XXX	XXX	1,006,274	1,310,969	1,424,850	1,498,942	1,540,136	XXX	XXX
8. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	985,898	1,295,919	1,428,152	1,517,963	XXX	XXX
9. 2006.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	962,256	1,280,542	1,400,350	XXX	XXX
10. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,009,529	1,332,034	XXX	XXX
11. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,166,461	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior.....	93,024	47,448	21,255	9,781	6,784	6,684	5,752	6,384	6,009	7,802
2. 1999.....	155,696	47,043	29,559	8,154	7,047	6,892	18,211	8,108	3,279	343
3. 2000.....	XXX	177,703	75,453	(6,466)	3,287	19,676	24,188	18,630	10,561	4,391
4. 2001.....	XXX	XXX	284,399	61,602	28,729	40,122	37,800	20,721	15,426	5,391
5. 2002.....	XXX	XXX	XXX	314,580	126,029	89,792	77,503	37,120	25,645	13,274
6. 2003.....	XXX	XXX	XXX	XXX	375,795	187,178	127,833	55,760	32,438	14,708
7. 2004.....	XXX	XXX	XXX	XXX	XXX	423,463	185,668	110,361	55,550	33,174
8. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	367,382	260,184	146,519	56,775
9. 2006.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	239,238	156,365	73,210
10. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	228,066	128,999
11. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	204,392

**Annual Statement for the year 2008 of the Metropolitan Property and Casualty Insurance Company**  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	1	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Active Status	2						
1. Alabama.....AL	L	12,883,331	12,167,775	106	5,621,312	4,809,062	3,351,592	17,838	0
2. Alaska.....AK	N	0	0	0	0	0	0	0	0
3. Arizona.....AZ	L	25,346,302	24,654,956	1,204	9,449,284	11,386,886	5,878,620	38,303	0
4. Arkansas.....AR	L	7,833,194	7,621,932	44	6,291,571	8,101,451	3,346,835	36,806	0
5. California.....CA	N	0	0	0	0	0	0	0	0
6. Colorado.....CO	L	5,183,345	4,653,580	3,436	1,987,256	1,835,570	1,013,258	27,308	0
7. Connecticut.....CT	L	85,108,446	83,490,496	1,880	38,436,631	40,311,201	38,792,077	1,046,934	0
8. Delaware.....DE	L	2,131,492	2,180,098	54	1,088,042	1,006,809	908,226	21,801	0
9. District of Columbia.....DC	L	0	0	0	0	(67)	0	0	0
10. Florida.....FL	L	9,263,693	15,086,474	19,169	10,087,965	4,381,551	7,377,231	7,798	0
11. Georgia.....GA	L	26,584,498	26,900,538	35,568	26,506,436	27,542,877	9,859,369	137,258	0
12. Hawaii.....HI	L	443,596	444,621	1,075	140,630	145,371	178,296	2,646	0
13. Idaho.....ID	L	8,122,764	6,691,636	155	3,432,419	3,622,987	1,992,872	54,775	0
14. Illinois.....IL	L	14,206,054	14,402,797	1,474	6,842,223	7,830,652	10,160,470	84,287	0
15. Indiana.....IN	L	20,225,256	19,072,038	34	10,266,028	11,182,857	7,001,033	157,299	0
16. Iowa.....IA	L	11,771,589	12,665,591	211	8,623,259	8,767,229	5,134,832	94,510	0
17. Kansas.....KS	L	5,893,592	5,688,785	1,361	3,806,337	3,720,726	1,239,642	0	0
18. Kentucky.....KY	L	10,332,918	10,052,459	526	7,500,843	8,940,838	4,629,176	0	0
19. Louisiana.....LA	L	22,281,216	22,502,725	130	23,711,665	7,961,743	18,075,600	113,501	0
20. Maine.....ME	L	16,563,716	15,658,193	21,479	8,562,919	8,854,786	5,136,615	162,389	0
21. Maryland.....MD	L	8,151,411	8,085,027	1,765	3,957,182	4,376,773	2,778,923	18,239	0
22. Massachusetts.....MA	L	302,923,651	319,975,736	2,842,500	167,398,982	158,426,256	112,982,966	3,270,690	0
23. Michigan.....MI	L	2,280,057	2,329,142	168	1,554,212	650,424	8,568,678	17,117	0
24. Minnesota.....MN	L	42,375,590	41,326,286	3,592	40,671,918	44,506,785	19,906,856	270,414	0
25. Mississippi.....MS	L	14,838,002	14,301,638	0	13,045,383	8,023,671	6,384,448	64,314	0
26. Missouri.....MO	L	9,971,204	9,999,401	50	6,827,397	7,359,950	4,750,933	0	0
27. Montana.....MT	L	4,741,281	4,766,078	169	3,077,615	2,697,979	1,745,740	42,019	0
28. Nebraska.....NE	L	4,606,505	3,755,619	142	4,184,203	5,536,841	1,809,189	8,785	0
29. Nevada.....NV	L	10,733,109	10,236,787	4,201	6,019,290	6,729,931	3,909,266	41,224	0
30. New Hampshire.....NH	L	15,132,758	15,308,260	22,422	7,684,374	8,131,705	6,015,036	112,302	0
31. New Jersey.....NJ	L	977,263	700,691	337	2,524,277	(1,346,351)	2,631,690	260	0
32. New Mexico.....NM	L	14,681,491	13,934,126	4,870	8,160,455	8,824,685	5,283,323	92,864	0
33. New York.....NY	L	126,750,568	123,806,097	0	48,890,843	44,593,471	53,976,072	880,349	0
34. North Carolina.....NC	L	41,224,845	40,611,988	22,659	22,204,330	23,796,348	13,866,610	159,409	0
35. North Dakota.....ND	L	857,439	741,865	0	726,610	692,969	225,997	2,877	0
36. Ohio.....OH	L	44,378,654	45,105,030	233	35,809,884	36,909,178	18,244,917	379,908	0
37. Oklahoma.....OK	L	17,349,596	17,651,491	3,695	15,303,056	16,598,537	7,276,513	56,402	0
38. Oregon.....OR	L	23,584,166	22,690,257	355	9,423,776	10,852,996	10,044,423	98,003	0
39. Pennsylvania.....PA	L	15,766,528	15,427,476	473	7,941,979	8,243,917	7,361,344	141,109	0
40. Rhode Island.....RI	L	55,579,262	58,320,018	2,475	25,583,731	22,102,405	23,304,456	514,873	0
41. South Carolina.....SC	L	5,148,682	5,609,020	7,836	2,292,661	922,468	322,743	11,115	0
42. South Dakota.....SD	L	490,162	469,038	0	168,644	223,963	144,654	2,014	0
43. Tennessee.....TN	L	17,718,544	17,646,140	3,622	8,891,779	9,434,979	3,937,013	57,245	0
44. Texas.....TX	L	5,177,594	4,969,329	0	2,769,881	2,546,594	2,026,342	24,159	0
45. Utah.....UT	L	7,969,397	7,960,425	62	4,087,448	2,933,842	1,483,074	26,427	0
46. Vermont.....VT	L	6,393,813	5,987,603	1,266	3,463,930	3,257,687	1,489,260	86,686	0
47. Virginia.....VA	L	16,846,373	16,778,707	10,119	7,316,326	5,593,855	3,013,105	79,040	0
48. Washington.....WA	L	32,429,041	31,774,209	2,217	15,066,516	14,758,579	11,230,576	0	0
49. West Virginia.....WV	L	5,276,834	4,944,310	1,455	2,445,692	3,284,532	2,273,977	17,635	0
50. Wisconsin.....WI	L	13,886,077	13,115,070	494	6,775,760	7,115,070	5,065,881	90,646	0
51. Wyoming.....WY	L	2,619,620	2,464,361	0	1,257,237	1,141,303	559,542	16,338	0
52. American Samoa.....AS	N	0	0	0	0	0	0	0	0
53. Guam.....GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	N	0	0	0	0	0	0	0	0
55. US Virgin Islands.....VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands.....MP	N	0	0	0	0	0	0	0	0
57. Canada.....CN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....(a)....49		1,155,034,519	1,164,725,919	3,025,083	657,880,191	629,323,871	466,689,291	8,585,916	0

**DETAILS OF WRITE-INS**

5801.....XXX		0	0	0	0	0	0	0	0
5802.....XXX		0	0	0	0	0	0	0	0
5803.....XXX		0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803+ Line 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

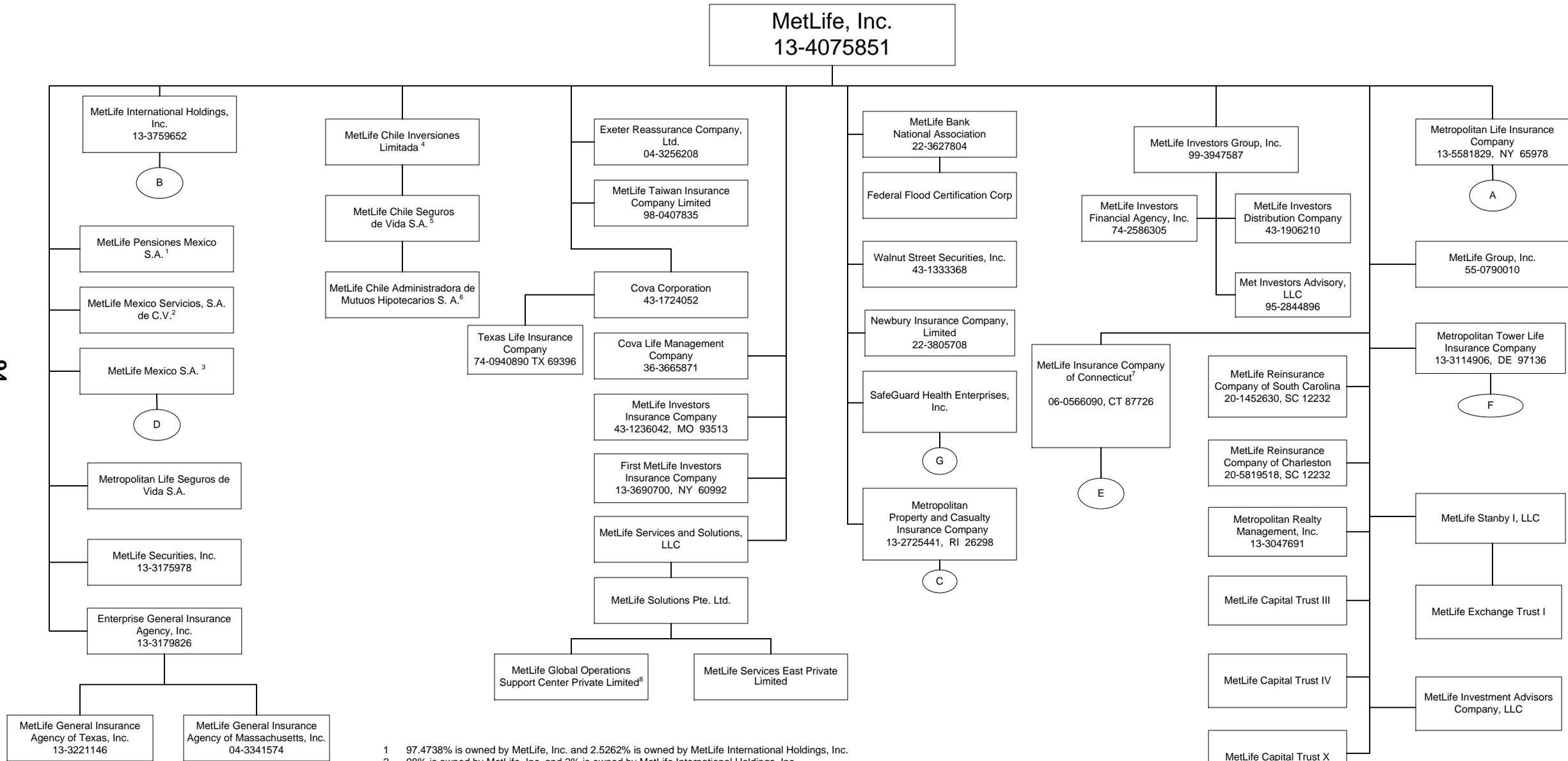
(a) Insert the number of "L" responses except for Canada and Other Alien.

Explanation of Basis of Allocation of Premiums by States, etc.

HOMEOWNERS, INLAND MARINE, EARTHQUAKE, WORKERS' COMPENSATION - LOCATION OF PROPERTY INSURED  
 AUTOMOBILE LIABILITY, AUTOMOBILE PHYSICAL DAMAGE - STATE WHERE VEHICLE IS GARAGED

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

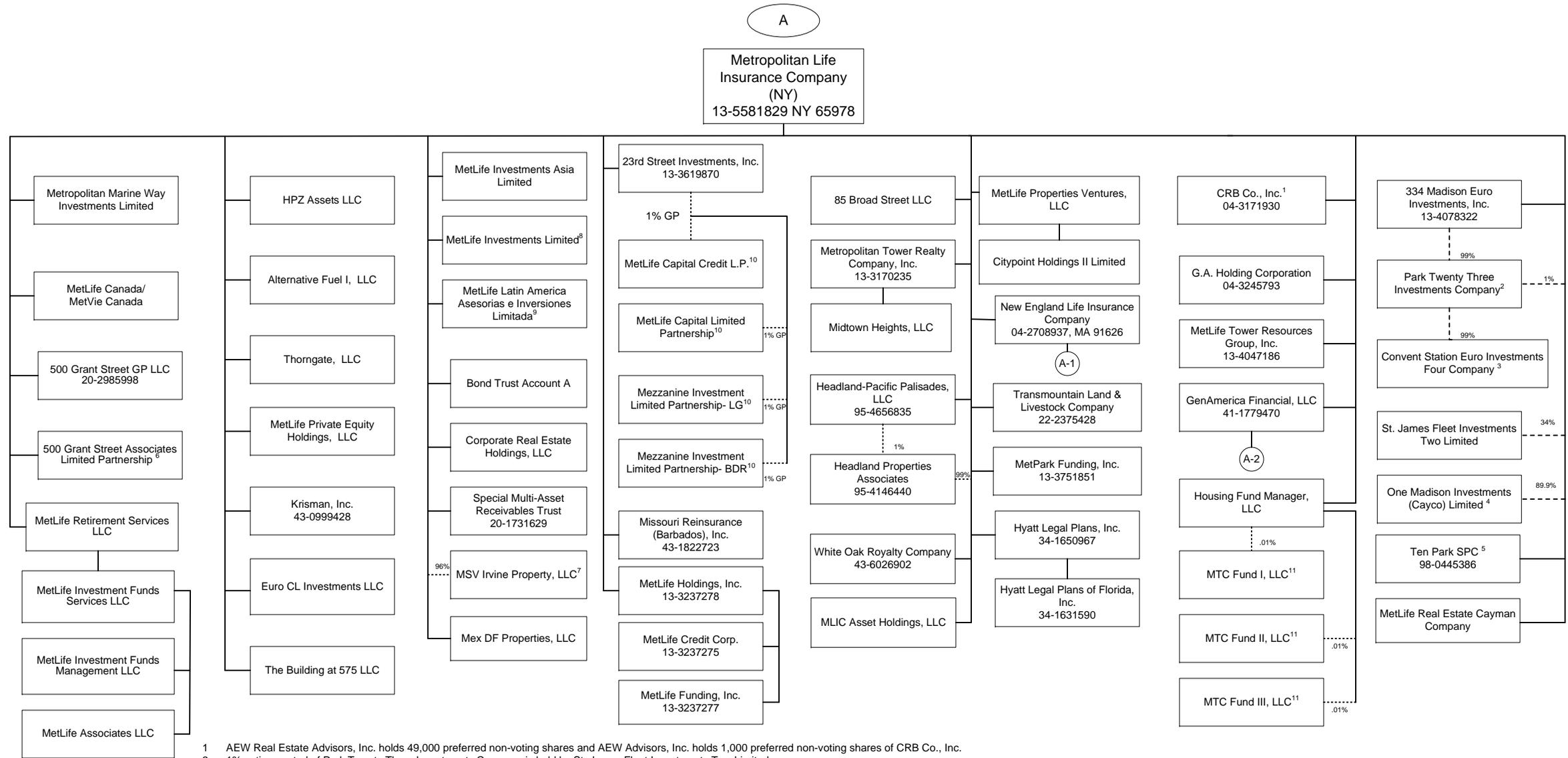


1 97.4738% is owned by MetLife, Inc. and 2.5262% is owned by MetLife International Holdings, Inc.  
 2 98% is owned by MetLife, Inc. and 2% is owned by MetLife International Holdings, Inc.  
 3 98.70541% is owned by MetLife, Inc. and 1.29459% is owned by MetLife International Holdings, Inc.  
 4 99.9999999% is owned by MetLife, Inc. and 0.0000001% is owned by Natiloportem Holdings, Inc.  
 5 99.99% is owned by MetLife Chile Inversiones Limitada and 0.01% is owned by MetLife International Holdings, Inc.  
 6 99.99% is owned by MetLife Chile Seguros de Vida S.A. and 0.01% is owned by MetLife Chile Inversiones Limitada.  
 7 86.72% is owned by MetLife, Inc. and 13.28% is owned by MetLife Investors Group, Inc.  
 8 99.99999% is owned by MetLife Solutions Pte. Ltd. and 0.00001% is owned by Natiloportem Holdings, Inc.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

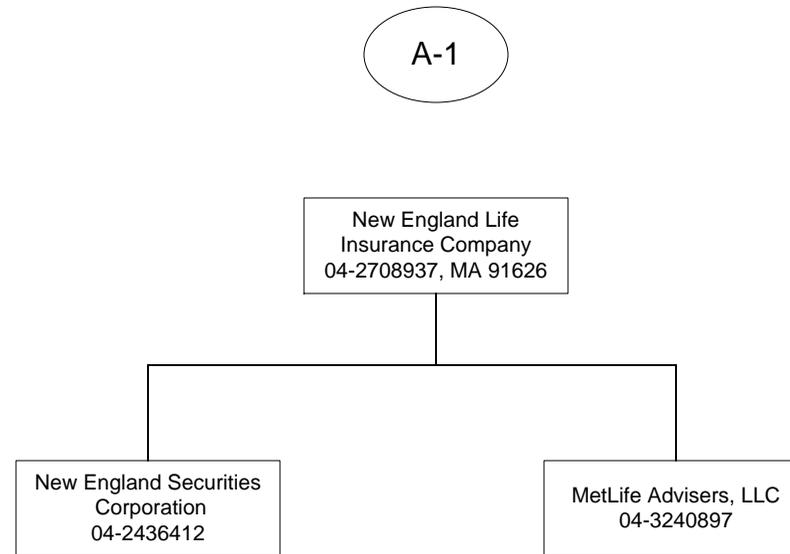
94.1



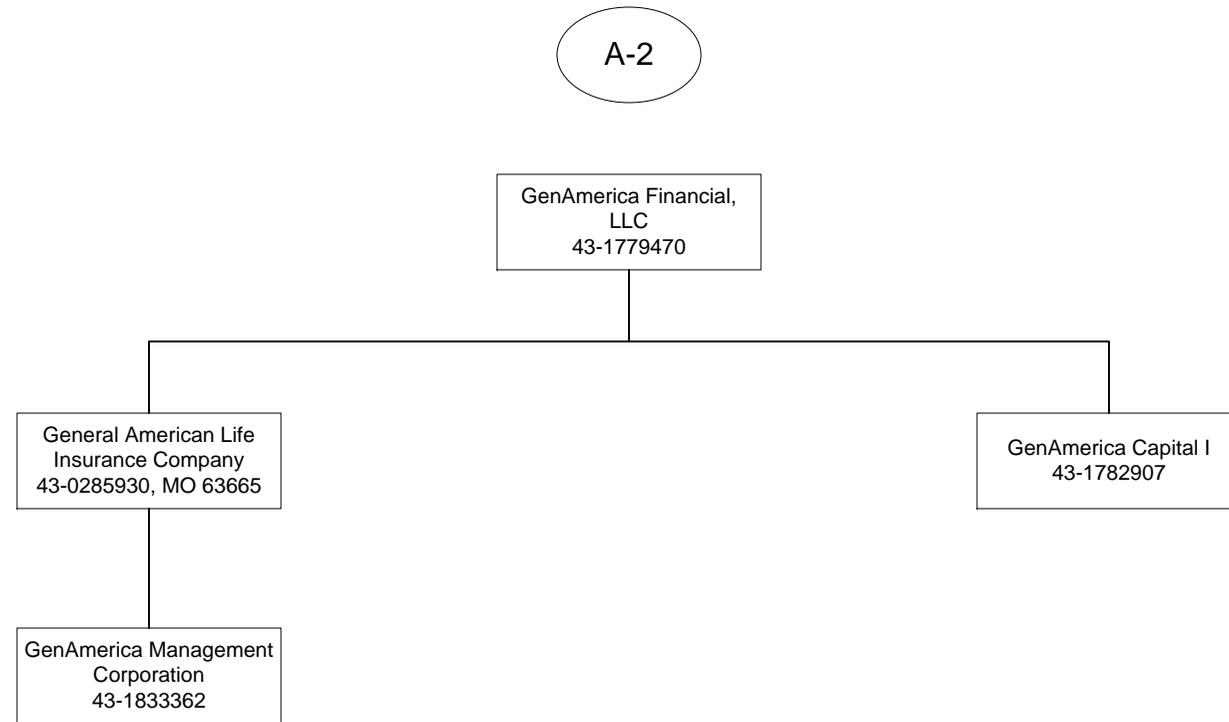
1 AEW Real Estate Advisors, Inc. holds 49,000 preferred non-voting shares and AEW Advisors, Inc. holds 1,000 preferred non-voting shares of CRB Co., Inc.  
 2 1% voting control of Park Twenty Three Investments Company is held by St. James Fleet Investments Two Limited.  
 3 1% voting control of Convent Station Euro Investments Four Company is held by 334 Madison Euro Investments, Inc. as nominee for Park Twenty Three Investments Company.  
 4 10.1% voting control of One Madison Investments (Cayco) Limited is held by Convent Station Euro Investments Four Company.  
 5 1% voting control of Ten Park SPC is held by 23<sup>rd</sup> Street Investments, Inc.  
 6 99% of 500 Grant Street Associates Limited Partnership is held by Metropolitan Life Insurance Company and 1% by 500 Grant Street GP LLC.  
 7 4% of MSV Irvine Property, LLC is owned by Metropolitan Tower Realty Company, Inc. and 96% is owned by Metropolitan Life Insurance Company.

8. 23<sup>rd</sup> Street Investments, Inc. holds one share of MetLife Investments Limited.  
 9. 23<sup>rd</sup> Street Investments, Inc. holds .01% of MetLife Latin America Asesorias e Inversiones Limitada.  
 10. 1% General Partnership interest is held by 23<sup>rd</sup> Street Investments, Inc. and 99% Limited Partnership interest is held by Metropolitan Life Insurance Company.  
 11. Housing Fund Manager, LLC is the managing member LLC and the remaining interests are held by a third party member.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

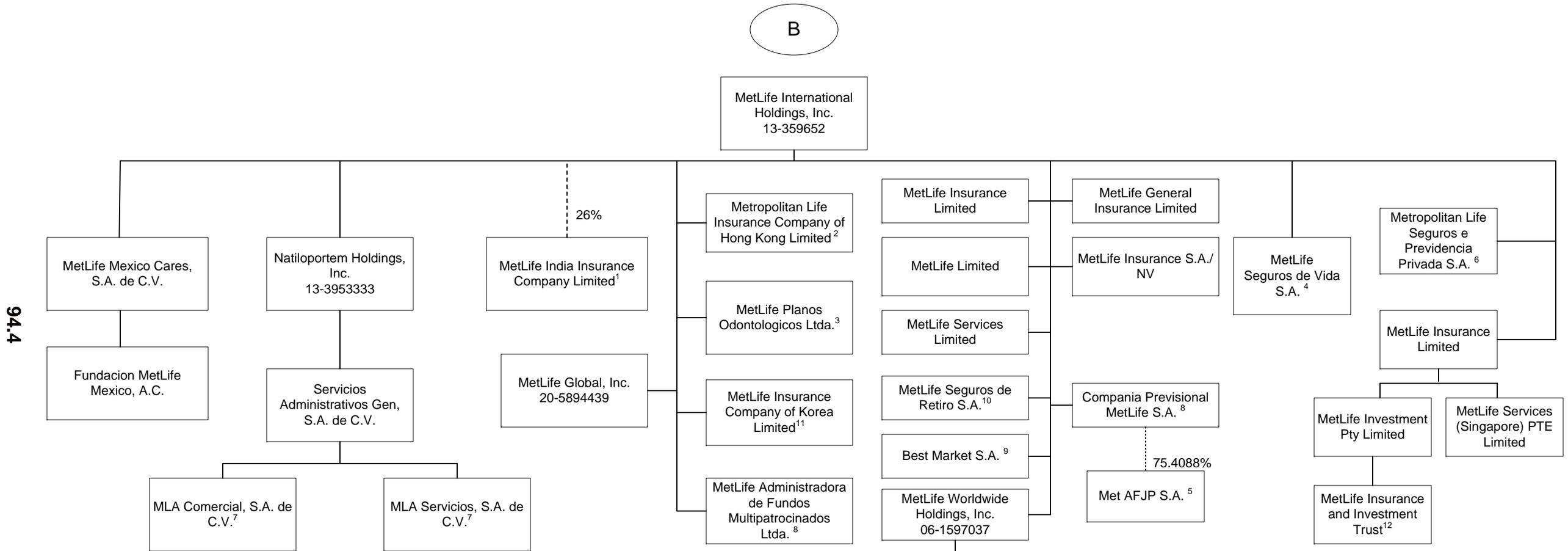


SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

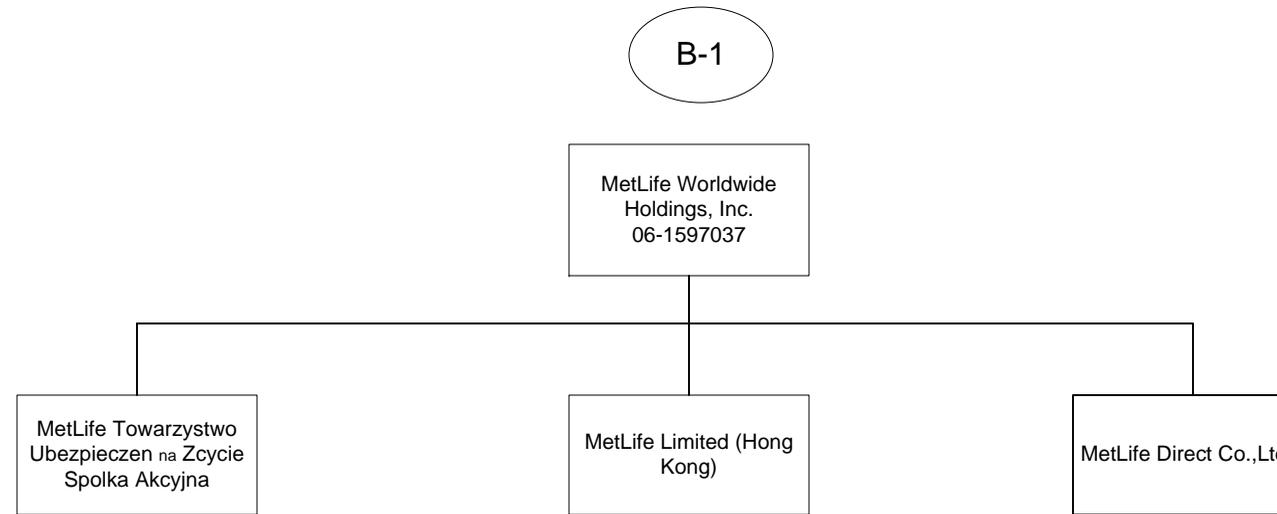


94.4

- 1 26% is owned by MetLife International Holdings, Inc. and 74% is owned by third parties.
- 2 99.99924% is owned by MetLife International Holdings, Inc. and 0.00076% is owned by Natiloportem Holdings, Inc.
- 3 99.999% is owned by MetLife International Holdings, Inc. and .001% is owned by Natiloportem Holdings, Inc.
- 4 95.2499% is owned by MetLife International Holdings, Inc. and 4.7473% is owned by Natiloportem Holdings, Inc.
- 5 75.4088% of the shares of Met AFJP S.A. are held by Compania Previsional MetLife SA, 19.5912% is owned by MetLife Seguros de Vida SA, 3.9689% is held by Natiloportem Holdings, Inc., and 1.0310% is held by MetLife Seguros de Retiro S.A.
- 6 66.6617540% is owned by MetLife International Holdings, Inc., 33.3382457% is owned by MetLife Worldwide Holdings, Inc., and 0.0000003% is owned by Natiloportem Holdings, Inc.
- 7 99% is owned by Servicios Administrativos Gen, S.A. de C.V and 1% is owned by MetLife Mexico Cares, S.A. de C.V.
- 8 95.4635% is owned by MetLife International Holdings, Inc. and 4.5364% is owned by Natiloportem Holdings, Inc.
- 9 5% of the shares are held by Natiloportem Holdings, Inc., and 94.9999% is owned by MetLife International Holdings Inc.
- 10 96.8819% is owned by MetLife International Holdings, Inc. and 3.1180% is owned by Natiloportem Holdings, Inc.
- 11 14.64% of MetLife Insurance Company of Korea Limited is owned by MetLife Mexico, S.A. and 85.36% is owned by MetLife International Holdings, Inc.
- 12 MetLife Insurance and Investment Trust is a trust vehicle, the trustee of which is MetLife Investments Pty Limited ("MIPL"). MIPL is wholly owned subsidiary of MetLife Insurance Limited.

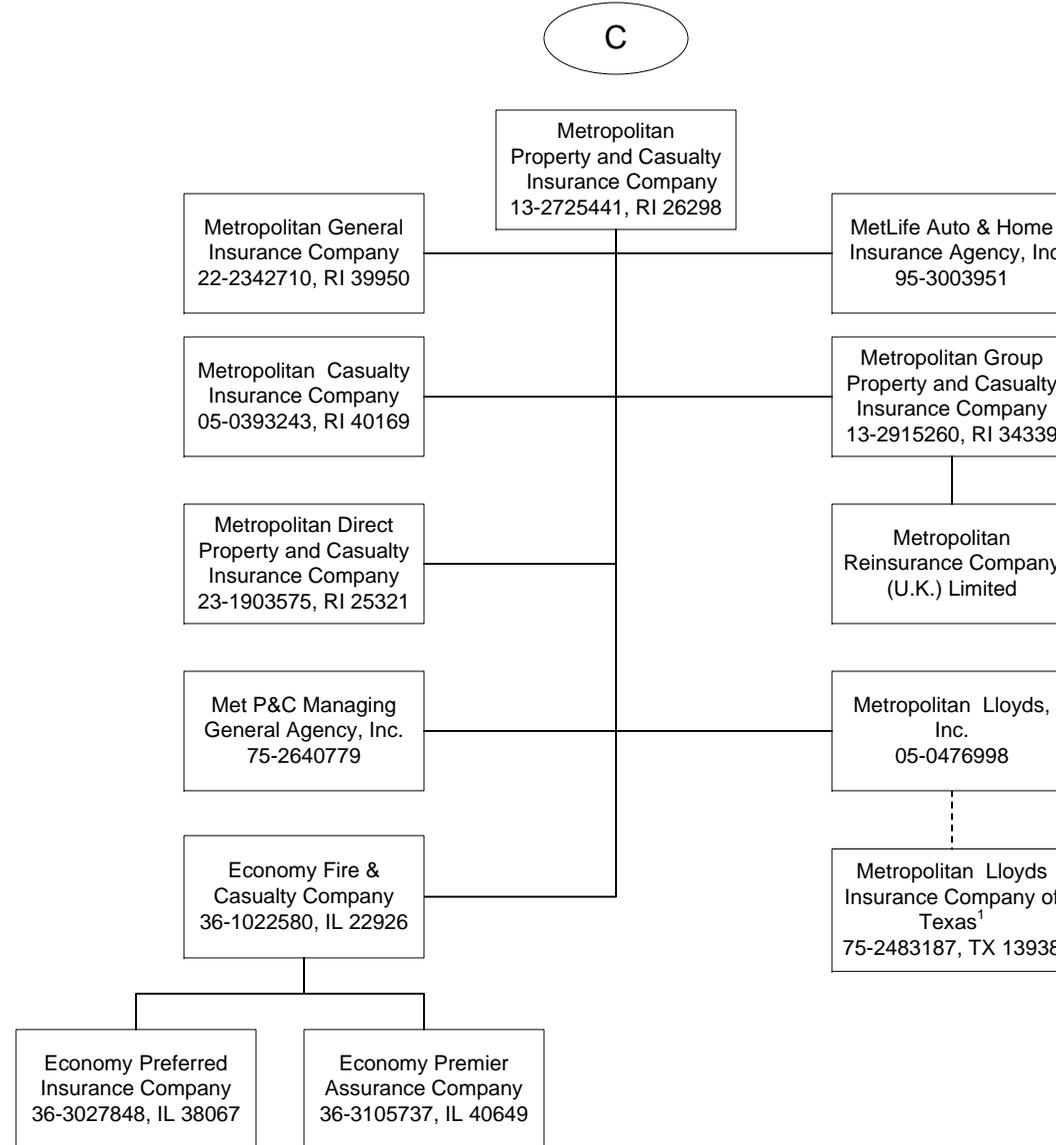
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

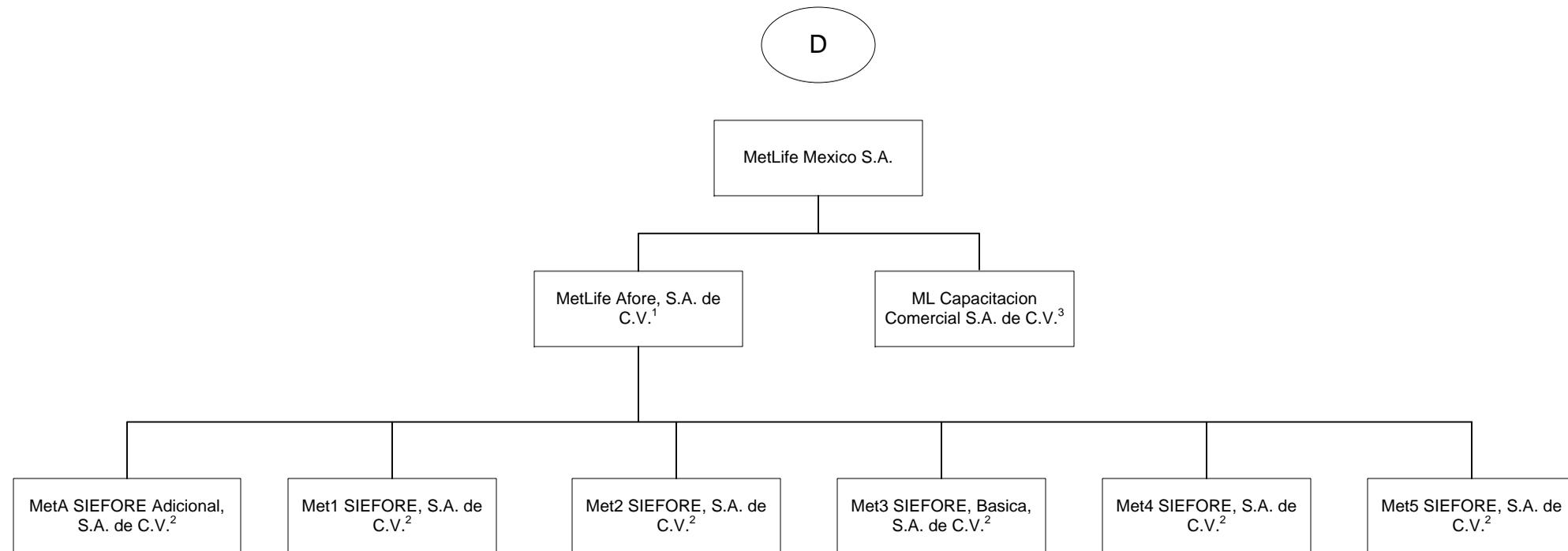
PART 1 - ORGANIZATIONAL CHART



<sup>1</sup> Metropolitan Lloyds Insurance Company of Texas, an affiliated association, provides automobile, homeowner and related insurance for the Texas market. It is an association of individuals designated as underwriters. Metropolitan Lloyds, Inc., a subsidiary of Metropolitan Property and Casualty Insurance Company, serves as the attorney-in-fact and manages the association.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



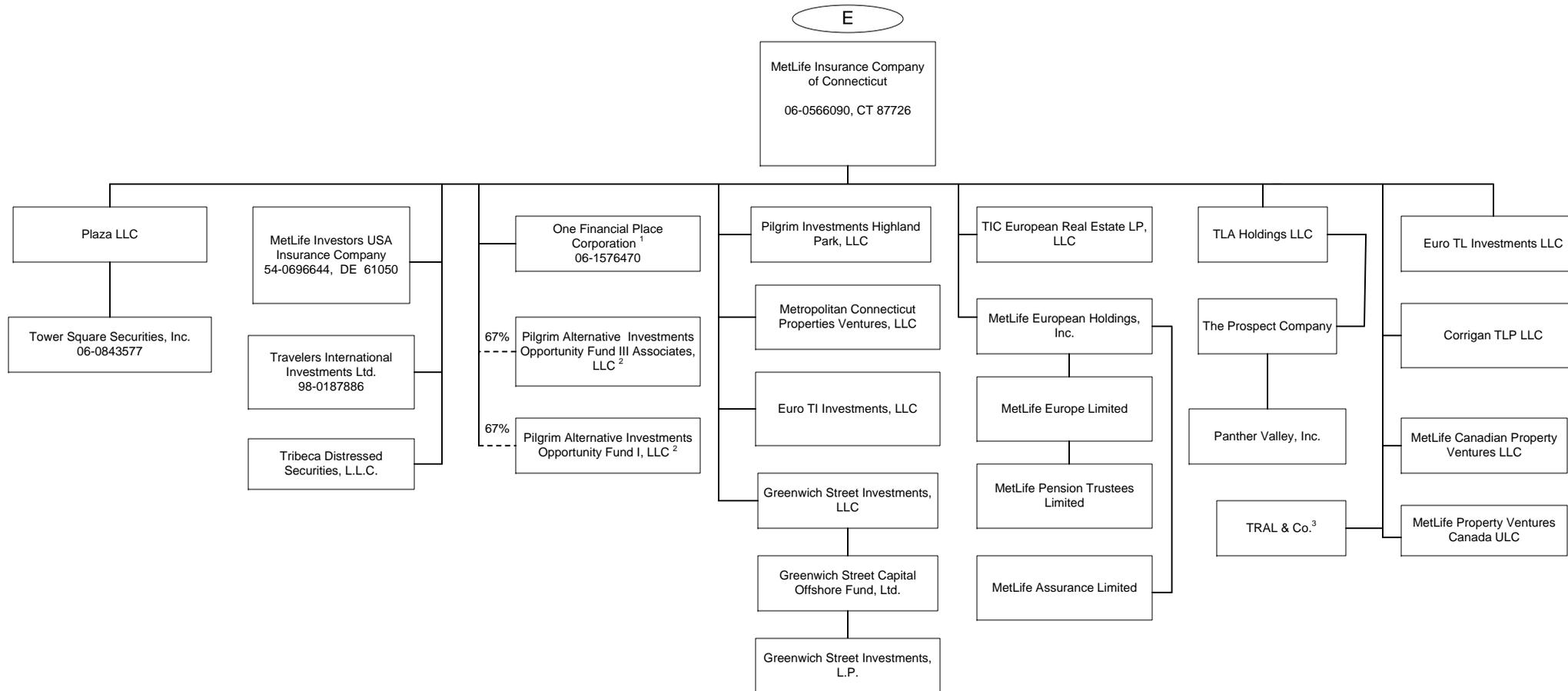
1 99.99% is owned by MetLife Mexico S.A. (Mexico) and .01% is owned by MetLife Pensiones S.A.

2 99.99% is owned by MetLife Afore, S.A. de C.V. and .01% is owned by MetLife Mexico S.A. (Mexico).

3 99% is owned by MetLife Mexico S.A. and 1% is owned by MetLife Mexico Cares, S.A. de C.V.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

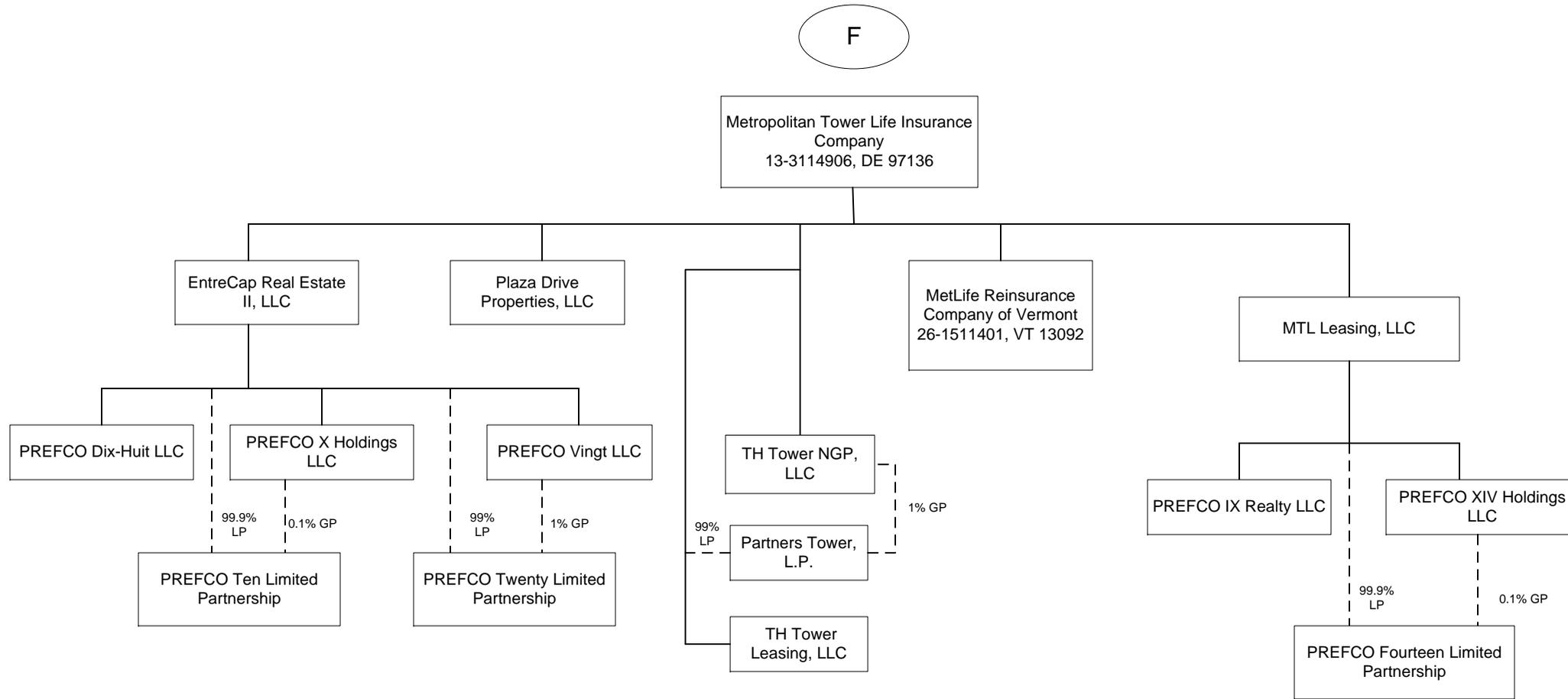
PART 1 - ORGANIZATIONAL CHART



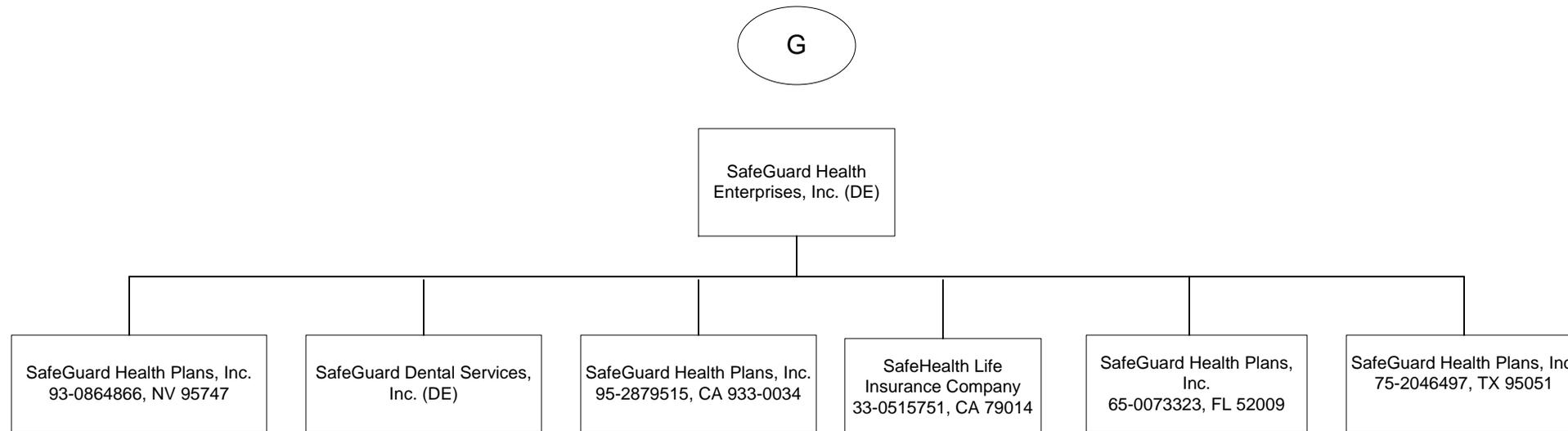
1 100% is owned in the aggregate by MetLife Insurance Company of Connecticut.  
 2 67% is owned by MetLife Insurance Company of Connecticut and 33% is owned by a third party.  
 3 TRAL & Co. is a General Partnership. Its partners are MetLife Insurance Company of Connecticut and Metropolitan Life Insurance Company.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

94.9



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

The voting securities (excluding directors' qualifying shares, if any) of each subsidiary shown on the organizational chart are 100% owned by their respective parent corporation, unless otherwise indicated.

In addition to the entities shown on the organizational chart, MetLife, Inc. (or where indicated, a subsidiary) also owns interests in the following entities:

1) Metropolitan Life Insurance Company owns varying interests in certain mutual funds distributed by its affiliates. These ownership interests are generally expected to decrease as shares of the funds are purchased by unaffiliated investors.

2) Mezzanine Investment Limited Partnerships ("MILPs"), Delaware limited partnerships, are investment vehicles through which investments in certain entities are held. A wholly owned subsidiary of Metropolitan Life Insurance Company serves as the general partner of the limited partnerships and Metropolitan Life Insurance Company directly owns a 99% limited partnership interest in each MILP. The MILPs have various ownership and/or debt interests in certain companies.

3) The Metropolitan Money Market Pool and MetLife Intermediate Income Pool are pass-through investments pools, of which Metropolitan Life Insurance Company and/or its subsidiaries and/or affiliates are general partners.

NOTE: THE METLIFE, INC. ORGANIZATIONAL CHART DOES NOT INCLUDE REAL ESTATE JOINT VENTURES AND PARTNERSHIPS OF WHICH METLIFE, INC. AND/OR ITS SUBSIDIARIES IS AN INVESTMENT PARTNER. IN ADDITION, CERTAIN INACTIVE SUBSIDIARIES HAVE ALSO BEEN OMITTED.

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