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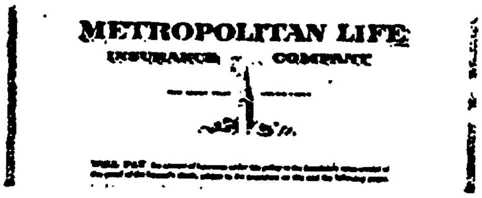
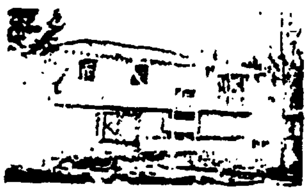
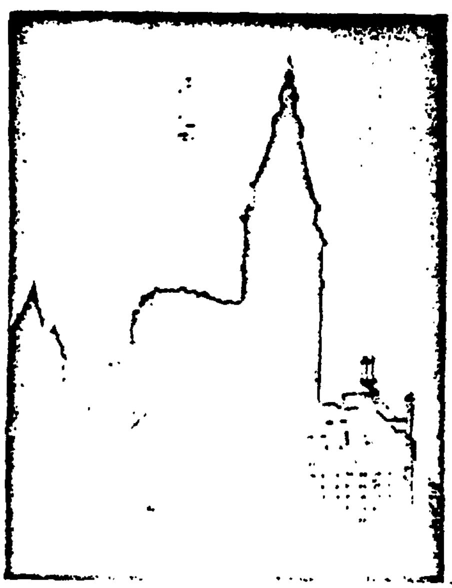


PLAINTIFF'S EXHIBIT

MET-684



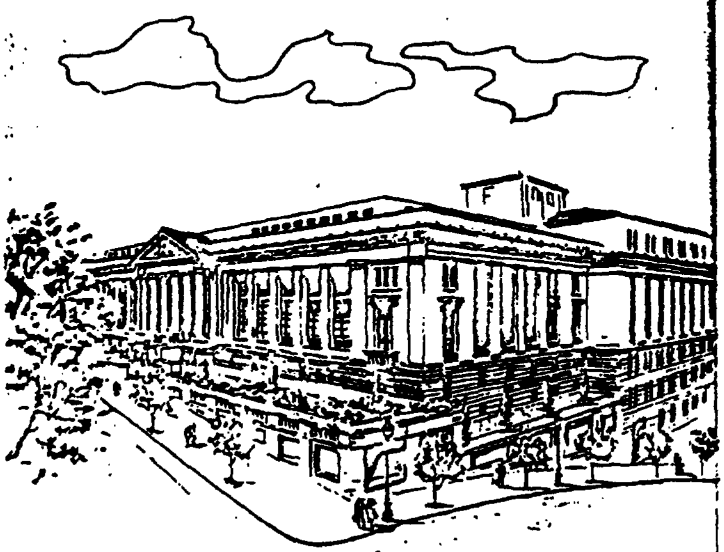
METROPOLITAN LIFE INSURANCE COMPANY



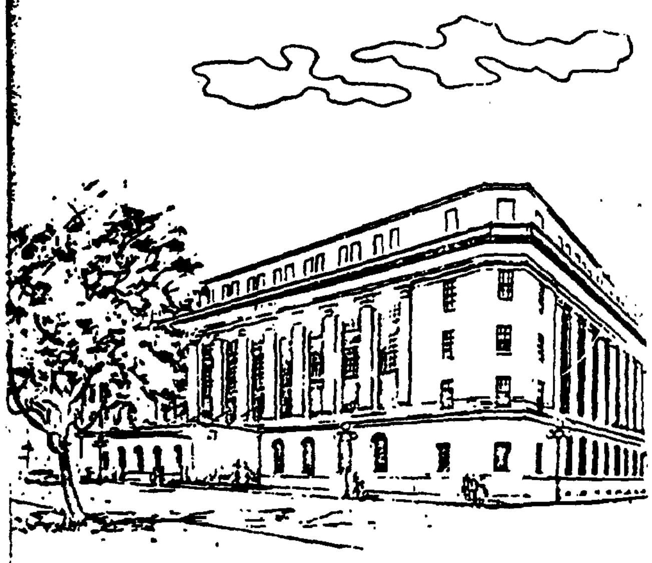
1962

REPORT TO POLICYHOLDERS

(FOR THE YEAR ENDED DECEMBER 31, 1961)



Pacific Coast Head Office building in San Francisco



Canadian Head Office building in Ottawa

The Home Office buildings in New York

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During 1961 at Metropolitan, the most significant development was the widespread acceptance of our Family Security Check-Up service, through which Metropolitan Agents brought increased security to our growing family of policyholders. Public response to this comprehensive service demonstrated, as never before, the desire of people throughout North America to provide security for their families.

Metropolitan payments to policyholders and their beneficiaries, amounting to more than 1.8 billion dollars, contributed vitally to the security of families in the course of the past year. Once again, this amount was the largest ever paid in benefits in any year by any company in the life insurance business.

Although the primary purpose of our investments has been to meet our obligations in the future and to hold down the cost of insurance, at the same time Metropolitan funds have helped to spur the future growth and economic well-being of the United States and Canada. These funds were invested at the rate of more than $7,000,000 each working day during 1961.

The return on new long-term investments made in 1961 was 5.48 per cent after allowance for investment expense. On our investments as a whole, the net return was 4.20 per cent, which was the highest return achieved in the post-war era—though still far below the 5 per cent earned in the late 1920's.

Policy dividends, a factor in family financial security since they help to reduce the cost of insurance, amounted to more than $389,000,000. New annual dividend scales became effective in 1961 for our personal life insurance policies; these represented an average increase of 9 per cent over the previous scales.

Although the cost of commodities has risen sharply over the past two decades, in general the cost of our personal life insurance is actually less today than it was 20 years ago.

While term insurance has a number of valid uses, particularly to provide protection for temporary needs, we again stressed the fact that for

A policyholder visits the Metropolitan

The policyholder shown in this report is,
necessarily, an imaginary character. There
is no such person as our "Charles Jordan."
Intended to represent [illegible] of [illegible]
he typifies one of the many [illegible] policy-
holders who have recently taken advantage of
Metropolitan's Family Security [illegible]
The questions "Mr. Jordan" poses [illegible]
for Company Officers epitomize what [illegible]
might well ask if you were to visit
Metropolitan's Home Office. In his [illegible]
outlook and role as a breadwinner,
"Mr. Jordan" personifies the more than
43½ million people insured
by Metropolitan.