STATE OF CONNECTICUT

INSURANCE DEPARTMENT

In the Matter of:

PROPOSED ACQUISITION OF CONTROL OF:

THE TRAVELERS INSURANCE COMPANY, a Connecticut insurance company

and

THE TRAVELERS LIFE AND ANNUITY COMPANY, a Connecticut insurance company

By

METLIFE, INC., a Delaware corporation

Docket No. EX 05-21

ORDER

I, Susan F. Cogswell, Insurance Commissioner of the State of Connecticut, having read the record in the above captioned matter and having been in attendance for substantially all of the June 7, 2005 public hearing related to the captioned matter and having read the record, do hereby adopt the findings and recommendation of Mark R. Franklin, Hearing Officer, which are contained in the attached Proposed Final Decision, dated June 22, 2005; and issue the following orders, TO WIT:

1. The Form A Application of MetLife, Inc., ("Applicant" or "MetLife in which they seek to acquire control of The Travelers Insurance Company ("TIC"), and The Travelers Life and Annuity Company ("TLAC" and collectively with TIC, "Travelers" or the "Domestic Insurers"), both domestic insurers organized under the laws of Connecticut is hereby approved.

2. The Applicants and Travelers shall comply with their commitments as set forth in paragraphs 61 to 85 in the Findings of Fact in the Proposed Final Decision and in their letter dated June 7, 2005 to the Insurance Commissioner.

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3. The Applicants shall provide the Insurance Department with written confirmation of the consummation of the acquisition of control by the end of the month the acquisition of control takes place.

4. For a period of three (3) years, the Domestic Insurers shall file semiannually with the Insurance Department, commencing six months from consummation of the transaction, a report under oath of its business operations in Connecticut, including but not limited to, the status of the integration with the Applicants, changes to the business of the Domestic Insurers; employment levels; changes in officers of the Domestic Insurers; any changes in location of its operations in Connecticut; and charitable contributions; and, notice of any statutory compliance or regulatory actions taken by other state regulatory authorities against the Applicant and Domestic Insurers.

5. For a period of three (3) years, the Domestic Insurers shall file quarterly with the Insurance Department, commencing three months from consummation of the transaction, a report under oath of its employment levels in Connecticut, including but not limited to number of ongoing and transitional employees by position level and average compensation in each of the four operating areas; assessment as to positive or negative change in employee numbers; number of positions open; number of employees who have voluntarily terminated since last reporting period.

6. The Applicants shall provide the Department with the names and titles of those individuals who will be responsible for filing transactions for prior approval pursuant to Conn. Gen. Stats. 38a-135 and 38a-136.

7. Within fifteen (15) days following the end of the month in which the proposed acquisition is consummated, MetLife shall file an amended Insurance Holding Company System Annual

Registration Statement pursuant to section 38a-138-10 of the Regulations of Connecticut State Agencies.

8. If the proposed transaction is not consummated within three (3) months of the date of this Order and the Applicants intend to consummate the proposed transaction, the Applicants shall submit to the Commissioner a statement, which shall include (1) the reason for the Applicants' inability to consummate the proposed transaction; (2) any material changes in the information contained in the Form A Application; and (3) the current financial statements of the Applicants and the Domestic Insurers.

9. The Domestic Insurers shall, at all times, maintain their books, records, and assets in Connecticut pursuant to Connecticut law, unless otherwise approved by the Commissioner.

10. The Applicants shall pay expenses incurred by the Insurance Commissioner in connection with the Insurance Department's review of the captioned transaction pursuant to sections 38a-132(a)(3) and 38a-132(c) of the Connecticut General Statutes.

Dated at Hartford, Connecticut, this 30th day of June, 2005

Susan F. Cogswell

Susan F. Cogswell
Insurance Commissioner

STATE OF CONNECTICUT

INSURANCE DEPARTMENT

In the Matter of:	:	
PROPOSED ACQUISITION OF CONTROL OF:	:	
THE TRAVELERS INSURANCE COMPANY, a Connecticut insurance company	:	
and	:	
	:	Docket No. EX 05-21
THE TRAVELERS LIFE AND ANNUITY COMPANY, a Connecticut insurance company	:	
By	:	
METLIFE, INC., a Delaware corporation	:	

PROPOSED FINAL DECISION

I. INTRODUCTION

On March 7, 2005, MetLife, Inc., ("Applicant" or "MetLife"), a Delaware corporation, filed an Application on Form A with the Connecticut Insurance Department (the "Department") pursuant to sections 38a-129 to 38a-140 of the Connecticut General Statutes requesting approval by the Insurance Commissioner of the State of Connecticut (the "Commissioner" or "Insurance Commissioner") for the Proposed Acquisition of control (the "Proposed Acquisition") of The Travelers Insurance Company ("TIC"), and The Travelers Life and Annuity Company ("TLAC" and collectively with TIC, "Travelers" or the "Domestic Insurers"), both domestic insurers organized under the laws of Connecticut.

The Domestic Insurers are both indirect, wholly owned insurance company subsidiaries of Citigroup, Inc. ("Citigroup"), a Delaware Corporation.

Supplemental information was subsequently requested by the Department and provided by the Applicants. An Amended Form A was filed with the Department on April 19, 2005 ("Application"). Supplemental information was subsequently requested by the Department and provided by the Applicants on various dates in April, May and June 2005.

The Proposed Acquisition will be effected pursuant to an Acquisition Agreement ("Agreement"), dated as of January 31, 2005 by and between Citigroup and MetLife, and subject to the terms and conditions stated therein, MetLife will purchase from Citigroup all of the outstanding shares of capital stock (or equivalent equity interests) of certain indirect subsidiaries of Citigroup ("Transferred Subsidiaries").

On April 12, 2005, Insurance Commissioner Susan F. Cogswell ("Commissioner Cogswell") appointed the undersigned to preside over the June 7, 2005 public hearing. On May 12, Commissioner Cogswell issued a notice of hearing, in which she ordered that a public hearing concerning the application for approval of the Proposed Acquisition of Control of the Domestic Insurers be held on June 7, 2005. The hearing notice was subsequently published in The Hartford Courant and the Manchester Journal Inquirer each day from May 13, 2005 to June 3, 2005, inclusive. The notice of hearing was also filed by the Department with the Office of the Secretary of State on May 13, 2005 and was published on the Department's Internet website. Commissioner Cogswell was in attendance for substantially all of the June 7, 2005 public hearing. In accordance with section 38a-8-48 of the Regulations of the Connecticut State Agencies, the Applicant was initially designated as a party to this proceeding.

In addition, the Honorable Eddie A. Perez, Mayor of the City of Hartford, ("Mayor Perez") and the City of Hartford (collectively "Hartford" or "Petitioners") were granted limited intervenor status. *See* Decision Regarding Application to Be Designated an Intervenor Filed by Eddie A. Perez, Mayor of the City of Hartford, and the City of Hartford, June 6. 2005. In its intervention, Hartford argued for longer term employment commitments than the one year commitments the Applicant has given, and Mayor Perez asserted his position that the transaction was not in the public interest without such commitments.

An application by Citizens for Economic Opportunity ("CEO") to be granted interenor status was denied. *See* Decision Regarding Application to be Designated an Intervenor Filed by Citizens for Economic Opportunity, June 6, 2005.

The following individuals participated in and/or testified at the public hearing on behalf of the Applicants and the Domestic Insurers:

> William James Wheeler, Executive Vice President and Chief Financial Officer, MetLife, Inc.;
> Robert E. Sollman, Jr., Senior Vice President, Corporate Development, Mergers & Acquisitions, MetLife Group, Inc.;
> Louis Ragusa, Senior Vice President, MetLife Group, Inc.;
> Dr. Gregory Vistnes, Vice President, Charles Rivers Associates; and
> George C. Kokulis, Director and Chief Executive Officer, The Travelers Insurance Company.

The following individuals participated in and/or testified at the public hearing on behalf of the City:

> Mayor Perez;
> Dr. Fred V. Carstensen, Professor of Economics, University of Connecticut, and Director of the University of Connecticut Center for Economic Analysis;
> Lawrence LaBarbera, Assessor, City of Hartford; and
> Robert Flynn, Executive Director, Insurance & Financial Cluster.

Dana Rudmose, CPA and Mark Noller, CPA of Rudmose & Noller Advisors, LLC ("RNA"), financial consultants, testified at the public hearing at the request of the Connecticut Insurance Department.

Ellen Dunn, Esq., Jane Boisseau, Esq., Donna Gordon, Esq., LeBoeuf, Lamb, Greene & MacRae LLP represented the Applicant; Sam S.F.Caligiuri, Esq., Kathleen Monnes, Esq., Day, Berry & Howard LLP; Edward P. Welch, Esq., Robert J. Sullivan, Esq., Sean Beausang, Esq., Skadden, Arps, Slate, Meagher & Flom LLP represented the Domestic Insurers; John Rose Jr., Esq., represented the City of Hartford; and N. Beth Cook, Esq., represented the Connecticut Insurance Department.

Pursuant to the published hearing notice, the public was given an opportunity to speak at the hearing or to submit written comments no later than the close of business on June 3, 2005, by an Order dated May 12, 2005. No signed written comments were received in response to the public notice.

Four members of the public, including Attorney General Richard Blumenthal, participated in the public comment portion of the hearing.[1] Attorney General Blumenthal indicated that the Department should require greater disclosure in certain investigations into broker compensation, and longer term commitments by the Applicant regarding employment and philanthropic giving. Other speakers were Beverly Brakeman, Executive Director, Citizens for Economic Opportunity; Philip Wheeler, President, Citizens for Economic Opportunity; and Jackie Slamon, United Labor Agency. Ms. Brakeman and Mr. Wheeler spoke in opposition to approval of the captioned transaction due in large part to their concern over the impact on

[1] Pursuant to Conn. Agencies Regs. §38a-8-51(c), public comment is to be given the same weight as legal argument.

employment, while Ms. Slamon neither endorsed nor opposed the transaction, but also expressed concern over the loss of jobs.

II. FINDINGS OF FACT

After reviewing the exhibits entered into the record of this proceeding, and based on the testimony of the witnesses, the undersigned makes the following findings of fact:

1. MetLife is incorporated as a general business corporation under the laws of the State of Delaware and is a publicly traded company whose stock is listed on the New York Stock Exchange under the symbol "MET." The principal business address of MetLife, Inc. is 200 Park Avenue, New York, NY 10166.

2. MetLife is a holding company engaged, through its subsidiaries, in providing insurance and other financial products and financial services to a broad spectrum of individual and institutional customers throughout the world. MetLife was founded in 1999 in connection with the demutualization of MLIC.

3. MetLife offers a broad range of group insurance, individual insurance and retirement and savings products and services to individuals, corporations and other institutions. Group insurance products and services, including group life insurance, generated approximately $11.4 billion of revenues in 2004. Individual products and services accounted for approximately $12.6 billion in revenues in 2004. MetLife's retirement and savings products and services accounted for approximately $4.5 billion in revenues in 2004. In 2004, MetLife had total revenues of $39 billion, operating income of $2.7 billion and net income of $2.8 billion. The largest life insurer in the United States, MetLife companies serve individuals in approximately

13 million households in the U.S. and provide benefits to 37 million employees and family members through their plan sponsors.

4. As of December 31, 2004 and March 31, 2005, MetLife reported the following GAAP balance sheet accounts (billions):

	December 31, 2004	March 31, 2005
Assets	$356.8	$362.7
Liabilities	334.0	339.6
Stockholders' equity	22.8	23.0
Net income (loss)	2.8	1.0

5. MetLife is organized into five business segments: Institutional, Individual, Auto & Home, International and Reinsurance. Within the United States, MetLife offers life insurance, annuities, automobile and homeowners insurance and mutual funds to individuals, as well as group insurance, reinsurance and retirement and savings products and services to corporations and other institutions. Outside the United States, the MetLife companies serve approximately nine million customers through direct insurance operations in eleven countries.

6. The Applicant considers life insurance and annuities to be its core businesses.

7. Pursuant to the Agreement dated as of January 31, 2005, by and between Citigroup and MetLife, and subject to the terms and conditions stated therein, MetLife will purchase from Citigroup all of the outstanding shares of capital stock (or equivalent equity interests) of certain indirect subsidiaries of Citigroup, as set forth on Exhibit A-1 to the Agreement (the "Transferred Subsidiaries"). As a result of the acquisition of the outstanding shares of capital stock (or equivalent equity interests) of the Transferred Subsidiaries, MetLife

will also acquire certain subsidiaries of the Transferred Subsidiaries as contemplated by the Agreement.

8. TIC is one of the Transferred Subsidiaries to be acquired by MetLife in the Proposed Transaction. As a result of its acquisition of TIC, MetLife will also indirectly acquire certain of TIC's subsidiaries, including TLAC. Certain other subsidiaries that TIC currently owns, such as Primerica Life Insurance Company, a Massachusetts-domiciled insurer ("Primerica"), are not being purchased by MetLife and will remain as indirect subsidiaries of Citigroup following the Proposed Transaction. Upon the closing of the Proposed Transaction (the "Closing"), TIC will become a direct subsidiary of MetLife, and TLAC will remain a direct subsidiary of TIC.

9. An aggregate of 40,000,000 shares of TIC common stock, par value of $2.50 per share, is currently issued and outstanding. The Applicant will acquire all of the outstanding shares of capital stock of TIC and, directly or indirectly, of the other Transferred Subsidiaries. By virtue of the Applicant's acquisition of all of the common stock of TIC, the Applicant will also acquire TLAC and certain other direct or indirect subsidiaries of TIC.

10. In connection with the Proposed Transaction, Citigroup and MetLife have also agreed to enter into distribution agreements for a term of up to ten years under which MetLife will expand its distribution by making products available through certain Citigroup distribution channels (e.g., Smith Barney and Citibank branches).

11. The structure of the business of the subsidiaries to be acquired by MetLife in the Proposed Transaction allows them to fit easily within MetLife's five business segments. Individual life insurance and annuities businesses to be acquired from Citigroup will fit into

MetLife's Individual business segment and the group annuity business will become part of MetLife's Institutional segment.

12. Following the announcement of the Proposed Transaction, MetLife was assigned the following ratings:

ENTITY	MOODY'S	S&P	FITCH RATINGS	A.M. BEST
MetLife				
Debt Rating	A2	A	A	A
Action	Outlook to Neg.	On CreditWatch	No change	On review
Commercial Paper Rating	P-1	A-1	F1	AMB-1+
Action	Outlook to Neg.	On CreditWatch	No change	On Review
MLIC				
Financial Strength Rating	Aa2	AA	AA	A+
Action	Outlook to Neg.	On CreditWatch	No change	No change
Short-term FS Rating	P-1	A-1+	no rating	no rating
Action	No change	No change	n/a	n/a

13. Pursuant to the Acquisition, Travelers will continue to be Connecticut domiciled insurers. Both will maintain their requisite books and records in Connecticut in accordance with Section 38a-57 of the Connecticut General Statutes. Assets will be maintained in accordance with current custodial arrangements.

14. Following the Acquisition, the following individuals will be the directors of both TIC and TLAC:

Carl Robert Henrikson
Leland Convis Launer, Jr.
Lisa Merry Weber

15. Following the Acquisition, the following individuals will be the executive officers of both TIC and TLAC:

Gwenn Louise Carr (Senior Vice President and Secretary)
Carl Robert Henrikson (Chairman, President and CEO)
Steven A. Kandarian (Executive Vice President and Chief Investment Officer)
James Louis Lipscomb (Executive Vice President and General Counsel)
Joseph John Prochaska Jr. (Senior Vice President and Chief Accounting Officer)
Stanley J. Talbi (Senior Vice President and Chief Financial Officer)
Anthony James Williamson (Senior Vice President and Treasurer)

16. The biographical affidavits of the new members of the boards of directors and officers of the Domestic Insurers, which include each individual's educational background, professional credentials, and employment history, are included in the record and the files of the Insurance Department.

17. A Business Plan that includes ten years of financial projections for Travelers is included in the records and files of the Insurance Department.

18. Following the announcement of the Proposed Transaction, the following rating actions were taken with respect to TIC and its subsidiary, TLAC:

ENTITY	MOODY'S	S&P	FITCH RATINGS	A.M. BEST
TIC				
Financial Strength Rating	Lowered to Aa2 from Aa1	AA	Lowered to AA from AA+	Lowered to A+ from AA+
Outlook Change	Outlook to Neg.	On Credit Watch with negative implications	No change	No change
TLAC				
Financial Strength Rating	Lowered to Aa2 from Aa1	AA	Lowered to AA from AA+	Lowered to A+ from AA+
Outlook Change	Outlook to Neg.	On Credit Watch with negative implications	No change	No change

19. With the exception of the Board of Directors of MetLife as the beneficial owner of common stock held by the MetLife Policyholder Trust ("Trust"), no person, directly or indirectly, owns, controls, holds with the power to vote or holds proxies representing, ten percent or more of the voting securities of MetLife.

20. The Board of Directors of MetLife is the beneficial owner, as of February 28, 2005, of the 317,387,457 shares of MetLife common stock (constituting approximately 43.2% of the issued and outstanding voting securities of MetLife) held by the Trust. The Trust was created under the Plan of Reorganization, dated September 28, 1999, as amended in connection with its conversion from a mutual insurer to a stock insurer.

21. Based on the nature of the voting arrangements agreed under the MetLife Policyholder Trust Agreement, dated as of November 3, 1999, the Trust is not a controlling person, within the meaning of Section 38a-129(b)(3) of the Connecticut General Statutes, of MetLife or any current or future insurance subsidiaries of MetLife, including the Insurers.

22. Under the Trust's voting arrangement, the trustee of the Trust has the sole right to vote the trust shares, or to abstain from voting, but has no discretion in doing so. On all matters brought for a vote before the MetLife shareholders, except for "beneficiary consent matters," the trustee must vote the trust shares in accordance with the recommendations given by the MetLife Board of Directors to its shareholders or, if no such recommendation is given, as directed by the MetLife Board of Directors.

23. The Proposed Transaction is not required to be approved by the shareholders of either MetLife or Travelers.

24. In 2004, the Transferred Subsidiaries had revenues of $5.2 billion, combined net income of $901 million, total combined assets of $97 billion, and stockholder equity of $8.9 billion.

25. Subject to closing adjustments described in the Agreement, the consideration for the Proposed Transaction will consist of cash and stock of approximately $11.5 billion. Under the terms of the Agreement, Citigroup will receive up to $3 billion in MetLife common or preferred stock and the balance of the purchase price in cash. With respect to the stock consideration to be received by Citigroup in the Proposed Transaction, Citigroup will receive no more than 9.4% of MetLife's issued and outstanding capital stock.

26. MetLife has received the opinion of each of its financial advisors, Banc of America Securities LLC and Goldman, Sachs & Co., to the effect that, based upon and subject to the factors and assumptions set forth in these opinions, as of the date of the Agreement, the consideration, as described in such opinions, to be paid by the Applicant in the Proposed Transaction is fair, from a financial point of view, to the Applicant.

27. MetLife has entered into a $7 billion bridge facility to provide temporary financing for the Proposed Transaction in the event that market conditions or other considerations at the time of the closing cause MetLife to postpone all or part of its permanent financing options. The balance of the financing will be funded with $1 billion in stock transferred to Citigroup, $3 billion in dividends that have been paid from subsidiary asset sales and $500 million in commercial paper.

28. MetLife has not yet finalized the structure of permanent financing for the Proposed Transaction as the financing plan will depend on market conditions, timing and

valuation considerations and the relative attractiveness of funding alternatives. The funds for the bridge facility will be replaced with proceeds from the issuance of perpetual preferred securities, mandatorily convertible debentures and senior debt.

29. The financing plan will be finalized as each securities offering is completed and negotiations with investment bankers are finalized.

30. The nature and amount of the consideration to be paid in connection with the Proposed Transaction were determined by arm's length negotiation between the parties to the Acquisition Agreement.

31. Using Moody's methodology to compute financial leverage at March 31, 2005, the Applicant's current debt-to-capital ratio is 24%.

32. The Applicant intends to increase temporarily its debt-to-capital ratio to 29% but will decrease it to 25% by the end of 2006.

33. The Applicant has no present plans or proposals to cause the Domestic Insurers to declare an extraordinary dividend or make other distributions.

34. The individual life insurance and annuities business to be acquired is expected to fit into the Applicant's existing Individual business segment.

35. The group annuity business being acquired is expected to fit into the Applicant's existing Institutional segment.

36. The international businesses being acquired is expected to fit into the Applicant's existing International segment.

37. The Domestic Insurers will continue to write new life insurance and individual annuity products through October 2005.

38. The Travelers brand name is unavailable to the Applicant as a result of prior acquisition transactions and agreements involving The St. Paul Companies, Travelers Property and Casualty Company and Citigroup which conferred ultimate ownership of the Travelers brand to St. Paul/Travelers.

39. If the transaction is approved, the Domestic Insurers will continue to write new life insurance and individual annuity products through October 2005; starting November 2005, the Applicant would begin to replatform most Travelers products with MetLife products and new sales will be issued under the MetLife brand.

40. The Applicant will discontinue the Domestic Insurers fixed and variable annuity products in favor of similar products already issued by the Applicant.

41. The Applicant plans to have the Domestic Insurers continue issuing products supporting the qualified periodic deferred compensation marketplace and Tax Sheltered Annuity ("TSA")/403(b) annuities.

42. The Applicant will create new products for the current Travelers distribution channels and has initiated the necessary product filings with the appropriate regulatory authorities.

43. The Applicant has no present plans or proposals to liquidate any Domestic Insurer or to sell any Domestic Insurer's assets (other than such sales of assets as may be contemplated in the ordinary course of such Domestic Insurer's business).

44. The Applicant has no present plans or proposals to merge or consolidate any Domestic Insurer with any person or persons. The Applicant may eventually give consideration to merging TIC and TLAC into each other or into other Applicant subsidiaries. Should that occur, the Applicant will cause TIC and TLAC to seek the prior approval of the Commissioner pursuant to Section 38a-153 of the Connecticut General Statutes.

45. The Applicant has no present plans or proposals to cause any Domestic Insurer to enter into material contracts, agreements, arrangements, understandings or transactions of any kind with any party.

46. The Applicant and its affiliates currently have no plans or proposals (including change of ownership or control proposals) which may have a material effect on the Domestic Insurers.

47. Except as set forth in the Amended Form A and except for de minimis amounts of Citigroup shares held by certain persons listed in the Application and approximately 5.25 million shares of Citigroup held in the ordinary course by the Applicant (and those shares held by The MetLife Foundation and certain separate accounts and sponsored mutual funds), none of the Applicant, any person controlling, controlled by or under common control with the Applicant, or any persons listed in the Application beneficially owns, directly or indirectly, or has a right to acquire beneficially any voting securities of the Domestic Insurers or any securities convertible into or evidencing a right to acquire any such voting securities whether or not such right of conversion or acquisition is exercisable immediately or at some future time.

48. Except for the Agreement, which provides for the acquisition of all of the shares of capital stock of TIC, there are no contracts, arrangements or understandings, whether oral or

in writing, directly or indirectly relating to any voting securities of either Domestic Insurer or any securities convertible into or evidencing a right to acquire any such voting securities whether or not such right of conversion or acquisition is exercisable immediately or at some future time involving the Applicant, any person controlling, controlled by or under common control with the Applicant or any person associated with the Applicant, including but not limited to transfers of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits or the giving or withholding of proxies.

49. To the knowledge of the Applicant, except as set forth in the Amended Form A and except for de minimis amounts of Citigroup shares purchased by certain persons listed as associated with the Applicants and de minimus amounts of Citigroup shares purchased in the ordinary course by the Applicant (and those shares held by The MetLife Foundation and certain separate accounts and sponsored mutual funds), there have been no purchases, directly or indirectly, of any voting securities of the Domestic Insurers by the Applicant, any person controlling, controlled by or under common control with the Applicant or any person listed as associated with the Applicant during the twelve calendar months preceding the filing of this Amended Form A.

50. Except in connection with the execution of the Agreement, there have been no recommendations to purchase, directly or indirectly, any voting security of the Domestic Insurers made by the Applicant, any person controlling, controlled by or under common control with the Applicant or any person listed as associated with the Applicant, or by anyone based upon interviews or at the suggestion of the Applicant, any person controlling, controlled by or under common control with the Applicant or any person listed as associated with the Applicant during

the twelve calendar months preceding the filing of this Amended Form A; provided, however, that registered representatives of certain broker-dealers within the MetLife holding company system which perform broker-dealer or investment advisory services may, in the ordinary course of business, have made recommendations to customers to purchase voting securities of Citigroup, the indirect parent of the Domestic Insurers.

51. There is no agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of Citigroup or the Domestic Insurers.

52. Other than the Agreement, which provides for the acquisition of all of the shares of capital stock of TIC, there are no tender offers for, requests or invitations for, tenders of, exchange offers for or agreements to acquire or exchange any voting security of the Domestic Insurers, or additional soliciting materials relating thereto.

53. There are no proposed employment, consultation, advisory or management contracts concerning the Domestic Insurers other than certain employment arrangements which are discussed in the Business Plan and in the Agreement.

54. As identified in the Business Plan, there are certain other proposed affiliate agreements that the Domestic Insurers are expected to enter into with affiliates of the Applicant upon the Closing of the Proposed Transaction, which proposed arrangements will be filed in accordance with Section 38a-136(b) of the Connecticut General Statutes.

55. As of December 31, 2004, TIC maintained a risk-based capital ratio of 838%.

56. As of December 31, 2004 and March 31, 2005, TIC reported the following statutory balance sheet and income statement accounts (billions):

	December 31, 2004	March 31, 2005
Assets	$68.0	$67.4
Liabilities	60.1	59.8
Surplus	7.9	7.6
Net income (loss)	1.0	.2
Direct Premium Written	12.5	2.5

57. As of December 31, 2004, TLAC maintained a risk-based capital ratio of 921%.

58. As of December 31, 2004 and March 31, 2005, TLAC reported the following statutory balance sheet and income statement accounts (billions):

	December 31, 2004	March 31, 2005
Assets	$19.0	18.9
Liabilities	18.1	18.0
Surplus	.9	.9
Net income (loss)	(.2)	(.02)
Direct Premium Written	3.1	.6

59. MetLife filed on February 22, 2005 Notification and Request Form for Certain Mergers and Acquisitions as required by the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976 with the Federal Trade Commission ("FTC") and the Department of Justice ("DOJ"). Effective March 24, 2005 at 11:59 p.m., the 30-day waiting period expired. There is no written communication from or to the FTC or DOJ relating to this expiration nor is any expected.

60. Dr. Vistnes analyzed seven lines of business to assess the competitive impact of the transaction. Those lines and their 2003 market shares were: Group Life, Met Life 21.5%, Travelers 0%; Group Other Considerations, MetLife 21.3%, Travelers 0%; Individual Deposit-Type Contract Funds, MetLife, 0.1%, Travelers 45.6%; Group Annuity, MetLife 1.2%,

Travelers, 2.2%; Group Deposit-Type Contract, MetLife 0.2%, Travelers 13.9%; Ordinary Life, MetLife 7.8%, Travelers, 2.1%; and Individual Annuity, MetLife 3.9%, Travelers 13.6%.

61. Dr. Vistnes indicated in his testimony and written report that for all seven lines of business analyzed under the Horizontal Merger Guidelines issued by the DOJ and the FTC, the change in market concentration is so low that the acquisition qualifies for safe harbor treatment, meaning market conditions are so unlikely to reduce competition that no further inquiry into competitive effects is necessary.

62. In his report and testimony, Dr. Vistnes indicated that under the NAIC Holding Company Model Act, two lines of business are flagged for closer examination, individual annuity and individual deposit-type contract funds. Five lines of business fall within the NAIC safe harbor: Group Life, Group Other Considerations, Group Annuity, Group Deposit-Type Contract and Ordinary Life.

63. One of the two lines of business that technically warrants additional analysis under the NAIC guidelines is Individual Deposit-Type Contract Funds. Travelers has a market share of 45.6%, however, Dr. Vistnes testified that MetLife's market share of only 0.1% means that for all practical purposes, MetLife is not a competitor in that market and therefore the transaction can not reduce competition in that product line.

64. The second line of business that warrants additional analysis under the NAIC guidelines is individual annuity, where MetLife has a market share of 3.9% and Travelers market share is 13.6%. Dr. Vistnes testified that there are similar retirement oriented financial products that compete with individual annuities, but are not considered part of the market share analysis, including savings accounts, mutual funds, stocks, bonds, IRAs and 401(k) products. He also

testified that there are many other competitors of comparable size offering annuity products in Connecticut, which means that if MetLife, following the merger, raised prices or acted anticompetitively, that consumers would have many viable alternatives to turn to. He also testified that there are also potential competitors in companies with large market shares in other states that are well placed to increase their market share in Connecticut if MetLife were to act anticompetitively after the transaction.

65. The Applicant disclosed, and Mr. Ragusa testified, that the Applicant has received requests from various insurance regulators and various state Attorneys General, including Attorney General Richard Blumenthal of Connecticut ("Blumenthal"), seeking information on compensation arrangements between insurance brokers and MetLife, MetLife's participation in bid rigging or making of fictitious quotes in the sale of insurance. The Applicant has responded to all inquiries advising it has no knowledge of inappropriate practices. Mr. Ragusa also testified there is an ongoing internal review of its relationships with insurance brokers and the bidding process, and thus far there is "absolutely no indication" that MetLife was involved in fictitious quotes or bid rigging. Mr. Ragusa confirmed in his testimony that if MetLife finds the need to develop remediation of its activities regarding broker compensation, that it will make that information available to the Insurance Department as soon as it is developed.

66. The Applicant has disclosed all such requests in Form 10K and Form 10-Q filings with the Securities and Exchange Commission ("SEC").

67. The Applicant has confirmed that MetLife complies with all requirements of the National Association of Insurance Commissioners ("NAIC") Statement of Statutory Accounting Principles ("SSAP") No. 61 "Life, Deposit-types and Accident and Health Reinsurance." The

Applicant also confirmed that it has written representations that the reporting entity has an underwriting file documenting the economic intent and risk transfer analysis evidencing the proper accounting treatment.

68. On June 5, 2005, William J. Wheeler, Executive Vice President and Chief Financial Officer, MetLife, Inc., filed a letter with the Insurance Commissioner ("the Commitment Letter") which acknowledged that, in reviewing the Form A Application, the Insurance Commissioner has an obligation to ensure that the Proposed Acquisition is in the public interest, namely the interest of the citizens of the State of Connecticut. The purpose of the Commitment Letter was to provide the Insurance Commissioner with the Applicants' formal commitments to the State of Connecticut and the people of the State of Connecticut after the acquisition of the Domestic Insurers.

69. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant currently has 1,200 MetLife employees in Connecticut and commits to maintain that minimum level of existing MetLife employees in Connecticut through June 2006. Mr. Wheeler testified that those MetLife employees include approximately 295 employees located in MetLife's national long term care headquarters and Mature Market Institute in Westport, approximately 390 employees located at a regional group disability unit in Glastonbury and approximately 170 employees located at a regional auto and homeowners claim office in Rocky Hill, along with various sales offices throughout the state.

70. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that MetLife is opening an office in Hartford to service Long Term Care operations.

71. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that it intends to honor its agreement with Governor M. Jodi Rell to maintain 1,310 jobs from the current Travelers employee population for one year after closing. Mr. Wheeler testified there were 1,723 Travelers jobs in Connecticut at the end of May. He testified 1,660 employees were offered employment, including 1,060 employees for ongoing full-time employment and 388 for part-time or transitional employment of up to 12 months.

72. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that the agreement of 1,310 jobs included both permanent and transitional jobs and are a cross section of executive, management, professional, and other types of jobs.

73. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that the number of offers extended to Travelers employees of both permanent and transitional jobs exceed or meet the commitment to Governor Rell.

74. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that the Applicant is establishing four operating centers in Hartford and Travelers employees will be employed in one of those four operating centers. Those four centers are Life Policy Underwriting and New Business Processing for Independent Distribution, which he testified will employ approximately 250 employees; Qualified Annuity Operations, which he testified will employ approximately 200 employees; Sales Support, which he testified will employ approximately 150 employees; and Life in Force Service, which will employ approximately 100 employees.

75. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that while unable to commit to a specific number of employees for the longer term, MetLife does commit to staying in Connecticut for the foreseeable future.

76. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that those employees leaving at closing or at any time thereafter when a transitional employment term is completed will receive outplacement assistance in locating a new job.

77. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that pursuant to the Agreement, severance pay, at a rate equal to or greater than the Citigroup schedule now in place was to be provided to eligible Travelers employees who lose their jobs within six (6) months of the closing. The Applicant has enhanced the severance payments required by the Agreement by 25% and extended the period for payment to eligible Travelers employees who lose their jobs within twelve (12) months following the closing.

78. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that MetLife has committed to $1 million of charitable commitments per annum to Connecticut nonprofit organizations through MetLife, its affiliates and the MetLife Foundation through 2007.

79. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed the MetLife Foundation recently provided two grants totaling $175,000 to Connecticut nonprofits.

80. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that Travelers employees who continue with Metlife will be covered by employee benefits that are, in the aggregate, of an equivalent or greater value to the value of their current benefit plans.

81. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that the retiree benefits of the employees of the Travelers will be provided by Citigroup; Travelers employees who continue employment with the Applicant will begin to accrue personal retirement account benefits from MetLife and MetLife will recognize the Citigroup service of those employees for purposes of vesting and eligibility for their personal retirement account retiree benefits.

82. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that it is estimated that MetLife will generate the same level of tax revenues to Connecticut as would have been paid by Travelers in the absence of this transaction.

83. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that MetLife has no intention of moving the operations from CityPlace I.

84. Pursuant to the Commitment Letter and the testimony of Mr. Wheeler, the Applicant confirmed that MetLife will honor the lease obligations of the other two properties currently leased by Travelers by either using the space or subletting them.

85. Pursuant to the testimony of Mr. Wheeler, the Applicant confirmed that MetLife intends to become a noticeable presence in the City of Hartford and is anticipating a long term relationship with the City and the State.

III. DISCUSSION

Section 38a-132(b) of the Connecticut General Statutes specifically requires the approval of the proposed acquisition of control of the Domestic Insurers unless it is determined that:

(A) After the change of control, the Domestic Insurers would not be able to satisfy the requirements for the issuance of licenses to write the lines of business for which they are presently licensed;

(B) The effect of the merger or other acquisition of control would be to substantially lessen competition of insurance in this state or tend to create a monopoly in Connecticut;

(C) The financial condition of the acquiring party is such as might jeopardize the financial stability of the Domestic Insurers or prejudice the interests of its policyholders;

(D) The plans or proposals which the acquiring party has to liquidate the Domestic Insurers, sell their assets or consolidate or merge them with any person, or make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the Domestic Insurers and not in the public interest;

(E) The competence, experience and integrity of those persons who would control the operations of the Domestic Insurers are such that it would not be in the interest of the policyholders of the Domestic Insurers and of the public to permit the merger or other acquisition of control; or

(F) The acquisition of control of the Domestic Insurers is likely to be hazardous or prejudicial to those buying insurance.

A. The ability of the Domestic Insurers to satisfy the requirements for the issuance of licenses to write the line or lines of business for which they are presently licensed following the proposed acquisition of control.

Each of the Domestic Insurers is a domestic insurance company currently licensed pursuant to section 38a-41 of the Connecticut General Statutes. Section 38a-72 of the Connecticut General Statutes requires that a domestic stock life insurance company must have a minimum of $1,000,000 in capital and $2,000,000 in paid-in surplus in the aggregate. The Domestic Insurers currently satisfy the requirements for the issuance of licenses to write the lines of business for which they are licensed.

As noted in the findings of fact, following consummation of the Merger, the Applicant has no plans or proposals to liquidate the Domestic Insurers, to sell their assets, merge, or consolidate the Domestic Insurers with any other person or entity. There are no plans for the Domestic Insurers to enter into any material contract, agreement, arrangement or transaction of any kind with any person or entity. Mr. Wheeler testified that after the change of control, the Domestic Insurers will be able to satisfy the requirements for the issuance of licenses under the applicable provisions of the Connecticut General Statutes and regulations. Mr. Wheeler also confirmed that risk-based capital would remain adequate for the types of business transacted by the Domestic Insurers.

In addition to the criteria set forth in section 38a-72 of the Connecticut General Statutes, the Department considers the location of the company's books, records and assets, and the management of the company when evaluating an insurer's ability to operate pursuant to 38a-41 of the Connecticut General Statutes.

Mr. Wheeler testified that the Domestic Insurers would maintain Connecticut as the location of the Domestic Insurers books and records following consummation of the Proposed Acquisition. Assets will be maintained in accordance with current custodial arrangements.

Mr. Wheeler also testified that the information contained in the biographical affidavits for the directors and officers of Applicant and proposed for the Domestic Insurers attest to the competence, experience and integrity of the individuals who will be responsible for the governance and operation of the Domestic Insurers, and should insure the safe and expert operation of the Domestic Insurers following the Proposed Acquisition.

Accordingly, it is the conclusion of the Insurance Department that the evidence contained in the record supports a finding that the Applicant will be able to satisfy the requirements for the issuance of the necessary license of an insurer for which they are presently licensed following the proposed acquisition of control of the Domestic Insurers.

B. Whether the effect of the Proposed Acquisition would be to substantially lessen competition of insurance in this state or tend to create a monopoly herein.

On February 22, 2005, Applicants filed an application with the Federal Trade Commission ("FTC") and the Antitrust Division of the Department of Justice ("DOJ"), as required by the Hart-Scott-Rodino Antitrust Improvement Act ("Act"), 15 U.S.C. §18. Under the Act and implementing regulations, 16 C.F. R. Part 801 et seq., proposed acquisitions of stock or assets having a market value in excess of $15 million by a company having annual net sales or total assets of $100 million or more must, with certain exceptions, be reported to the DOJ and the FTC. Accordingly, the proposed acquisition of Domestic Insurers by the Applicants may not be consummated unless the waiting periods prescribed by the Act have either been shortened by the enforcement agencies or expired without government action. The 30-day waiting period expired on March 24, 2005 with no written communication from or to the FTC or DOJ relating to this expiration. Therefore, an inference is drawn that there was no finding that the proposed acquisition by Applicants of Insurer would substantially lessen competition or create a monopoly.

All seven lines of business where the companies do business fall within the safe harbor provisions of the Horizontal Merger Guidelines issued by the DOJ and FTC.

Five of the lines of business fall under the safe harbor provisions of the NAIC Holding Company Model Act. MetLife's market share in a sixth line of business, individual deposit-type contract funds, is only 0.1% compared with Travelers 45.6%, meaning that for all practical purposes, the transaction can not reduce competition in that line.

In Individual Annuity business, MetLife has a market share of 3.9% and Travelers has a market share of 13.6%. Dr. Gregory S. Vistnes testified that there are a number of other competitors of comparable size offering individual annuity products in Connecticut, as well as competitors in other states that could enter the market in this state. Moreover, the market share does not consider competition from other retirement financial services products, such as savings accounts, mutual funds, stocks, bonds, IRAs and 401(k) products.

Dr. Vistnes conclusion that the proposed acquisition poses not threat to competition in Connecticut is credible. The Department's expert witnesses, Mark Noller and Dana Rudmose also testified that the proposed acquisition poses no threat to competition in any business line in Connecticut.

Based on the Insurance Department's review of the Applicant's analysis and the testimony at the hearing, it is hereby concluded that the effect of the acquisition of control by the

Applicant will not substantially lessen competition of insurance or tend to create a monopoly in Connecticut.

C. Whether the financial condition of the Applicant is such as might jeopardize the financial stability of the Domestic Insurer or prejudice the interests of their policyholders.

At the public hearing, Mr. Wheeler testified that following confirmation of the Proposed Acquisition, risk-based capital relating to total adjusted capital would remain adequate for the types of businesses transacted by the Domestic Insurers. Mr. Wheeler also confirmed that following consummation of the Proposed Acquisition, the Domestic Insurers' surplus funds would bear a reasonable relationship to their liabilities based upon the type, volume and nature of the insurance business transacted.

Substantial evidence contained in the Form A application and the supplemental information submitted to the Department indicates that the financial condition of the Applicant will not jeopardize the financial condition of the Domestic Insurers following the Proposed Acquisition. In particular, the independent financial analysis conducted for the Department by Rudmose & Noller Advisors LLC attests to its financial strength and stability. Based on the testimony at the hearing and the evidence contained in the record, there is no evidence that would indicate the financial condition of the Applicant might jeopardize the financial condition of the Domestic Insurers, or prejudice the interest of the policyholders.

D. Whether the plans or proposals which the Applicant has to liquidate the Domestic Insurers, sell their assets or consolidate or merge them with any person, or to make any other material change in their business or corporate structure or management, are unfair and unreasonable to policyholders of the Domestic Insurers and not in the public interest.

The record reveals that the Applicant has no current plans or proposals to liquidate the Domestic Insurers, to sell their assets, or consolidate or merge them with any other entity. To ensure a seamless transition, the Agreement provides that the Applicant and Citigroup will enter into a Transition Services Agreement ("Service Agreement"). The Service Agreement will assure that Citigroup provides to Travelers certain services required to maintain the status quo for a period of up to 24 months with regards to specific services to assure orderly operations for a period of time following the transaction. The specific services covered by the Service Agreement include information technology infrastructure services, facilities and human resources support. Existing Administrative Service Agreements with the Domestic Insurers and their existing Citigroup affiliates will be terminated and replaced with MetLife Service Agreements enabling the Domestic Insurers to take advantage of the common services used by all MetLife business lines as MetLife affiliates assume responsibility for providing the Domestic Insurers with certain services such as distribution, product management, underwriting, claims handling, investment management, reinsurance monitoring and management, and the personnel to provide such services. Affiliate service agreements between the Domestic Insurers and their affiliates also being acquired by the Applicant will not be terminated.

The Applicant estimates that integration activities affecting existing business, operations, people and processes will be substantially completed by November 1, 2005; information technology transition will take up to 24 months. This is expected to yield a speedy, seamless transition that will eliminate uncertainty for policyholders.

There was considerable discussion related to this proposed transaction on the impact on the City of Hartford, primarily related to cushioning expected employment loss. This was the focus of the intervention case of Mayor Perez and the City of Hartford. The mission of the Connecticut Insurance Department is set forth in the Department Rules of Practice:

> It is the mission of the Insurance Department to protect the consumer by administering and enforcing the insurance laws in the most responsive and cost effective manner to ensure the financial reliability and responsibility of all regulated entities. . . It is the primary function of the Insurance Department to see that all laws regarding insurance are complied with and that the public interest is protected by the enforcement of the insurance laws and all implementing regulations. Conn. Agencies Regs. §38a-8-1.

The legislature spelled out the purpose of the Department's review of proposed changes of control, such as the captioned transaction, in a statement of purpose:

> It shall be the purpose of sections 38a-129 to 38a-140, inclusive, to safeguard the financial security of Connecticut domestic insurance companies by empowering the Insurance Commissioner to supervise the activities of insurance companies doing business within this state which are affiliated with an insurance holding company system, to review the acquisition of control over the management of domestic insurance companies, however effectuated, and to provide standards for such supervision and review. Conn. Gen. Stat. §38a-129(a).

It is regrettable that there was apparently not effective communication by the Applicant with Mayor Perez prior to the transaction. It can only be hoped a meaningful dialogue is commenced in the near future, but that is not a matter related to the regulation of the business of insurance.

In the Commitment Letter to Commissioner Cogswell dated June 5, 2005, and in testimony, the Applicant confirmed certain commitments to the public interest of the State of Connecticut as described in detail in paragraphs 61 to 85 of the Findings of Fact.

Based upon a review of the entire record, it is concluded that there are no plans or proposals for the Domestic Insurers that are unfair and unreasonable to policyholders of the Domestic Insurers or not in the public interest.

E. Whether the competence, experience and integrity of those persons who would control the operations of Travelers are such that it would not be in the interest of the

policyholders of the Domestic Insurers and of the public to permit the Proposed Acquisition or other acquisition of control.

The record includes the biographical affidavits of those individuals who will serve as members of the board and as officers of the Applicants and the Domestic Insurers following the change of control. The biographical affidavits disclose each individual's educational background, professional credentials and their employment history. In addition, the Applicant has represented, and the biographical affidavits confirm, that during the last ten years none of the proposed directors or officers of the Applicants and Domestic Insurers have been convicted in a criminal proceeding (excluding minor traffic violations) or have been convicted or otherwise penalized for violating any federal or state law regulating the business of insurance securities or banking, (or in the case of an alien person, such equivalent provision as applicable). During the last ten years, none of the proposed directors or officers of the Applicants have been the subject of any proceeding under the Federal Bankruptcy Code, (or in the case of an alien person, such equivalent provision as applicable) or have been affiliated with a business or organization which has been subject to such proceeding.

Furthermore, no proposed director or officer of the Applicants or Domestic Insurers has had a revocation, suspension or disciplinary sanction imposed against him or her by a governmental agency. None of the filed biographical affidavits contain any information that reflects negatively on the integrity of these individuals. The competence, experience, and integrity of those persons who would control the operations of the Domestic Insurers after the Proposed Acquisition is such that it would be in the interest of policyholders of the Domestic Insurers, and in the public interest to permit the Proposed Acquisition.

F. Whether the acquisition is likely to be hazardous or prejudicial to those buying insurance.

Based on the financial strength of the Applicant, the affirmation that the current plans for the Domestic Insurers will not disrupt either the Applicant's or the Domestic Insurers' current membership, the potential for growth opportunities and operating efficiencies planned by the Applicant, as well as the provision of a strong and stable financial environment for the Domestic Insurers, it is hereby concluded that the proposed acquisition of control of the Domestic Insurers is not likely to be hazardous to those buying insurance.

Accordingly, assuming compliance with all of Connecticut's insurance statutes and regulations, it is reasonable to conclude that the proposed acquisition of control of the Domestic Insurers is not likely to be hazardous to those buying insurance.

IV. RECOMMENDATION

Accordingly, based on the foregoing findings of fact and discussion, the record of the June 7, 2005 public hearing, and the recommendation of the Insurance Department staff, the undersigned concludes that the Applicants have satisfied the statutory criteria as provided in section 38a-132(b) of the Connecticut General Statutes. Accordingly, the undersigned recommends that the Insurance Commissioner find, pursuant to section 38a-132(b) of the Connecticut General Statutes that after the proposed acquisition of control (a) the Domestic Insurers will be able to satisfy the requirements for the issuance of licenses; (b) the effect of the acquisition of control will not be to substantially lessen competition in this state or tend to create a monopoly therein; (c) the financial condition of the Applicants is not such as might jeopardize the financial stability of the Domestic Insurers, or prejudice the interest of their policyholders;

(d) the plans or proposals for the Domestic Insurers are not unfair and unreasonable to their policyholders, and are in the public interest; (e) the competence, experience and integrity of the management of the Applicants is such that it would be in the interest of policyholders of the Domestic Insurers, and of the public to permit the proposed acquisition of control; and (f) the acquisition of control of the Domestic Insurers is not likely to be hazardous or prejudicial to those buying insurance.

Accordingly, the undersigned recommends the following orders:

1. The Form A Application of the Applicants in which they seek approval to acquire control of the Domestic Insurers is hereby approved.

2. The Applicants and Travelers shall comply with the commitments made to the State of Connecticut in connection with this proceeding as described in paragraphs 61 to 85 of the Findings of Fact, and in their letter dated June 7, 2005 to the Insurance Commissioner.

3. The Applicants shall provide the Insurance Department with written confirmation of the consummation of the acquisition of control by the end of the month the acquisition of control takes place.

4. For a period of three (3) years, the Domestic Insurers shall file semiannually with the Insurance Department, commencing six months from consummation of the transaction, a report under oath of its business operations in Connecticut, including but not limited to, the status of the integration with the Applicants, changes to the business of the Domestic Insurers; employment levels; changes in officers of the Domestic Insurers; any changes in location of its operations in Connecticut; and charitable contributions; and, notice of any statutory compliance or regulatory actions taken by other state regulatory authorities against the Applicant and Domestic Insurers.

5. For a period of three (3) years, the Domestic Insurers shall file quarterly with the Insurance Department, commencing three months from consummation of the transaction, a report under oath of its employment levels in Connecticut, including but not limited to number of ongoing and transitional employees by position level and average compensation in each of the four operating areas; assessment as to positive or negative change in employee numbers; number of positions open; number of employees who have voluntarily terminated since last reporting period.

6. The Applicants shall provide the Department with the names and titles of those individuals who will be responsible for filing transactions for prior approval pursuant to Conn. Gen. Stats. 38a-135 and 38a-136.

7. Within fifteen (15) days following the end of the month in which the proposed acquisition is consummated, MetLife shall file an amended Insurance Holding Company System Annual Registration Statement pursuant to section 38a-138-10 of the Regulations of Connecticut State Agencies.

8. If the proposed transaction is not consummated within three (3) months of the date of this Order and the Applicants intend to consummate the proposed transaction, the Applicants shall submit to the Commissioner a statement, which shall include (1) the reason for the Applicants' inability to consummate the proposed transaction; (2) any material changes in the information contained in the Form A Application; and (3) the current financial statements of the Applicants and the Domestic Insurers.

9. The Domestic Insurers shall, at all times, maintain their books and records in Connecticut pursuant to Connecticut law, unless otherwise approved by the Commissioner.

10. The Applicants shall pay expenses incurred by the Insurance Commissioner in connection with the Insurance Department's review of the captioned transaction pursuant to sections 38a-132(a)(3) and 38a-132(c) of the Connecticut General Statutes.

Dated at Hartford, Connecticut, this 22nd day of June, 2005

Mark R. Franklin
Hearing Officer