

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE



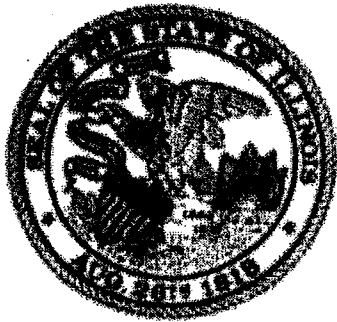
IN THE MATTER OF THE EXAMINATION OF

AXA EQUITABLE LIFE AND ANNUITY COMPANY
1290 AVE OF THE AMERICAS - 11TH FLOOR
NEW YORK, NY, 10104

MARKET CONDUCT EXAMINATION WARRANT

I, the undersigned, Director of Insurance of the State of Illinois, pursuant to Sections 132, 401, 401.5, 402, 403 and 425 of the Illinois Insurance Code (215 ILCS 5/132, 5/401, 5/401.5, 5/402, 5/403, and 5/425) do hereby appoint Examiner-In-Charge, Danny Talkington and associates as the proper persons to examine the insurance business and affairs of AXA Equitable Life and Annuity Company, NAIC #62880, and to make a full and true report to me of the examination made by them of AXA Equitable Life and Annuity Company, with a full statement of the condition and operation of the business and affairs of AXA Equitable Life and Annuity Company with any other information as shall in their opinion be requisite to furnish me a statement of the condition and operation of its business and affairs and the manner in which it conducts its business. The costs of this examination shall be borne by the company.

The persons so appointed shall also have the power to administer oaths and to examine any person concerning the business, conduct, or affairs of AXA Equitable Life and Annuity Company.



IN TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed this Seal.

Done at the City of Chicago, this 3rd day of October, 2018.

Andrew Boron

Andrew Boron

Director

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

I personally served a copy of the within Warrant by leaving
said copy with ROSA ITURBIDES, at the hour of 3:29 PM
on 18 DECEMBER, A.D., 2012.

Denny L. Lamb
Examiner

AXA EQUITABLE LIFE and ANNUITY COMPANY

**320 West Washington
Springfield Illinois 62767-0001**

MARKET CONDUCT EXAMINATION REPORT

DATE OF EXAMINATION: December 17, 2012 through February 15, 2013

EXAMINATION OF: AXA Equitable Life and Annuity Company
NAIC # 62880

COMPANY ADDRESS: 1290 Avenue of the Americas
New York, New York 10104

**PERIOD COVERED
BY EXAMINATION:** Claims-
July 1, 2011 through June 30, 2012
Complaints –
July 1, 2011 through December 17, 2012

EXAMINER: Danny L. Talkington
Examiner in Charge

INDEX

	<u>Page #</u>
I. SUMMARY	1
II. BACKGROUND	2
III. METHODOLOGY	3 - 4
IV. FINDINGS	6 - 7
A. Producer Licensing and Production Analysis	
B. Claims Analysis	
C. Non-forfeiture Analysis	
D. Policy Forms and Advertising Material Review	
E. Insurance Department and Consumer Complaints Review	
V. INTERRELATED FINDINGS	8
VI. TECHNICAL APPENDICES	9

I. SUMMARY

1. **No criticisms were written during the entire examination of AXA Equitable Life and Annuity Company (hereinafter "Company").**

II. BACKGROUND

The Company was incorporated in the State of Colorado on January 18, 1984. The original name of the Company was Equitable Life Assurance Society of Colorado, Inc., and on June 25, 1984 the name was changed to The Equitable of Colorado, Inc. On July 22, 1992, its parent company, The Equitable Life Assurance Society of the United States, converted from a mutual life insurance company to a stock life insurance company and became a wholly owned subsidiary of The Equitable Company, Inc. Pursuant to the Articles of Amendment of the Articles of Incorporation, adopted by the directors of the Company on September 7, 2004, the Company's name was changed to AXA Life and Annuity Company. The Company's name was again changed, effective March 31, 2008, to its current name, AXA Equitable Life and Annuity Company. In August 2008, all of the Company's outstanding and issued common shares were sold by AXA Equitable Life Insurance Company to AXA Equitable Financial Services, LLC.

The Company is licensed to do business in the District of Columbia and in all U.S. states except New York.

The Company was licensed in the State of Illinois, on October 10, 1985, under Class 1 (a).

III. METHODOLOGY

The Market Conduct Examination places emphasis on evaluating an insurer's system and procedures used in dealing with insured's and claimants. The following categories are the general areas examined:

1. Producer Licensing and Production Analysis
2. Claims Analysis
3. Non-forfeiture Analysis
4. Policy Forms and Advertising Material Review
5. Insurance Department and Consumer Complaints Review

The review of these categories was accomplished through examination of producer files, claim files, cash surrendered policy files, policy forms, advertising material, Department of Insurance complaints and the Company's consumer complaint files. Each of these categories was examined for compliance with Department regulations and applicable State laws.

The report concerns itself with improper practices performed with such frequency as to indicate general practices. Individual criticisms were identified and communicated to the insurer, but not cited in the report if not indicative of a general trend, except to the extent that underpayments and/or overpayments in claim surveys or undercharges and/or overcharges in underwriting surveys were cited in the report.

The following methods were used to obtain the required samples and to assure a methodical selection:

Producer Licensing and Production Analysis

Populations for the producer file reviews were determined by whether or not the producers were licensed by the State of Illinois. New business listings were retrieved from Company records by selecting newly solicited insurance applications that reflected Illinois addresses for applicants.

The examination period for the producer analysis was July 1, 2011 through June 30, 2012.

Claims Analysis

1. Paid Claims - Payment for claims made during the examination period.
2. Denied Claims – Denial of benefits for losses not covered by policy provisions.

All claims were reviewed for compliance with policy contracts and endorsements, and applicable sections of the Illinois Insurance Code (215 ILCS 5/1 *et seq.*), and Title 50 of the Illinois Administrative Code.

Median payment periods were measured from the date all necessary proofs of loss were received to the date of payment to the insured or the beneficiary.

The examination period for the Claims Analysis was July 1, 2011 through June 30, 2012.

Non-forfeiture Analysis

Listings were requested of all life and annuity policies that were cash surrendered, placed on extended term insurance status, or converted to reduced paid-up insurance during the examination period. These listings were retrieved by a search of Illinois life policies that were either lapsed for nonpayment of premium or were requested non-forfeiture option conversions made by the policyholders.

The examination period for the Non-Forfeiture Analysis was July 1, 2011 through June 30, 2012.

Policy Forms and Advertising Material Review

All policy forms, form letters, riders and advertising materials used in Illinois during the examination period were requested. These were reviewed for compliance as to format, content and terminology as required by Illinois Law.

The examination period for the Policy Forms and Advertising Material Review was July 1, 2011 through June 30, 2012.

Insurance Department and Consumer Complaints Review

The Company was requested to provide all files relating to complaints received via the Department as well as those received directly by the Company from the insured or his/her representative. A copy of the Company's complaint register was also reviewed. Median periods were measured from the date of notification by the complainant to the date of response to the Department.

The examination period for Insurance Department and Consumer Complaints Review was July 1, 2011 through December 17, 2012.

SELECTION OF SAMPLE

<u>Survey</u>	<u>Population</u>	<u># Reviewed</u>	<u>% Reviewed</u>
<u>Producer Licensing and Production Analysis</u>			
Producers/Applications	0	0	.00
Terminated Agents	0	0	.00
<u>Claims Analysis</u>			
Paid Individual Life	1	1	100.00
<u>Non-forfeiture Analysis</u>			
Extended Term/Reduced Paid Up	1	1	100.00
<u>Policy Forms and Advertising Material Review</u>			
Policy Forms and Advertising Material Review	0	0	.00
<u>Insurance Department and Consumer Complaints Review</u>			
Department of Insurance Complaints	0	0	.00
Consumer Complaints	0	0	.00

IV. FINDINGS

A. Producer Licensing and Production Analysis

1. Producers/Applications

Company no longer markets products in Illinois, therefore there was no first year commissions paid to producers/entities.

2. Terminated Agents

There were no agents terminated for cause during the survey period.

B. Claims Analysis

Paid Individual Life

A review of one (1) Paid Individual Life Claim file produced no criticisms.

No median for payment could be established.

C. Non-Forfeiture Analysis

Extended Term/Reduced Paid Up

A review of one (1) Extended Term/Reduced Paid Up Insurance file produced no criticisms.

D. Policy Forms and Advertising Material Review

Policy Forms and Advertising Material Review

The Company no longer markets any products and there are no advertising materials for products marketed in Illinois reportable for the examination period.

E. Insurance Department and Consumer Complaints Review

1. Department of Insurance Complaints

The Company received no Illinois Department of Insurance complaints during the survey period.

2. Consumer Complaints

The Company received no consumer complaints from Illinois consumers during the survey period.

V. INTERRELATED FINDINGS

AXA Equitable Life and Annuity Company did not issue any new business in the state of Illinois during the examination period and has not issued any new business since approximately 2002. The Company no longer markets any products and there are no advertising materials for products marketed in Illinois reportable for the examination period.

VI. TECHNICAL APPENDICES

None.

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

Danny Talkington, being first duly sworn upon his oath, deposes and says:

That he was appointed by the Director of Insurance of the State of Illinois (the "Director") as Examiner-In Charge to examine the insurance business and affairs of:

AXA Equitable Life and Annuity Company, NAIC #62880

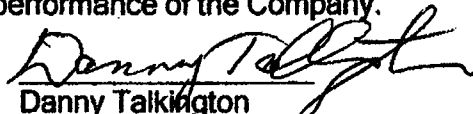
That, as Examiner-In-Charge, he was directed to make a full and true report to the Director of the examination with a full statement of the condition and operation of the business and affairs of the Company with any other information as shall in the opinion of the Examiner-In-Charge be requisite to furnish the Director with a statement of the condition and operation of the Company's business and affairs and the manner in which the Company conducts its business;

That neither he nor any other persons designated as examiners nor any members of their immediate families is an officer of, connected with, or financially interested in the Company nor any of the Company's affiliates other than as policyholders, and that neither he nor any other persons designated as examiners nor any members of their immediate families is financially interested in any other corporation or person affected by the examination;


That an examination was made of the affairs of the Company pursuant to the authority vested in the Examiner-In-Charge by the Director of Insurance of the State of Illinois;

That he was the Examiner-in-Charge of said examination and the attached report of examination is a full and true statement of the condition and operation of the insurance business and affairs of the Company for the period covered by the Report as determined by the examiners;

That the Report contains only facts ascertained from the books, papers, records, or documents, and other evidence obtained by investigation and examined or ascertained from the testimony of officers or agents or other persons examined under oath concerning the business, affairs, conduct, and performance of the Company.


Danny Talkington
Examiner-In-Charge

Subscribed and sworn to before me
this *28* day of *February*, 2013.



Notary Public

ANNA M TIRONE
Notary Public - State of New York
No. 01TI6101625
Qualified in Richmond County
My Commission Expires Nov. 17, 2015



Illinois Department of Insurance

PAT QUINN
Governor

ANDREW BORON
Director

April 8, 2013

Jens Nachtigal
Director, Government Relations
AXA Equitable Life & Annuity Company
1290 Avenue of the Americas
12th Floor
New York, New York 10104

*sent via USPS certified mail
return receipt requested*

Re: Market Conduct Examination Report

Dear Mr. Nachtigal:

A Market Conduct Examination of your company was conducted by an authorized examiner designated by the Director of Insurance pursuant to Illinois Insurance Code Sections 132, 401, 402, 403 and 425 of the Illinois Insurance Code. The examination covered the period July 1, 2011 through June 30, 2012 for claims and July 1, 2011 through December 17, 2012 for complaints.

As required by Illinois Insurance Code Section 132, the Director must notify the company made the subject of any market conduct examination of the contents of the verified examination report before filing it and making the report public of any matters relating thereto, and must afford the company an opportunity to demand a hearing with reference to the facts and other evidence therein contained. A copy of the examination report is accordingly enclosed with this letter. The company may request a hearing within 10 days after receipt of the examination report by giving the Director written notice of the request, together with a statement of its objections. The examination report will generally not be filed until hearing is completed.

Companies that do not demand a formal hearing may submit their rebuttal with respect to any matters in the examination report. The rebuttal will be considered by the Director before the examination report is filed. Please provide any rebuttals to the undersigned by close of business on April 29, 2013. Once the report of examination has been filed, the exam report, the company's rebuttal, if any, and corresponding Orders (if applicable) are public documents under the Freedom of Information Act (5 ILCS 140/1 *et al.*) and may be posted on the Department's website. In the event of a formal hearing, the record of the hearing, the Hearing Officer Recommendations and the Director's final Order are also public documents and may be posted on the Department's website.

Please contact me if you have any questions. I may be reached at 312-814-2435.

Sincerely,

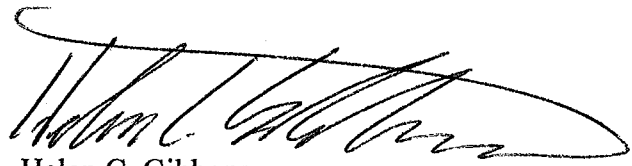
Helen C. Gibbons
Staff Attorney

This Market Conduct Examination was conducted pursuant to Sections 5/132, 5/401, 5/402, 5/403 and 5/425 of the Illinois Insurance Code (215 ILCS 5/132, 5/401, 5/402, 5/403 and 5/425). It was conducted in accordance with standard procedures of the Market Conduct Examination Section by duly qualified examiners of the Illinois Department of Insurance.

This report is divided into five parts. They are as follows: Summary, Background, Methodology, Findings and Technical Appendices. All files reviewed were reviewed on the basis of the files' contents at the time of the examination. Unless otherwise noted, all overcharges (underwriting) and/or underpayments (claims) were reimbursed during the course of the examination.

No company, corporation, or individual shall use this report or any statement, excerpt, portion, or section thereof for any advertising, marketing or solicitation purpose. Any company, corporation or individual action contrary to the above shall be deemed a violation of Section 149 of the Illinois Insurance Code (215 ILCS 5/149).

The Examiner-in-Charge was responsible for the conduct of this examination. The Examiner-in-Charge did approve of each criticism contained herein and has sworn to the accuracy of this report.



Helen C. Gibbons
Staff Attorney



Illinois Department of Insurance

PAT QUINN
Governor

ANDREW BORON
Director

May 14, 2013

Jens Nachtigal
Director, Government Relations
AXA Equitable Life & Annuity Company
1290 Avenue of the Americas
12th Floor
New York, New York 10104

*sent via USPS certified mail
return receipt requested*

Re: Market Conduct Examination Report

Dear Mr. Nachtigal:

On April 8, 2013 I a copy of the Market Conduct Examination of your company was sent to you. You were advised to submit any rebuttals to the information contained in the exam report by April 29, 2013. As of today's date, no rebuttals have been received by the Department.

Accordingly, the Department is closing its file on this exam. As mentioned in my previous correspondence, this exam will be made public by posting on the Department's website as authorized by 215 ILCS 5/132.

Please contact me if you have any questions. I may be reached at 312-814-2435.

Sincerely,

A handwritten signature in black ink, appearing to read "Helen C. Gibbons", written over a horizontal line.

Helen C. Gibbons
Staff Attorney