

AXA Sun Life Plc

**Annual FSA Insurance Returns for the year ended
31st December 2009**



(Appendices 9.1, 9.3, 9.4, 9.6)

AXA Sun Life Plc

Year ended 31st December 2009

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AXA Sun Life Plc

Year ended 31st December 2009

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Statement of solvency - long-term insurance business**Form 2**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

Adjusted solo solvency calculation

	Company registration number	GL/ UK/ CM	day	month	year	units	
	R2	3291349	GL	31	12	2009	£000
			As at end of this financial year		As at end of the previous year		
			1		2		

Capital resources

Capital resources arising within the long-term insurance fund	11	2274265	1962545
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12	129866	52333
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13	2404131	2014878

Guarantee fund

Guarantee fund requirement	21	169417	139629
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	2234714	1875249

Minimum capital requirement (MCR)

Long-term insurance capital requirement	31	508252	418888
Resilience capital requirement	32		
Base capital resources requirement	33	3128	2518
Individual minimum capital requirement	34	508252	418888
Capital requirements of regulated related undertakings	35		
Minimum capital requirement (34+35)	36	508252	418888
Excess (deficiency) of available capital resources to cover 50% of MCR	37	2150005	1805434
Excess (deficiency) of available capital resources to cover 75% of MCR	38	2022942	1700712

Enhanced capital requirement

With-profits insurance capital component	39	768650	866729
Enhanced capital requirement	40	1276902	1285617

Capital resources requirement (CRR)

Capital resources requirement (greater of 36 and 40)	41	1276902	1285617
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42	1127229	729261

Contingent liabilities

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51	156859	184457
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Covering sheet to Form 2

Form 2

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

..... **P. J. Evans**

Chief Executive

..... **A. M. Parsons**

Director

..... **A. J. Purvis**

Director

London

Components of capital resources**Form 3
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

	Company registration number	GL/ UK/ CM	day	month	year	units
R3	3291349	GL	31	12	2009	£000
	General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4		

Core tier one capital

Permanent share capital	11	92500	92500	92500
Profit and loss account and other reserves	12	2848768	2848768	2542557
Share premium account	13			
Positive valuation differences	14	1286082	1286082	1224211
Fund for future appropriations	15	855849	855849	553437
Core tier one capital in related undertakings	16	(19472)	(19472)	(60308)
Core tier one capital (sum of 11 to 16)	19	5063727	5063727	4352397

Tier one waivers

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21			
Implicit items	22			
Tier one waivers in related undertakings	23			
Total tier one waivers as restricted (21+22+23)	24			

Other tier one capital

Perpetual non-cumulative preference shares as restricted	25			
Perpetual non-cumulative preference shares in related undertakings	26			
Innovative tier one capital as restricted	27			
Innovative tier one capital in related undertakings	28			

Total tier one capital before deductions (19+24+25+26+27+28)	31	5063727	5063727	4352397
Investments in own shares	32			
Intangible assets	33			
Amounts deducted from technical provisions for discounting	34			
Other negative valuation differences	35			
Deductions in related undertakings	36			
Deductions from tier one (32 to 36)	37			
Total tier one capital after deductions (31-37)	39	5063727	5063727	4352397

Components of capital resources**Form 3
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

	Company registration number	GL/ UK/ CM	day	month	year	units
R3	3291349	GL	31	12	2009	£000
	General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3		Total as at the end of the previous year 4	

Tier two capital

Implicit items, (tier two waivers and amounts excluded from line 22)	41				
Perpetual non-cumulative preference shares excluded from line 25	42				
Innovative tier one capital excluded from line 27	43				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	44				
Perpetual cumulative preference shares	45				
Perpetual subordinated debt and securities	46				
Upper tier two capital in related undertakings	47				
Upper tier two capital (44 to 47)	49				

Fixed term preference shares	51				
Other tier two instruments	52				
Lower tier two capital in related undertakings	53				
Lower tier two capital (51+52+53)	59				

Total tier two capital before restrictions (49+59)	61				
Excess tier two capital	62				
Further excess lower tier two capital	63				
Total tier two capital after restrictions, before deductions (61-62-63)	69				

Components of capital resources**Form 3
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

	Company registration number	GL/ UK/ CM	day	month	year	units
R3	3291349	GL	31	12	2009	£000
	General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3		Total as at the end of the previous year 4	

Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71				
Total capital resources before deductions (39+69+71)	72		5063727	5063727	4352397
Inadmissible assets other than intangibles and own shares	73		1610558	1610558	1433555
Assets in excess of market risk and counterparty limits	74		1049038	1049038	903964
Deductions for related ancillary services undertakings	75				
Deductions for regulated non-insurance related undertakings	76				
Deductions of ineligible surplus capital	77				
Total capital resources after deductions (72-73-74-75-76-77)	79		2404131	2404131	2014878

Available capital resources for GENPRU/INSRU tests

Available capital resources for guarantee fund requirement	81		2404131	2404131	2014878
Available capital resources for 50% MCR requirement	82		2404131	2404131	2014878
Available capital resources for 75% MCR requirement	83		2404131	2404131	2014878

Financial engineering adjustments

Implicit items	91				
Financial reinsurance – ceded	92		78054	78054	94024
Financial reinsurance – accepted	93				
Outstanding contingent loans	94		156859	156859	184457
Any other charges on future profits	95				
Sum of financial engineering adjustments (91+92-93+94+95)	96		234913	234913	278481

Calculation of general insurance capital requirement - premiums amount and brought forward amount**Form 11**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

Long-term insurance business

		Company registration number	GL/ UK/ CM	day	month	year	units	
		R11	3291349	GL	31	12	2009	£000
				This financial year		Previous year		
				1		2		
Gross premiums written			11	19659		22194		
Premiums taxes and levies (included in line 11)			12					
Premiums written net of taxes and levies (11-12)			13	19659		22194		
Premiums for classes 11, 12 or 13 (included in line 13)			14					
Premiums for "actuarial health insurance" (included in line 13)			15	10640		15097		
Sub-total A (13 + 1/2 14 - 2/3 15)			16	12566		12129		
Gross premiums earned			21	26463		30270		
Premium taxes and levies (included in line 21)			22					
Premiums earned net of taxes and levies (21-22)			23	26463		30270		
Premiums for classes 11, 12 or 13 (included in line 23)			24					
Premiums for "actuarial health insurance" (included in line 23)			25	13240		17921		
Sub-total H (23 + 1/2 24 - 2/3 25)			26	17636		18323		
Sub-total I (higher of sub-total A and sub-total H)			30	17636		18323		
Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure			31					
Division of gross adjusted premiums amount: sub-total I (or adjusted sub-total I if appropriate)	x 0.18	32	3174		3298			
	Excess (if any) over 57.5M EURO x 0.02	33						
Sub-total J (32-33)			34	3174		3298		
Claims paid in period of 3 financial years			41	118332		110922		
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis	42						
	For insurance business accounted for on an accident year basis	43	110967		104276			
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis	44						
	For insurance business accounted for on an accident year basis	45	131757		135691			
Sub-total C (41+42+43-44-45)			46	97542		79507		
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			47	46330		31652		
Sub-total D (46-47)			48	51212		47855		
Reinsurance ratio (Sub-total D / sub-total C or, if more, 0.50 or, if less, 1.00)			49	0.53		0.60		
Premiums amount (Sub-total J x reinsurance ratio)			50	1666		1985		
Provisions for claims outstanding (before discounting and net of reinsurance)			51	66400		67697		
Provisions for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero			52					
Brought forward amount (see instruction 4)			53	4381		4467		
Greater of lines 50 and 53			54	4381		4467		

Calculation of general insurance capital requirement - claims amount and result

Form 12

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

Long-term insurance business

		Company registration number	GL/ UK/ CM	day	month	year	units	
		R12	3291349	GL	31	12	2009	£000
				This financial year		Previous year		
				1		2		
Reference period (No. of months) See <i>INSPRU</i> 1.1.63R			11	36		36		
Claims paid in reference period			21	118332		110922		
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis		22					
	For insurance business accounted for on an accident year basis		23	110967		104276		
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis		24					
	For insurance business accounted for on an accident year basis		25	131757		135691		
Claims incurred in reference period (21+22+23-24-25)			26	97542		79507		
Claims incurred for classes 11, 12 or 13 (included in 26)			27					
Claims incurred for "actuarial health insurance" (included in 26)			28	55176		50660		
Sub-total E (26 + 1/2 27 - 2/3 28)			29	60758		45734		
Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)			31	20253		15245		
Division of sub-total F (gross adjusted claims amount)	X 0.26		32	5266		3964		
	Excess (if any) over 40.3M EURO x 0.03		33					
Sub-total G (32 - 33)			39	5266		3964		
Claims amount Sub-total G x reinsurance ratio (11.49)			41	2765		2386		
Higher of premiums amount and brought forward amount (11.54)			42	4381		4467		
General insurance capital requirement (higher of lines 41 and 42)			43	4381		4467		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total other than Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
	R13	3291349	GL	31	12	2009	£000	1
				As at end of this financial year		As at end of the previous year		
				1		2		
Land and buildings				11				

Investments in group undertakings and participating interests

UK insurance dependants	shares	21	211528	145692
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27		
	debts and loans	28		
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Equity shares	41		
Other shares and other variable yield participations	42		
Holdings in collective investment schemes	43	11850	
Rights under derivative contracts	44		
Fixed interest securities	Approved	45	
	Other	46	
Variable interest securities	Approved	47	
	Other	48	
Participation in investment pools	49		
Loans secured by mortgages	50		
Loans to public or local authorities and nationalised industries or undertakings	51		
Loans secured by policies of insurance issued by the company	52		
Other loans	53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	2150
	More than one month withdrawal	55	
Other financial investments	56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total other than Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	1
				As at end of this financial year		As at end of the previous year	
				1		2	
Deposits with ceding undertakings			57				
Assets held to match linked liabilities	Index linked		58				
	Property linked		59				

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71		
	Intermediaries	72		
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74		
	Ceded	75		
Dependants	due in 12 months or less	76		
	due in more than 12 months	77		
Other	due in 12 months or less	78	152	5402
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	44853	32249
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84		
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86		

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	268383	185493
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total other than Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	1
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	268383	185493
Admissible assets in excess of market and counterparty limits	92	687972	697971
Inadmissible assets directly held	93		
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98	19472	60308
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	975827	943772
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
	R13	3291349	GL	31	12	2009	£000	10
				As at end of this financial year		As at end of the previous year		
				1		2		
Land and buildings				11	707703		718097	

Investments in group undertakings and participating interests

UK insurance dependants	shares	21		
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27	507159	342917
	debts and loans	28	160549	189406
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Equity shares		41	2712588	2474254
Other shares and other variable yield participations		42	298839	301524
Holdings in collective investment schemes		43	993271	434474
Rights under derivative contracts		44	123954	190410
Fixed interest securities	Approved	45	995145	903226
	Other	46	1829304	2405941
Variable interest securities	Approved	47	195297	41532
	Other	48	149199	142837
Participation in investment pools		49		
Loans secured by mortgages		50	51	4995
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52	15406	15678
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54		180346
	More than one month withdrawal	55		141121
Other financial investments		56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
	R13	3291349	GL	31	12	2009	£000	10
					As at end of this financial year		As at end of the previous year	
					1		2	
Deposits with ceding undertakings				57				
Assets held to match linked liabilities	Index linked			58	201949		209757	
	Property linked			59	27343067		24836253	

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	9041	10367
	Intermediaries	72	10069	
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74	7328	7555
	Ceded	75		
Dependants	due in 12 months or less	76	971	2672
	due in more than 12 months	77		
Other	due in 12 months or less	78	99719	199210
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	91485	130722
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	56000	63177
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86	3430	5863

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	36511524	33952334
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	10
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	36511524	33952334
Admissible assets in excess of market and counterparty limits	92	361066	205993
Inadmissible assets directly held	93	292816	241331
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98	5413	29803
Deferred acquisition costs excluded from line 89	99	1495152	1346121
Reinsurers' share of technical provisions excluded from line 89	100	5188097	1962941
Other asset adjustments (may be negative)	101	(322731)	(393103)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	43531337	37345420
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Old With Profits Fund**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
	R13	3291349	GL	31	12	2009	£000	11
				As at end of this financial year		As at end of the previous year		
				1		2		
Land and buildings				11	118836		119635	

Investments in group undertakings and participating interests

UK insurance dependants	shares	21		
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27	12232	2552
	debts and loans	28		
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Equity shares		41	505678	399021
Other shares and other variable yield participations		42	88319	50234
Holdings in collective investment schemes		43	206951	33894
Rights under derivative contracts		44	24328	37282
Fixed interest securities	Approved	45	121222	135484
	Other	46	269691	330057
Variable interest securities	Approved	47	8392	5015
	Other	48	5371	23797
Participation in investment pools		49		
Loans secured by mortgages		50	10	6
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52	3059	1866
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54		90913
	More than one month withdrawal	55		71140
Other financial investments		56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Old With Profits Fund**

		Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
		R13	3291349	GL	31	12	2009	£000	11
					As at end of this financial year		As at end of the previous year		
					1		2		
Deposits with ceding undertakings				57					
Assets held to match linked liabilities	Index linked			58	2278		1786		
	Property linked			59					

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	1568	1577
	Intermediaries	72	1550	
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74	84	1141
	Ceded	75		
Dependants	due in 12 months or less	76	12	
	due in more than 12 months	77		
Other	due in 12 months or less	78	31035	44579
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	4023	10550
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	7879	8255
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86		28

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	1412518	1368812
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Old With Profits Fund**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	11
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	1412518	1368812
Admissible assets in excess of market and counterparty limits	92		1622
Inadmissible assets directly held	93	16203	8635
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100	165	171
Other asset adjustments (may be negative)	101	(1395)	1367
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	1427491	1380607
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **New With Profits Fund**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	12
				As at end of this financial year		As at end of the previous year	
				1		2	
Land and buildings			11		588867		598462

Investments in group undertakings and participating interests

UK insurance dependants	shares	21		
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27	29157	12767
	debts and loans	28		
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Other financial investments				
Equity shares		41	2144375	1996054
Other shares and other variable yield participations		42	210520	251290
Holdings in collective investment schemes		43	533411	169504
Rights under derivative contracts		44	97727	153128
Fixed interest securities	Approved	45	651115	677751
	Other	46	1431571	1506978
Variable interest securities	Approved	47	41642	25465
	Other	48	21576	119040
Participation in investment pools		49		
Loans secured by mortgages		50	41	27
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52	12347	8325
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54		63408
	More than one month withdrawal	55		49617
Other financial investments		56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **New With Profits Fund**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R13	3291349	GL	31	12	2009	£000	12
							As at end of this financial year	As at end of the previous year		
							1	2		
Deposits with ceding undertakings						57				
Assets held to match linked liabilities		Index linked				58	15172		13310	
		Property linked				59				

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	7316	8145
	Intermediaries	72	7932	
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74		5893
	Ceded	75		
Dependants	due in 12 months or less	76	47	
	due in more than 12 months	77		
Other	due in 12 months or less	78	18573	109489
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	23954	60841
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	42209	40027
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86		142

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	5877552	5869663
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **New With Profits Fund**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	12
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	5877552	5869663
Admissible assets in excess of market and counterparty limits	92		8380
Inadmissible assets directly held	93	110591	69611
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100	221	252
Other asset adjustments (may be negative)	101	(11491)	(73182)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	5976873	5874724
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund One**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	13
				As at end of this financial year		As at end of the previous year	
				1		2	
Land and buildings			11				

Investments in group undertakings and participating interests

UK insurance dependants	shares	21		
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27	465770	327598
	debts and loans	28	160549	111497
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Equity shares		41	62535	79179
Other shares and other variable yield participations		42		
Holdings in collective investment schemes		43	235972	231076
Rights under derivative contracts		44	1461	
Fixed interest securities	Approved	45	134062	45161
	Other	46	51657	336368
Variable interest securities	Approved	47	75549	11052
	Other	48	102092	
Participation in investment pools		49		
Loans secured by mortgages		50		18
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52		5487
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54		25984
	More than one month withdrawal	55		20332
Other financial investments		56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund One**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	13
				As at end of this financial year		As at end of the previous year	
				1		2	
Deposits with ceding undertakings			57				
Assets held to match linked liabilities	Index linked		58		59556		55816
	Property linked		59		13121836		12018119

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71		594
	Intermediaries	72	557	
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74	7142	424
	Ceded	75		
Dependants	due in 12 months or less	76		2672
	due in more than 12 months	77		
Other	due in 12 months or less	78	50111	44771
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	36925	13628
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	3230	7339
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86	478	401

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	14569482	13337516
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund One**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	13
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	14569482	13337516
Admissible assets in excess of market and counterparty limits	92	360462	195854
Inadmissible assets directly held	93	143305	162944
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98	5413	29803
Deferred acquisition costs excluded from line 89	99	862814	738898
Reinsurers' share of technical provisions excluded from line 89	100	446582	212054
Other asset adjustments (may be negative)	101	(204021)	(218015)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	16184037	14459054
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Analysis of admissible assets**Form 13
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund Two**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	14
				As at end of this financial year		As at end of the previous year	
				1		2	
Land and buildings			11				

Investments in group undertakings and participating interests

UK insurance dependants	shares	21		
	debts and loans	22		
Other insurance dependants	shares	23		
	debts and loans	24		
Non-insurance dependants	shares	25		
	debts and loans	26		
Other group undertakings	shares	27		
	debts and loans	28		77909
Participating interests	shares	29		
	debts and loans	30		

Other financial investments

Equity shares		41		
Other shares and other variable yield participations		42		
Holdings in collective investment schemes		43	16937	
Rights under derivative contracts		44	438	
Fixed interest securities	Approved	45	88746	44830
	Other	46	76385	232538
Variable interest securities	Approved	47	69714	
	Other	48	20160	
Participation in investment pools		49		
Loans secured by mortgages		50		4944
Loans to public or local authorities and nationalised industries or undertakings		51		
Loans secured by policies of insurance issued by the company		52		
Other loans		53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54		41
	More than one month withdrawal	55		32
Other financial investments		56		

Analysis of admissible assets**Form 13
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund Two**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
	R13	3291349	GL	31	12	2009	£000	14
					As at end of this financial year		As at end of the previous year	
					1		2	
Deposits with ceding undertakings				57				
Assets held to match linked liabilities	Index linked			58	124943		138845	
	Property linked			59	14221231		12818134	

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71	157	51
	Intermediaries	72	30	
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74	102	97
	Ceded	75		
Dependants	due in 12 months or less	76	912	
	due in more than 12 months	77		
Other	due in 12 months or less	78		371
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	26583	45703
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	2682	7556
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86	2952	5292

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	14651972	13376343
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Analysis of admissible assets**Form 13
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund Two**

	Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets
R13	3291349	GL	31	12	2009	£000	14
				As at end of this financial year		As at end of the previous year	
				1		2	

**Reconciliation to asset values determined in accordance with the insurance
accounts rules or international accounting standards as applicable to the
firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	14651972	13376343
Admissible assets in excess of market and counterparty limits	92	604	137
Inadmissible assets directly held	93	22717	141
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99	632338	607223
Reinsurers' share of technical provisions excluded from line 89	100	4741129	1750464
Other asset adjustments (may be negative)	101	(105824)	(103273)
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	19942936	15631035
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

Long-term insurance business liabilities and margins**Form 14**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Fund **Total Long-term insurance business**Units **£000**

		As at the end of this financial year	As at the end of the previous year
		1	2
Mathematical reserves, after distribution of surplus	11	33655588	31268564
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12	20	14
Balance of surplus / (valuation deficit)	13	800000	600000
Long term insurance business fund carried forward (11 to 13)	14	34455608	31868578
Claims outstanding	Gross	15	126785
	Reinsurers' share	16	
	Net (15-16)	17	126785
Provisions	Taxation	21	11646
	Other risks and charges	22	18060
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	85199
	Reinsurance accepted	32	371
	Reinsurance ceded	33	51622
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	38547
	Other	38	221979
Accruals and deferred income	39	27442	32450
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	581651	721211
Excess of the value of net admissible assets	51	1474265	1362545
Total liabilities and margins	59	36511524	33952334

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	68134	60256
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62	27252044	24725803

Total liabilities (11+12+49)	71	34237259	31989789
Increase to liabilities – DAC related	72	177410	153897
Reinsurers' share of technical provisions	73	5188097	1962941
Other adjustments to liabilities (may be negative)	74	968764	860911
Capital and reserves and fund for future appropriations	75	2959807	2377882
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76	43531337	37345420

Long-term insurance business liabilities and margins**Form 14**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Fund **Old With Profits Fund**Units **£000**

		As at the end of this financial year	As at the end of the previous year
		1	2
Mathematical reserves, after distribution of surplus	11	920721	940410
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12		
Balance of surplus / (valuation deficit)	13		
Long term insurance business fund carried forward (11 to 13)	14	920721	940410
Claims outstanding	Gross	15	10140
	Reinsurers' share	16	
	Net (15-16)	17	10140
Provisions	Taxation	21	11646
	Other risks and charges	22	3543
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	7914
	Reinsurance accepted	32	
	Reinsurance ceded	33	1001
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	1437
	Other	38	16188
Accruals and deferred income	39	1728	1891
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	50054	52664
Excess of the value of net admissible assets	51	441743	375738
Total liabilities and margins	59	1412518	1368812

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	4969	1941
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62		

Total liabilities (11+12+49)	71	970775	993074
Increase to liabilities – DAC related	72		
Reinsurers' share of technical provisions	73		
Other adjustments to liabilities (may be negative)	74		
Capital and reserves and fund for future appropriations	75		
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76		

Long-term insurance business liabilities and margins**Form 14**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

Fund **New With Profits Fund**

Units **£000**

		As at the end of this financial year	As at the end of the previous year
		1	2
Mathematical reserves, after distribution of surplus	11	4733611	4858613
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12	20	14
Balance of surplus / (valuation deficit)	13		
Long term insurance business fund carried forward (11 to 13)	14	4733631	4858627
Claims outstanding	Gross	15	51887
	Reinsurers' share	16	
	Net (15-16)	17	51887
Provisions	Taxation	21	
	Other risks and charges	22	
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	40494
	Reinsurance accepted	32	371
	Reinsurance ceded	33	5122
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	8858
	Other	38	82188
Accruals and deferred income	39	9314	9768
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	198234	269767
Excess of the value of net admissible assets	51	945687	741269
Total liabilities and margins	59	5877552	5869663

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	25227	8761
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62		

Total liabilities (11+12+49)	71	4931865	5128394
Increase to liabilities – DAC related	72		
Reinsurers' share of technical provisions	73		
Other adjustments to liabilities (may be negative)	74		
Capital and reserves and fund for future appropriations	75		
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76		

Long-term insurance business liabilities and margins**Form 14**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Fund **Non Profit Fund One**Units **£000**

		As at the end of this financial year	As at the end of the previous year
		1	2
Mathematical reserves, after distribution of surplus	11	13430440	12291300
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12		
Balance of surplus / (valuation deficit)	13	800000	600000
Long term insurance business fund carried forward (11 to 13)	14	14230440	12891300
Claims outstanding	Gross	15	59638
	Reinsurers' share	16	
	Net (15-16)	17	59638
Provisions	Taxation	21	
	Other risks and charges	22	16374
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	35180
	Reinsurance accepted	32	
	Reinsurance ceded	33	23977
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	20155
	Other	38	87323
Accruals and deferred income	39	9560	12994
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	252207	200678
Excess of the value of net admissible assets	51	86835	245538
Total liabilities and margins	59	14569482	13337516

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	26803	
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62	13080794	11970058

Total liabilities (11+12+49)	71	13682647	12491978
Increase to liabilities – DAC related	72		
Reinsurers' share of technical provisions	73		
Other adjustments to liabilities (may be negative)	74		
Capital and reserves and fund for future appropriations	75		
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76		

Long-term insurance business liabilities and margins**Form 14**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Fund **Non Profit Fund Two**Units **£000**

		As at the end of this financial year	As at the end of the previous year
		1	2
Mathematical reserves, after distribution of surplus	11	14570816	13178241
Cash bonuses which had not been paid to policyholders prior to end of the financial year	12		
Balance of surplus / (valuation deficit)	13		
Long term insurance business fund carried forward (11 to 13)	14	14570816	13178241
Claims outstanding	Gross	15	5120
	Reinsurers' share	16	
	Net (15-16)	17	5120
Provisions	Taxation	21	
	Other risks and charges	22	1060
Deposits received from reinsurers	23		
Creditors	Direct insurance business	31	1611
	Reinsurance accepted	32	
	Reinsurance ceded	33	21522
Debenture loans	Secured	34	
	Unsecured	35	
Amounts owed to credit institutions	36		
Creditors	Taxation	37	8097
	Other	38	36280
Accruals and deferred income	39	6840	7797
Provision for "reasonably foreseeable adverse variations"	41		
Total other insurance and non-insurance liabilities (17 to 41)	49	81156	198102
Excess of the value of net admissible assets	51		
Total liabilities and margins	59	14651972	13376343

Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance	61	11135	49554
Amounts included in line 59 attributable to liabilities in respect of property linked benefits	62	14171250	12755745

Total liabilities (11+12+49)	71	14651972	13376343
Increase to liabilities – DAC related	72		
Reinsurers' share of technical provisions	73		
Other adjustments to liabilities (may be negative)	74		
Capital and reserves and fund for future appropriations	75		
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (71 to 75)	76		

Liabilities (other than long-term insurance business)**Form 15**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

	Company registration number	GL/ UK/ CM	day	month	year	units
R15	3291349	GL	31	12	2009	£000
			As at the end of this financial year		As at the end of the previous year	
			1		2	

Technical provisions (gross amount)

Provision for unearned premiums	11		
Claims outstanding	12		
Provision for unexpired risks	13		
Equalisation provisions	Credit business	14	
	Other than credit business	15	
Other technical provisions	16		
Total gross technical provisions (11 to 16)	19		

Provisions and creditors

Provisions	Taxation	21		
	Other risks and charges	22		
Deposits received from reinsurers		31		
Creditors	Direct insurance business	41		
	Reinsurance accepted	42		
	Reinsurance ceded	43		
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions		46		
Creditors	Taxation	47	4889	
	Foreseeable dividend	48		
	Other	49	133628	133160
Accruals and deferred income		51		
Total (19 to 51)		59	138517	133160
Provision for "reasonably foreseeable adverse variations"		61		
Cumulative preference share capital		62		
Subordinated loan capital		63		
Total (59 to 63)		69	138517	133160

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71	129750	128016
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Amounts deducted from technical provisions for discounting	82		
Other adjustments (may be negative)	83		
Capital and reserves	84	837310	810612
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	85	975827	943772

Profit and loss account (non-technical account)**Form 16**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

		Company registration number	GL/ UK/ CM	day	month	year	units	
		R16	3291349	GL	31	12	2009	£000
				This financial year		Previous year		
				1		2		
Transfer (to) / from the general insurance business technical account	From Form 20	11						
	Equalisation provisions	12						
Transfer from the long term insurance business revenue account		13	14761	96864				
Investment income	Income	14	24714	21044				
	Value re-adjustments on investments	15						
	Gains on the realisation of investments	16						
Investment charges	Investment management charges, including interest	17	1827	7894				
	Value re-adjustments on investments	18						
	Loss on the realisation of investments	19						
Allocated investment return transferred to the general insurance business technical account		20						
Other income and charges (particulars to be specified by way of supplementary note)		21	(359)	915				
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	37289	110929				
Tax on profit or loss on ordinary activities		31	10368	(645)				
Profit or loss on ordinary activities after tax (29-31)		39	26921	111574				
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41						
Tax on extraordinary profit or loss		42						
Other taxes not shown under the preceding items		43						
Profit or loss for the financial year (39+41-(42+43))		49	26921	111574				
Dividends (paid or foreseeable)		51						
Profit or loss retained for the financial year (49-51)		59	26921	111574				

Analysis of derivative contracts

Form 17

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R17	3291349	GL	31	12	2009	£000	10
Derivative contracts			Value as at the end of this financial year				Notional amount as at the end of this financial year			
			Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11		882				221057		
	Interest rates	12	12378	7453		390825		16584		
	Inflation	13								
	Credit index / basket	14		468				66635		
	Credit single name	15	372	1596		179983		5000		
	Equity index	16	104			2644				
	Equity stock	17								
	Land	18								
	Currencies	19	5707	28744				665655		
	Mortality	20								
	Other	21								
In the money options	Swaptions	31	16453			185411				
	Equity index calls	32								
	Equity stock calls	33								
	Equity index puts	34								
	Equity stock puts	35								
	Other	36								
Out of the money options	Swaptions	41	4811			54800				
	Equity index calls	42								
	Equity stock calls	43	10			107				
	Equity index puts	44	84221			1652307				
	Equity stock puts	45								
	Other	46								
Total (11 to 46)		51	124056	39143		2466077		974931		
Adjustment for variation margin		52	(102)	(882)						
Total (51 + 52)		53	123954	38261						

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE. Please see instructions 11 and 12 to this Form for the meaning of these figures

Analysis of derivative contracts

Form 17

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Old With Profits Fund**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R17	3291349	GL	31	12	2009	£000	11
Derivative contracts			Value as at the end of this financial year				Notional amount as at the end of this financial year			
			Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11			176				44211	
	Interest rates	12	2429		720		57805		2092	
	Inflation	13								
	Credit index / basket	14								
	Credit single name	15	47		202		23072		1000	
	Equity index	16	20				529			
	Equity stock	17								
	Land	18								
	Currencies	19	968		3746				79249	
	Mortality	20								
	Other	21								
In the money options	Swaptions	31	3245				37037			
	Equity index calls	32								
	Equity stock calls	33								
	Equity index puts	34								
	Equity stock puts	35								
	Other	36								
Out of the money options	Swaptions	41	962				10960			
	Equity index calls	42								
	Equity stock calls	43	2				21			
	Equity index puts	44	16675				224791			
	Equity stock puts	45								
	Other	46								
Total (11 to 46)		51	24348		4844		354215		126552	
Adjustment for variation margin		52	(20)		(176)					
Total (51 + 52)		53	24328		4668					

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE. Please see instructions 11 and 12 to this Form for the meaning of these figures

Analysis of derivative contracts

Form 17

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **New With Profits Fund**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R17	3291349	GL	31	12	2009	£000	12
Derivative contracts			Value as at the end of this financial year				Notional amount as at the end of this financial year			
			Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11		706				176846		
	Interest rates	12	9748	4985		285695		14492		
	Inflation	13								
	Credit index / basket	14								
	Credit single name	15	325	1394		156911		4000		
	Equity index	16	84			2115				
	Equity stock	17								
	Land	18								
	Currencies	19	4116	23655				375496		
	Mortality	20								
	Other	21								
In the money options	Swaptions	31	12981			148150				
	Equity index calls	32								
	Equity stock calls	33								
	Equity index puts	34								
	Equity stock puts	35								
	Other	36								
Out of the money options	Swaptions	41	3849			43840				
	Equity index calls	42								
	Equity stock calls	43	8			86				
	Equity index puts	44	66698			899166				
	Equity stock puts	45								
	Other	46								
Total (11 to 46)		51	97809	30740		1535963		570834		
Adjustment for variation margin		52	(82)	(706)						
Total (51 + 52)		53	97727	30034						

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE. Please see instructions 11 and 12 to this Form for the meaning of these figures

Analysis of derivative contracts

Form 17

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund One**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R17	3291349	GL	31	12	2009	£000	13
Derivative contracts			Value as at the end of this financial year				Notional amount as at the end of this financial year			
			Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11								
	Interest rates	12	201	1748	47325					
	Inflation	13								
	Credit index / basket	14		383				54542		
	Credit single name	15								
	Equity index	16								
	Equity stock	17								
	Land	18								
	Currencies	19	609	1099				183203		
	Mortality	20								
	Other	21								
In the money options	Swaptions	31	227		224					
	Equity index calls	32								
	Equity stock calls	33								
	Equity index puts	34								
	Equity stock puts	35								
	Other	36								
Out of the money options	Swaptions	41								
	Equity index calls	42								
	Equity stock calls	43								
	Equity index puts	44	424		264175					
	Equity stock puts	45								
	Other	46								
Total (11 to 46)		51	1461	3230	311724		237745			
Adjustment for variation margin		52								
Total (51 + 52)		53	1461	3230						

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE. Please see instructions 11 and 12 to this Form for the meaning of these figures

Analysis of derivative contracts

Form 17

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Category of assets **Non Profit Fund Two**

			Company registration number	GL/ UK/ CM	day	month	year	units	Category of assets	
			R17	3291349	GL	31	12	2009	£000	14
Derivative contracts			Value as at the end of this financial year				Notional amount as at the end of this financial year			
			Assets 1		Liabilities 2		Bought / Long 3		Sold / Short 4	
Futures and contracts for differences	Fixed-interest securities	11								
	Interest rates	12								
	Inflation	13								
	Credit index / basket	14			85				12093	
	Credit single name	15								
	Equity index	16								
	Equity stock	17								
	Land	18								
	Currencies	19		14		244				27707
	Mortality	20								
	Other	21								
In the money options	Swaptions	31								
	Equity index calls	32								
	Equity stock calls	33								
	Equity index puts	34								
	Equity stock puts	35								
	Other	36								
Out of the money options	Swaptions	41								
	Equity index calls	42								
	Equity stock calls	43								
	Equity index puts	44		424				264175		
	Equity stock puts	45								
	Other	46								
Total (11 to 46)		51		438		329		264175		39800
Adjustment for variation margin		52								
Total (51 + 52)		53		438		329				

THE NOTIONAL AMOUNTS IN COLUMNS 3 AND 4 ARE NOT A MEASURE OF EXPOSURE. Please see instructions 11 and 12 to this Form for the meaning of these figures

With-profits insurance capital component for the fund**Form 18**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **Old With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Regulatory excess capital

Regulatory value of assets	Long-term admissible assets of the fund	11	1412518	1368812
	Implicit items allocated to the fund	12		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	13	87146	72838
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	14	3399	2957
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	15		
	Total (11+12-(13+14+15))	19	1321973	1293017
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profit insurance contracts	21	833575	867572
	Regulatory current liabilities of the fund	22	50054	52664
	Total (21+22)	29	883629	920236
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		31	32671	35025
Resilience capital requirement in respect of the fund's with-profits insurance contracts		32		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		39	916300	955261
Regulatory excess capital (19-39)		49	405673	337756

Realistic excess capital

Realistic excess capital	51	223277	164111
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Excess assets allocated to with-profits insurance business

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	61	182396	173645
Face amount of capital instruments attributed to the fund and included in the capital resources (unstressed)	62		
Realistic amount of capital instruments attributed to the fund and included in the capital resources (stressed)	63		
Present value of future shareholder transfers arising from distribution of surplus	64	16547	14379
Present value of other future internal transfers not already taken into account	65		
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero; else greater of 61-64-65 and zero)	66	165849	159266

With-profits insurance capital component for the fund**Form 18**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **New With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Regulatory excess capital

Regulatory value of assets	Long-term admissible assets of the fund	11	5877552	5869663
	Implicit items allocated to the fund	12		
	Mathematical reserves in respect of the fund's non-profit insurance contracts	13	603017	517731
	Long-term admissible assets of the fund covering the LTICR of the fund's non-profit insurance contracts	14	23510	20978
	Long-term admissible assets of the fund covering the RCR of the fund's non-profit insurance contracts	15		
	Total (11+12-(13+14+15))	19	5251025	5330954
Regulatory value of liabilities	Mathematical reserves (after distribution of surplus) in respect of the fund's with-profit insurance contracts	21	4130614	4340896
	Regulatory current liabilities of the fund	22	198234	269767
	Total (21+22)	29	4328848	4610663
Long-term insurance capital requirement in respect of the fund's with-profits insurance contracts		31	161377	174744
Resilience capital requirement in respect of the fund's with-profits insurance contracts		32		
Sum of regulatory value of liabilities, LTICR and RCR (29+31+32)		39	4490225	4785407
Regulatory excess capital (19-39)		49	760800	545547

Realistic excess capital

Realistic excess capital	51	107329	(207085)
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Excess assets allocated to with-profits insurance business

Excess (deficiency) of assets allocated to with-profits insurance business in fund (49-51)	61	653471	752632
Face amount of capital instruments attributed to the fund and included in the capital resources (unstressed)	62		
Realistic amount of capital instruments attributed to the fund and included in the capital resources (stressed)	63		
Present value of future shareholder transfers arising from distribution of surplus	64	76339	67999
Present value of other future internal transfers not already taken into account	65	(25670)	(22830)
With-profits insurance capital component for fund (if 62 exceeds 63, greater of 61+62-63-64-65 and zero; else greater of 61-64-65 and zero)	66	602802	707463

Realistic balance sheet**Form 19
(Sheet 1)**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **Old With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Realistic value of assets available to the fund

Regulatory value of assets	11	1321973	1293017
Implicit items allocated to the fund	12		
Value of shares in subsidiaries held in the fund (regulatory)	13		
Excess admissible assets	21		1622
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	22	17131	6908
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	23	2085	2967
Value of shares in subsidiaries held in the fund (realistic)	24		
Prepayments made from the fund	25		
Realistic value of assets of the fund (11+21+22+23+24+25-(12+13))	26	1341189	1304514
Support arrangement assets	27		
Assets available to the fund (26+27)	29	1341189	1304514

Realistic value of liabilities of fund

With-profits benefits reserve	31	749928	709037
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	32	
	Past miscellaneous deficit attributed to with-profits benefits reserve	33	
	Planned enhancements to with-profits benefits reserve	34	153346
	Planned deductions for the cost of guarantees, options and smoothing from with-profits benefits reserve	35	
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	36	
	Future costs of contractual guarantees (other than financial options)	41	70953
	Future costs of non-contractual commitments	42	
	Future costs of financial options	43	41953
	Future costs of smoothing (possibly negative)	44	(26400)
	Financing costs	45	
	Any other liabilities related to regulatory duty to treat customers fairly	46	
	Other long-term insurance liabilities	47	26387
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	49	266239
Realistic current liabilities of the fund	51	55578	57289
Realistic value of liabilities of the fund (31+49+51)	59	1071745	1078996

Realistic balance sheet**Form 19
(Sheet 2)**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **Old With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Realistic excess capital and additional capital available

Value of relevant assets before applying the most adverse scenario other than present value of future profits arising from business outside with-profits funds	62	1117912	1140403
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	63		
Value of relevant assets before applying the most adverse scenario (62+ 63)	64	1117912	1140403
Risk capital margin for fund (62-59)	65	46167	61407
Realistic excess capital for fund (26-(59+65))	66	223277	164111
Realistic excess available capital for fund (29-(59+65))	67	223277	164111
Working capital for for fund (29-59)	68	269444	225518
Working capital ratio for fund (68/29)	69	20.09	17.29

**Other assets potentially available if required to cover
the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	81		
Additional amount potentially available for inclusion in line 63	82		

Realistic balance sheet**Form 19
(Sheet 1)**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **New With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Realistic value of assets available to the fund

Regulatory value of assets	11	5251025	5330954
Implicit items allocated to the fund	12		
Value of shares in subsidiaries held in the fund (regulatory)	13		
Excess admissible assets	21		8380
Present value of future profits (or losses) on non-profit insurance contracts written in the fund	22	121658	43806
Value of derivatives and quasi-derivatives not already reflected in lines 11 to 22	23	8341	12185
Value of shares in subsidiaries held in the fund (realistic)	24		
Prepayments made from the fund	25		
Realistic value of assets of the fund (11+21+22+23+24+25-(12+13))	26	5381024	5395325
Support arrangement assets	27	1222212	1018698
Assets available to the fund (26+27)	29	6603236	6414023

Realistic value of liabilities of fund

With-profits benefits reserve	31	3680828	3604693
Future policy related liabilities	Past miscellaneous surplus attributed to with-profits benefits reserve	32	
	Past miscellaneous deficit attributed to with-profits benefits reserve	33	
	Planned enhancements to with-profits benefits reserve	34	709583
	Planned deductions for the cost of guarantees, options and smoothing from with-profits benefits reserve	35	
	Planned deductions for other costs deemed chargeable to with-profits benefits reserve	36	
	Future costs of contractual guarantees (other than financial options)	41	297017
	Future costs of non-contractual commitments	42	
	Future costs of financial options	43	153625
	Future costs of smoothing (possibly negative)	44	(106171)
	Financing costs	45	
	Any other liabilities related to regulatory duty to treat customers fairly	46	
	Other long-term insurance liabilities	47	160481
	Total (32+34+41+42+43+44+45+46+47-(33+35+36))	49	1214535
Realistic current liabilities of the fund	51	198234	269767
Realistic value of liabilities of the fund (31+49+51)	59	5093597	5334135

Realistic balance sheet**Form 19
(Sheet 2)**

Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**

With-profits fund **New With Profits Fund**

Units **£000**

	As at end of this financial year	As at end of the previous year
	1	2

Realistic excess capital and additional capital available

Value of relevant assets before applying the most adverse scenario other than present value of future profits arising from business outside with-profits funds	62	5273695	5602410
Amount of present value of future profits (or losses) on long-term insurance contracts written outside the fund included in the value of relevant assets before applying most adverse scenario	63		
Value of relevant assets before applying the most adverse scenario (62+ 63)	64	5273695	5602410
Risk capital margin for fund (62-59)	65	180098	268275
Realistic excess capital for fund (26-(59+65))	66	107329	(207085)
Realistic excess available capital for fund (29-(59+65))	67	1329541	811613
Working capital for for fund (29-59)	68	1509639	1079888
Working capital ratio for fund (68/29)	69	22.86	16.84

**Other assets potentially available if required to cover
the fund's risk capital margin**

Additional amount potentially available for inclusion in line 62	81		
Additional amount potentially available for inclusion in line 63	82		

Long-term insurance business: Revenue account**Form 40**Name of insurer **AXA Sun Life Plc**Name and number of fund/Summary **Total Long-term insurance business**Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Earned premiums	11	3020013	4024484
Investment income receivable before deduction of tax	12	1246495	1662463
Increase (decrease) in the value of non-linked assets brought into account	13	293222	617633
Increase (decrease) in the value of linked assets	14	2676784	(5869077)
Other income	15	1518	2008
Total income	19	7238032	437511

Expenditure

Claims incurred	21	3968166	4751291
Expenses payable	22	628704	770222
Interest payable before deduction of tax	23	18126	10711
Taxation	24	(28110)	(120650)
Other expenditure	25	49355	115542
Transfer to (from) non technical account	26	14761	96864
Total expenditure	29	4651002	5623980

Business transfers-in	31		
Business transfers-out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	2587030	(5186469)
Fund brought forward	49	31868578	37055047
Fund carried forward (39+49)	59	34455608	31868578

Long-term insurance business: Revenue account**Form 40**Name of insurer **AXA Sun Life Plc**Name and number of fund/Summary **Old With Profits Fund**Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Earned premiums	11	51610	55488
Investment income receivable before deduction of tax	12	54162	66890
Increase (decrease) in the value of non-linked assets brought into account	13	(14847)	(79543)
Increase (decrease) in the value of linked assets	14		
Other income	15	120	137
Total income	19	91045	42972

Expenditure

Claims incurred	21	99367	144069
Expenses payable	22	6583	9197
Interest payable before deduction of tax	23	675	1254
Taxation	24	1145	(29499)
Other expenditure	25		
Transfer to (from) non technical account	26	2964	7825
Total expenditure	29	110734	132846

Business transfers-in	31		
Business transfers-out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(19689)	(89874)
Fund brought forward	49	940410	1030284
Fund carried forward (39+49)	59	920721	940410

Long-term insurance business: Revenue account**Form 40**Name of insurer **AXA Sun Life Plc**Name and number of fund/Summary **New With Profits Fund**Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Earned premiums	11	255224	280553
Investment income receivable before deduction of tax	12	235330	294191
Increase (decrease) in the value of non-linked assets brought into account	13	7844	(156687)
Increase (decrease) in the value of linked assets	14		
Other income	15	479	588
Total income	19	498877	418645

Expenditure

Claims incurred	21	584787	870645
Expenses payable	22	31408	50934
Interest payable before deduction of tax	23	1734	4536
Taxation	24	(5853)	(90796)
Other expenditure	25		
Transfer to (from) non technical account	26	11797	22719
Total expenditure	29	623873	858038

Business transfers-in	31		
Business transfers-out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	(124996)	(439393)
Fund brought forward	49	4858627	5298020
Fund carried forward (39+49)	59	4733631	4858627

Long-term insurance business: Revenue account**Form 40**Name of insurer **AXA Sun Life Plc**Name and number of fund/Summary **Non Profit Fund One**Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Earned premiums	11	1135281	1455565
Investment income receivable before deduction of tax	12	512739	726208
Increase (decrease) in the value of non-linked assets brought into account	13	267572	608238
Increase (decrease) in the value of linked assets	14	1142397	(2561463)
Other income	15	916	1278
Total income	19	3058905	229826

Expenditure

Claims incurred	21	1341280	1590225
Expenses payable	22	330571	383741
Interest payable before deduction of tax	23	8530	642
Taxation	24	7507	(13260)
Other expenditure	25	31877	74625
Transfer to (from) non technical account	26		41330
Total expenditure	29	1719765	2077303

Business transfers-in	31		
Business transfers-out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	1339140	(1847477)
Fund brought forward	49	12891300	14738777
Fund carried forward (39+49)	59	14230440	12891300

Long-term insurance business: Revenue account**Form 40**Name of insurer **AXA Sun Life Plc**Name and number of fund/Summary **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Earned premiums	11	1577898	2232878
Investment income receivable before deduction of tax	12	444264	575174
Increase (decrease) in the value of non-linked assets brought into account	13	32653	245625
Increase (decrease) in the value of linked assets	14	1534387	(3307614)
Other income	15	3	5
Total income	19	3589205	(253932)

Expenditure

Claims incurred	21	1942732	2146352
Expenses payable	22	260142	326350
Interest payable before deduction of tax	23	7187	4279
Taxation	24	(30909)	12905
Other expenditure	25	17478	40917
Transfer to (from) non technical account	26		24990
Total expenditure	29	2196630	2555793

Business transfers-in	31		
Business transfers-out	32		
Increase (decrease) in fund in financial year (19-29+31-32)	39	1392575	(2809725)
Fund brought forward	49	13178241	15987966
Fund carried forward (39+49)	59	14570816	13178241

Long-term insurance business: Analysis of premiums**Form 41**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Total Long-term insurance business**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Regular premiums	11	449957	902360	1624	1353941	1421449
Single premiums	12	959901	3491035	32	4450968	3090478

Reinsurance - external

Regular premiums	13	43189		1	43190	33618
Single premiums	14	(78)			(78)	1898

Reinsurance - intra-group

Regular premiums	15	27	63999		64026	17337
Single premiums	16	78	2677680		2677758	434590

Net of reinsurance

Regular premiums	17	406741	838361	1623	1246725	1370494
Single premiums	18	959901	813355	32	1773288	2653990

Total

Gross	19	1409858	4393395	1656	5804909	4511927
Reinsurance	20	43216	2741679	1	2784896	487443
Net	21	1366642	1651716	1655	3020013	4024484

Long-term insurance business: Analysis of premiums**Form 41**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Regular premiums	11	33124	4418	26	37568	40880
Single premiums	12	96	13934		14030	14701

Reinsurance - external

Regular premiums	13	(12)			(12)	93
Single premiums	14					

Reinsurance - intra-group

Regular premiums	15					
Single premiums	16					

Net of reinsurance

Regular premiums	17	33136	4418	26	37580	40787
Single premiums	18	96	13934		14030	14701

Total

Gross	19	33220	18352	26	51598	55581
Reinsurance	20	(12)			(12)	93
Net	21	33232	18352	26	51610	55488

Long-term insurance business: Analysis of premiums**Form 41**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Regular premiums	11	160033	36035	1382	197450	217744
Single premiums	12	841	56858	11	57710	63527

Reinsurance - external

Regular premiums	13	(65)		1	(64)	718
Single premiums	14					

Reinsurance - intra-group

Regular premiums	15					
Single premiums	16					

Net of reinsurance

Regular premiums	17	160098	36035	1381	197514	217026
Single premiums	18	841	56858	11	57710	63527

Total

Gross	19	160874	92893	1393	255160	281271
Reinsurance	20	(65)		1	(64)	718
Net	21	160939	92893	1392	255224	280553

Long-term insurance business: Analysis of premiums**Form 41**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Regular premiums	11	238290		238290	210308
Single premiums	12	933029		933029	1270911

Reinsurance - external

Regular premiums	13	35933		35933	25529
Single premiums	14				

Reinsurance - intra-group

Regular premiums	15	27		27	32
Single premiums	16	78		78	93

Net of reinsurance

Regular premiums	17	202330		202330	184747
Single premiums	18	932951		932951	1270818

Total

Gross	19	1171319		1171319	1481219
Reinsurance	20	36038		36038	25654
Net	21	1135281		1135281	1455565

Long-term insurance business: Analysis of premiums**Form 41**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Regular premiums	11	18510	861907	216	880633	952517
Single premiums	12	25935	3420243	21	3446199	1741339

Reinsurance - external

Regular premiums	13	7333			7333	7278
Single premiums	14	(78)			(78)	1898

Reinsurance - intra-group

Regular premiums	15		63999		63999	17305
Single premiums	16		2677680		2677680	434497

Net of reinsurance

Regular premiums	17	11177	797908	216	809301	927934
Single premiums	18	26013	742563	21	768597	1304944

Total

Gross	19	44445	4282150	237	4326832	2693856
Reinsurance	20	7255	2741679		2748934	460978
Net	21	37190	1540471	237	1577898	2232878

Long-term insurance business: Analysis of claims**Form 42**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Total Long-term insurance business**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Death or disability lump sums	11	314020	39208	773	354001	374718
Disability periodic payments	12	43193		116	43309	43786
Surrender or partial surrender	13	1273118	1277092	19497	2569707	3026085
Annuity payments	14	10847	209143	422	220412	111539
Lump sums on maturity	15	114076	934779	986	1049841	1343296
Total	16	1755254	2460222	21794	4237270	4899424

Reinsurance - external

Death or disability lump sums	21	7261			7261	7563
Disability periodic payments	22	8073			8073	6781
Surrender or partial surrender	23		20734		20734	48108
Annuity payments	24					
Lump sums on maturity	25					
Total	26	15334	20734		36068	62452

Reinsurance - intra-group

Death or disability lump sums	31		15		15	9
Disability periodic payments	32					
Surrender or partial surrender	33		48764		48764	
Annuity payments	34		180684		180684	85597
Lump sums on maturity	35		3573		3573	75
Total	36		233036		233036	85681

Net of reinsurance

Death or disability lump sums	41	306759	39193	773	346725	367146
Disability periodic payments	42	35120		116	35236	37005
Surrender or partial surrender	43	1273118	1207594	19497	2500209	2977977
Annuity payments	44	10847	28459	422	39728	25942
Lump sums on maturity	45	114076	931206	986	1046268	1343221
Total	46	1739920	2206452	21794	3968166	4751291

Long-term insurance business: Analysis of claims**Form 42**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Death or disability lump sums	11	12620	1236		13856	14281
Disability periodic payments	12					
Surrender or partial surrender	13	31479	13676	1754	46909	87641
Annuity payments	14	2	3604	8	3614	2991
Lump sums on maturity	15	11918	23462	72	35452	39780
Total	16	56019	41978	1834	99831	144693

Reinsurance - external

Death or disability lump sums	21	464			464	624
Disability periodic payments	22					
Surrender or partial surrender	23					
Annuity payments	24					
Lump sums on maturity	25					
Total	26	464			464	624

Reinsurance - intra-group

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34					
Lump sums on maturity	35					
Total	36					

Net of reinsurance

Death or disability lump sums	41	12156	1236		13392	13657
Disability periodic payments	42					
Surrender or partial surrender	43	31479	13676	1754	46909	87641
Annuity payments	44	2	3604	8	3614	2991
Lump sums on maturity	45	11918	23462	72	35452	39780
Total	46	55555	41978	1834	99367	144069

Long-term insurance business: Analysis of claims**Form 42**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Death or disability lump sums	11	68489	5569	764	74822	79205
Disability periodic payments	12					
Surrender or partial surrender	13	149550	71158	17743	238451	442115
Annuity payments	14	11	24802	14	24827	21594
Lump sums on maturity	15	88389	158586	891	247866	327998
Total	16	306439	260115	19412	585966	870912

Reinsurance - external

Death or disability lump sums	21	1179			1179	267
Disability periodic payments	22					
Surrender or partial surrender	23					
Annuity payments	24					
Lump sums on maturity	25					
Total	26	1179			1179	267

Reinsurance - intra-group

Death or disability lump sums	31					
Disability periodic payments	32					
Surrender or partial surrender	33					
Annuity payments	34					
Lump sums on maturity	35					
Total	36					

Net of reinsurance

Death or disability lump sums	41	67310	5569	764	73643	78938
Disability periodic payments	42					
Surrender or partial surrender	43	149550	71158	17743	238451	442115
Annuity payments	44	11	24802	14	24827	21594
Lump sums on maturity	45	88389	158586	891	247866	327998
Total	46	305260	260115	19412	584787	870645

Long-term insurance business: Analysis of claims**Form 42**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Death or disability lump sums	11	232812		232812	240117
Disability periodic payments	12	784		784	821
Surrender or partial surrender	13	1089909		1089909	1340384
Annuity payments	14	10834		10834	1010
Lump sums on maturity	15	13769		13769	15791
Total	16	1348108		1348108	1598123

Reinsurance - external

Death or disability lump sums	21	5618		5618	6672
Disability periodic payments	22	1210		1210	1215
Surrender or partial surrender	23				
Annuity payments	24				
Lump sums on maturity	25				
Total	26	6828		6828	7887

Reinsurance - intra-group

Death or disability lump sums	31				11
Disability periodic payments	32				
Surrender or partial surrender	33				
Annuity payments	34				
Lump sums on maturity	35				
Total	36				11

Net of reinsurance

Death or disability lump sums	41	227194		227194	233434
Disability periodic payments	42	(426)		(426)	(394)
Surrender or partial surrender	43	1089909		1089909	1340384
Annuity payments	44	10834		10834	1010
Lump sums on maturity	45	13769		13769	15791
Total	46	1341280		1341280	1590225

Long-term insurance business: Analysis of claims**Form 42**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Death or disability lump sums	11	99	32403	9	32511	41115
Disability periodic payments	12	42409		116	42525	42965
Surrender or partial surrender	13	2180	1192258		1194438	1155945
Annuity payments	14		180737	400	181137	85944
Lump sums on maturity	15		752731	23	752754	959727
Total	16	44688	2158129	548	2203365	2285696

Reinsurance - external

Death or disability lump sums	21					
Disability periodic payments	22	6863			6863	5566
Surrender or partial surrender	23		20734		20734	48108
Annuity payments	24					
Lump sums on maturity	25					
Total	26	6863	20734		27597	53674

Reinsurance - intra-group

Death or disability lump sums	31		15		15	(2)
Disability periodic payments	32					
Surrender or partial surrender	33		48764		48764	
Annuity payments	34		180684		180684	85597
Lump sums on maturity	35		3573		3573	75
Total	36		233036		233036	85670

Net of reinsurance

Death or disability lump sums	41	99	32388	9	32496	41117
Disability periodic payments	42	35546		116	35662	37399
Surrender or partial surrender	43	2180	1122760		1124940	1107837
Annuity payments	44		53	400	453	347
Lump sums on maturity	45		749158	23	749181	959652
Total	46	37825	1904359	548	1942732	2146352

Long-term insurance business: Analysis of expenses**Form 43**Name of insurer **AXA Sun Life Plc**Total business / subfund **Total Long-term insurance business**Financial year ended **31st December 2009**Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Commission - acquisition	11	124515	39270	1247	165032	223871
Commission - other	12	22762	15718	30	38510	40884
Management - acquisition	13	107516	103570		211086	243391
Management - maintenance	14	125073	89003		214076	262076
Management - other	15					
Total	16	379866	247561	1277	628704	770222

Reinsurance - external

Commission - acquisition	21					
Commission - other	22					
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
Total	26					

Reinsurance - intra-group

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
Total	36					

Net of reinsurance

Commission - acquisition	41	124515	39270	1247	165032	223871
Commission - other	42	22762	15718	30	38510	40884
Management - acquisition	43	107516	103570		211086	243391
Management - maintenance	44	125073	89003		214076	262076
Management - other	45					
Total	46	379866	247561	1277	628704	770222

Long-term insurance business: Analysis of expenses**Form 43**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Commission - acquisition	11	133	173	158	464	756
Commission - other	12	447	135	2	584	711
Management - acquisition	13	154	123		277	291
Management - maintenance	14	3532	1726		5258	7439
Management - other	15					
Total	16	4266	2157	160	6583	9197

Reinsurance - external

Commission - acquisition	21					
Commission - other	22					
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
Total	26					

Reinsurance - intra-group

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
Total	36					

Net of reinsurance

Commission - acquisition	41	133	173	158	464	756
Commission - other	42	447	135	2	584	711
Management - acquisition	43	154	123		277	291
Management - maintenance	44	3532	1726		5258	7439
Management - other	45					
Total	46	4266	2157	160	6583	9197

Long-term insurance business: Analysis of expenses**Form 43**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Commission - acquisition	11	1048	386	1089	2523	5970
Commission - other	12	2579	700	28	3307	4289
Management - acquisition	13	1009	790		1799	1888
Management - maintenance	14	17289	6490		23779	38787
Management - other	15					
Total	16	21925	8366	1117	31408	50934

Reinsurance - external

Commission - acquisition	21					
Commission - other	22					
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
Total	26					

Reinsurance - intra-group

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
Total	36					

Net of reinsurance

Commission - acquisition	41	1048	386	1089	2523	5970
Commission - other	42	2579	700	28	3307	4289
Management - acquisition	43	1009	790		1799	1888
Management - maintenance	44	17289	6490		23779	38787
Management - other	45					
Total	46	21925	8366	1117	31408	50934

Long-term insurance business: Analysis of expenses**Form 43**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Commission - acquisition	11	119853		119853	150228
Commission - other	12	20047		20047	21314
Management - acquisition	13	104157		104157	101608
Management - maintenance	14	86514		86514	110591
Management - other	15				
Total	16	330571		330571	383741

Reinsurance - external

Commission - acquisition	21				
Commission - other	22				
Management - acquisition	23				
Management - maintenance	24				
Management - other	25				
Total	26				

Reinsurance - intra-group

Commission - acquisition	31				
Commission - other	32				
Management - acquisition	33				
Management - maintenance	34				
Management - other	35				
Total	36				

Net of reinsurance

Commission - acquisition	41	119853		119853	150228
Commission - other	42	20047		20047	21314
Management - acquisition	43	104157		104157	101608
Management - maintenance	44	86514		86514	110591
Management - other	45				
Total	46	330571		330571	383741

Long-term insurance business: Analysis of expenses**Form 43**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

	UK Life	UK Pension	Overseas	Total Financial year	Total Previous year
	1	2	3	4	5

Gross

Commission - acquisition	11	3481	38711		42192	66917
Commission - other	12	(311)	14883		14572	14570
Management - acquisition	13	2196	102657		104853	139604
Management - maintenance	14	17738	80787		98525	105259
Management - other	15					
Total	16	23104	237038		260142	326350

Reinsurance - external

Commission - acquisition	21					
Commission - other	22					
Management - acquisition	23					
Management - maintenance	24					
Management - other	25					
Total	26					

Reinsurance - intra-group

Commission - acquisition	31					
Commission - other	32					
Management - acquisition	33					
Management - maintenance	34					
Management - other	35					
Total	36					

Net of reinsurance

Commission - acquisition	41	3481	38711		42192	66917
Commission - other	42	(311)	14883		14572	14570
Management - acquisition	43	2196	102657		104853	139604
Management - maintenance	44	17738	80787		98525	105259
Management - other	45					
Total	46	23104	237038		260142	326350

Long-term insurance business: Linked funds balance sheet**Form 44**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Internal linked funds (excluding cross investment)

Directly held assets (excluding collective investment schemes)	11	23640186	21895370
Directly held assets in collective investment schemes of connected companies	12	220524	126356
Directly held assets in other collective investment schemes	13	3394214	2742107
Total assets (excluding cross investment) (11+12+13)	14	27254924	24763833
Provision for tax on unrealised capital gains	15		
Secured and unsecured loans	16	4597	6653
Other liabilities	17	86425	103796
Total net assets (14-15-16-17)	18	27163902	24653384

Directly held linked assets

Value of directly held linked assets	21	113150	89032
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Total

Value of directly held linked assets and units held (18+21)	31	27277052	24742416
Surplus units	32	34190	35548
Deficit units	33	8980	18768
Net unit liability (31-32+33)	34	27251842	24725636

Long-term insurance business: revenue account for internal linked funds**Form 45**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

	Financial year	Previous year
	1	2

Income

Value of total creation of units	11	3909946	4821282
Investment income attributable to the funds before deduction of tax	12	853002	1140322
Increase (decrease) in the value of investments in the financial year	13	2706679	(5836808)
Other income	14	19065	28703
Total income	19	7488692	153499

Expenditure

Value of total cancellation of units	21	4687584	5094777
Charges for management	22	208648	293124
Charges in respect of tax on investment income	23	47353	65417
Taxation on realised capital gains	24	2382	17732
Increase (decrease) in amount set aside for tax on capital gains not yet realised	25		
Other expenditure	26	32207	38187
Total expenditure	29	4978174	5509237

Increase (decrease) in funds in financial year (19-29)	39	2510518	(5355738)
Internal linked fund brought forward	49	24653384	30009122
Internal linked funds carried forward (39+49)	59	27163902	24653384

Long-term insurance business: Summary of new business**Form 46**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial year 4	Total Previous year 5
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Number of new policyholders / scheme members for direct insurance business

Regular premium business	11	259093	12824	12	271929	264752
Single premium business	12	21660	21232		42892	47027
Total	13	280753	34056	12	314821	311779

Amount of new regular premiums

Direct insurance business	21	71398	78890	40	150328	239005
External reinsurance	22					
Intra-group reinsurance	23	417	5843		6260	11416
Total	24	71815	84733	40	156588	250421

Amount of new single premiums

Direct insurance business	25	950374	1333976	32	2284382	2921001
External reinsurance	26					
Intra-group reinsurance	27	9527	2157059		2166586	169477
Total	28	959901	3491035	32	4450968	3090478

Long-term insurance business: Analysis of new business**Form 47
(Sheet 1)**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

UK Life / Direct insurance business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
120	Conventional endowment with-profits OB savings	3913	958		
300	Regular premium non-profit WL/EA OB	160092	28445		
325	Level term assurance	37931	14363		
330	Decreasing term assurance	15794	4108		
335	Decreasing term assurance (rider benefits)			71	817
340	Accelerated critical illness (guaranteed premiums)	31724	15783		
345	Accelerated critical illness (reviewable premiums)	2909	1677		
350	Stand-alone critical illness (guaranteed premiums)	2385	1112		
355	Stand-alone critical illness (reviewable premiums)	271	119		
360	Income protection non-profit (guaranteed premiums)	3185	1422		
365	Income protection non-profit (reviewable premiums)	211	69		
390	Deferred annuity non-profit			14	563
395	Annuity non-profit (PLA)			186	20274
415	Collective Life				21279
420	Group income protection				131
500	Life UWP single premium				351
505	Life UWP whole life regular premium	5	7		
506	Life UWP whole life regular premium (ISA)	4	6		20
700	Life property linked single premium			21259	900340
705	Life property linked single premium quasi index linked			96	1941
710	Life property linked whole life regular premium	669	2753		
715	Life property linked endowment regular premium - savings		4		
795	Miscellaneous property linked		572		
905	Index linked annuity			34	4658

Long-term insurance business: Analysis of new business**Form 47
(Sheet 2)**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

UK Life / Reinsurance accepted intra-group

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
500	Life UWP single premium				1940
700	Life property linked single premium				7587
710	Life property linked whole life regular premium		416		
715	Life property linked endowment regular premium - savings		1		

Long-term insurance business: Analysis of new business**Form 47
(Sheet 3)**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

UK Pension / Direct insurance business

Product code number	Product description	Regular premium business		Single premium business	
		Number of policyholders / scheme members	Amount of premiums	Number of policyholders / scheme members	Amount of premiums
1	2	3	4	5	6
400	Annuity non-profit (CPA)			10282	168614
410	Group Life	3	1		
411	Group death in service dependants' annuities	2	2		
525	Individual pensions UWP	20	29	173	1944
530	Individual pensions UWP - increments		904		1427
535	Group money purchase pensions UWP	126	162	353	479
540	Group money purchase pensions UWP - increments		369		3491
555	Group deposit administration with-profits	209	531		
565	DWP National Insurance rebates UWP				17484
570	Income drawdown UWP			28	534
571	Trustee investment plan UWP				27
575	Miscellaneous UWP				8
725	Individual pensions property linked	381	1658	8550	233779
730	Individual pensions property linked - increments		2662		570274
735	Group money purchase pensions property linked	12067	33682	1390	24590
740	Group money purchase pensions property linked - increments		35413		73994
745	DWP National Insurance rebates property linked				186531
750	Income drawdown property linked			357	37519
755	Trustee investment plan	16	729	99	13096
760	Small self administered schemes		46		185
765	Group managed fund		2702		

Long-term insurance business: Analysis of new business**Form 47
(Sheet 4)**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

UK Pension / Reinsurance accepted intra-group

Product code number	Product description	Regular premium business		Single premium business	
		Number of policyholders / scheme members	Amount of premiums	Number of policyholders / scheme members	Amount of premiums
1	2	3	4	5	6
400	Annuity non-profit (CPA)				2057824
725	Individual pensions property linked		4		935
730	Individual pensions property linked - increments		914		26127
735	Group money purchase pensions property linked		1997		260
740	Group money purchase pensions property linked - increments		2824		14130
745	DWP National Insurance rebates property linked				54377
750	Income drawdown property linked				497
755	Trustee investment plan				2
760	Small self administered schemes		104		2710
795	Miscellaneous property linked				197

Long-term insurance business: Analysis of new business**Form 47
(Sheet 5)**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

Overseas / Direct insurance business

Product code number 1	Product description 2	Regular premium business		Single premium business	
		Number of policyholders / scheme members 3	Amount of premiums 4	Number of policyholders / scheme members 5	Amount of premiums 6
175	Group conventional deferred annuity with-profits				11
390	Deferred annuity non-profit				21
555	Group deposit administration with-profits	12	7		
715	Life property linked endowment regular premium - savings		3		
795	Miscellaneous property linked		30		

Long-term insurance business: Assets not held to match linked liabilities**Form 48**Name of insurer **AXA Sun Life Plc**Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**Units **£000**

	Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
	1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	433148	433148	21425	3.94	
Other fixed interest securities	13	659938	659939	40638	5.93	
Variable interest securities	14	283240	283240	8452	1.39	
UK listed equity shares	15		4111			
Non-UK listed equity shares	16	61835	147577	875	1.03	
Unlisted equity shares	17	466470	466470	15193	3.23	
Other assets	18	488880	399026	1970	0.49	
Total	19	2393511	2393511	88553	3.29	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21	707703	732152	49586	6.77	3.37
Approved fixed interest securities	22	574335	574335	24478	3.92	(0.62)
Other fixed interest securities	23	1291026	1364210	80203	5.50	18.60
Variable interest securities	24	62595	62595	1024	0.73	11.47
UK listed equity shares	25	1972084	2040126	75094	5.00	28.23
Non-UK listed equity shares	26	677968	677968	17517	3.43	16.55
Unlisted equity shares	27	41390	368368			(18.25)
Other assets	28	1245896	753243	5335	0.71	1.25
Total	29	6572997	6572997	253237	4.23	13.88

Overall return on with-profits assets

Post investment costs but pre-tax	31					15.29
Return allocated to non taxable 'asset shares'	32					15.29
Return allocated to taxable 'asset shares'	33					13.00

Long-term insurance business: Assets not held to match linked liabilities**Form 48**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Old With Profits Fund**

Units **£000**

	Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
	1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	26259	26259	1346	4.37	
Other fixed interest securities	13	56756	56756	3747	5.97	
Variable interest securities	14	1856	1856	36	4.40	
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	3396	3396	32	0.93	
Total	19	88267	88267	5161	5.27	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21	118836	126062	8555	6.79	3.37
Approved fixed interest securities	22	96543	96543	4114	3.92	(0.62)
Other fixed interest securities	23	219198	235322	13628	5.40	18.60
Variable interest securities	24	11946	11946	181	0.78	11.47
UK listed equity shares	25	371417	385440	12656	4.48	28.23
Non-UK listed equity shares	26	134261	134261	2970	2.94	16.55
Unlisted equity shares	27	12232	104452			(18.25)
Other assets	28	357540	227947	1589	0.70	1.25
Total	29	1321973	1321973	43693	3.63	12.38

Overall return on with-profits assets

Post investment costs but pre-tax	31					15.29
Return allocated to non taxable 'asset shares'	32					15.29
Return allocated to taxable 'asset shares'	33					13.00

Long-term insurance business: Assets not held to match linked liabilities**Form 48**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **New With Profits Fund**

Units **£000**

	Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
	1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	181916	181916	9322	4.37	
Other fixed interest securities	13	393196	393196	25892	5.97	
Variable interest securities	14	12755	12755	228	4.43	
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	23489	23489	219	0.93	
Total	19	611356	611356	35661	5.27	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21	588867	606090	41030	6.77	3.37
Approved fixed interest securities	22	477792	477792	20364	3.92	(0.62)
Other fixed interest securities	23	1071828	1128888	66575	5.53	18.60
Variable interest securities	24	50648	50648	843	0.72	11.47
UK listed equity shares	25	1600667	1654686	62438	5.13	28.23
Non-UK listed equity shares	26	543707	543707	14547	3.56	16.55
Unlisted equity shares	27	29157	263917			(18.25)
Other assets	28	888358	525296	3746	0.71	1.25
Total	29	5251024	5251024	209543	4.39	14.26

Overall return on with-profits assets

Post investment costs but pre-tax	31					15.29
Return allocated to non taxable 'asset shares'	32					15.29
Return allocated to taxable 'asset shares'	33					13.00

Long-term insurance business: Assets not held to match linked liabilities**Form 48**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Non Profit Fund One**

Units **£000**

	Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
	1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	135432	135432	6682	3.07	
Other fixed interest securities	13	132149	132149	6433	5.57	
Variable interest securities	14	178321	178321	2677	1.32	
UK listed equity shares	15		4111			
Non-UK listed equity shares	16	61835	147577	875	1.03	
Unlisted equity shares	17	466470	466470	15193	3.23	
Other assets	18	413883	324030	1477	0.46	
Total	19	1388090	1388090	33337	2.30	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21					
Approved fixed interest securities	22					
Other fixed interest securities	23					
Variable interest securities	24					
UK listed equity shares	25					
Non-UK listed equity shares	26					
Unlisted equity shares	27					
Other assets	28					
Total	29					

Overall return on with-profits assets

Post investment costs but pre-tax	31					
Return allocated to non taxable 'asset shares'	32					
Return allocated to taxable 'asset shares'	33					

Long-term insurance business: Assets not held to match linked liabilities**Form 48**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Non Profit Fund Two**

Units **£000**

	Unadjusted assets	Economic exposure	Expected income from assets in column 2	Yield before adjustment	Return on assets in financial year
	1	2	3	4	5

Assets backing non-profit liabilities and non-profit capital requirements

Land and buildings	11					
Approved fixed interest securities	12	89542	89542	4076	4.27	
Other fixed interest securities	13	77837	77837	4565	6.26	
Variable interest securities	14	90308	90308	5510	1.04	
UK listed equity shares	15					
Non-UK listed equity shares	16					
Unlisted equity shares	17					
Other assets	18	48111	48111	243	0.50	
Total	19	305798	305798	14394	3.23	

Assets backing with-profits liabilities and with-profits capital requirements

Land and buildings	21					
Approved fixed interest securities	22					
Other fixed interest securities	23					
Variable interest securities	24					
UK listed equity shares	25					
Non-UK listed equity shares	26					
Unlisted equity shares	27					
Other assets	28					
Total	29					

Overall return on with-profits assets

Post investment costs but pre-tax	31					
Return allocated to non taxable 'asset shares'	32					
Return allocated to taxable 'asset shares'	33					

Long-term insurance business: Fixed and variable interest assets**Form 49**Name of insurer **AXA Sun Life Plc**Financial year ended **31st December 2009**Category of assets **Total Long-term insurance business assets**Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK government approved fixed interest securities	11	667493	9.67	3.74	3.74
Other approved fixed interest securities	21	339990	8.96	4.31	4.01
Other fixed interest securities					
AAA/Aaa	31	135220	9.27	5.17	5.01
AA/Aa	32	385682	7.39	4.67	4.13
A/A	33	749914	8.97	5.31	4.44
BBB/Baa	34	554818	9.48	6.45	4.80
BB/Ba	35	98580	13.58	9.17	4.95
B/B	36	5853	18.86	8.41	4.23
CCC/Caa	37	82	16.84	14.91	4.23
Other (including unrated)	38	94000	23.13	4.29	2.51
Total other fixed interest securities	39	2024149	9.74	5.64	4.45
Approved variable interest securities	41	196280	13.50	0.51	0.51
Other variable interest securities	51	149555	9.34	2.27	1.69
Total (11+21+39+41+51)	61	3377467	9.85	4.68	3.91

Long-term insurance business: Fixed and variable interest assets**Form 49**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Old With Profits Fund**

Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK government approved fixed interest securities	11	76357	9.63	3.83	3.83
Other approved fixed interest securities	21	46445	9.11	4.31	4.01
Other fixed interest securities					
AAA/Aaa	31	19298	8.79	5.14	4.98
AA/Aa	32	60877	7.22	4.63	4.10
A/A	33	97729	9.32	5.26	4.40
BBB/Baa	34	80989	9.86	6.45	4.83
BB/Ba	35	13318	13.80	9.06	5.04
B/B	36	112	18.00	9.56	4.23
CCC/Caa	37	10	16.84	14.91	4.23
Other (including unrated)	38	19745	19.89	3.50	1.95
Total other fixed interest securities	39	292078	9.92	5.51	4.36
Approved variable interest securities	41	8426	8.89	0.62	0.62
Other variable interest securities	51	5376	5.40	2.27	1.59
Total (11+21+39+41+51)	61	428682	9.70	4.94	4.12

Long-term insurance business: Fixed and variable interest assets**Form 49**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **New With Profits Fund**

Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK government approved fixed interest securities	11	409178	9.72	3.84	3.84
Other approved fixed interest securities	21	250530	9.04	4.38	4.06
Other fixed interest securities					
AAA/Aaa	31	104268	8.95	5.15	4.99
AA/Aa	32	310518	7.41	4.71	4.17
A/A	33	503260	9.36	5.31	4.45
BBB/Baa	34	462507	9.41	6.43	4.78
BB/Ba	35	67545	13.75	9.07	5.05
B/B	36	775	18.00	9.56	4.23
CCC/Caa	37	71	16.84	14.91	4.23
Other (including unrated)	38	73140	24.11	4.33	2.63
Total other fixed interest securities	39	1522084	9.86	5.64	4.47
Approved variable interest securities	41	41810	8.90	0.62	0.62
Other variable interest securities	51	21593	7.28	3.10	2.09
Total (11+21+39+41+51)	61	2245195	9.70	5.05	4.21

Long-term insurance business: Fixed and variable interest assets**Form 49**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Non Profit Fund One**

Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK government approved fixed interest securities	11	114817	7.22	3.07	3.07
Other approved fixed interest securities	21	20615	4.14	3.06	2.90
Other fixed interest securities					
AAA/Aaa	31	610	2.80	3.74	3.60
AA/Aa	32	6264	0.89	1.59	1.02
A/A	33	102661	4.60	4.94	3.97
BBB/Baa	34	465	6.55	5.73	3.84
BB/Ba	35	16270	12.49	9.73	4.49
B/B	36	4966	19.02	8.21	4.23
CCC/Caa	37				
Other (including unrated)	38	913	16.56	15.68	4.41
Total other fixed interest securities	39	132149	6.02	5.57	3.90
Approved variable interest securities	41	75965	10.62	0.27	0.27
Other variable interest securities	51	102356	9.79	2.11	1.60
Total (11+21+39+41+51)	61	445902	7.89	3.11	2.49

Long-term insurance business: Fixed and variable interest assets**Form 49**

Name of insurer **AXA Sun Life Plc**

Financial year ended **31st December 2009**

Category of assets **Non Profit Fund Two**

Units **£000**

		Value of assets 1	Mean term 2	Yield before adjustment 3	Yield after adjustment 4
UK government approved fixed interest securities	11	67140	13.62	4.12	4.12
Other approved fixed interest securities	21	22402	12.12	4.71	4.46
Other fixed interest securities					
AAA/Aaa	31	11044	13.58	5.48	5.31
AA/Aa	32	8024	12.82	5.77	5.31
A/A	33	46263	13.67	6.15	5.42
BBB/Baa	34	10858	9.74	7.44	5.49
BB/Ba	35	1447	16.03	8.43	4.92
B/B	36				
CCC/Caa	37				
Other (including unrated)	38	201	16.64	15.76	4.44
Total other fixed interest securities	39	77837	13.07	6.26	5.39
Approved variable interest securities	41	70079	19.93	0.69	0.69
Other variable interest securities	51	20229	10.28	2.23	1.70
Total (11+21+39+41+51)	61	257687	14.78	3.74	3.41

Long-term insurance business: Summary of mathematical reserves**Form 50**Name of insurer **AXA Sun Life Plc**Total business / subfund **Total Long-term insurance business**Financial year ended **31st December 2009**Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial Year 4	Total Previous Year 5
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Gross

Form 51 - with-profits	11	584108	332197	1273	917578	895908
Form 51 - non-profit	12	1073760	3666785	10572	4751117	2449733
Form 52	13	1842409	2058852	124459	4025720	4282193
Form 53 - linked	14	13067318	15286871	27130	28381319	25108644
Form 53 - non-linked	15	34798	51506	194	86498	125661
Form 54 - linked	16	229055	403693	1815	634563	335641
Form 54 - non-linked	17	21617	4014	2	25633	2974
Total	18	16853065	21803918	165445	38822428	33200754

Reinsurance - external

Form 51 - with-profits	21	386			386	418
Form 51 - non-profit	22	529719			529719	281422
Form 52	23					
Form 53 - linked	24		80095		80095	100769
Form 53 - non-linked	25	934			934	862
Form 54 - linked	26	44808		280	45088	35955
Form 54 - non-linked	27					
Total	28	575847	80095	280	656222	419426

Reinsurance - intra-group

Form 51 - with-profits	31					
Form 51 - non-profit	32		3093179		3093179	1169441
Form 52	33					
Form 53 - linked	34		1049180		1049180	282073
Form 53 - non-linked	35		(1420)		(1420)	42
Form 54 - linked	36	1285	386241		387526	89930
Form 54 - non-linked	37		3410		3410	2049
Total	38	1285	4530590		4531875	1543535

Net of reinsurance

Form 51 - with-profits	41	583722	332197	1273	917192	895490
Form 51 - non-profit	42	544041	573606	10572	1128219	998870
Form 52	43	1842409	2058852	124459	4025720	4282193
Form 53 - linked	44	13067318	14157596	27130	27252044	24725802
Form 53 - non-linked	45	33864	52926	194	86984	124757
Form 54 - linked	46	182962	17452	1535	201949	209756
Form 54 - non-linked	47	21617	604	2	22223	925
Total	48	16275933	17193233	165165	33634331	31237793

Long-term insurance business: Summary of mathematical reserves

Form 50

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial Year 4	Total Previous Year 5
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Gross

Form 51 - with-profits	11	123656	58402	349	182407	181438
Form 51 - non-profit	12	18848	65734	198	84780	70986
Form 52	13	257271	376047	13907	647225	680272
Form 53 - linked	14					
Form 53 - non-linked	15					
Form 54 - linked	16		2278		2278	1786
Form 54 - non-linked	17		89		89	65
Total	18	399775	502550	14454	916779	934547

Reinsurance - external

Form 51 - with-profits	21	165			165	169
Form 51 - non-profit	22					
Form 52	23					
Form 53 - linked	24					
Form 53 - non-linked	25					
Form 54 - linked	26					
Form 54 - non-linked	27					
Total	28	165			165	169

Reinsurance - intra-group

Form 51 - with-profits	31					
Form 51 - non-profit	32					
Form 52	33					
Form 53 - linked	34					
Form 53 - non-linked	35					
Form 54 - linked	36					
Form 54 - non-linked	37					
Total	38					

Net of reinsurance

Form 51 - with-profits	41	123491	58402	349	182242	181269
Form 51 - non-profit	42	18848	65734	198	84780	70986
Form 52	43	257271	376047	13907	647225	680272
Form 53 - linked	44					
Form 53 - non-linked	45					
Form 54 - linked	46		2278		2278	1786
Form 54 - non-linked	47		89		89	65
Total	48	399610	502550	14454	916614	934378

Long-term insurance business: Summary of mathematical reserves

Form 50

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial Year 4	Total Previous Year 5
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Gross

Form 51 - with-profits	11	460452	273795	924	735171	714470
Form 51 - non-profit	12	105770	481356	203	587329	504002
Form 52	13	1585138	1682805	110552	3378495	3601921
Form 53 - linked	14					
Form 53 - non-linked	15					
Form 54 - linked	16		15172		15172	13310
Form 54 - non-linked	17		515		515	420
Total	18	2151360	2453643	111679	4716682	4834123

Reinsurance - external

Form 51 - with-profits	21	221			221	249
Form 51 - non-profit	22					
Form 52	23					
Form 53 - linked	24					
Form 53 - non-linked	25					
Form 54 - linked	26					
Form 54 - non-linked	27					
Total	28	221			221	249

Reinsurance - intra-group

Form 51 - with-profits	31					
Form 51 - non-profit	32					
Form 52	33					
Form 53 - linked	34					
Form 53 - non-linked	35					
Form 54 - linked	36					
Form 54 - non-linked	37					
Total	38					

Net of reinsurance

Form 51 - with-profits	41	460231	273795	924	734950	714221
Form 51 - non-profit	42	105770	481356	203	587329	504002
Form 52	43	1585138	1682805	110552	3378495	3601921
Form 53 - linked	44					
Form 53 - non-linked	45					
Form 54 - linked	46		15172		15172	13310
Form 54 - non-linked	47		515		515	420
Total	48	2151139	2453643	111679	4716461	4833874

Long-term insurance business: Summary of mathematical reserves

Form 50

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial Year 4	Total Previous Year 5
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Gross

Form 51 - with-profits	11				
Form 51 - non-profit	12	704309		704309	434338
Form 52	13				
Form 53 - linked	14	13053946	26848	13080794	11970058
Form 53 - non-linked	15	32008	194	32202	42969
Form 54 - linked	16	59556		59556	55816
Form 54 - non-linked	17	161		161	174
Total	18	13849980	27042	13877022	12503355

Reinsurance - external

Form 51 - with-profits	21				
Form 51 - non-profit	22	446582		446582	212023
Form 52	23				
Form 53 - linked	24				
Form 53 - non-linked	25				
Form 54 - linked	26				
Form 54 - non-linked	27				
Total	28	446582		446582	212023

Reinsurance - intra-group

Form 51 - with-profits	31				
Form 51 - non-profit	32				
Form 52	33				
Form 53 - linked	34				
Form 53 - non-linked	35				32
Form 54 - linked	36				
Form 54 - non-linked	37				
Total	38				32

Net of reinsurance

Form 51 - with-profits	41				
Form 51 - non-profit	42	257727		257727	222315
Form 52	43				
Form 53 - linked	44	13053946	26848	13080794	11970058
Form 53 - non-linked	45	32008	194	32202	42937
Form 54 - linked	46	59556		59556	55816
Form 54 - non-linked	47	161		161	174
Total	48	13403398	27042	13430440	12291300

Long-term insurance business: Summary of mathematical reserves

Form 50

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

	UK Life 1	UK Pension 2	Overseas 3	Total Financial Year 4	Total Previous Year 5
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Gross

Form 51 - with-profits	11				
Form 51 - non-profit	12	244833	3119695	10171	3374699
Form 52	13				
Form 53 - linked	14	13372	15286871	282	15300525
Form 53 - non-linked	15	2790	51506		54296
Form 54 - linked	16	169499	386243	1815	557557
Form 54 - non-linked	17	21456	3410	2	24868
Total	18	451950	18847725	12270	19311945

Reinsurance - external

Form 51 - with-profits	21				
Form 51 - non-profit	22	83137			83137
Form 52	23				
Form 53 - linked	24		80095		80095
Form 53 - non-linked	25	934			934
Form 54 - linked	26	44808		280	45088
Form 54 - non-linked	27				
Total	28	128879	80095	280	209254

Reinsurance - intra-group

Form 51 - with-profits	31				
Form 51 - non-profit	32		3093179		3093179
Form 52	33				
Form 53 - linked	34		1049180		1049180
Form 53 - non-linked	35		(1420)		(1420)
Form 54 - linked	36	1285	386241		387526
Form 54 - non-linked	37		3410		3410
Total	38	1285	4530590		4531875

Net of reinsurance

Form 51 - with-profits	41				
Form 51 - non-profit	42	161696	26516	10171	198383
Form 52	43				
Form 53 - linked	44	13372	14157596	282	14171250
Form 53 - non-linked	45	1856	52926		54782
Form 54 - linked	46	123406	2	1535	124943
Form 54 - non-linked	47	21456		2	21458
Total	48	321786	14237040	11990	14570816

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 1)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB	763	11264	62	n/a	n/a	n/a	7123
120	Conventional endowment with-profits OB savings	28864	205240	18121	n/a	n/a	n/a	106194
125	Conventional endowment with-profits OB target cash	205	2487	45	n/a	n/a	n/a	5013
205	Miscellaneous conventional with-profits	23334	10780	1576	n/a	n/a	n/a	5326
300	Regular premium non-profit WL/EA OB	2083	97975	6407	n/a	n/a	n/a	17633
390	Deferred annuity non-profit	6	58		n/a	n/a	n/a	893
395	Annuity non-profit (PLA)	2	2		n/a	n/a	n/a	15
435	Miscellaneous non-profit	70	222		n/a	n/a	n/a	307

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 2)Name of insurer **AXA Sun Life Plc**Total business / subfund **Old With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB		311	2	n/a	n/a	n/a	165

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 3)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
155	Conventional pensions endowment with-profits	2506	33743	51	n/a	n/a	n/a	45978
205	Miscellaneous conventional with-profits	25	341		n/a	n/a	n/a	306
210	Additional reserves with-profits OB				n/a	n/a	n/a	12118
390	Deferred annuity non-profit	10	17		n/a	n/a	n/a	264
400	Annuity non-profit (CPA)	1745	2583		n/a	n/a	n/a	41806
435	Miscellaneous non-profit	845	10871		n/a	n/a	n/a	23664

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 4)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB	10	344	3	n/a	n/a	n/a	251
120	Conventional endowment with-profits OB savings	6	92	1	n/a	n/a	n/a	74
125	Conventional endowment with-profits OB target cash	1	7		n/a	n/a	n/a	7
205	Miscellaneous conventional with-profits	4	14		n/a	n/a	n/a	17
395	Annuity non-profit (PLA)	1	8		n/a	n/a	n/a	89
435	Miscellaneous non-profit	1	107		n/a	n/a	n/a	109

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 5)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB	4890	59970	396	n/a	n/a	n/a	39305
120	Conventional endowment with-profits OB savings	183967	755654	66290	n/a	n/a	n/a	371617
125	Conventional endowment with-profits OB target cash	1323	15567	284	n/a	n/a	n/a	28860
205	Miscellaneous conventional with-profits	46608	40205	6006	n/a	n/a	n/a	20670
300	Regular premium non-profit WL/EA OB	416770	654494	43992	n/a	n/a	n/a	105009
390	Deferred annuity non-profit	1	24		n/a	n/a	n/a	428
395	Annuity non-profit (PLA)	4	8		n/a	n/a	n/a	107
435	Miscellaneous non-profit	47	102		n/a	n/a	n/a	226

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 6)Name of insurer **AXA Sun Life Plc**Total business / subfund **New With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB		91		n/a	n/a	n/a	221

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 7)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
155	Conventional pensions endowment with-profits	4118	132321	458	n/a	n/a	n/a	180903
205	Miscellaneous conventional with-profits	81	2326	229	n/a	n/a	n/a	9683
210	Additional reserves with-profits OB				n/a	n/a	n/a	83209
390	Deferred annuity non-profit	101	534		n/a	n/a	n/a	11464
400	Annuity non-profit (CPA)	12395	26594		n/a	n/a	n/a	429757
435	Miscellaneous non-profit	672	19301		n/a	n/a	n/a	40135

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 8)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
100	Conventional whole life with-profits OB	15	664	11	n/a	n/a	n/a	408
120	Conventional endowment with-profits OB savings	36	472	5	n/a	n/a	n/a	419
125	Conventional endowment with-profits OB target cash	1	29	1	n/a	n/a	n/a	28
205	Miscellaneous conventional with-profits	7	70	1	n/a	n/a	n/a	69
395	Annuity non-profit (PLA)	8	14		n/a	n/a	n/a	167
435	Miscellaneous non-profit	1	29		n/a	n/a	n/a	36

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 9)Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund One**Financial year ended **31st December 2009**Units **£000****UK Life / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
300	Regular premium non-profit WL/EA OB	460887	1179805	74338	n/a	n/a	n/a	113338
325	Level term assurance	77734	12527295	26430	n/a	n/a	n/a	202158
330	Decreasing term assurance	49375	4746522	11889	n/a	n/a	n/a	75758
340	Accelerated critical illness (guaranteed premiums)	92952	8081826	43900	n/a	n/a	n/a	204822
345	Accelerated critical illness (reviewable premiums)	8925	877178	5078	n/a	n/a	n/a	32421
390	Deferred annuity non-profit	160	128		n/a	n/a	n/a	2125
395	Annuity non-profit (PLA)	878	7441		n/a	n/a	n/a	59888
435	Miscellaneous non-profit	210	477453	52	n/a	n/a	n/a	3335
440	Additional reserves non-profit OB				n/a	n/a	n/a	10464

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund One**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
300	Regular premium non-profit WL/EA OB		2442	28	n/a	n/a	n/a	625
325	Level term assurance		10756711	11714	n/a	n/a	n/a	186731
330	Decreasing term assurance		3624489	4409	n/a	n/a	n/a	60347
340	Accelerated critical illness (guaranteed premiums)		6370461	15659	n/a	n/a	n/a	199226
345	Accelerated critical illness (reviewable premiums)		694095	1908	n/a	n/a	n/a	24733
435	Miscellaneous non-profit		31		n/a	n/a	n/a	
440	Additional reserves non-profit OB				n/a	n/a	n/a	(25080)

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
300	Regular premium non-profit WL/EA OB	12	31		n/a	n/a	n/a	29
330	Decreasing term assurance	7	4	2	n/a	n/a	n/a	
350	Stand-alone critical illness (guaranteed premiums)	7588	531356	3615	n/a	n/a	n/a	1408
355	Stand-alone critical illness (reviewable premiums)	1683	136712	841	n/a	n/a	n/a	1785
360	Income protection non-profit (guaranteed premiums)	8725	123146	3938	n/a	n/a	n/a	12890
365	Income protection non-profit (reviewable premiums)	3564	11067	349	n/a	n/a	n/a	12094
370	Long-term care policy	5567	71210	3876	n/a	n/a	n/a	141234
385	Income protection claims in payment	50	649	23	n/a	n/a	n/a	2618
390	Deferred annuity non-profit	27	532		n/a	n/a	n/a	1113
395	Annuity non-profit (PLA)	701	15552		n/a	n/a	n/a	53453
435	Miscellaneous non-profit	19	6674		n/a	n/a	n/a	1376
440	Additional reserves non-profit OB				n/a	n/a	n/a	16833

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
350	Stand-alone critical illness (guaranteed premiums)		415580	1466	n/a	n/a	n/a	1354
355	Stand-alone critical illness (reviewable premiums)		104903	309	n/a	n/a	n/a	1199
360	Income protection non-profit (guaranteed premiums)		95503	1604	n/a	n/a	n/a	10587
365	Income protection non-profit (reviewable premiums)		8433	150	n/a	n/a	n/a	8017
370	Long-term care policy		37680	2773	n/a	n/a	n/a	59927
385	Income protection claims in payment		436	15	n/a	n/a	n/a	1759
435	Miscellaneous non-profit				n/a	n/a	n/a	294

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
300	Regular premium non-profit WL/EA OB	141	162		n/a	n/a	n/a	232
315	Individual deposit administration non-profit		6992	57	n/a	n/a	n/a	6992
325	Level term assurance	542	22838	90	n/a	n/a	n/a	871
390	Deferred annuity non-profit	11591	7196	9	n/a	n/a	n/a	111836
400	Annuity non-profit (CPA)	82510	221685		n/a	n/a	n/a	2981597
435	Miscellaneous non-profit	1033	12782	39	n/a	n/a	n/a	18081
440	Additional reserves non-profit OB				n/a	n/a	n/a	86

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 14)Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded intra-group**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
390	Deferred annuity non-profit		7157	9	n/a	n/a	n/a	110209
400	Annuity non-profit (CPA)		221685		n/a	n/a	n/a	2981597
435	Miscellaneous non-profit		308		n/a	n/a	n/a	1373

Long-term insurance business : Valuation summary of non-linked contracts (other than accumulating with-profit contracts)**Form 51**
(Sheet 15)Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****Overseas / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
300	Regular premium non-profit WL/EA OB	64	736	19	n/a	n/a	n/a	521
325	Level term assurance	6	1233	5	n/a	n/a	n/a	7
330	Decreasing term assurance	3	50		n/a	n/a	n/a	1
390	Deferred annuity non-profit	61	121	764	n/a	n/a	n/a	4709
395	Annuity non-profit (PLA)	123	371		n/a	n/a	n/a	4824
435	Miscellaneous non-profit		26556	191	n/a	n/a	n/a	109

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 1)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
500	Life UWP single premium	3722	167087		161875	144196	14998	159194
505	Life UWP whole life regular premium	1444	192872	1073	2461	2461	79	2541
510	Life UWP endowment regular premium - savings	155	3469	241	2997	2997	30	3027
515	Life UWP endowment regular premium - target cash	7950	225142	4522	83059	83059	1258	84317
574	UWP investment only reinsurance		6479		6479	6479		6479
575	Miscellaneous UWP	400	1585	52	1570	1570	143	1713

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 2)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
505	Life UWP whole life regular premium		9221	36				

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 3)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
525	Individual pensions UWP	12943	265109	2700	248395	248184	47849	296034
535	Group money purchase pensions UWP	1349	44459	1412	42846	42841	532	43373
555	Group deposit administration with-profits	2250	16569	55	16569	16569	2103	18672
570	Income drawdown UWP	11	8002		8002	8001	3	8003
571	Trustee investment plan UWP	60	9398	9	9398	9396	21	9417
575	Miscellaneous UWP	7	338	4	290	279	2	281
610	Additional reserves UWP						267	267

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 4)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Old With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
525	Individual pensions UWP		25					

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 5)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
500	Life UWP single premium	10	150		149	149		149
505	Life UWP whole life regular premium	14	4818	16	64	64	1	64
510	Life UWP endowment regular premium - savings	2	176	10	163	163		163
515	Life UWP endowment regular premium - target cash	45	1912	34	661	661	4	665
555	Group deposit administration with-profits	19	547		547	547	14	562
574	UWP investment only reinsurance		12304		12304	12304		12304

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 6)**Name of insurer **AXA Sun Life Plc**Total business / subfund **New With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Life / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
500	Life UWP single premium	35821	1028656		1011215	943957	68382	1012339
505	Life UWP whole life regular premium	10632	1048632	6641	13127	13127	562	13691
510	Life UWP endowment regular premium - savings	705	15682	1044	14039	14038	99	14137
515	Life UWP endowment regular premium - target cash	38478	1289907	28247	467377	467377	7154	474531
574	UWP investment only reinsurance		59333		59333	59333	101	59435
575	Miscellaneous UWP	5781	10315	52	10217	10217	788	11005

Long-term insurance business: Valuation summary of accumulating with-profits contracts

Form 52
(Sheet 7)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Reinsurance ceded external

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
505	Life UWP whole life regular premium		19670	74				

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 8)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
525	Individual pensions UWP	41080	1158484	19427	1033099	1032347	190907	1223254
535	Group money purchase pensions UWP	7457	146545	7191	142271	142235	1520	143755
555	Group deposit administration with-profits	13901	244800	6793	244800	244800	24805	269605
570	Income drawdown UWP	96	25913		25913	25904	8	25913
571	Trustee investment plan UWP	154	17134	19	17134	17127	2	17129
575	Miscellaneous UWP	20	1412	62	1331	1314	2	1316
610	Additional reserves UWP						1833	1833

Long-term insurance business: Valuation summary of accumulating with-profits contracts**Form 52
(Sheet 9)**Name of insurer **AXA Sun Life Plc**Total business / subfund **New With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
525	Individual pensions UWP		54					

Long-term insurance business: Valuation summary of accumulating with-profits contracts

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
500	Life UWP single premium	134	5853		5824	5730		5730
505	Life UWP whole life regular premium	214	34659	193	924	924	13	937
510	Life UWP endowment regular premium - savings	18	833	56	687	687	3	690
515	Life UWP endowment regular premium - target cash	175	12460	236	3362	3362	16	3378
555	Group deposit administration with-profits	405	14529	754	14529	14529	809	15338
574	UWP investment only reinsurance		84479		84479	84479		84479

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 1)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund One**Financial year ended **31st December 2009**Units **£000****UK Life / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium	239139	12026765		12087225	11980587	(16186)	11964402
710	Life property linked whole life regular premium	129205	9436403	82855	641710	641710	7790	649501
715	Life property linked endowment regular premium - savings	6294	277747	14178	244347	244347	2463	246810
720	Life property linked endowment regular premium - target cash	8999	380295	12127	176795	176795	6330	183124
795	Miscellaneous property linked	13985	10409	8792	10507	10507	98	10604
800	Additional reserves property linked						31513	31513

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 2)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund One**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
710	Life property linked whole life regular premium		176009	659				

Long-term insurance business: Valuation summary of property linked contracts

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium	80	2898		2847	2847	2	2848
710	Life property linked whole life regular premium	1818	265015	1830	18874	18874	178	19053
715	Life property linked endowment regular premium - savings	122	4249	253	3859	3859	10	3869
720	Life property linked endowment regular premium - target cash	44	2376	49	813	813	1	815
795	Miscellaneous property linked	441	457	402	455	455	3	457

Long-term insurance business: Valuation summary of property linked contracts

Form 53
(Sheet 4)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
700	Life property linked single premium						772	772
795	Miscellaneous property linked	543			13372	13372	2018	15390

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 5)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
795	Miscellaneous property linked						934	934

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 6)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked	218175	8702173	256025	8721613	8623576	(7239)	8616337
735	Group money purchase pensions property linked	188038	3907295	417154	3801258	3786844	57486	3844330
750	Income drawdown property linked	7281	1067354		1067355	1067355	2269	1069624
755	Trustee investment plan	3064	900674	4259	1133922	1133547	(888)	1132659
760	Small self administered schemes	443	181933	4991	181317	173447	(120)	173327
765	Group managed fund	148	499988	21955	499988	499988		499988
794	Property-linked investment only reinsurance		1145		2114	2114	(19)	2095
800	Additional reserves property linked						17	17

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 7)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked		483	4				
735	Group money purchase pensions property linked				80095	80095		80095

Long-term insurance business: Valuation summary of property linked contracts**Form 53
(Sheet 8)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded intra-group**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
725	Individual pensions property linked						26	26
735	Group money purchase pensions property linked		333721		333721	333721		333721
755	Trustee investment plan		715459		715459	715459		715459
800	Additional reserves property linked						(1446)	(1446)

Long-term insurance business: Valuation summary of property linked contracts

Form 53
(Sheet 9)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

Overseas / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
710	Life property linked whole life regular premium	4	162	1	162	162		162
715	Life property linked endowment regular premium - savings	3	120		120	120		120

Long-term insurance business: Valuation summary of index linked contracts

Form 54
(Sheet 1)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

UK Pension / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
905	Index linked annuity	135	106		2614	2278	89	2367

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 2)**Name of insurer **AXA Sun Life Plc**Total business / subfund **New With Profits Fund**Financial year ended **31st December 2009**Units **£000****UK Pension / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
905	Index linked annuity	860	680		17399	15172	515	15687

Long-term insurance business: Valuation summary of index linked contracts

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
905	Index linked annuity	20	2773		72196	59556	161	59717

Long-term insurance business: Valuation summary of index linked contracts

Form 54
(Sheet 4)

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

UK Life / Gross

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
901	Index linked income protection claims in payment		4418		31424	30166		30166
905	Index linked annuity	276	5290		19947	19258	165	19423
910	Miscellaneous index linked	6489	359452	4386	159127	120075	21291	141366

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 5)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
901	Index linked income protection claims in payment		1079		7856	7542		7542
910	Miscellaneous index linked		108729	3266	42690	37266		37266

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 6)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Life / Reinsurance ceded intra-group**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
901	Index linked income protection claims in payment		103		1339	1285		1285

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 7)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
905	Index linked annuity	4825	24673		388188	386243	3410	389653

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 8)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****UK Pension / Reinsurance ceded intra-group**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
905	Index linked annuity		24673		388188	386241	3410	389651

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 9)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****Overseas / Gross**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
901	Index linked income protection claims in payment		123		887	846		846
905	Index linked annuity	3	36		764	694	2	696
910	Miscellaneous index linked	28	12695		288	275		275

Long-term insurance business: Valuation summary of index linked contracts**Form 54
(Sheet 10)**Name of insurer **AXA Sun Life Plc**Total business / subfund **Non Profit Fund Two**Financial year ended **31st December 2009**Units **£000****Overseas / Reinsurance ceded external**

Product code number 1	Product description 2	Number of policyholders / scheme members 3	Amount of benefit 4	Amount of annual office premiums 5	Nominal value of units 6	Discounted value of units 7	Other liabilities 8	Amount of mathematical reserves 9
901	Index linked income protection claims in payment		31		222	212		212
910	Miscellaneous index linked		3000		72	68		68

Long-term insurance business: Unit prices for internal linked funds**Form 55**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

Fund name 1	Type of fund 2	Net assets 3	Main series 4	Unit mgmt charge 5	Price at previous valuation date 6	Price at current valuation date 7	Change in price during year 8
Individual Managed	12 - individual pension - balanced managed fund	3747698	Issue 23	1.00	20.9790	24.0360	14.57
Individual Property	17 - individual pension - property	437600	Issue 58	1.00	11.2560	11.0290	(2.02)
Individual Equity	15 - Individual pension - UK equity	944677	Issue 23	1.00	32.9280	41.6320	26.43
Individual UK Bond	14 - Individual pension - other managed fund	218521	Issue 23	1.00	11.0070	11.4730	4.23
Individual Cash	14 - Individual pension - other managed fund	786675	Issue 23	1.00	7.9360	7.9370	0.01
Individual Global Equity	16 - Individual pension - overseas equity	172532	Issue 23	1.00	9.9810	11.1010	11.22
Individual Pacific	16 - Individual pension - overseas equity	124027	Issue 23	1.00	8.2000	12.1170	47.77
Individual European	16 - Individual pension - overseas equity	197757	Issue 23	1.00	5.1200	5.8160	13.59
Individual Retirement Distribution	14 - Individual pension - other managed fund	2327840	Issue 23	1.00	3.7350	4.3140	15.50
Individual Higher Income	15 - Individual pension - UK equity	269031	Issue 42	1.00	7.7670	9.3330	20.16
Individual Global Managed	11 - individual pension - stock market managed fund	142041	Issue 33	1.00	3.0940	3.5440	14.54
Individual Reserve	13 - individual pension - defensive managed fund	265533	Issue 65	1.00	1.4440	1.4840	2.77
Individual Global Distribution	16 - individual pension - overseas equity	102259	Issue 04	1.00	1.3590	1.4750	8.54
Individual Retirement 2015	11 - individual pension - stock market managed fund	152241	Issue 65	1.00	1.0050	1.1700	16.42
Individual Retirement 2020	11 - individual pension - stock market managed fund	178300	Issue 65	1.00	0.9200	1.1270	22.50
Individual Retirement 2025	11 - individual pension - stock market managed fund	215829	Issue 65	1.00	0.9250	1.1330	22.49
Individual Retirement 2030	11 - individual pension - stock market managed fund	215569	Issue 65	1.00	0.9250	1.1330	22.49
Individual Retirement 2035	11 - individual pension - stock market managed fund	181537	Issue 65	1.00	0.9220	1.1300	22.56
Individual Retirement 2040	11 - individual pension - stock market managed fund	183999	Issue 65	1.00	0.9190	1.1260	22.52
Hermes World Equity	14 - individual pension - other managed fund	102359	Issue 01	1.00	1.1580	1.4940	29.02
Group Overseas Equity	26 - group managed fund - overseas equity	112184	Group Managed Fund	1.00	9.0940	10.2240	12.43
Group Mixed	22 - group managed fund - balanced managed fund	221563	Group Managed Fund	1.00	46.2960	53.9070	16.44
Managed	02 - life - balanced managed fund	903040	Issue 83	1.00	12.2190	13.9910	14.50
Property	07 - life - property	456833	Issue 87	1.00	1.1190	1.1640	4.02
Equity	05 - life - UK equity	122737	Issue 83	1.00	15.5600	19.7050	26.64
Cash	04 - life - other managed fund	209630	Issue 87	1.00	1.2010	1.1980	(0.25)
Distribution	04 - life - other managed fund	4625414	Issue 14	1.00	3.3950	3.6840	8.51
Deferred Distribution	04 - life - other managed fund	3097869	Issue 14	1.00	3.6450	4.0630	11.47
Higher Income	05 - life - UK equity	160401	Issue 83	1.00	22.0870	26.5770	20.33
Reserve	03 - life - defensive managed fund	552218	Issue 87	1.00	1.0940	1.1230	2.65

Long-term insurance business: Unit prices for internal linked funds**Form 55**
(continuation sheet)Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

Fund name 1	Type of fund 2	Net assets 3	Main series 4	Unit mgmt charge 5	Price at previous valuation date 6	Price at current valuation date 7	Change in price during year 8
Higher Yield Distribution	04 - life - other managed fund	682946	Issue 87	1.00	0.7620	0.8140	6.82
Active Protector 80	04 - life - other managed fund	157872	Issue 87	1.00	1.1490	1.2040	4.79
Extra Income	04 - life - other managed fund	119088	Issue 01	1.00	0.9210	0.9880	7.27
Monthly Distribution	04 - life - other managed fund	157382	Issue 01	1.00	0.8790	0.9530	8.42

Long-term insurance business: index linked business**Form 56**Name of insurer **AXA Sun Life Plc**

Total business

Financial year ended **31st December 2009**Units **£000**

		Value of assets	Mean term
		1	2
Analysis of assets			
Approved variable interest securities	11	157726	16.31
Other variable interest securities	12	44223	11.34
Approved fixed interest securities	13		
Other fixed interest securities	14		
Cash and deposits	15		
Equity index derivatives	16		
Inflation swaps	17		
Other assets	18		
Variation margin	19		
Total (11 to 19)	20	201949	
Credit rating of other fixed interest and other variable interest securities			
AAA/Aaa	31		
AA/Aa	32		
A/A	33		
BBB/Baa	34		
BB/Ba	35		
B/B	36		
CCC/Caa	37		
Other (including unrated)	38		
Total other fixed interest and other variable interest securities	39		

Long-term insurance business - analysis of valuation interest rate**Form 57
(Sheet 1)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Product Group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Pens NP Form 51	65732		3.80	4.15
UK Life WP Form 51	126561	3.00		5.37
UK Pens WP Form 51	58402		4.00	5.37
UK Life WP Form 52	257272	3.00		5.44
UK PBF WP Form 52	152109		3.00	4.35
UK PBF WP Form 52 Guarenteed 4%	224725		4.00	4.35
Misc	33642			4.65
TOTAL	918443	n/a	n/a	n/a

Long-term insurance business - analysis of valuation interest rate**Form 57
(Sheet 2)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

Product Group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK Pens NP Form 51	481357		3.80	4.15
UK Life WP Form 51	472005	3.00		5.37
UK Pens WP Form 51	273795		4.00	5.37
UK Life WP Form 52	1585136	3.00		5.44
UK PBF WP Form 52	862861		3.00	4.35
UK PBF WP Form 52 Guarenteed 4%	825020		4.00	4.35
Misc	218265			4.76
TOTAL	4718439	n/a	n/a	n/a

Long-term insurance business - analysis of valuation interest rate**Form 57
(Sheet 3)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

Product Group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK L&GA NP Form 51	157373	2.30		3.25
UK L&GA NP Form 51 Additional Reserves	35454	2.95		3.97
UK L&GA NP Form 51 SLAS GAF Transfer	50462		3.55	3.78
UK L&GA NP Form 53 Additional Reserves	31513	2.95		3.97
Misc	15288			3.31
TOTAL	290090	n/a	n/a	n/a

Long-term insurance business - analysis of valuation interest rate**Form 57
(Sheet 4)**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

Product Group 1	Net mathematical reserves 2	Net valuation interest rate 3	Gross valuation interest rate 4	Risk adjusted yield on matching assets 5
UK L&GA NP Form 51 Additional Reserves	16833		3.70	3.97
UK L&GA NP Form 51 PHI	144599		4.70	4.99
UK Pens NP Form 51	19216		2.90	3.25
UK Pens NP Form 53	51463		4.10	4.45
UK L&GA NP Form 54 PHI	21456		4.70	4.99
Misc	21057			3.68
TOTAL	274624	n/a	n/a	n/a

Long-term insurance business: distribution of surplus**Form 58**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Total Long-term insurance business**

Financial year ended **31st December 2009**

Units **£000**

	Financial year 1	Previous year 2
--	----------------------------	---------------------------

Valuation result

Fund carried forward	11	34455608	31868578
Bonus payments in anticipation of a surplus	12	111569	244111
Transfer to non-technical account	13	14761	96864
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	34581938	32209553
Mathematical reserves	21	33634331	31237793
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	947607	971760

Composition of surplus

Balance brought forward	31	600000	
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	347607	971760
Total	39	947607	971760

Distribution of surplus

Bonus paid in anticipation of a surplus	41	111569	244111
Cash bonuses	42	20	14
Reversionary bonuses	43	21257	30771
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	132846	274896
Net transfer out of fund / part of fund	47	14761	96864
Total distributed surplus (46+47)	48	147607	371760
Surplus carried forward	49	800000	600000
Total (48+49)	59	947607	971760

Percentage of distributed surplus allocated to policyholders

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

Long-term insurance business: distribution of surplus**Form 58**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Old With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	Financial year 1	Previous year 2
--	----------------------------	---------------------------

Valuation result

Fund carried forward	11	920721	940410
Bonus payments in anticipation of a surplus	12	22572	64391
Transfer to non-technical account	13	2964	7825
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	946257	1012626
Mathematical reserves	21	916614	934378
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	29643	78248

Composition of surplus

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	29643	78248
Total	39	29643	78248

Distribution of surplus

Bonus paid in anticipation of a surplus	41	22572	64391
Cash bonuses	42		
Reversionary bonuses	43	4107	6032
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	26679	70423
Net transfer out of fund / part of fund	47	2964	7825
Total distributed surplus (46+47)	48	29643	78248
Surplus carried forward	49		
Total (48+49)	59	29643	78248

Percentage of distributed surplus allocated to policyholders

Current year	61	90.00	90.00
Current year - 1	62	90.00	90.00
Current year - 2	63	90.00	90.00
Current year - 3	64	90.00	90.00

Long-term insurance business: distribution of surplus**Form 58**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **New With Profits Fund**

Financial year ended **31st December 2009**

Units **£000**

	Financial year 1	Previous year 2
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Valuation result

Fund carried forward	11	4733631	4858627
Bonus payments in anticipation of a surplus	12	88997	179720
Transfer to non-technical account	13	11797	22719
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	4834425	5061066
Mathematical reserves	21	4716461	4833874
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	117964	227192

Composition of surplus

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	117964	227192
Total	39	117964	227192

Distribution of surplus

Bonus paid in anticipation of a surplus	41	88997	179720
Cash bonuses	42	20	14
Reversionary bonuses	43	17150	24739
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46	106167	204473
Net transfer out of fund / part of fund	47	11797	22719
Total distributed surplus (46+47)	48	117964	227192
Surplus carried forward	49		
Total (48+49)	59	117964	227192

Percentage of distributed surplus allocated to policyholders

Current year	61	90.00	90.00
Current year - 1	62	90.00	90.00
Current year - 2	63	90.00	90.00
Current year - 3	64	90.00	90.00

Long-term insurance business: distribution of surplus**Form 58**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund One**

Financial year ended **31st December 2009**

Units **£000**

	Financial year 1	Previous year 2
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Valuation result

Fund carried forward	11	14230440	12891300
Bonus payments in anticipation of a surplus	12		
Transfer to non-technical account	13		41330
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	14230440	12932630
Mathematical reserves	21	13430440	12291300
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29	800000	641330

Composition of surplus

Balance brought forward	31	600000	
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34	200000	641330
Total	39	800000	641330

Distribution of surplus

Bonus paid in anticipation of a surplus	41		
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46		
Net transfer out of fund / part of fund	47		41330
Total distributed surplus (46+47)	48		41330
Surplus carried forward	49	800000	600000
Total (48+49)	59	800000	641330

Percentage of distributed surplus allocated to policyholders

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

Long-term insurance business: distribution of surplus**Form 58**

Name of insurer **AXA Sun Life Plc**

Total business / subfund **Non Profit Fund Two**

Financial year ended **31st December 2009**

Units **£000**

	Financial year 1	Previous year 2
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Valuation result

Fund carried forward	11	14570816	13178241
Bonus payments in anticipation of a surplus	12		
Transfer to non-technical account	13		24990
Transfer to other funds / parts of funds	14		
Subtotal (11 to 14)	15	14570816	13203231
Mathematical reserves	21	14570816	13178241
Surplus including contingency and other reserves held towards the capital requirements (deficiency) (15-21)	29		24990

Composition of surplus

Balance brought forward	31		
Transfer from non-technical account	32		
Transfer from other funds / parts of fund	33		
Surplus arising since the last valuation	34		24990
Total	39		24990

Distribution of surplus

Bonus paid in anticipation of a surplus	41		
Cash bonuses	42		
Reversionary bonuses	43		
Other bonuses	44		
Premium reductions	45		
Total allocated to policyholders (41 to 45)	46		
Net transfer out of fund / part of fund	47		24990
Total distributed surplus (46+47)	48		24990
Surplus carried forward	49		
Total (48+49)	59		24990

Percentage of distributed surplus allocated to policyholders

Current year	61		
Current year - 1	62		
Current year - 2	63		
Current year - 3	64		

Long-term insurance business: With-profits payouts on maturity (normal retirement)**Form 59A**Name of insurer **AXA Sun Life Plc**Original insurer **AXA Sun Life plc.**

Date of maturity value/open market option

Category of with-profits policy	Original term (years)	Maturity value / open market option	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	10	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	15	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	20	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	25	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	5	14638	1909		UWP	N	14638
Regular premium pension	10	28277	3688		UWP	N	28277
Regular premium pension	15	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	20	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	5	12907	1684		UWP	N	12907
Single premium pension	10	15965	2082		UWP	N	15965
Single premium pension	15	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	20	n/a	n/a	n/a	n/a	n/a	n/a

Long-term insurance business: With-profits payouts on maturity (normal retirement)**Form 59A**Name of insurer **AXA Sun Life Plc**Original insurer **AXA Equity & Law**

Date of maturity value/open market option

Category of with-profits policy	Original term (years)	Maturity value / open market option	Terminal bonus	MVA	CWP / UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	10	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	15	12089	2015		UWP	n/a	
Endowment assurance	20	20654	4131		UWP	n/a	
Endowment assurance	25	32459	1528		CWP	n/a	
Regular premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a
Regular premium pension	15	49651	8034		UWP	n/a	
Regular premium pension	20	89585	11685		UWP	n/a	
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	15	20481	3314		UWP	n/a	
Single premium pension	20	37406	4879		UWP	n/a	

Long-term insurance business: With-profits payouts on surrender**Form 59B**Name of insurer **AXA Sun Life Plc**Original insurer **AXA Sun Life plc.**

Date of surrender value

Category of with-profits policy	Duration at surrender (years)	Surrender value	Terminal bonus	MVA	CWP/UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	5	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	10	5414	306		UWP	Y	6500
Endowment assurance	15	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	20	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	2	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	3	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	5	10926			UWP	Y	
With-profits bond	10	11126		1963	UWP	Y	
Single premium pension	2	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	3	10755			UWP	Y	10755
Single premium pension	5	11244			UWP	Y	11244
Single premium pension	10	13883			UWP	Y	13883

Long-term insurance business: With-profits payouts on surrender**Form 59B**Name of insurer **AXA Sun Life Plc**Original insurer **AXA Equity & Law**

Date of surrender value

Category of with-profits policy	Duration at surrender (years)	Surrender value	Terminal bonus	MVA	CWP/UWP	MVA permitted?	Death benefit
1	2	3	4	5	6	7	8
Endowment assurance	5	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	10	n/a	n/a	n/a	n/a	n/a	n/a
Endowment assurance	15	10519	1127		UWP	Y	6500
Endowment assurance	20	19203	3201		UWP	Y	6500
With-profits bond	2	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	3	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	5	n/a	n/a	n/a	n/a	n/a	n/a
With-profits bond	10	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	2	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	3	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	5	n/a	n/a	n/a	n/a	n/a	n/a
Single premium pension	10	n/a	n/a	n/a	n/a	n/a	n/a

Long-term insurance capital requirement**Form 60**Name of insurer **AXA Sun Life Plc**

Global business

Financial year ended **31st December 2009**Units **£000**

	LTICR factor	Gross reserves / capital at risk	Net reserves / capital at risk	Reinsurance factor	LTICR Financial year	LTICR Previous year
	1	2	3	4	5	6

Insurance death risk capital component

Life protection reinsurance	11	0.0%	26460	26460			
Classes I (other), II and IX	12	0.1%	75512	17245	0.50	38	23
Classes I (other), II and IX	13	0.15%	2147453	253915		1611	941
Classes I (other), II and IX	14	0.3%	28037231	8985366		42056	32030
Classes III, VII and VIII	15	0.3%	10313125	10135820	0.98	30407	32508
Total	16		40599781	19418806		74112	65503

Insurance health risk and life protection reinsurance capital component

Class IV, supplementary classes 1 and 2 and life protection reinsurance	21					4381	4467
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Insurance expense risk capital component

Life protection and permanent health reinsurance	31	0%					
Classes I (other), II and IX	32	1%	8918335	8376707	0.94	83767	66340
Classes III, VII and VIII (investment risk)	33	1%	1179162	1161836	0.99	11618	9555
Classes III, VII and VIII (expenses fixed 5 yrs +)	34	1%	1421803	1421803	1.00	14218	11641
Classes III, VII and VIII (other)	35	25%				21223	22176
Class IV (other)	36	1%	375798	246290	0.85	3194	2880
Class V	37	1%					
Class VI	38	1%					
Total	39					134020	112593

Insurance market risk capital component

Life protection and permanent health reinsurance	41	0%	96	96			
Classes I (other), II and IX	42	3%	8918335	8376707	0.94	251301	199020
Classes III, VII and VIII (investment risk)	43	3%	1179162	1161836	0.99	34855	28665
Classes III, VII and VIII (expenses fixed 5 yrs +)	44	0%	1421803	1421803			
Classes III, VII and VIII (other)	45	0%	26948492	25819218			
Class IV (other)	46	3%	375798	246290	0.85	9583	8640
Class V	47	0%					
Class VI	48	3%					
Total	49		38843686	37025950		295739	236325

Long term insurance capital requirement	51					508252	418888
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Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***0201* - Directions modifying the Accounts and Statements Rules**

The Financial Services Authority (FSA), on application of the firm, made a direction effective November 2007 under section 148 of the Financial Services and Markets Act 2000 (the Act). The effect of this direction is stated in notes 1322 and 1901.

The FSA, on the application of the firm, made a direction in October 2008, under section 148 of the Act. The effect of the direction was to allow the firm to:

- (i) take full credit when calculating its mathematical reserves in accordance with INSPRU 1.2 for its reinsurance with the intra-group Insurance Special Purpose Vehicle (ISPV), AXA Annuity Company Limited, in respect of the In-Force Intra-Group Reassurance Agreement dated 18 December 2007 (as amended), the New Business Intra-Group Reassurance Agreement dated 18 December 2007 (as amended) and, from the date on which it takes effect, the further In-Force Intra- Group Reassurance Agreement; and
- (ii) to allow the reinsurance debts owed to the firm by the ISPV to be admissible.

The FSA, on the application of the firm, made a direction under section 148 of the Act in November 2009. The effect of the direction is to modify the provisions of INSPRU 3.1.35R and IPRU(INS) Appendix 9.3 so that a more appropriate rate of interest is used for assets taken in combination, see note 5702.

***0204* - Interfund Transfer**

The Scheme governing the financial reorganisation of AXA Sun Life in 2001 (the "Scheme") details arrangements under which assets from the inherited estate, attributed to AXA through the reorganisation, may be transferred on a temporary, or permanent, basis to the With Profits Funds as required to support the capital requirements of these funds, as determined under the Scheme.

In the case of a temporary transfer, assets and related investment income remain attributable to AXA as they will be returned when they are no longer required to support the capital requirements of the With Profits Funds, under the stringent tests set out in the Scheme.

If all or part of the assets transferred are unlikely to be returned in the foreseeable future (taking into consideration the duration of the in force With-Profit policies), then the relevant part of the transfer would be designated permanent.

Only a permanent transfer to the With Profits Funds would result in a charge against the profit and loss account.

As at 31 December 2009 the maximum amount that could be transferred under the Scheme is capped at the market value of relevant surplus assets in the Non Profit Funds, which is estimated to be £1,222m.

As at 31 December 2009 the transfer to the With-Profits Funds has a nil value. Under the rules of the Scheme an annual test ("the Test") must be performed at least once in a 12 month period and may result in an additional transfer. The completion of the Test, based on an effective date of 1 January 2010, may lead to a transfer, although it is not practicable at this time to quantify the size of any possible transfer. Any such transfer is not expected to be permanent.

Name of Insurer **AXA Sun Life Plc**Financial year ended **31 December 2009****NOTES TO THE RETURN*****0301* - Reconciliation of net admissible assets to total capital resources after deductions**

	2009	2008
	£000	£000
Grand total of admissible assets after deduction of market risk and counterparty limits – other than long term business	268,383	185,493
Grand total of admissible assets after deduction of market risk and counterparty limits – long term business	36,511,524	33,952,334
Mathematical reserves, after distribution of surplus	(33,655,588)	(31,268,564)
Cash bonuses which had not been paid to policyholders prior to end of the financial year	(20)	(14)
Total other insurance and non-insurance liabilities	(581,651)	(721,211)
Total liabilities – other than long term business	(138,517)	(133,160)
Total capital resources after deductions	2,404,131	2,014,878

***0306* - Reinsurance arrangement contributing to Form 3 Line 92**

Sun Life Assurance Society plc (SLAS) has provided new business financing in respect of business reinsured from SLAS to the Company. Although the financing is in connection with reinsurance accepted, with the agreement of the FSA the relevant amount, reflecting the financing element of this arrangement, has been shown in line 92 (Financial Reinsurance – ceded) for clarity.

As at the valuation date:

- No allowance is made for this arrangement in the mathematical reserves at the valuation date as repayments are contingent on future profits of the Company. Thus the reinsurance offset (i.e. the amount of the difference between the mathematical reserves at the valuation date were this arrangement to be ignored and the amount of the mathematical reserves after deducting the reserves reinsured) was zero.
- The amount of the Company's contingent liability under this arrangement at the valuation date was £78.1m.
- There is no formal provision to terminate this agreement for existing business, so there is no commutation value.

***0308* - Contingent loan contributing to Form 3 Line 94**

The Company has an outstanding contingent loan provided by AXA Sun Life Holdings plc (ASLH), to be repaid out of surpluses emerging on business transferred in from Sun Life Unit Assurance Limited (SLUA), Sun Life Pensions Management Limited (SLPM) and PPP lifetime care plc (PPP) in 2008. This arrangement is reported in line 94 (Outstanding contingent loans). As at the valuation date the amount still to be repaid was £156.9m. The commutation value (the amount payable to ASLH to terminate the arrangement) was the same amount.

Name of Insurer **AXA Sun Life Plc**Financial year ended **31 December 2009****NOTES TO THE RETURN*****0310* - Valuation differences**

The amounts included at line 14 on Form 3 are as follows:

	2009	2008
	£000	£000
Difference between mathematical and realistic reserves	794,591	741,957
Differences arising on the valuation of provisions, deferred income and reserves arising from the implementation of FRS 26	261,991	233,576
Amount due under reinsurance contract with SLAS (Note 0306)	78,054	94,024
Contingent loan (Note 0308)	156,859	184,457
Valuation differences on liabilities (Note 1405)	1,291,495	1,254,014
Valuation difference on AXA Asia Pacific Holding NPV	(5,413)	(29,803)
	1,286,082	1,224,211

The reduction in the valuation of equity holding in AXA Asia Pacific Holdings NPV reflects the amount recoverable under terms of an agreement giving pre-emptive rights to AXA SA.

***0313* - Reconciliation of profit and loss account and other reserves to profit or loss retained**

	2009	2008
	£000	£000
Profit and loss account and other reserves brought forward	2,542,557	2,524,930
Profit retained for the financial year	26,921	111,574
Profits recognised in the statutory accounts under the modified statutory basis retained in the long term fund for FSA reporting	279,290	-
Surplus arising in the long term fund transferred to other than long term fund for FSA reporting	-	(93,947)
Profit and loss account and other reserves carried forward	2,848,768	2,542,557

Profits retained for the 2008 financial year included £66.3m transferred in from the long term fund on 31 December 2008. This comprised assets which were treated as in excess of counterparty limits in the other than long term fund. No such transfer took place in 2009.

***1104* - Description of any amounts that are discounted**

Provisions held in line 51 are discounted where they are in respect of claims in payment that are calculated using annuity factors.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

1301

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***1308* - Aggregate value of assets**

	2009	2008
	£000	£000
The aggregate value of:-		
(i) Unlisted investments	309,457	311,903
(ii) Investments which are not readily realisable	17,137	15,140
(iii) Units in collective investment schemes that are not schemes falling within the UCITS Directive	52,588	78,097

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***1310*- Amounts set off**

Certain amounts shown in Form 13 have been set off to the extent permitted by generally accepted accounting principles.

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***1319* - Maximum counterparty limits**

Under the Insurer's Investment Guidelines, the maximum exposure of unit linked funds ('funds') to a single counterparty for cash is 1% of the market value of that fund or £5m if greater for counterparties rated AA- or better and 0.5% of the market value of that fund or £2.5m if greater for counterparties rated A+/A/A-.

Funds investing mainly or wholly in cash have a limit of 10% of the market value of the fund (or £5m if greater or the maximum amount within regulatory counterparty limits if this is less than £5m) if the counterparty is rated AA- or higher and 5% of the market value of the fund (or £2.5m if greater or the maximum amount within regulatory counterparty limits if this is less than £2.5m) if counterparty is rated A+/A/A-.

The maximum risk adjusted exposure of any fund to a single counterparty arising from derivative activity is limited to 0.5% of the market value of the fund.

Limits for all other investment types are a percentage of the fund. If any counterparty limits are greater than allowed under the 'permitted links' rules then the latter must apply.

In respect of the non unit linked funds ('portfolios'), the maximum exposure of individual portfolios to a single counterparty for fixed income securities depends on the rating of the counterparty. The maximum exposure is calculated by multiplying the relevant rating limit expressed as a percentage by the portfolio base.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

The relevant rating limits expressed as a percentage are as follows:

AXA RATING	Corporate	Supra National and Government Related	Non Domestic Sovereign	Domestic Sovereign
AAA	4.0%	No Limit	No Limit	No Limit
AA+	3.3%			
AA	3.0%			
AA-	2.5%			
A+	2.0%	2.0%	2.0%	
A	1.6%	1.6%	1.6%	
A-	1.2%	1.2%	1.2%	
BBB+	1.0%	1.0%	1.0%	
BBB	0.7%	0.7%	0.7%	
BBB-	0.4%	0.4%	0.4%	

The portfolio base is the total fixed income (excluding private loans) portfolio for sovereign issuers and the greater of the corporate bonds portfolio (excluding mortgage backed securities) or 50% of the total fixed income portfolio for corporate and supranational issuers.

The investment manager is authorised to select trading counterparties to be used on behalf of the Company subject to the following requirements:

- All counterparties have been formally approved by the investment manager's principal credit forum prior to a business relationship starting.
- No counterparty with a credit rating below A- (or equivalent) will be approved.

Limits set out in the Financial Services Authority Handbook must also be applied.

A 4.5% FTSE All Share capped benchmark ('benchmark') is adopted for equities. Within a single portfolio the UK equity concentration limit for the largest 250 FTSE stocks is set at 1.5% above benchmark (2% for investments managed by AXA Rosenberg) and is subject to an absolute maximum of 6%. The limit for other FTSE All Share stocks is set at 1% above benchmark (2% for investments managed by AXA Rosenberg) and is subject to an absolute maximum of 5.5%. For overseas equities the equity concentration limit is set at 1.5% above benchmark.

Limits are also imposed at a group level. The maximum permitted aggregate holding across all relevant portfolios of UK equity must not exceed 10% of the free float market capitalisation ('free float') and for overseas equity must not exceed 4% of total market capitalisation. The maximum permitted exposure in respect of UK equities for the With Profits portfolios is 7% of the free float.

For portfolios managed by the investment manager, Alliance Capital, the equity concentration limit has been set so that the absolute holding must not be more than 5% above benchmark. For portfolios managed by the investment manager, AXA Rosenberg, the maximum aggregate holding across the portfolio must not exceed more than 1.5% of the free float.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

Management of cash has been delegated to the investment manager via a mutual investment umbrella fund organised under the laws of Luxembourg. The concentration and counterparty exposure limits of this fund are set along two dimensions: (1) country limits and (2) individual name limits. Exposure to a particular country is limited depending on whether the issuer is a government related issuer of a particular country (10%) or a financial institution domiciled in a particular country (ranging from 25% in the UK to 2.5% in a number of European Countries). No maximum exposure limits apply to government and government related issuers in the UK. With regards to the individual name limits, investments in financial institutions are permitted into issuers deemed national champions (i.e. likely to be supported by their respective governments in a crisis) subject to a certain percentage. Investment in corporate institutions are permitted subject to a minimum credit rating of A1/P1/ AA-, a maximum exposure to individual corporate institutions of 2% and a maximum overall exposure to corporate institutions of nil. Investment in corporate institutions is not permitted in the variable NAV fund.

The maximum risk adjusted exposure to a single counterparty arising from either of derivative and securities lending activity is limited to 1% of the market value of each of the individual portfolios within the Company but subject to an overall limit of 0.5% of the market value of the sum of all the individual portfolios within the Company.

During 2009 the maximum permitted aggregate holding across all the relevant portfolios of UK equity exceeded the limit of 10% of the free float in respect of three counterparties.

Portfolios within this Company held investments with two of these counterparties when the limits were breached. Approximately 26% of the aggregate holding with one of these counterparties, across all relevant portfolios of UK equity, was held by the Company. The maximum aggregate holding with this counterparty was 0.06% of the total equity portfolio. The fund manager has been instructed to sell the relevant investments when feasible in order to resolve the breach.

The other counterparty is in liquidation and the Company held approximately 39% of the aggregate holding across all relevant portfolios of UK equity.

Breaches in respect of fixed income are monitored at a total UK group level. During the year the maximum exposure limits to a single counterparty for fixed income were breached in respect of seventeen counterparties for portfolios within the Company. There are breaches outstanding as at 31 December 2009 in respect of ten of these counterparties. Where possible the Company has tried to reduce its exposure in respect of counterparties in the financial sector but this has not always been possible due to limited liquidity and the need to avoid significant losses on realisation. The breaches in respect of eight counterparties as at 31 December 2009 relate to holdings in the financial sector. Exposure to the remaining three counterparties is being closely monitored. No action is currently planned as the Company is comfortable with the level of exposure to these counterparties.

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***1312*- Exposure at year end to large counterparties**

At the year end, there were no exposures in excess of 5% of the sum of the Insurer's base capital resources requirement and Insurer's long term insurance liabilities, excluding property linked liabilities and net of reinsurance ceded after assets in excess of counterparty limits have been deducted.

***1309* - Aggregate value of hybrid securities**

The aggregate value of hybrid securities included at line 46 and 48 is £369.3m (2008: £613.1m).

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***1313* - Aggregate value of certain fully secured rights**

The aggregate value of fully secured rights on 31 December 2009 was £79.1m (2008: £279.7m).

***1318* - Other asset adjustments**

The amounts included at line 101 on Form 13 are as follows:

	Long Term	
	2009	2008
	£000	£000
Gross up of liabilities within the internal linked funds	(91,022)	(110,449)
Other gross ups	(231,709)	(282,654)
	<u>(322,731)</u>	<u>(393,103)</u>

***1321* - Allocation of Assets**

The allocation of assets between subfunds is notional in accordance with the Scheme Document approved by the High Court in December 2000 and is carried out in respect of groups of assets and not in respect of each individual asset. In general, items of current assets and current liabilities are apportioned across the subfunds rather than being allocated to the subfund in which a transaction first gave rise to the asset or liability. However, the allocations are carried out by a method which preserves the correct total value of the net assets of each subfund.

***1322* - Direction modifying the Accounts and Statement Rules**

The FSA issued to the firm, in November 2007, a direction under section 148 of the Act. The effect of the direction is to allow the firm to include assets available to support the New With Profits Funds in its realistic balance sheet (at line 27 of Form 19), in accordance with the firm's Reorganisation Scheme. Those assets are comprised of the amount £887m which is included at line 89 and the amount £361m which is included at line 92 of this form.

1401

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***1501*- Provision for reasonably foreseeable adverse variations**

The Insurer identified and reviewed all assets which are valued by marking to model, which are subject to restrictions or agreements relating to transactions or which could potentially be subject to less liquid positions. It was determined, following consultation with the investment managers, that none of these assets required an adjustment pursuant to GENPRU 1.3.30R to GENPRU 1.3.33R.

The Insurer reviewed its investments to identify whether any provisions were required pursuant to INSPRU 3.2.17R and INSPRU 3.2.18R. It was determined that in each case, sufficient cover is held and no such provisions were required.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

1402

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***1502* - Long Term and other than long term business assets / liabilities**

a) Charges on assets

No charge has been made on the assets of the Insurer to secure the liabilities of any other person.

b) Provision for capital gains tax

A capital gains tax liability of £5.4m (2008: £nil) would arise if the Insurer was to dispose of all its non unit linked assets. This liability has been included within Form 14 Line 21.

Tax of £164.8m (2008 £nil) would arise if the Insurer disposed of its unit linked assets. No explicit provision is made for this taxation because it will be borne by the unit linked funds and the mathematical reserves are sufficient to cover both liabilities to policyholder and deferred tax on unit linked assets

c) Contingent liabilities

On 27 December 2007 the Company issued £300m of contingent loan notes at 5.7%, which were purchased by ASLH (Note 0308). The repayment and interest is contingent on profits arising on the business transferred under the Part VII scheme from SLUA, SLPM and PPP from 1 January 2008. During the year £62.0m (2008: £115.5m) of such surplus arose. The repayment becomes payable in April 2010 and is therefore included within current liabilities on Form 14. The remaining contingent loan balance at the end of the year was £156.9m (2008 restated: £206.2m).

d) Guarantees, indemnities or other contractual commitments

The Company has provided indemnity to a fellow subsidiary, AXA Sun Life Services plc (ASLS), which acts as a distributor and third party administrator for the Company's products and services. This indemnity is provided in the event of ASLS becoming insolvent, to meet and deal with any civil liability which ASLS has incurred to investors (i.e. policyholders) in the course of its marketing of investments which the Company is party to. Any liability arising from the indemnity would be met with other than long term fund assets.

e) Other uncertainties

Levies are made under the Financial Services Compensation Scheme (FSCS) to compensate consumers in the event of the failure of any firm authorised under the Financial Services and Markets Act 2000. At the end of the financial year, no amounts had been provided for such levies as the proposed levies for insurance firms in 2010 are not significant.

Provision has been made for the best estimate of the potential redress to policyholders in respect of endowment mortgage product flaws.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***1405* - Other liability adjustments**

The amount included at line 74 of Form 14 is as follows:

	2009	2008
	£000	£000
Gross up of liabilities within the internal linked funds	(91,022)	(110,449)
Other gross ups	(231,709)	(282,654)
Valuation differences (note 0310)	1,291,495	1,254,014
	968,794	860,911

***1406* - Increase or decrease in the value of non-linked assets**

The value of non-linked assets in the Old With Profits Fund decreased during the year by £14.8m (2008: £79.5m). For the New With Profits Fund there was an increase during the year of £7.8m (2008: decrease of £156.7m).

1601

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***4005* - Basis of foreign currency conversion**

Income and expenditure in foreign currencies are translated to Sterling at rates of exchange current at the transaction date.

***1603* - Other income and charges**

The amount included at line 21 relates to:

	2009	2008
	£000	£000
Audit fees rebate	-	1,202
Increase in provisions for bad debt	(359)	(271)
Other expenses	-	(16)
	(359)	915

***1700* - Submission of blank form**

The Insurer held no derivative contracts as other than long term insurance business assets at any time during the year and so no Form 17 relating to other than long term insurance business assets is required.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***1701* - Variation margin**

No excess variation margin has been received. No variation margin is included in respect of the derivatives held by funds, other than property linked funds, within the long term business fund or the other than long term business fund.

***1702* – Use of quasi derivatives**

- a) The aggregate value of rights in respect of assets which have the effect of derivative contracts at the end of the financial year was £1,016.3m. The amounts contributed to each line in Form 13 in respect of quasi derivatives is as follows:

	2009	2008
	£000	£000
Line 45	12,195	6,896
Line 46	892,407	303,873
Line 47	-	7,735
Line 48	111,705	639,563
	<u>1,016,307</u>	<u>958,067</u>

- b) The aggregate amount of liabilities under contracts or in respect of assets either of which have the effect of derivative contracts did not exceed 2.5% per cent of the aggregate amounts shown at either lines 15 to 39 of Form 14 or lines 31 to 51 of Form 15.

***1812* - Form 18 Line 65**

The amount included in Form 18 Line 65 for the New With-Profits Fund represents the present value of tax on future shareholder transfers that, in accordance with the Reorganisation Scheme, is not required to be included in Form 19 Line 51.

***1901* - Direction modifying the Accounts and Statement Rules**

The FSA issued to the firm, effective November 2007, a direction under section 148 of the Act. The effect of the direction is to allow the firm to include assets available to support the New With Profits Fund in its realistic balance sheet (at line 27), in accordance with the firm's Reorganisation Scheme. These assets are also included in 89 and line 92 (if applicable) of Form 13 for the Non Profit Fund One and Non Profit Fund Two.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***4002* - Other income and expenditure**

	2009	2008
	£000	£000
Other income		
Rebated unit trust charges	1,518	2,008
Other expenditure		
Contingent loan repayment	49,355	115,542

In December 2007 the Company issued £300m of contingent loan notes, which were purchased by ASLH. Repayment is contingent on surplus arising on the business transferred to the Company under the Part VII scheme (note 0308). Under INSPRU 1.2.79(2) this liability does not need to be separately valued and as such the proceeds received from the issue were recognised as income in Form 40 line 15. In the year to 31 December 2009 a repayment of £49.4m has been recognised in Form 40 line 25 and interest payable on the loan of £14.1m recognised in Form 40 line 23.

***4006* - Apportionment between notional sub-funds**

The principles and methods of apportionment applied in Form 40 in respect of the long term insurance business funds are as follows:

- (i) Investment income arising from assets notionally identified to the Old With Profits, New With Profits, Non Profit One and Non Profit Two sub-funds respectively has been allocated to those sub-funds;
- (ii) The increase/decrease in the value of non-linked assets is the amount required so that the fund corresponds to the mathematical reserves except in the case of Non Profit One where surplus of £800m is carried forward unallocated;
- (iii) Commission has been allocated according to the nature of the relevant contract;
- (iv) Expenses are directly allocated to the relevant sub-fund according to the nature of individual contracts; and,
- (v) United Kingdom taxation has been allocated based on separate tax calculations for each sub-fund.

***4008* - Management services**

During the financial year ended 31 December 2009 investment management services have been provided to the Company by AXA Investment Managers UK Limited. Various other management services have been provided by AXA Sun Life Services plc, a fellow subsidiary company.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***4009* - Material connected party transactions**

During the financial year ended 31 December 2009 the Insurer carried out the following transactions which exceed 5% of the Insurer's liabilities arising from its long-term insurance business, excluding property linked liabilities and net of reinsurance ceded.

Transacting Party	Relationship	Type of Transaction	Amount £000
Sun Life Assurance Society plc	Group	Reassurance premiums received	2,278,691
Sun Life Assurance Society plc	Undertaking		
	Group	Reassurance claims paid	879,069
	Undertaking		
AXA Annuity Company Limited	Group	Reassurance premiums ceded	2,120,294
	Undertaking		
Winterthur Life UK Limited	Group	Reassurance premiums ceded	609,869
	Undertaking		

***4010* - Investment income relating to linked assets**

The amount of investment income relating to linked assets in Line 12 of Form 40 for the Old With Profits Fund is £nil (2008: £0.1m). For the New With Profits Fund it is £0.1m (2008: £0.3m).

***4012* - Transfer from the New With Profits Fund into the non technical account**

The transfer from the New With Profits Fund into the non technical account constitutes a distribution of surplus of £11.8m (2008: £22.7m).

***4013* - Difference in treatment from accounts prepared under Companies Act 1985**

Financial Reporting Standard 26 has been adopted in the Insurer's accounts prepared under Companies Act 1985 ('the financial statements'). As a consequence, in the financial statements, direct written contracts which do not transfer significant insurance risk have not been accounted for as insurance contracts and no premiums or claims are recorded in respect of these contracts. However, in accordance with paragraph 8 of Appendix 9.3 of IPRU(INS), for the purpose of these returns these contracts continue to be treated as insurance. Due to this difference in treatment certain items in Form 40, Form 41 and Form 42 will not correspond with the amounts reported in the financial statements.

***4201* - Analysis of Claims**

A proportion of the claims reported in Form 42 are paid under reinsurance arrangements to Sun Life Assurance Society plc which is another insurance company. The analysis of claims shown reflects the nature of the claim from the perspective of the initial insurer.

***4401* - Basis for valuation of assets**

Invested assets including land and buildings are shown at market value in accordance with the policy terms.

Name of Insurer **AXA Sun Life Plc**

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NOTES TO THE RETURN

***4402* - Aggregate value of derivative contracts**

The gross aggregate value of rights under derivative contracts, or in respect of assets which have the effect of a derivative contract, held by the property linked funds, was £408.8m (£407.9m excluding variation margins).

***4412* - Provisions for tax on unrealised capital gains**

The provision for tax on unrealised capital gains on assets held within the unit linked funds is reflected in the amount reported as net unit liability and not therefore reported on line 15 of Form 44 as a separate reduction in the value of assets that cover those liabilities.

***4502* - Other income and expenditure**

The amount at line 14 relates to:

	2009	2008
	£000	£000
Rebated unit trust charges	14,698	24,638
Other	4,367	4,065
	19,065	28,703

The amount at line 26 relates to:

	2009	2008
	£000	£000
Investment management expenses	4,068	3,981
Transaction costs on investment purchases	28,139	34,206
	32,207	38,187

***4801* - Investment mix assumed in asset share calculations**

(a) The following are the bonus series that have an asset share philosophy which assumes a variation of asset mix by duration of policy:

Low-Cost Homebuyers' Plan
 Homebuyers' Investment Plan
 Multivestor
 Multipension Series 2
 Multipension Series 3
 Flexible Pensions
 Pensions 1997 Series
 Pensions 1999 Series
 Pensions 2000 and 2002 Series
 Retirement Investment and Income Plan

Name of Insurer **AXA Sun Life Plc**

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NOTES TO THE RETURN

(b) For conventional with profits business the asset mix used as at 31 December 2009 was as follows:

UK Equities	40.2%
Overseas Equities	10.5%
Properties	11.7%
Fixed Interest	29.1%
Other	8.5%

This applies to the following bonus series:

Conventional Life Series 1

Conventional Life Series 2

Conventional Pensions

Top Flight, Moneysaver and Postal Staff Scheme

For unitised with profits policies with either no maturity date or more than one third of the term remaining the asset mix used as at 31st December 2009 was as follows:

UK Equities	53.7%
Overseas Equities	14.0%
Properties	15.6%
Fixed Interest	12.9%
Other	3.8%

This applies to the following bonus series:

Investment Bond and Flexible Bond

With Profits Income Bond

Individual Savings Account

Low-Cost Homebuyers' Plan

Homebuyers' Investment Plan

Multivestor

Multiplan

Multipension Series 2

Multipension Series 3

Flexible Pensions

Trustee Plan

Pensions 1997 Series

Pensions 1999 Series

Pensions 2000 & 2002 Series

Retirement Investment and Income Plan

Amulet

AXA Isle of Man Bond (Sterling)

Name of Insurer **AXA Sun Life Plc**

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NOTES TO THE RETURN

For Retirement Savings Schemes, the asset mix used as at 31st December 2009 was as follows:

UK Equities	26.8%
Overseas Equities	7.0%
Properties	7.8%
Fixed Interest	45.2%
Other	13.2%

Other parts of the unitised with profits business have different asset mixes; such parts each represent less than 10% of total with profits mathematical reserves.

***4803* - Yields not determined by reference to the final redemption date**

In the case of a fixed interest security that may be redeemed at different dates at the option of the issuer, the yield is determined with reference to both the final redemption date and the first call date. The yield is taken to be the lower of the two. The total value included in Form 49 line 61 in respect of securities that may be redeemed at different dates at the option of the issuer is £605m.

***4804* - Yield of 'other assets'**

The assets included in lines 18 and 28 of Form 48 break down as follows:

	Market Value £m	Yield %
Cash	787	0.86%
Derivative exposure (assumed to receive the cash return)	-3	0.93%
Policy loans	15	3.65%
Miscellaneous assets bearing little or no income	353	0%

***4806* - Assets used to determine investment returns in column 5**

The assets included in the calculation of investment returns shown in column 5 are the assets underlying the calculation of asset shares. The asset categories used for asset share return calculations are not in all cases the same as the categories in lines 21-29 of column 2, and have been defined as follows:

Line	Assets included
21	Properties including investments in property through collective investment schemes and limited partnerships.
22 & 23	Non-index-linked gilts and corporate bonds. An approximate basis has been used to split the return between the two lines.
24	Index-linked gilts and bonds and floating rate bonds.
25-27	Equities and collective investment schemes investing in equities. An approximate method has been used to split the return on all equities (used in asset share calculations) between these three lines.
28	All assets included in the calculation of asset shares but not included in lines 21-27, consequentially this is mostly cash.

Name of Insurer **AXA Sun Life Plc**

Financial year ended **31 December 2009**

NOTES TO THE RETURN

***4901* - Source of credit ratings**

Credit ratings from Standard & Poor's, Moody's and Fitch are used. If more than one is available the lowest rating is used. If all three ratings are available, discretion is applied if one rating appears out of line with the other two. In the absence of all three a prudent internal rating is used.

***5101* - Number of group schemes with no member records**

The number of group schemes where records of benefits are not held at member level are:

Miscellaneous non-profit	8 schemes
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***5103* - Products classified as miscellaneous**

The following product with reserves in excess of £10m has been classified under miscellaneous product code 205:

- Moneyback (level term assurance with a small with profits maturity benefit)

The following product with reserves in excess of £10m has been classified under miscellaneous product code 435:

- Postponed retirements and other deferred maturities where the benefit is expressed in cash form

***5104* - Approximations in apportionments between product codes**

Conventional with profits endowment assurances have been allocated to product code 125 (target cash) if the policy record includes features generally indicative of mortgage repayment policies and to product type 120 (savings) otherwise.

***5203* - Details of policies included in the miscellaneous product code.**

The following product with gross mathematical reserves in excess of £10m has been classified under miscellaneous product code 575:

- Unitised with profits ISA (single premium)

***5204* - Approximations used to apportion between product codes.**

Unitised with profits endowment assurances have been allocated to product code 515 (target cash) if the policy record includes features generally indicative of mortgage repayment policies and to product code type 510 (savings) otherwise.

***5301* – Number of group scheme with no member records.**

The following product codes contain large group schemes where the member details are not known.

735 Group money purchase pensions property linked	97 schemes
755 Trustee investment plan	6 schemes
765 Group Managed Fund	148 schemes

Name of Insurer **AXA Sun Life Plc**

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NOTES TO THE RETURN

***5303* - Details of policies included in the miscellaneous product code.**

The following product with gross mathematical reserves in excess of £10m has been classified under miscellaneous product code 795:

- Health Care Income Plan (unit-linked income protection)
- Lifetime Care Bond

***5304* - Approximations used to apportion between product codes.**

Unit-linked endowment assurances have been allocated to product code 720 (target cash) if the policy record includes features generally indicative of mortgage repayment policies and to product code type 715 (savings) otherwise.

***5403* - Products classified as miscellaneous**

The following product with reserves in excess of £10m has been classified under miscellaneous product code 910:

- Index-linked Individual Lifetime Care Plans

***5702* Risk adjusted yield calculation**

On the 19 November 2009, the Company was granted a waiver to allow the risk adjusted yield in column 5 of form 57 to be calculated based on the overall basket of assets backing product groups. However for the current valuation, the Company has maintained the methodology of using the arithmetic mean of the individual assets backing the liabilities. This gives a more prudent result.

***5812* Surplus carried forward**

Excess assets of £800m are shown as carried forward and unappropriated within the long term fund on Form 58 Line 49, the distribution of which to shareholders must be in accordance with the rules governing the financial reorganisation and transfer of business to the Company on 1 April 2001. These rules prevented a distribution to shareholders before the fifth anniversary of the commencement of the reorganisation.

The first five year test under the rules governing the financial reorganisation was carried out based on the Company's financial position as at 31 December 2005. The results of the test were considered by the Company's board in February 2007 where it was agreed that any distribution to the shareholders would be inappropriate at this time. The next five year test will be carried out as at 31 December 2010.

***6002* - Reconciliation with Form 50 and Form 58**

The net reserves included in line 49 of Form 60 do not reconcile with the sum of Form 50 Line 48 and Form 58 Line 43. This is due to the reinsurance of annuity reserves to AAC (the intra-group ISPV). The reinsured reserves of £3,370.4m are recaptured in Form 60 for the purpose of calculating the reinsurance ratio in accordance with INSPRU 1.1.92A.

Name of Insurer: **AXA Sun Life Plc**

IPRU(INS) Rule 9.31(a) and Appendix 9.4

VALUATION REPORT

Throughout this report the following notation is used:

the Company	denotes	AXA Sun Life Plc
SLAS	denotes	Sun Life Assurance Society Plc
AAC	denotes	AXA Annuity Company Limited

Internal reinsurance arrangements as at 31 December 2009

During 2009, ASL entered into a reinsurance arrangement with SLAS to reinsure 50% of most of the Non Profit Pensions Annuities in Payment from SLAS. The reinsurance is accepted into Non Profit Fund Two of ASL. This business is then reinsured onwards to AAC. The expense risk associated with the business is retained within SLAS.

The reinsurance of 100% of SLAS Non Profit Life Annuities in Payment to ASL (from 31 December 2008) remains in force.

The reinsurance of SLAS unit linked business to ASL (from 1 January 2007) remains in force. This reinsurance includes the unit liabilities and most policy charges, but excludes most mortality risk and all morbidity risk. Expenses in respect of reinsured policies are charged to ASL.

The information included in the ASL insurance return makes allowance for the business within AAC where appropriate and is in line with the relevant sections of INSPRU.

1. Valuation date

- (1) The actuarial investigation relates to a valuation date of 31 December 2009.
- (2) The valuation date of the previous investigation was 31 December 2008.
- (3) There have been no interim valuations (for the purpose of IPRU(INS) rule 9.4) since the previous valuation date.

2. Changes to product range in 2009

There were no significant changes to products during 2009.

Statement relating to with profits business

Both of the Company's with profits subfunds (the Old With Profits Fund and the New With Profits Fund) are open to new with profits business.

3. Discretionary charges and benefits

(1) Application of Market Value Reduction

During 2009, a Market Value Reduction (MVR) was applied on discontinuance (where permitted, and subject to relevant minima) in respect of the following unitised with profits products effected in the policy years set out below.

Product Description	Period That MVR Applied		Policy Dates of Entry
	From	To	
Sterling onshore bonds	01/01/2009	06/12/2009	1997-2002
	07/12/2009	31/12/2009	1997-2001
Sterling offshore bonds	01/01/2009	22/02/2009	2001 & 2005
	23/02/2009	27/09/2009	2001-02 & 2005
	28/09/2009	31/12/2009	2001
Dollar offshore bonds	23/02/2009	31/12/2009	2004 -2005
Euro bonds	01/01/2009	22/02/2009	2001-2002 & 2005
	23/02/2009	31/12/2009	2001-02 & 2005-06 2006

For Bonds, MVR rates vary by quarter of entry. For some quarters in the above years, MVR adjustments did not apply.

For certain other unitised with profits contracts, an MVR may have been applied based on an individual policy calculation at the time of discontinuance. General information on policy years of entry of affected policies is not available.

(2) Changes to premiums on reviewable non-linked protection policies

Individual Lifetime Care Plans

The mathematical reserves, net of reinsurance held for this business at the valuation date is £167m. All reviewable contracts that reached a review date in 2009 have been reviewed, this totals £72m of net mathematical reserves. The reviewability of a policy is determined by the following conditions:

- Contracts written prior to 1st September 1994 may be reviewed at any time.
- For contracts written after 1st September 1994 but before 1 July 1996, the first review will take place after 10 years with subsequent reviews taking place annually;
- For those written after 1 July 1996 but before 1 May 2003, the first review will take place after 10 years with subsequent reviews being 5 yearly;
- For contracts written after 1 May 2003, the reviews will take place every 5 years.
- For single premium contracts written after 19 June 2000 (or with application date after 1 June 2000) but before 1 May 2003, no reviews will take place after age 70;
- For single premium contracts written after 1 May 2003 no reviews will take place after age 85;
- For regular premium contracts written after 19 June 2000 (or with application date after 1 June 2000) no reviews will take place after age 89.

At review policyholders are given, as appropriate, options of amending premium amounts to maintain the current benefit level, or selecting an equivalent amendment to the benefits under the contract. The following tables provide “quoted” premium changes for policies where a policy review initiated during 2009.

Reviews during 2009

5,309 reviews initiated during 2009.

755 of these were “first reviews”, typically falling 10 years after a policy was sold, although a small number of policies sold in 2004 were subject to review after 5 years. First review results were as follows:		
Favourable: 6 (0.8%)	Neutral: 51 (6.8%)	Unfavourable: 698 (92.4%)
Largest premium increase:	138% (regular premium), 157% (single premium)	
Largest premium decrease:	23% (regular premium)	

4,554 were “subsequent reviews”, as many policies continue to be reviewable after the first review. Results of the subsequent reviews were as follows:		
Favourable: 2,697 (59.2%)	Neutral: 615 (13.5%)	Unfavourable: 1,242(27.3%)
Largest premium increase:	24% (regular premium), 23% (single premium)	
Largest premium decrease:	26% (regular premium)	

It should be noted that the premium increase option quoted may not have been chosen in all cases.

For neutral or favourable reviews there was often no change to premiums quoted, instead the benefits under the contracts remained the same or increased.

Individual Critical Illness and Individual Permanent Health Insurance

The premiums for these contracts can be reviewed at any time. No reviews were carried out during 2009. The total mathematical reserves for this business are £4.9m.

AXA Protection Account

The first review takes place after 5 years. Subsequent reviews then take place annually, unless the premium changes as a result of the review in which case the premium is then guaranteed for a further 5 years.

The outcome of the review is determined by the following conditions:

- If the review shows a premium reduction of more than 10%, the premium is automatically reduced.
- If the review shows a premium increase of more than 10%, the default option is to increase the premium, but the policyholder has the option to reduce the sum assured and keep the premium unchanged.
- If the review outcome would mean that the premium increase/decrease would not exceed 10%, no change is made to the premium.

The mathematical reserves net of reinsurance held for this business at the valuation date is £8.4m. Only two contracts reached a review date in 2009 and the net mathematical reserves for these contracts totalled £0.002m. The premiums on both these policies did not change because the increase/reduction was within +/- 10% of the current premium.

(3) Non-profit deposit administration benefits

The annualised rates of interest added to non-profit deposit administration benefits during 2009 were:

Period		Rate of Interest
From	To	
01/01/2009	01/04/2009	4.25%
02/04/2009	29/04/2009	3.00%
30/04/2009	27/05/2009	2.00%
28/05/2009	31/12/2009	1.00%

These rates were before deduction of the rate of annual fund management charge relevant to the policy.

(4) Service charges on linked policies

Service charges for unit-linked policies changed as follows during 2009 or with effect from 1 January 2010:

No change:

Low-cost Homebuyers Plan
Multivestor
Unit-linked pensions (except where described below)

No increase (because movement in Retail Prices Index was negative):

Flexible Cover Plan
Flexible Mortgage Plan
Flexible Pensions (except paid-up pensions)
Health Care Income Plan
Multiplan

Decrease of approximately 0.8% (in line with Retail Prices Index to October 2009):

Individual Lifetime Care Bond

Increase in line with Retail Prices Index dependent on policy anniversary date (no change if movement in Retail Prices Index was negative):

Homebuyers' Investment Plan

Increase of approximately 0.9% (in line with National Average Earnings Index to July 2009):

Private pension funds

(5) Benefit charges on linked policies

Capital Bond (with life cover), Comprehensive Life Plan, Comprehensive Savings Plan, Flexible Bond (with life cover), Flexible Cover Plan, Flexible Mortgage Plan, Maximum Cover Plan and Select Investment Plan

During 2009, the mortality and morbidity charges on these policies were reviewed. The total reserves net of reinsurance for these products at the valuation date are £432m.

Overall, the impact of the review resulted in a decrease in mortality charges of approximately 10% and an increase in morbidity charges of 10%. For individual policies, the range of changes to the charges were from -30% to +90%

Group Executive Pension Plan, Group Personal Pension Plan, Individual Executive Pension Plan, Individual Personal Pension Plan and Multipension (Series 2 and 3)

During 2009, the mortality charges on these policies were reviewed. The total reserves net of reinsurance for these products at the valuation date are £1,244m.

Overall, the impact of the review resulted in a decrease in mortality charges of approximately 30%. For individual policies, the range of changes to the charges were from -45% to +95%.

No other changes to mortality or morbidity charges for unit-linked policies took place during 2009.

(6) Fund management charges

During 2009, the net annual management charge (the fund charge after rebate) was changed for the following funds:

Fund	Net Annual Management Charge		Fund size at 31/12/2009 £000
	Old	New	
Architas Liquidity	0.19%	0.15%	2,374
Bailie Gifford Managed Pension	0.25%	0.26%	26,557
Framlington Managed Balanced Pension	0.26%	0.25%	97,045
L&G (Barclays) Cautious Portfolio	0.75%	0.65%	23
L&G (Barclays) Income Portfolio	0.50%	0.30%	45
Newton Managed Pension	0.16%	0.18%	47,546

There are no notional charges to accumulating with profits policies.

(7) Unit pricing methods

Funds other than Group Managed Funds and Ex-PPP Lifetime Care Funds

For each fund, asset prices are normally obtained at 2 pm on each business day. For funds which invest in external OEICs, the assets are valued by the OEIC provider and the latest published price available are used.

The assets are normally valued on a creation basis (i.e. the price at which assets could be bought), unless it is known that there is a net outflow, in which case the assets are normally valued on a cancellation basis (i.e. the price at which assets could be sold). However, judgement is exercised by the Company as to which basis to use, or whether to use an intermediate basis, depending on the expected trend of net inflows and outflows, to ensure fairness to incoming, outgoing and continuing unit holders. In each case allowance is made for dealing costs, accrued income and any tax implications.

The creation or cancellation price, as appropriate, is then calculated by dividing the net asset value by the number of units.

If a creation price basis is being used, the offer price is derived by multiplying the creation price by an offer price factor, with an adjustment for fund management charges. If a cancellation price basis is being used, the offer price is derived by multiplying the cancellation price by an offer price factor, with an adjustment for fund management charges. The bid price is the resulting offer price multiplied by the reciprocal of the offer price factor.

For funds with a 5% bid-offer spread, the offer price factor is 100/95. For funds with no bid-offer spread, the offer price factor is 1.

Except for switches, units are allocated to a policy at offer price and cancelled at bid price.

Normally, for new business and payment of regular premiums for existing business, the price used is on a historic basis, i.e. that derived from the asset valuation at 2 pm on the previous business day. For all other transactions the price used is on a forward basis, i.e. that derived at 2 pm on the same day, except for certain switches, where the price used is that derived at 2 pm on the following day. For Premium Select Bond, all transactions into or out of the externally managed funds are priced on a forward basis.

Notwithstanding the normal rules as described above, the policies give the right in certain circumstances to defer transactions for up to one month (or up to six months for Property Fund units). At the end of such periods of deferral the unit prices used in such deferrals will be those determined immediately following such period.

Group Managed Funds

For each group managed fund, unit prices are calculated once a week (the “dealing” day). Ordinarily the dealing day is on a Thursday, but at month ends it is the last business day of the month whilst at the beginning of April it is on the fifth (or equivalent business day). On the dealing day asset prices are normally obtained at close of business on that day. For each fund unit prices are obtained by dividing the middle market prices of the underlying assets by the number of units, with an adjustment for fund management charges.

All purchases and sales of units (including switches) take place at the unit prices adjusted upwards for the average expenses of purchase or downwards for the average expenses of sale. These expenses are based on actual dealing costs and are regularly reviewed. Adjustment may also be made on account of income accrued but not received and expenses incurred but not paid (including provision for any potential liability for tax or other statutory payments).

Ex-PPP Lifetime Care Funds

For internal linked funds available to the Individual Lifetime Care Bond and the Money Market Fund available to the Triple Bonus Bond, prices are determined on a daily basis. For the Balanced Fund available to the Special Investment Bond, unit prices are determined on the first working day of the month.

The Money Market Fund and the Long Term Care Deposit Fund are invested in short term deposits and cash. The remainder of the unit funds are directly invested in unit trusts.

The assets are normally valued on a creation basis (i.e. the price at which assets could be bought), unless it is known that there is a net outflow, in which case the assets are normally valued on a cancellation basis (i.e. the price at which assets could be sold). However, judgement is exercised by the Company as to which basis to use, or whether to use an intermediate basis, depending on the expected trend of net inflows and outflows, to ensure fairness to incoming, outgoing and continuing unit holders.

Units are created or cancelled within each fund at the valuation bid price. This price is determined by taking the value of unit trust units and adjusting for any allowance for distributed income notified but not paid, any associated tax credits, and any investment management charges. This total fund value is divided by the number of units.

Units are purchased by the fund from policyholders at the bid price, which is calculated as the valuation bid price rounded to the lower 0.1p. Units are sold to policyholders at the offer price that is calculated as the bid price multiplied by 100/95 and rounded to the higher 0.1p.

The unit trust assets are valued using the creation price or cancellation price set by the underlying unit trust company on the day of valuation. In general these prices are set at or around 12.00 noon. On any given day the Company deals at the internal prices calculated at the next public valuation which is at 5.00pm.

(8) Tax deductions from unit-linked funds

Life Funds

Tax is provided for on realised capital gains at a rate of 20% immediately on realisation. For this purpose, one seventh of the unrealised gains in the period on collective investment schemes is treated as a realised capital gain. The tax due is withdrawn from the funds annually.

Tax relief for losses is given if there are sufficient gains within the same investment fund against which to offset the loss. If there are insufficient gains then the losses are carried forward within the same fund to be utilised at a later date.

Provision is made in the unit pricing for the potential tax liability on unrealised gains (including gains on collective investment schemes that are not treated as realised gains) at a rate of between 15% and 17.5% (dependent on the assets held within the funds). No money is removed from the funds.

Both realised and unrealised capital gains include an allowance for indexation. Tax is provided for in the unit prices on a daily basis.

The mathematical reserves for the unit linked business implicitly cover liabilities to policyholders and tax that may become payable on unrealised gains of the invested assets.

Other Funds

As only pension and PHI business is transacted, no tax on capital gains is payable, and so there are no deductions for tax.

(9) Tax provisions for unit-linked funds

See 3.(7) and section 3.(8).

(10) Discounts on purchases of units

Ex-PPP Lifetime Care Funds

The arrangements in place with the fund managers allow for unit purchases and sales to be transacted at their creation or cancellation prices respectively. The Company receives no commission payments for unit trust purchases. An exception to this agreement is with Close Fund Managers where a 0.5% initial charge is levied on unit purchases.

An arrangement is in place with certain fund managers whereby the internal funds receive a rebate on the annual management charge levied by the underlying unit trust:

- Lifetime Care JPMF Balanced Fund A	0.75% pa
- Lifetime Care JPMF Balanced Fund B	0.50% pa

These rebates are reflected in the unit price offered to policyholders.

Other Funds

The MLC Bond can be invested in funds managed by external fund managers. Where this is the case, part of the discount received from the fund manager is retained by the Company.

In most other instances, discounts and rebates accrue to the benefit of the policyholders. However, policies which invest in these funds are subject to a higher fund management charge than other similar policies. There are no other discounts etc. allowed on purchases, sale or holding of these types of unit. There are a number of fund managers with whom the Company has negotiated improved rebates and the Company has retained the additional amount.

Fund manager	Discount on Initial Charge	Discount on Management Charge for benefit of policyholders	Discount on Management Charge for benefit of the Company
	%	%	%
Aberdeen Asset Management	4.25	0.75	
Allianz	4.00	0.893	
Architas Multi-Manager	4.00 - 5.00	0.31 - 1.30	
Artemis Fund Managers Ltd	5.00 - 5.25	0.50 - 0.75	
Aviva Investors	4.50 - 5.00	0.50 - 0.625	0.125 – 0.25
AXA Framlington	5.25 - 5.50	0.50 - 1.00	
AXA World Funds	5.00	0.75	
Ballie Gifford	1.00	Up to 0.15	

Fund manager	Discount on Initial Charge	Discount on Management Charge for benefit of policyholders	Discount on Management Charge for benefit of the Company
	%	%	%
Barclays Investor Services	4.00	0.50	
BGI	0	0	
BlackRock Merrill Lynch	5.00	0.75 - 0.875	
Cazenove	5.00	0.50 - 0.75	
CF Danske	3.75	0.625 - 0.75	
CF Midas	4.50	0.70	
CF Miton	5.00	0.50	
CF OPM	3.75	0.50 - 0.70	
Close	3.00	0.5	
Credit Suisse	4.00	0.75	
EFA	4.20 - 5.00	0.60	
F & C	5.00	0.60 - 0.75	
Fidelity	3.50 - 5.25	0.30 - 0.77	
First State Investment Ltd	4.00	0.50	0.25
Franklin Templeton Investment Ltd	5.00	0.75	
Gartmore Investment Management	5.00	0.50 - 0.75	
Hargreaves Lansdown	5.00	0.50	
Henderson	0	0	
HSBC	Up to 4.00	Up to 0.625	
IFSL Sinfonia	5.50	0.75	
Ignis	4.25	0.55	
Insight	4.00	0.75	
INSYNERGY	4.75	0.54 - 0.90	
Invesco Perpetual Fund Managers Ltd	5.00	0.30 - 0.75	
Investec	4.50	0.625 - 0.75	
JP Morgan	Up to 5.50	Up to 0.75	
Jupiter Unit Trust Managers	4.00 - 5.50	0.24 - 0.75	0.25
L & G (Barclays)	1.00 - 2.50	0.50	
Legg Mason Investments	4.25	0.75	
M & G	4.00 - 5.00	0.15 - 0.75	
Margetts	4.00	0.50	
Margetts Greystone	3.00	0.60	
MLC Trust Management	4.50	1.00	
Neptune	5.00	0.80 - 0.875	
New Star Investment Funds Ltd	4.25 - 5.25	0.50 - 0.875	0.05 – 0.075
Newton	3.00 - 4.00	0.50 - 0.75	
Old Mutual	3.50 - 4.00	0.55 - 0.75	
Psigma	5.25	0.75	
River & Mercantile	5.00	0.60	
Sarasin	5.00	Up to 0.75	
Schroders Investments Ltd	3.25 - 5.25	Up to 0.75	0.1
Standard Life Investments Ltd	3.00 - 4.00	0.475 - 0.75	
T Bailey	5.00	0.75	
Threadneedle Asset Management Ltd	Up to 3.75	0.20 - 0.75	
UBS	4.00	0.90	

Where more than one rate of discount is shown, the rate varies either by the individual fund selected or by product type.

4. Valuation basis (other than for special reserves)

The valuation bases set out in section 4 relate to groups of products where the gross mathematical reserves or the gross annual premiums exceed £10m. The grouping of products is that relevant to the particular method or assumption.

(1) Valuation methods

General principles and methods used in the valuation

The valuation bases have been determined with regard to the nature and the term of the assets available to meet the liabilities valued.

The reserves were determined on a prudent basis in accordance with actuarial principles, taking account of the underlying nature of the contracts.

Full allowance has been made in the valuation for the effects of the ceding of premiums and risk under the various reinsurance arrangements in place at the valuation date.

Any negative reserves arising on any policy have been eliminated.

A provision has been made to cover the possibility of default by the internal and external reinsurers.

Conventional Business

For the majority of business a gross premium method of valuation has been used. No allowance for future bonuses has been made for with profits business.

For products where the reserves otherwise calculated are less than the discontinuance value for a material proportion of policies, the reserve for each policy has been increased where necessary to ensure that it is not less than the amount payable on discontinuance. Furthermore, the reserve is not less than the amount required so that, on the valuation assumptions, this condition will be satisfied at all times in the future.

It is assumed that discontinuance values are payable only in circumstances where the policyholder might reasonably expect a discontinuance value to be paid. The assumed amount of discontinuance value is determined using bases currently in force, excluding amounts arising from future bonus distributions.

For the main classes of life with profits business, an allowance for future voluntary discontinuance has been made; discontinuance values are determined in the same way as described above. No allowance has been made for voluntary discontinuance of with profits pensions business (where almost all policies have attaching Guaranteed Annuity Rates).

The company has a waiver under section 148 of the Financial Services and Markets Act 2000 which allows a portfolio internal rate of return approach to be used when setting valuation interest rates. However, this approach has not been used for the current valuation.

For Individual Lifetime Care Plans and Immediate Lifetime Care Plans, the reserves have been calculated using a discounted cash flow method. The cash flows are derived using a multiple state model allowing for the various possible states of the contract. In addition, a provision has been made in respect of potential claims based on the estimated claims outstanding and probability of payment.

For Individual Permanent Health Insurance contracts, the reserve is set equal to the accumulation of a proportion of the premiums received from inception to the valuation date for all active policies. Reserves are also held for claims in payment and notified claims that have not been admitted.

Provision for investment expenses is made by way of a margin between the yield on the assets and the valuation rate of interest.

For conventional pensions policies in postponed retirement where the benefit at normal retirement date is expressed in the form of a cash sum, the reserves are equal to the value of benefit that would be payable on immediate retirement. This is equal to the cash sum payable at normal retirement date plus interest added in respect of the period of postponement.

Unit-linked Business

For each unit-linked policy the gross reserve is the sum of:

- (i) the value of units allocated at the valuation date, discounted, in the case of capital units and certain accumulation units subject to a discontinuance charge, at a rate not exceeding the rate of future annual management charge or other periodic charges; and
- (ii) a non-unit reserve.

For each individual policy the non-unit reserve is determined by discounting the expected future net cash flow determined on a set of assumptions relating to mortality, interest, expenses and future unit prices. Unit prices are assumed to grow from the prices calculated on the valuation date. Regard is had in the calculations to present and future discontinuance values under each policy so that the total reserve for each policy is adequate for the discontinuance value to be met at any time.

For Multiplans, net cash flows are considered for each year up to and including that of the next expected policy review date. For qualifying policies, consideration is also given to the years beyond this date.

For Individual Lifetime Care Bonds, a traditional cash flow approach to calculating the non-unit reserve was not required due to the close matching of income and expenditure, and the ability to review the risk charging basis for morbidity experience and associated costs. The non-unit liability was calculated as six months risk charges, reduced for the effects of reinsurance. A separate reserve is held for claims in payment.

For the main classes of pensions business, a prudent allowance for future voluntary discontinuance has been made.

For classes where it is prudent to do so (mainly group pensions business), the payment of future premiums is ignored in determining the non-unit reserve.

For Healthcare Income Plans an additional reserve is held for unexpired morbidity charges, for claims assumed to be incurred but not yet reported and for current claims in payment.

Unitised With Profits Business and Retirement Savings Schemes

The reserve for each plan is calculated using a gross premium valuation method, with no allowance for non guaranteed future bonuses. For contracts with a Guaranteed Interest Rate, the valuation interest rate is not less than that rate.

The reserve is subject to a minimum to ensure that it is not less than the amount payable on discontinuance. Furthermore, the reserve is not less than the amount required so that, on the valuation assumptions, this condition will be satisfied at all times in the future. In determining the assumed current and future discontinuance values, allowance is made for Market Value Reductions (MVR) that were in force at the valuation date.

For most classes, the calculation of the reserves makes an allowance for future voluntary discontinuance. The assumed amount payable on discontinuance is the same as is used to determine the minimum reserves, as described above. No allowance has been made for voluntary discontinuance of policies subject to a Guaranteed Interest Rate or with an attaching Guaranteed Annuity Rate.

Provision for investment expenses is made by way of a margin between the yield on the assets and the valuation rate of interest.

(2) Valuation interest rates

	31 December 2009 %	31 December 2008 %
<i>With Profit Business</i>		
Unitised With Profits (except Multipension Series 2) and Retirement Savings Scheme	3.00	3.00
Multipension Series 2	4.00	4.00
Conventional With Profits Life	3.00	3.00
Conventional With Profits Pensions	4.00	4.00
Annuity guarantees in payment (except where valued using stochastic methods)	3.70	3.20
<i>Non Profit Business written in WP funds</i>		
Over 50 Plan	2.90	3.25
NP Life (other than Over 50 Plan)	3.00	3.60
NP Pensions	3.80	4.50
<i>Non Profit Business written in NP funds</i>		
Over 50 Plan	2.30	2.85
Additional Life reserves	2.95	2.60
Other NP Life	2.30	3.00
PHI business	4.70	5.40
Pension Annuities in Payment reinsured to AAC (phase 1)	4.75	5.70
Pension Annuities in Payment (RPI-linked) reinsured to AAC (phase 1)	0.65	1.15
Pensions Annuities in Payment reinsured to AAC (phase 2)	4.50	n/a
Pensions Annuities in Payment (RPI-linked) reinsured to AAC (phase 2)	1.20	n/a
Life Annuity business reinsured from SLAS	3.55	2.95
Unclassified Pension reserves	3.70	3.25
Other NP Pensions	2.90	3.75
RPI-linked benefits	0.80	1.55
Unit-linked life	3.25	2.60
Unit-linked pensions	4.10	3.75

(3) Risk adjustments to yields

In determining risk adjusted yields reported in Form 57, the following adjustments have been made, in addition to the 2.5% reduction required by INSPRU 3.1.28R.

Fixed interest

The following deductions have been made from gross redemption yields:

Rating	Term to redemption (years)		
	<10 % p.a.	10-20 % p.a.	>20 % p.a.
AAA	0.14	0.15	0.17
AA	0.57	0.46	0.45
A	0.96	0.70	0.66
BBB	1.92	1.32	1.17
BB	6.03	3.68	3.07
B	13.26	7.38	5.87
CCC	24.87	12.95	9.87

For subordinated debt, the above deductions are increased by a factor of 1.25.

The credit risk adjustments are subject to a maximum of the size of the spread on any individual asset.

For fixed interest stocks with a lower rating than CCC, individual deductions are calculated to reduce the gross redemption yield to the yield on a gilt of equivalent term.

For fixed interest stocks with a rating of D, the gross redemption yield is set to zero.

The risk adjusted yields on individual bonds are subject to a cap of 30%.

Equities

Yields have been reduced by 0.1% and have been constrained not to exceed 7.50% p.a.

Property

A deduction of 5% of the yield applies.

(4) Mortality

Product group	31 December 2009		31 December 2008	
	Males	Females	Males	Females
With profits endowment assurance (Top Flight)	160% AMC00	155% AFC00	85% AM80 ult	85% AF80 ult
With profits endowment assurance (Postal Staff Scheme)	57.5% AM92 ult	75% AF92 ult	57.5% AM92 ult	75% AF92 ult
Other with profits endowment assurance	57.5% AM92 ult	75% AF92 ult	57.5% AM92 ult	75% AF92 ult
With profits whole life	100% AM92 ult	120% AF92 ult	100% AM92 ult	120% AF92 ult
Non-profit endowment assurance	65% AM92 ult	65% AF92 ult	65% AM92 ult	65% AF92 ult
Guaranteed Over 50 Plan	modified ELT14M	modified ELT14F	100% ELT14M	115% ELT14F
Other non-profit whole life	105% AM92 ult	135% AF92 ult	110% AM92 ult	135% AF92 ult
Term assurance (AXA Protection Account)	modified TM92 ult	modified TF92 ult	modified TM92 ult	modified TF92 ult
Other term assurance life	modified AM80 ult	modified AF80 ult	modified AM80 ult	modified AF80 ult
Conventional pensions in deferment	75% AM92 ult	75% AF92 ult	75% AM92 ult	75% AF92 ult
Pensions annuities in payment	85% PCMA00 100% medium cohort with 1.7% floor	82.5% PCFA00 75% medium cohort with 1.5% floor	85% PCMA00 100% medium cohort with 1.7% floor	77.5% PCFA00 75% medium cohort with 1.5% floor
Non-pensions annuities in payment	75% IM80 C=2010	75% IF80 C=2010	75% IM80 C=2010	75% IF80 C=2010
Deferred pensions annuities and annuity guarantees (after deferment)	82.5% PCMA00 100% medium cohort with 1.7% floor	80% PCFA00 75% medium cohort with 1.5% floor	82.5% PCMA00 100% medium cohort with 1.7% floor	75% PCFA00 75% medium cohort with 1.5% floor
Bonds & Individual Savings Accounts	93% AM80 ult	93% AF80 ult	93% AM80 ult	93% AF80 ult
Low-Cost Homebuyers' Plan & Homebuyers' Investment Plan	modified AM80 ult	modified AF80 ult	modified AM80 ult	modified AF80 ult
Multiplan & Maximum Cover Plan	modified AM80 sel	modified AF80 sel	modified AM80 sel	modified AF80 sel
Multivestor	modified A67/70 ult	modified AF80 ult	modified A67/70 ult	modified AF80 ult
Whole Life Investment Plan	modified A67/70 sel	modified A67/70sel	modified A67/70 sel	modified A67/70 sel
Other unit-linked life	modified AM80 sel	modified AF80 sel	modified AM80 sel	modified AF80 sel
Flexible pensions (group personal pensions)	modified AM80 ult	modified AF80 ult	modified AM80 ult	modified AF80 ult
Flexible pensions (other)	modified AM80 sel	modified AF80 sel	modified AM80 sel	modified AF80 sel
Group pensions (2002 series)	90.91% AM80 ult	90.91% AF80 ult	90.91% AM80 ult	90.91% AF80 ult
Multipension (series 2)	modified A67/70 ult	modified AF80 ult	modified A67/70 ult	modified AF80 ult
Other unit-linked & unitised with profits pensions	modified A67/70 ult	modified AF80 ult	modified A67/70 ult	modified AF80 ult

Where the mortality table is described above as modified, the following are specimen mortality rates used at 31 December 2009:

Age	Males			Females		
	Non-smoker	Smoker	Aggregate	Non-smoker	Smoker	Aggregate
<u>Guaranteed Over 50 Plan</u>						
25	n/a	n/a	0.00089	n/a	n/a	0.00043
35	n/a	n/a	0.00124	n/a	n/a	0.00086
45	n/a	n/a	0.00365	n/a	n/a	0.00241
55	n/a	n/a	0.01546	n/a	n/a	0.00940
<u>Term assurance (AXA Protection Account - Associates sales channel)</u>						
25	0.00056	0.00117	n/a	0.00026	0.00050	n/a
35	0.00057	0.00118	n/a	0.00045	0.00087	n/a
45	0.00118	0.00245	n/a	0.00101	0.00194	n/a
55	0.00365	0.00755	n/a	0.00262	0.00506	n/a
<u>Term assurance (AXA Protection Account - IFA sales channel)</u>						
25	0.00052	0.00109	n/a	0.00023	0.00047	n/a
35	0.00053	0.00110	n/a	0.00039	0.00081	n/a
45	0.00110	0.00228	n/a	0.00087	0.00181	n/a
55	0.00339	0.00703	n/a	0.00227	0.00471	n/a
<u>Other term assurance life</u>						
25	0.00043	0.00055	n/a	0.00020	0.00027	n/a
35	0.00044	0.00073	n/a	0.00037	0.00061	n/a
45	0.00125	0.00266	n/a	0.00090	0.00175	n/a
55	0.00407	0.00917	n/a	0.00233	0.00510	n/a
<u>Low Cost Homebuyers' Plan, Homebuyers' Investment Plan, Multiplan & Maximum Cover Plan – with Lifecare</u>						
25	0.00042	0.00066	0.00049	0.00021	0.00029	0.00023
35	0.00044	0.00080	0.00055	0.00038	0.00057	0.00044
45	0.00133	0.00242	0.00167	0.00096	0.00153	0.00113
55	0.00435	0.00788	0.00543	0.00272	0.00404	0.00311
<u>Low-Cost Homebuyers' Plan & Homebuyers' Investment Plan – without Lifecare</u>						
25	0.00031	0.00049	0.00037	0.00015	0.00021	0.00017
35	0.00033	0.00060	0.00042	0.00029	0.00043	0.00033
45	0.00100	0.00181	0.00125	0.00072	0.00115	0.00085
55	0.00326	0.00591	0.00407	0.00204	0.00303	0.00233
<u>Multiplan & Maximum Cover Plan – without Lifecare</u>						
25	0.00034	0.00054	0.00040	0.00017	0.00023	0.00019
35	0.00036	0.00065	0.00045	0.00031	0.00046	0.00035
45	0.00108	0.00196	0.00135	0.00078	0.00124	0.00092
55	0.00353	0.00640	0.00441	0.00221	0.00328	0.00253
<u>Multivestor - with Lifetime care</u>						
25	0.00050	0.00077	0.00058	0.00020	0.00028	0.00022
35	0.00051	0.00090	0.00063	0.00035	0.00052	0.00040
45	0.00149	0.00271	0.00187	0.00087	0.00138	0.00102
55	0.00484	0.00876	0.00604	0.00244	0.00368	0.00281
<u>Multivestor- without Lifetime care</u>						
25	0.00037	0.00058	0.00043	0.00015	0.00021	0.00017
35	0.00038	0.00068	0.00047	0.00026	0.00039	0.00030
45	0.00112	0.00203	0.00140	0.00065	0.00104	0.00077
55	0.00363	0.00657	0.00453	0.00183	0.00276	0.00211

Age	Males			Females		
	Non-smoker	Smoker	Aggregate	Non-smoker	Smoker	Aggregate
<u>Whole Life Investment Plan</u>						
25	0.00059	0.00094	0.00069	0.00063	0.00087	0.00069
35	0.00068	0.00124	0.00086	0.00075	0.00111	0.00086
45	0.00211	0.00382	0.00264	0.00224	0.00356	0.00264
55	0.00675	0.01224	0.00844	0.00739	0.01097	0.00844
<u>Other unit-linked life</u>						
25	0.00049	0.00072	n/a	0.00024	0.00034	n/a
35	0.00056	0.00082	n/a	0.00046	0.00066	n/a
45	0.00169	0.00246	n/a	0.00118	0.00171	n/a
55	0.00549	0.00802	n/a	0.00325	0.00470	n/a
<u>Flexible pensions (group personal pensions)</u>						
25	n/a	n/a	0.00050	n/a	n/a	0.00023
35	n/a	n/a	0.00057	n/a	n/a	0.00045
45	n/a	n/a	0.00171	n/a	n/a	0.00116
55	n/a	n/a	0.00556	n/a	n/a	0.00318
<u>Flexible pensions (other)</u>						
25	0.00048	0.00071	0.00053	0.00023	0.00034	0.00026
35	0.00055	0.00080	0.00060	0.00045	0.00064	0.00049
45	0.00165	0.00241	0.00181	0.00116	0.00167	0.00127
55	0.00537	0.00784	0.00591	0.00318	0.00459	0.00350
<u>Multipension (series 2)</u>						
25	0.00027	0.00042	0.00032	0.00011	0.00015	0.00012
35	0.00028	0.00050	0.00035	0.00019	0.00028	0.00022
45	0.00082	0.00149	0.00103	0.00048	0.00076	0.00056
55	0.00266	0.00482	0.00332	0.00134	0.00202	0.00154
<u>Other unit-linked and unitised with profits pensions</u>						
25	0.00057	0.00087	0.00066	0.00023	0.00032	0.00026
35	0.00058	0.00103	0.00072	0.00040	0.00059	0.00045
45	0.00170	0.00308	0.00212	0.00099	0.00157	0.00116
55	0.00550	0.00996	0.00687	0.00278	0.00418	0.00319

For annuities in payment and deferred annuities, expectations of life are as follows:

Product group	Current age	Age at which expectation is determined	31 December 2009		31 December 2008	
			Males years	Females years	Males years	Females years
Pensions annuities in payment		65	24.9	27.0	24.7	27.4
		75	15.5	17.3	15.4	17.7
Non-pensions annuities in payment		65*	20.0	23.1	20.0	23.1
		75	12.9	14.9	12.9	14.9
Deferred pensions annuities	45	65	28.9	30.3	28.7	30.9
	55	65	27.0	28.8	26.8	29.3
Annuity guarantees	45	65	25.7	28.0	25.4	28.3
	55	65	25.7	28.0	25.4	28.3

* There is little non-pensions annuity business at this age; the average age of annuitants exceeds 80.

Additional reserves totalling £1.2m have been included on account of the increased risk associated with HIV/AIDS. They have been determined having regard to the assumptions corresponding to one third of Projection R6A of the Institute of Actuaries AIDS Working Party.

No additional reserves are held in respect of the possible detrimental impact of other changes in the incidence of disease or developments in medical science.

Individual Lifetime Care Plan

This product provides long-term care benefits to the policyholder. The tables for both healthy and claim mortality used in the multi-state model to value these contracts have been constructed based on the experience of the office from 1994 up to and including 2007. There is an adjustment to the base tables of 1% p.a. and 0.5% p.a. for mortality improvement of healthy and claim mortality respectively. In addition to the allowances for mortality improvement, there are also prudent margins of 5% and 12% on healthy and claim mortality respectively.

Immediate Lifetime Care Plan

This contract is essentially an impaired life annuity. The mortality table for each life is uniquely determined by applying a flat percentage to the base mortality table (IM80/IF80 C2001), using an individually assessed best estimate of life expectancy. An allowance for future mortality improvement is built into the best estimate of life expectancy, depending on the health conditions of each life. There is also a prudent margin of 10% on the mortality rates. It is not appropriate to indicate example mortality rates as they are unique to each policy.

Individual Lifetime Care Bond

This contract provides long term care benefits to the policyholder. The mortality assumption is built into the charging annuity factors used in the calculation of the non-unit reserves. The charging annuity factors vary by age, gender, cover type and deferred period. The deferred period is defined as the number of months for which the unit fund value is estimated to last in the event of a long term care benefit claim.

(5) Morbidity

AXA Protection Account (IFA sales channel)

Specimen critical illness inception rates used at both 31 December 2009 and 31 December 2008 for term assurance with accelerated critical illness are set out in the following table. The rates are based on reinsurers' risk premium rates. The corresponding mortality rates are set out in 4.(4).

Age	Males			Females		
	Non-smoker	Smoker	Aggregate	Non-smoker	Smoker	Aggregate
25	0.00046	0.00074	n/a	0.00064	0.00073	n/a
35	0.00122	0.00197	n/a	0.00178	0.00202	n/a
45	0.00387	0.00625	n/a	0.00430	0.00487	n/a
55	0.01071	0.01731	n/a	0.00905	0.01025	n/a

Term assurance with accelerated critical illness benefit (other than AXA Protection Account)

Specimen combined mortality and critical illness inception rates used at both 31 December 2009 and 31 December 2008 are set out in the following table. The rates are based on reinsurers' risk premium rates.

Age	Males			Females		
	Non-smoker	Smoker	Aggregate	Non-smoker	Smoker	Aggregate
25	0.00120	0.00196	n/a	0.00080	0.00139	n/a
35	0.00166	0.00279	n/a	0.00172	0.00302	n/a
45	0.00410	0.00812	n/a	0.00396	0.00722	n/a
55	0.01054	0.02336	n/a	0.00870	0.01813	n/a

Unitised policies with additional Lifecare (critical illness) benefit

Specimen critical illness inception rates used at both 31 December 2009 and 31 December 2008 are set out in the following table. The rates are based on reinsurers' risk premium rates.

Age	Males			Females		
	Non-smoker	Smoker	Aggregate	Non-smoker	Smoker	Aggregate
<u>Low Cost Homebuyers' Plan & Homebuyers' Investment Plan (pre-1998)</u>						
25	0.00038	0.00060	0.00044	0.00043	0.00059	0.00048
35	0.00080	0.00144	0.00099	0.00107	0.00159	0.00122
45	0.00289	0.00525	0.00362	0.00252	0.00400	0.00296
55	0.00829	0.01503	0.01037	0.00643	0.00955	0.00734
<u>Low Cost Homebuyers' Plan & Homebuyers' Investment Plan (1998 and after)</u>						
25	0.00035	0.00055	0.00041	0.00040	0.00055	0.00044
35	0.00074	0.00133	0.00092	0.00099	0.00147	0.00113
45	0.00268	0.00486	0.00335	0.00233	0.00370	0.00274
55	0.00768	0.01392	0.00960	0.00595	0.00884	0.00680
<u>Multiplan (pre-1998)</u>						
25	0.00041	0.00063	0.00048	0.00046	0.00063	0.00051
35	0.00083	0.00147	0.00103	0.00110	0.00162	0.00125
45	0.00293	0.00528	0.00365	0.00255	0.00403	0.00299
55	0.00833	0.01507	0.01040	0.00646	0.00958	0.00738
<u>Multiplan (1998 and after)</u>						
25	0.00038	0.00059	0.00044	0.00043	0.00058	0.00047
35	0.00077	0.00137	0.00095	0.00102	0.00150	0.00116
45	0.00271	0.00489	0.00338	0.00236	0.00373	0.00277
55	0.00771	0.01395	0.00963	0.00598	0.00887	0.00683

Individual Lifetime Care Plan

The tables for claim inception rates used in the multi-state model to value the long term care benefit under these contracts have been constructed based on the experience of the office for all years up to and including 2008. There is an adjustment to the base tables of 10% of the morbidity rates to act as a prudent margin. The model assumes no recoveries.

There are three claim states used within the model, defined by the state of health of each policy in claim. The state of health is assessed through the failure of a number of Activities of Daily Living (ADLs), such as washing or dressing. In addition, a life can become a claim through a cognitive impairment.

Specimen independent base morbidity rates to the three claim states for females are as follows:

Age	2ADL 2009	3ADL+ 2009	Cognitive 2009	2ADL 2008	3ADL+ 2008	Cognitive 2008
25	0.00015	0.00016	0.00024	0.00015	0.00016	0.00024
35	0.00015	0.00016	0.00024	0.00015	0.00016	0.00024
45	0.00015	0.00016	0.00024	0.00015	0.00016	0.00024
55	0.00046	0.00047	0.00071	0.00046	0.00047	0.00071

Specimen independent base morbidity rates to the three claim states for males are as follows:

Age	2ADL 2009	3ADL+ 2009	Cognitive 2009	2ADL 2008	3ADL+ 2008	Cognitive 2008
25	0.00008	0.00028	0.00020	0.00008	0.00028	0.00020
35	0.00008	0.00028	0.00020	0.00008	0.00028	0.00020
45	0.00008	0.00028	0.00020	0.00008	0.00028	0.00020
55	0.00021	0.00076	0.00055	0.00021	0.00076	0.00055

Note:- very little business is covered by the specimen rates required by IPRU(INS) Rule 9.31(a). The average age for this product is around 77. Specimen independent base morbidity rates for the average age are as follows:

Age 77	2ADL 2009	3ADL+ 2009	Cognitive 2009	2ADL 2008	3ADL+ 2008	Cognitive 2008
Female	0.00366	0.00434	0.00596	0.00366	0.00434	0.00596
Male	0.00183	0.00597	0.00535	0.00183	0.00597	0.00535

Individual Lifetime Care Bond

The valuation model assumes there are no recoveries once in claim. This is prudent as reserves are released on recoveries.

Specimen inception rates for the provision of long term care benefits, which are the same for 2008 and 2009, are shown below split by gender and cover type.

Age	Male Diamond Cover	Male Premier Cover	Male Select Cover	Female Diamond Cover	Female Premier Cover	Female Select Cover
25	0.00045	0.00045	0.00045	0.00045	0.00045	0.00045
35	0.00045	0.00045	0.00045	0.00045	0.00045	0.00045
45	0.00045	0.00045	0.00045	0.00045	0.00045	0.00045
55	0.00139	0.00139	0.00087	0.00100	0.00100	0.00075

Note:- very little business is covered by the specimen rates required by IPRU(INS) Rule 9.31(a). The average age for this product is around 76. Specimen inception rates for the average age are as follows:

Age	Male Diamond Cover	Male Premier Cover	Male Select Cover	Female Diamond Cover	Female Premier Cover	Female Select Cover
76	0.01280	0.01280	0.00892	0.01132	0.01132	0.00842

(6) Expenses

Gross annual per policy expense levels assumed to apply for the specified products are set out below. These are based on the actual fees payable to AXA Sun Life Services plc under the Management Services Agreement, and have been uplifted in respect of expenses not covered by the Agreement. A further uplift has been included for business within the With Profit funds to make prudent allowance for the outcome of a fee review under the terms of the Agreement, which is due to be implemented during 2010, but which has not yet been completed.

During 2009, the costs associated with a number of projects were recharged back to the Life Company. However, due to the discretionary nature of the projects being recharged to ASL, no allowance is made in the reserves for future project costs.

Product	Product codes	31 December 2009 £ p.a.	31 December 2008 £ p.a.
Conventional With Profits			
Endowment (savings)	120	14.77	14.74
Endowment (target cash)	125	49.22	49.12
Pensions	155, 165	49.22	49.12
Non-profit			
Term assurance	325, 330	21.16	21.12
Critical illness	340 – 355	21.16	21.12
Income protection	360, 365	21.16	21.12
Annuity	400	24.61	24.56

Product	Product codes	31 December 2009 £ p.a.	31 December 2008 £ p.a.
<i>Unitised with profits</i>			
Bonds	500	49.22	49.12
Endowment (savings)	510	49.22	49.12
Endowment (target cash)	515	49.22	49.12
Individual pensions (regular premium)	525	98.43	98.24
Individual pensions (single premium)	525	24.61	24.56
Group pensions (regular premium)	535	98.43	98.24
Group pensions (single premium)	535	24.61	24.56
<i>Unit-linked</i>			
Bonds	700	49.22	49.12
Endowment (savings)	715	49.22	49.12
Endowment (target cash)	720	49.22	49.12
Individual pensions (regular premium)	725	49.22	49.12
Individual pensions (single premium)	725	24.61	24.56
Group pensions (regular premium)	735	49.22	49.12
Group pensions (single premium)	735	18.70	18.66

Where different expense assumptions apply to groups of policies within the above product types, the assumption shown is that relating to the largest group by number of policies at 31 December 2009. In the case of individual and group pensions, paid-up policies have been treated as single premium, as the expense assumptions are the same for these groups.

For each product, per policy expenses are identical for unitised with profits and unit-linked policies. Differences in assumptions shown above arise where the largest group of unitised with profits is a different product from the largest group of unit-linked policies.

For with profits and non-profit business, provision for gross investment expenses is made by way of a margin between the yield on the assets and the valuation rate of interest. The margins are:

With profits business	0.28% p.a.
Non-profit business	0.12% p.a.

For unit-linked business, the assumed gross investment expenses are the following percentages of fund size:

Life business	0.16% p.a.
Pensions business	0.16% p.a.

For life business, tax relief on the above expense assumptions is assumed at the rate of 20%.

(7) Inflation rate and unit growth rates

The future inflation rate assumed in the valuation is 3.75% per annum for annuity business and 3.25% per annum for non-annuity business.

Expense inflation is assumed to be 4.75% per annum for annuity business and 4.25% per annum for non-annuity business.

The unit growth rates assumed in the calculation of non-unit reserves for unit-linked business are:

Life business	4.89% p.a. (net of tax)
Pensions business	5.75% p.a.

(8) Future bonus rates

No future bonus rates have been assumed in the gross premium valuation of conventional with profits business or in the valuation of unitised with profits business except where guaranteed.

(9) Lapse, surrender and conversion to paid-up

The following average annual rates of lapse, surrender and conversion to paid-up have been assumed:

Product		Average lapse / surrender / paid-up rate for the policy years			
		1-5 % p.a.	6-10 % p.a.	11-15 % p.a.	16-20 % p.a.
Level term	lapse	0	0	0	0
Decreasing term	lapse	0	0	0	0
Accelerated critical illness	lapse	0	0	0	0
Income Protection	lapse	0	0	0	0
CWP savings endowment	surrender	8.4	5.4	2.9	1.7
CWP target cash endowment	surrender	0.7	0.7	0.7	0.7
UWP savings endowment	surrender	5.1	5.3	6.0	5.3
UWP target cash endowment	surrender	8.3	8.5	5.9	4.0
UL savings endowment	surrender	3.3	3.9	8.7	6.7
UL target cash endowment	surrender	9.7	8.9	6.7	6.7
UWP Bond – with surrender penalty	surrender	0.9	8.0	8.0	8.0
UWP Bond – without surrender penalty	surrender	8.0	8.0	8.0	8.0
UWP Bond	automatic withdrawals	100% of current	100% of current	100% of current	100% of current
UL Bond	surrender	0.9	8.0	8.0	8.0
UL Bond	automatic withdrawals	100% of current	100% of current	100% of current	100% of current
CWP pension regular premium	PUP	0	0	0	0
CWP pension regular premium	surrender	0	0	0	0
CWP pension single premium	surrender	0	0	0	0
UWP individual pension regular premium	PUP	0	0	0	0
UWP individual pension regular premium	surrender	0	0	0	0
UWP individual pension single premium	surrender	0	0	0	0
UL individual pension regular premium	PUP	0	0	0	0
UL individual pension regular premium	surrender	See note 1.			
UL group. pension regular premium	PUP	0	0	0	0
UL group pension regular premium	surrender	See note 1.			
UL individual pension single premium	surrender	See note 1.			

1. The surrender rates used for UL pension products vary between term gone and term-to-go. It is not representative to combine the rates for these different products in the format required.

Where different persistency assumptions apply to groups of policies within the above product types, the assumptions shown relate to a group which represents more than 50% of the total reserves for the product type. In particular, the surrender rates for UWP individual pensions are shown as nil, as more than 50% of reserves for such policies relate to a group of policies for which no surrender assumption is made. Surrender rates are assumed for other policies of this type.

For classes where it is prudent to do so (mainly group pensions business), the payment of future premiums is ignored in determining the non-unit reserve. Other than this, no allowance is made for conversion to paid-up.

(10) Other material assumptions

There are no assumptions not stated elsewhere that are considered to be material to the results of the valuation.

(11) Derivative contracts

The Company uses derivatives to hedge maturity guarantees and Guaranteed Annuity Options on its WP business. Since the time value of the derivatives is significantly higher than that reflected in the valuation of the liabilities, an additional liability equal to the time value of the derivatives is held in the New With Profits Fund (£83m) and the Old With Profits Fund (£12m).

The company holds credit default swaps to hedge the credit risk on a holding of corporate bonds. In the calculation of valuation interest rates, these derivatives have been ignored and standard credit risk margins have been applied to the corporate bonds (as set out in section 4(3)). A check has been performed to ensure that this approach gives a more prudent result than if the credit default swaps had been fully reflected.

(12) Impact of changes in valuation rules effective from 31 December 2006

During 2009, the administration of traditional business within the Company was outsourced to an external partner. The costs associated with this arrangement are expected to be incurred over the next four years. For reserving purposes, these additional expenses are treated as non-attributable expenses and are considered at a homogeneous risk group level. The total reserves held for these expenses are less than £10m.

No additional changes have been made since the previous valuation.

5. Options and guarantees

The valuation bases set out in section 5 relate to options and guarantees in respect of groups of products where the basic reserves exceed £10m. The grouping of products is that relevant to the particular option or guarantee.

(1) Guaranteed Annuity Rate options

- (a) For most pensions contracts with a Guaranteed Annuity Rate option at retirement, a stochastic model has been used to value the option. The model used is the same as that used in the realistic valuation and described in the report on that valuation, and the economic scenario generation assumptions were calibrated to 97.5% of risk-free yields, in line with requirements for yields used in regulatory valuations. The assumed take-up rate for the option, when in the money, is 95% at all durations in all scenarios. The assumed mortality basis in payment is based on 82.5% of PCMA00 with 100% medium cohort improvements subject to a 1.7% floor for males, and 80% of PCFA00 with 75% medium cohort improvements subject to a 1.5% floor for females. For practical reasons an equivalent one-dimensional table is used.

For a few minor classes the stochastic model is not used, and the liabilities are taken as the result of a deterministic valuation using corresponding assumptions, but assuming 100% take-up.

(b)

Product	Basic reserve £m	Outstanding durations (years)			Guarantee reserve £m	Guaranteed annuity rate (annuity p.a. per £100 cash sum)	Open to increments
		Minimum	Median	Maximum			
Endowment Plans	175	0	5	29	120	11.00	No
Multipension	288	0	9	27	134	9.39	In certain circumstances

The specimen guaranteed annuity rates shown above are for a male aged 65. The annuity is a non-increasing single life annuity, payable monthly for a minimum period of five years. Payments are in advance for conventional policies and in arrears for Multipension. Annuities on equivalent terms to those indicated above are available on an increasing or joint lives basis or with other payment frequencies or other minimum payment periods.

Guaranteed annuity rates are applicable on early or late retirement at any age permitted by the terms of the policy. The relevant rates are determined on the same basis as that applicable at the normal retirement date, allowing for the age at retirement.

(2) Guaranteed surrender and unit-linked maturity values

- (a) Certain unitised with profits pensions policies include a provision that no market value reduction (MVR) will be applied on early retirement within five years of the normal retirement date, in respect of regular premiums that have been paid or single premiums that have been invested for at least five years at the early retirement date. The method used to determine the basic reserves, described in (4).(1), explicitly makes allowance for this provision, and no separate additional reserve is required.

Unitised with profits pensions policies invested in the Group With Profits Fund include a provision that no MVR will apply on discontinuance in certain specified circumstances, for example on early retirement or following leaving service. In consequence, the basic reserves for policies invested in this fund make no allowance for the application of MVR at any time, and no separate additional reserve is required in respect of the provision.

Certain Low Cost Homebuyers' Plans (LCHP) and Homebuyers' Investment Plans (HIP) effected since 1998 include a provision whereby a guaranteed amount may be payable on the maturity date. The guarantee may be selected ten years before the maturity date, and if selected the premium must be increased where necessary to a level advised by the Company at the time. Furthermore, for HIP invested in unit-linked funds, the plan must be switched to unitised with profits. In the case of LCHP, for all plans where the guarantee is in force, the guaranteed amount in respect of this provision does not exceed the normal guaranteed amount at maturity, taking into account the Guaranteed Interest Rate. The basic reserves are therefore sufficient to cover the value of the guarantee. In the case of HIP, there are two plans with the guarantee in force, for which no additional reserves are required. In the case of plans that are more than ten years from the maturity date, including HIP currently invested in unit-linked funds, the terms on which the increase in premium is determined if the guarantee is selected are currently, and it is intended will remain, such as to ensure that no additional reserve will be necessary at the time the guarantee comes into force, taking into account the explicit allowance in the basic reserve for the Guaranteed Interest Rate for LCHP and the provision that no MVR will apply at maturity date. It is therefore considered that the basic reserve is sufficient to cover the value of the prospective guarantee for such plans.

- (b) All guaranteed surrender values affecting groups of policies where the basic reserve exceeds £10m have been explicitly valued within the calculation of the basic reserve, as described above.

(3) Guaranteed insurability options

- (a) The main guaranteed insurability options permit the increase or replacement of cover under unit-linked and unitised with profits policies, subject to specific conditions, for example when the maturity value of an endowment assurance is increased in respect of a mortgage advance, or on the birth of a child to the policyholder. No additional reserve is deemed necessary for such options for the following reasons:
- the conditions for the exercise of each option are limited to specified circumstances, which might normally imply good health
 - mortality charges include a prudent margin which would cover a worsening of experience
 - policy conditions permit future amendments to mortality charges based on experience
- (b) There are no conversion or renewal options where the total sum assured exceeds £1bn.

(4) Other guarantees and options

Certain with profits Flexible T-Plans and Multipensions include a provision that the annuity secured on retirement at State Pensionable Age will not be less than the amount of Guaranteed Minimum Pension accrued in respect of contracting out of the State Earnings Related Pension Scheme.

These guarantees are generally significantly in the money, and additional reserves are determined for each policy equal to the excess of the value of the annuity over the basic reserve. The assumed mortality basis in payment is based on 82.5% of PCMA00 with improvement factors of 100% medium cohort and a 1.7% floor for males, and 80% of PCFA00 with improvement factors of 75% medium cohort and a 1.5% floor for females. For practical reasons, an equivalent one-dimensional table is used. Interest in payment is 3.70% p.a. The assumed take-up rate for the guarantee is 100%. The basis during deferment is the normal basis for unitised with profits pensions policies.

Basic with profits reserve for policies with the guarantee:	£15m
Additional reserve in respect of the guarantee:	£6m

6. Expense reserves

(1) Expense loadings

The aggregate amount (gross of tax) arising during the year following the valuation date from implicit and explicit reserves made in the valuation to meet expenses in fulfilling contracts in force at the valuation date is £150.9m, after allowing for expenses recovered through the reinsurance arrangement with SLAS. This amount arises from the following sources:

- (i) explicit expense assumptions in the valuation amounting to £90.4m; and
- (ii) the amount implicitly provided for investment expenses by deductions from yields when establishing the valuation interest rates, amounting to £60.5m.

Renewal commission is not included in this amount.

(2) Implicit expense allowances

The implicit allowance in respect of investment expenses was determined by multiplying the relevant amounts of reserves by the rates of deduction from yields.

(3) Comparison with Form 43

The introduction of Financial Reporting Standard 26 in 2006 requires initial transaction costs on assets to be shown as investment expenses in the statutory accounts and, these expenses, amounting to £39.1m, have been included in line 44 of Form 43. The valuation implicitly assumes that there will be no future asset turnover, so no allowance is made for expenses of this nature.

During 2009, the costs incurred on certain project were recharged to the Company. However, due to the discretionary nature of the projects being recharged to ASL, no allowance is made in the reserves for future project costs.

After allowing for initial transaction costs on assets and project charges, the amount of maintenance expenses is very close to that shown at line 44 of Form 43.

(4) New business expense overrun

Current product terms are sufficient to recover expenses in respect of new business, and no new business expense overrun reserve is required in respect of the expenses of continuing to transact new business during the 12 months following the valuation date.

(5) Maintenance expense overrun

No maintenance expense overrun reserve is deemed necessary. The reserves include explicit allowance for meeting the expenses likely to be incurred in future in fulfilling existing contracts, on the basis that servicing expenses will continue to be in line with fees charged by AXA Sun Life Services plc (ASLS), increased in line with the assumed inflation rate. It is assumed that the same level of per policy expenses would apply following closure to new business. No redundancy costs have been allowed for, as these would be met by ASLS. The costs of terminating the management services agreement with ASLS have not been allowed for as it is assumed that the agreement will continue in force.

(6) Non-attributable expenses

The expenses associated with a project to outsource the policy administration of traditional business have been treated as non-attributable expenses within the valuation. The total costs associated with the project have been split across the main policy types in scope, weighted by the volume of business within each group. The following reserves have been set up:

Homogeneous Risk Group	Reserves (£m)
Life Annuities	0.1
Long Term Care Plans	1.1
Immediate Care Plans	0.2

All other expenses have been treated as attributable.

7. Mismatching reserves

(1) Analysis of reserves by currency

The mathematical reserves in respect of liabilities denominated in sterling (other than liabilities for property linked benefits) amount to £6,334m. An analysis by currency of the matching assets is set out in the following table.

Currency of asset	Value of assets £m
Sterling	4,808
Euro	632
U.S. Dollar	427
Japanese Yen	157
Other	310
Total	6,334

(2) Other currency exposures

The mathematical reserves in respect of liabilities denominated in currencies other than sterling amount to £49m. The proportion of these liabilities that is matched by assets in the same currency as the liability is 69%.

(3) Currency mismatching reserve

No reserve is deemed necessary in respect of currency mismatching. The backing of liabilities by assets in a different currency relates to the exposure of with profits contracts to investments in a range of currencies.

(4) Most onerous scenario under INSPRU 3.1.16R

INSPRU 3.1.16R does not apply to the Company. See 7.(6).

(5) Most onerous scenarios under INSPRU 3.1.23R

INSPRU 3.1.23R does not apply to the Company. See 7.(6).

(6) Amount of resilience capital requirement

The Company is not required to determine a resilience capital requirement, as it is not a regulatory basis only life firm.

(7) Additional reserve arising from INSPRU 1.1.34(2)

Based on an analysis of expected cash inflows from assets held and future regular premiums and expected cash outflows from insurance liabilities as they fall due, it is believed that the assets held to cover the technical provisions and other long-term insurance liabilities are of a sufficient amount, and of an appropriate currency and term, to ensure that the cash inflows will meet the expected cash outflows without requiring any additional reserve.

8. Other special reserves

The following special reserves exceed £10m.

Reorganisation Bonus

The Company has an obligation to make payments of Reorganisation Bonus, as required by the Reorganisation Scheme governing the Company. The total reserves for this liability are £141.7m. These are included within the reserves for the relevant classes of with profits business on Forms 51 and 52.

The reserves are equal to the balance of the 'RBM Account', which under the Reorganisation Scheme records the value of the obligation to policyholders in the New With Profits Fund, together with further amounts representing:

- Reorganisation Bonuses payable in respect of policies in the Old With Profits Fund; and
- the value of future transfers made subject to rule INSPRU 1.5.27R in respect of the payment of Reorganisation Bonuses.

LTC Review Provision

A premium review of Lifetime Care plans written between 1992 and 2004 revealed that significant contribution increases were required to maintain benefit levels. This is as a result of adverse changes to future expected claims. A large number of complaints were made in response to these premium reviews.

A provision of £12.1m is held to meet the future costs of the complaints handling process and the cases where complaints are upheld. This provision has been calculated based on the number of complaints outstanding at the valuation date.

Tax Equalisation Provision

For unit linked life contracts effected on or after 1st January 1977, the prospective liability for tax on unrealised capital gains is allowed for in the unit pricing. However a Tax Equalisation Provision of £29.7m is held to meet future liability to tax which may arise on account of timing differences in the payment of tax on disposal of investments.

Reinsurance Default Provision

A global provision is held within ASL to cover the risk of default on external reinsurance arrangements. This provision is calculated based on historic default rates by S&P rating, and adjusted to reflect any expected worsening of future conditions. The assumptions for expected future defaults is broadly in line with those used to calculate credit risk adjustments to yields in section 4(3).

At December 2009, a provision of £29.5m was held in respect of ASL external reinsurance arrangements.

9. Reinsurance

(1) Facultative reinsurance to reinsurers not authorised in the UK

During 2009 no reinsurance business was ceded on a facultative basis to reinsurers not authorised to carry on insurance business in the UK.

(2) Reinsurance treaties

Details of reinsurance treaties under which the Company is the cedant and either the premiums payable to the reinsurer during 2009 or the reduction in mathematical reserves in respect of the reinsurance exceed £10m are contained in the following table.

Reinsurer	Nature and extent of cover	Premiums payable during 2009 £m	Whether treaty closed to new business	Reduction in mathematical reserves £m
Swiss Re Life & Health Ltd	A single treaty covering: <u>Regular Premium Individual Lifetime Care Plans</u> Benefits on an original terms quota share basis for plans written prior to 1st April 1998. Benefits on a risk premium quota share basis for plans written on or after 1st April 1998 and prior to 1 January 2002, and increments to such plans. The cover is 70% of each benefit up to £60,000 p.a., 100% of the excess over £60,000 p.a.. The cover for original terms policies following a policy review has changed to 67% of each benefit.	5.0	Yes	56
	<u>Individual Permanent Health Insurance</u> Benefits on an original terms, quota share and surplus basis. The cover is 2/3rds of each benefit up to £18,000 p.a., and 100% of the surplus above £18,000 p.a. to a maximum of £50,000 p.a..			9
	<u>Individual Level Term Assurance and Individual Critical Illness</u> Death and/or Critical illness risks on an original terms surplus basis in excess of the Company's retention of £15,000.			1

Reinsurer	Nature and extent of cover	Premiums payable during 2009 £m	Whether treaty closed to new business	Reduction in mathematical reserves £m
General Cologne Life Re (UK) Ltd	Single Premium Individual Lifetime Care Plans Benefits on an original terms quota share basis for plans written after 1st September 1994 and prior to 1st July 1997, and a risk premium quota share basis for plans written on or after 1st July 1997 and prior to 16th August 2004. The cover is 50% of each benefit up to £60,000 p.a., 100% of the excess over £60,000 p.a.. The cover for original terms policies following a policy review has changed to 50% of the benefit covered by the original premium.	0.1	Yes	2
Kolnische Ruckversicherungs-Gesellschaft AG	Single Premium Individual Lifetime Care Plans Benefits on an original terms quota share basis for plans written after 1st September 1994 and prior to 1st July 1997, and a risk premium quota share basis for plans written on or after 1st July 1997 and prior to 16th August 2004. The cover is 50% of each benefit up to £60,000 p.a., 100% of the excess over £60,000 p.a.. The cover for original terms policies following a policy review has changed to 50% of the benefit covered by the original premium.	1.5	Yes	43
SCOR Global Life Reinsurance UK Ltd	Regular Premium Term Assurance (mortality only) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 50% of the first £10m.	3.5	No	129
SCOR Global Life Reinsurance UK Ltd	Regular Premium Term Assurance (stand alone or accelerated critical illness only) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 40% of the first £0.5m.	6.3	No	108
RGA Reinsurance UK Ltd	Regular Premium Term Assurance (mortality only) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 4% of the first £10m.	0.4	No	10
RGA Reinsurance Company (Barbados) Ltd	Regular Premium Term Assurance (mortality only) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 36% of the first £10m.	2.9	No	93
Partner Re	Regular Premium Term Assurance (stand alone or accelerated critical illness) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 20% of the first £0.5m.	2.8	No	54
Pacific Life	Regular Premium Term Assurance (stand alone or accelerated critical illness) quota share for level and decreasing plans written from 1st June 2006. Terms are to reinsure 20% of the first £0.5m.	2.6	No	54
AAC (phase 1)	Reinsurance of the non-profit pensions annuities in payment business directly written in ASL.	120.8	No	1,476
AAC (phase 2)	Reinsurance of the non-profit pensions annuities in payment business reinsured to ASL from SLAS.	1,997.0	Yes	2,013
Unit Reassurance	Linked benefits where the member has chosen to invest in the funds of the below companies on a 100% quota share basis: WIntertur Life UK Baillie Gifford Life Barclays Global Investors	623.9 0.1 0.7	No	1,049 44 19

In respect of these treaties:

- No amounts have been deposited under any deposit back arrangements.
- There are no undischarged obligations of the Company other than outstanding reinsurance premiums.

With the exceptions of Kolnische Ruckversicherungs-Gesellschaft AG and RGA Reinsurance Company (Barbados) Ltd, the above companies are authorised to carry out insurance business in the UK.

With the exception of AAC and Winterthur Life UK, the reinsurers are not connected with the Company.

The Company has credit risk exposure to each of the above reinsurers. The exposure does not exceed internal exposure limits, taking account of the rating of each reinsurer. A separate reserve is held in respect of the possibility of default of external reinsurance counterparties.

There are no legal disputes at the present time in connection with the Company's reinsurance treaties, and it is not believed that these treaties present any material legal risk or other risks.

No provision is made for the liability of the Company to refund any amounts of reinsurance commission in the event of lapse or surrender of contracts, as in each case the amount of such refund is less than the amount of premium refundable, if any, by the reinsurer.

Historically SLAS has provided new business financing in respect of regular premium business reassured to the Company. The outstanding amount of the Company's undischarged obligation at the valuation date was £78.1m. This is repayable monthly out of surplus arising on the business being financed. It should be noted that this financing is provided by a company within the AXA Group, and the disclosures in this section and in Form 3 lines 91-95 should be viewed with this in mind.

This undischarged obligation has not been taken into account in the valuation because it is repayable out of margins in the policies financed. No allowance has been made for contingencies associated with this arrangement for the purposes of the return.

10. Regular bonus

Name of Bonus Series	Mathematical Reserves £m	Bonus Rate for 2009	Bonus Rate for 2008	Guaranteed Rate for 2009 6
Conventional With Profits				
Conventional Life Series 1 ¹	21	1.18%/0.00%	1.18%/0.00%	
Conventional Life Series 2	98	1.00%	1.00%	
Top Flight and Moneysaver	447	2.00%	2.00%	
Postal Staff Scheme	19	2.00%	1.25%	
Conventional Pensions	237	0.00%	0.00%	
Unitised With Profits²				
Investment Bond and Flexible Bond	1140	2.92%	3.25%	
With Profits Income Bond	13	3.42%	3.75%	
Individual Savings Account ³	13	3.67%	4.50%	
Low-Cost Homebuyers' Plan	563	0.13%	0.75%	3.00%
Multivestor	18	0.67%	1.45%	1.75%
Multiplan	17	3.42%	4.18%	
Multipension Series 2	1050	0.00%	0.00%	4.00%
Multipension Series 3	323	1.67%	2.50%	
Flexible Pensions:				
Group WP fund	18	3.50%	3.50%	
with GMP guarantee	21	1.75%	1.75%	
Other ⁴	87	2.25%	2.25%	
Other Trustee Plans	21	3.17%	3.97%	
Pensions 1997 series ⁵	106	2.17%	3.00%	
Pensions 1999 series	44	2.17%	3.00%	
Pensions 2000 & 2002 series ³	77	3.17%	4.00%	
Retirement Investment and Income Plan	23	3.50%	3.50%	
Retirement Savings Schemes	304	1.50%	1.50%	3.00%
Amulet (other than Investment Plan)	15	3.67%	4.50%	

Name of Bonus Series	Mathematical Reserves £m	Bonus Rate for 2009	Bonus Rate for 2008	Guaranteed Rate for 2009 ⁶
AXA Isle of Man Bonds:				
Series 3 (Sterling)	102	3.17%	4.00%	
Series 3 (Euro)	26	2.67%	3.50%	
Series 3 (Dollar)	20	4.00%	4.00%	

Notes:

- ¹ For Conventional Life Series 1, the rate of bonus is a percentage of sum assured dependent on the age of the policyholder at outset. The rates stated above are weighted averages. The second rate stated is the rate of bonus on attaching bonus.
- ² Unitised with profits bonus rates (except for Flexible Pensions) correspond to the increase in unit price during the year. Where bonus rates have changed during the year, the rate stated therefore represents an average of bonus rates weighted by period in force.
- ³ The bonus rates for Individual Savings Account, Pensions 2000 and 2002 Series and Amulet (other than Investment Plan) are before deduction of management charges.
- ⁴ The rates stated above are for accumulation units. The corresponding rates for capital units were 0.00% for both 2009 and 2008.
- ⁵ For Pensions 1997 Series, where commission is payable as a defined percentage of the fund, the above bonus rate is reduced by the relevant percentage.
- ⁶ The guaranteed bonus rate is in addition to the base bonus rate declared.

NAME OF INSURER: AXA SUN LIFE PLC

IPRU(INS) RULE 9.31(b) - APPENDIX 9.4A

ABSTRACT OF VALUATION REPORT FOR REALISTIC VALUATION

1. Introduction

- (1) The actuarial investigation relates to a valuation date of 31 December 2009.
- (2) The valuation date of the previous valuation was 31 December 2008.
- (3) An interim valuation was carried out on 30 June 2009.

2. Assets

- (1) The economic assumptions used in calculating the future profits on non-profit business are as follows:

This financial year	
Investment return	Risk-free rate calibrated to the gilt yield curve plus 10 basis points. For fixed interest assets matching annuities in payment, a +35 basis points liquidity premium has been added to the risk-free rate
Expense inflation	Price inflation + 1% p.a., where the price inflation curve is calibrated to RPI
Discount rate	For profits emerging on non-profit business: risk-free rate + 150 basis points p.a. + 35 basis points for annuities in payment. For release of long-term insurance capital component: risk-free rate + 35 basis points p.a. for annuities in payment

Preceding financial year	
Investment return	Risk-free rate calibrated to the gilt yield curve plus 10 basis points.
Expense inflation	Price inflation + 1% p.a., where the price inflation curve is calibrated to RPI
Discount rate	For profits emerging on non-profit business: risk-free rate + 150 basis points p.a. For release of long-term insurance capital component: risk-free rate

Note: 1 basis point = 0.01%

- (2) No amounts have been included in the realistic value of assets under INSPRU 1.3.33R(2).
- (3) No business is written outside the with profits fund.
- (4) A single set of economic assumptions has been used in valuing the non-profit contracts.
- (5) Not applicable.

3. With Profits Benefits Reserve Liabilities

- (1) The table below shows the With Profits Benefits Reserve and the future policy related liabilities for each group of contracts with materially different guarantees and options.

	NWPF		OWPF	
	With Profits Benefit Reserve (£m)	Future policy related liabilities (£m)	With Profits Benefit Reserve (£m)	Future policy related liabilities (£m)
Retrospective method (asset share)				
UWP Bonds (no MVR-free date)	998	196	154	27
UWP Regular Premium Life	534	154	91	27
UWP Pensions (no minimum bonuses or GARs)	614	127	141	27
UWP Pensions with minimum bonuses but no GARs	392	127	119	39
UWP Pensions with minimum bonuses and GARs	239	148	57	34
Conventional Life	537	202	154	55
Conventional Pensions	67	100	14	31
ISA	8	0	1	0
Other	0	0	0	0
Prospective method (regulatory reserve)				
Retirement Savings Scheme	282	0	19	0
Other	9	0	0	0
Total	3,681	1,054	752	240

- (2) The total amounts of the With Profit Benefits Reserve in the table above correspond to the amounts shown in Form 19, Line 31. The future policy related liabilities in the table above reconcile to Form 19, Line 49 as shown below. For details of the reconciling items, refer to Sections 8 and 11 of this Report.

£m	NWPF	OWPF
Future Policy Related Liabilities, from above table	1,054	240
Reorganisation Bonus	124	18
Tax and expense liability on assets in excess of asset share	37	8
Future Policy Related Liabilities, Form 19, Line 49	1,215	266

4. With Profits Benefits Reserve – Retrospective method

- (1) In all cases where a retrospective method (i.e. asset share) is used, this is calculated on a policy by policy basis.
- (2) No significant changes have been made to the valuation method since the previous valuation.
- (3) The basis of allocating expenses to the with profits funds in the valuation is given below.

Fees are paid to AXA Sun Life Services plc (ASLS) for management, administration, marketing and sales services, as defined in the Service Agreements between ASL and ASLS. These fees are charged to asset shares and are adjusted annually as at 1 January, again as defined in the Service Agreements. The amounts of such fees, split between initial and maintenance expenses, for the full year 2009 are shown below.

Fees paid to the investment managers for the same period are also shown below. Those in respect of with profits policies are charged to asset shares, as a percentage of the

asset share representing the average fee level including an allowance for performance fees.

Some expenses met directly by the fund, such as regulatory fees, are charged to asset shares. These are apportioned between individual policies using a method that is believed to be equitable.

Also shown below are the expenses that have been charged to the with profits fund during 2009, but which are not charged to asset shares. These are mainly initial and renewal fees in respect of non-profit business, investment management fees in respect of non-profit business and other assets in excess of asset shares, plus certain exceptional costs.

Further details of the basis of allocating expenses to the with profits fund are given in the Principles and Practices of Financial Management (PPFM).

The table below shows the expenses incurred by the fund in 2009:

£m	NWPF	OWPF
Initial fees chargeable to asset shares	1.7	0.3
Maintenance fees chargeable to asset shares	11.6	2.3
Investment fees chargeable to asset shares	7.3	1.5
Other expenses chargeable to asset shares	0	0
Expenses on non-profit contracts	1.8	0.4
Other expenses not chargeable to asset shares	2.7	0.9

- (4) During 2009, no significant charges for guarantees or cost of capital have been made to asset shares. As indicated in the PPFM, this practice is reviewed periodically and is subject to change.
- (5) No charges have been deducted from the funds for non-insurance risk.
- (6) The ratio of claims paid to underlying asset shares for with profits insurance contracts over the three year period are:

Year	Average Payout ratio
2009	125%
2008	116%
2007	103%

- (7) For the full year 2009, the investment return before tax and expenses for both New and Old With Profits Funds was 15.3%.

For most UWP policies, the gross return applied to asset shares was 15.8%. For such policies approaching the end of their policy term, a different rate was applied. This varied from 12.8% to 15.8% depending on product type and unexpired term. The return applied to conventional with profits business was 15.2%.

Further details of how returns are applied to asset shares are given in the PPFM.

5. With Profits Benefits Reserve – Prospective method

For Retirement Savings Scheme a prospective method is used rather than asset share, with the with profits benefit reserve calculated deterministically using realistic assumptions including an allowance for future bonuses. The approach assumes a risk-free investment return and discount rate consistent with table 6 (4) (a) (iii), annual bonuses and additional interest totalling 1.50% p.a. in addition to the guaranteed return, expense inflation at the regulatory assumption of 4.25% p.a., an expense of £117 p.a. per person, per policy charges of £29 p.a. per person (£39 if premiums ceased) and no future lapses. It is assumed that the with profits benefits reserve determined in this way is sufficient to cover

any cost of guarantees and smoothing on this contract.

For other classes where a prospective method is used rather than asset shares, the with profits benefit reserve is set equal to the regulatory reserve.

6. Costs of guarantees, options and smoothing

- (1) Not applicable.
- (2) For all products where the valuation of guarantees, options and smoothing is carried out using a full stochastic model, grouped data is used. Contracts are grouped according to their major product features, term gone and term to go, policyholder age and the extent to which guarantees are in or out of the money.

	Policies	Experience Model Points
NWPF	431,946	1,714
OWPF	109,769	762

The results from the stochastic model using grouped data are validated against the results from a closed-form model using individual data. An approximate upward adjustment has been made to the cost of guarantees and smoothing to allow for the estimated grouping error.

- (3) No significant changes have been made to the liability projection model used.
- (4) (a) (i) The liabilities being valued using a full stochastic approach are:
 - The guarantee that no market value reduction will be applied on maturity or on death. The extent to which these options are in the money at the valuation date depends on the ratio of guaranteed benefits to asset share for each policy at that date, and varies both across and within lines of business. On average, the ratio of the present value of guaranteed benefits to asset share varies from around 107% for policies close to maturity to 77% for policies with more than 20 years to go.
 - The guarantee that no market value reduction will be applied on regular income withdrawals that are within the limits defined in the contract terms.
 - Guaranteed annuity rates (GARs), which offer an annuity calculated on guaranteed terms on normal and early retirement. These options are currently in the money.
 - The cost of smoothing. This reflects a combination of short-term and long-term effects: in the short term the difference between payouts and the sustainable level (glidepath); and in the long term the under or overpayment of asset share.

Within the stochastic model the liabilities are valued in the following order: asset share; costs of contractual guarantees; planned enhancements; costs of smoothing. So, for instance, if guarantees bite on a claim, the excess of the claim over the asset share is attributed to costs of contractual guarantees. As smoothing is calculated last there is a partial offset between the cost of guarantees and cost of smoothing.

- (ii) The nominal interest rate model used (Libor Market Model) is calibrated exactly to the current risk-free yield curve. The volatilities have been selected to provide a close fit to a range of swaption-implied volatilities. Equity and property returns are based on short term rates from the interest rate model with an additional log-normal component with a mean of zero. Equity volatilities are calibrated to a term structure of FTSE option-implied volatilities. The model is arbitrage-free.

The risk-free rate in the asset model is calibrated to the gilt curve at 31 December 2009 plus 10 basis points. Sample rates are shown in the table in (iii) below.

Sample volatilities are shown below for the main asset classes. These are derived from the asset model output. The volatility for fixed interest investments is the overall figure for the assumed portfolio mix of government and corporate bonds.

Volatility over period (years)	Equity	Property	Fixed interest
5	25%	16%	5%
10	27%	16%	6%
20	29%	16%	8%

The correlations assumed between the main assets classes are:

Correlation between:	
Equities and medium term fixed interest assets	35%
Equities and property	26%
Medium term fixed interest assets and property	36%

- (iii) The table below shows the annualised compound equivalent of the risk-free rate assumed for each duration (n) and values derived from the asset model of specified assets/options.

Row 1 shows the value of cash payments of £1,000,000 due n years after the valuation date.

Rows 2 to 15 inclusive show, for the appropriate asset classes, the value of a put option on a portfolio worth £1,000,000 on the valuation date exercisable n years after the valuation date, with strike price of $K * £1,000,000 * (1 + r^*p)^n$.

Row 16 shows the value of sterling receiver swaptions with a strike of 5% exercisable n years after the valuation date with swap durations on exercise of L years, expressed as a percentage of nominal.

	K	0.75			
<i>n</i>	Duration (n)	5	15	25	35
<i>r</i>	Annualised compound equivalent of the risk-free rate assumed for the period (<i>r</i>)	3.11%	4.81%	4.79%	4.60%
1	Risk-Free Zero Coupon Bond	£857,989	£494,535	£310,767	£207,464
2	FTSE All Share Index (<i>p</i> =1)	£88,567	£247,035	£358,311	£444,337
3	FTSE All Share Index (<i>p</i> =0.8)	£79,754	£191,127	£253,164	£292,063
4	Property (<i>p</i> =1)	£30,018	£112,426	£186,195	£267,388
5	Property (<i>p</i> =0.8)	£25,022	£73,788	£108,691	£145,893
6	15yr Risk-Free ZCBs (<i>p</i> =1)	£17,794	£29,875	£22,871	£38,761
7	15yr Risk-Free ZCBs (<i>p</i> =0.8)	£14,888	£18,086	£9,477	£10,337
8	15yr Corporate Bonds (<i>p</i> =1)	£20,773	£36,426	£33,540	£54,470
9	15yr Corporate Bonds (<i>p</i> =0.8)	£17,385	£21,881	£12,626	£14,085
10	Portfolio 1 (<i>p</i> =1)	£44,471	£158,580	£250,889	£329,612
11	Portfolio 1 (<i>p</i> =0.8)	£38,129	£112,283	£162,597	£199,196
12	Portfolio 2 (<i>p</i> =1)	£39,777	£137,766	£218,013	£289,285
13	Portfolio 2 (<i>p</i> =0.8)	£33,913	£94,557	£134,910	£167,894
14	Portfolio 3 (<i>p</i> =1)	£17,362	£70,874	£127,326	£188,513
15	Portfolio 3 (<i>p</i> =0.8)	£13,756	£40,343	£62,552	£90,912
	Sterling Receiver Swaptions	L = 15			
16		4.67%	6.99%	5.92%	4.19%

	K	1.00			
<i>n</i>	Duration (n)	5	15	25	35
<i>r</i>	Annualised compound equivalent of the risk-free rate assumed for the period (<i>r</i>)	x	x	x	x
1	Risk-Free Zero Coupon Bond	x	x	x	x
2	FTSE All Share Index (<i>p</i> =1)	£216,014	£410,342	£543,469	£645,340
3	FTSE All Share Index (<i>p</i> =0.8)	£198,325	£323,166	£390,430	£431,917
4	Property (<i>p</i> =1)	£131,182	£247,806	£344,736	£444,588
5	Property (<i>p</i> =0.8)	£114,702	£171,652	£212,003	£256,974
6	15yr Risk-Free ZCBs (<i>p</i> =1)	£91,252	£96,335	£96,992	£154,530
7	15yr Risk-Free ZCBs (<i>p</i> =0.8)	£77,843	£53,702	£29,294	£34,720
8	15yr Corporate Bonds (<i>p</i> =1)	£98,038	£114,415	£120,205	£171,142
9	15yr Corporate Bonds (<i>p</i> =0.8)	£84,343	£65,566	£43,604	£49,806
10	Portfolio 1 (<i>p</i> =1)	£155,344	£304,483	£417,053	£513,328
11	Portfolio 1 (<i>p</i> =0.8)	£138,478	£225,481	£278,979	£318,705
12	Portfolio 2 (<i>p</i> =1)	£147,985	£278,072	£378,706	£466,827
13	Portfolio 2 (<i>p</i> =0.8)	£131,282	£200,900	£244,991	£278,963
14	Portfolio 3 (<i>p</i> =1)	£106,740	£192,757	£269,197	£346,178
15	Portfolio 3 (<i>p</i> =0.8)	£91,022	£122,291	£149,718	£179,841
	Sterling Receiver Swaptions	L = 20			
16		6.10%	8.60%	7.08%	4.94%

	K	1.50			
<i>n</i>	Duration (n)	5	15	25	35
<i>r</i>	Annualised compound equivalent of the risk-free rate assumed for the period (<i>r</i>)	x	x	x	x
1	Risk-Free Zero Coupon Bond	x	x	x	x
2	FTSE All Share Index (<i>p</i> =1)	£587,942	£786,594	£950,266	£1,067,385
3	FTSE All Share Index (<i>p</i> =0.8)	£550,640	£633,985	£695,170	£728,994
4	Property (<i>p</i> =1)	£523,424	£621,361	£735,431	£845,898
5	Property (<i>p</i> =0.8)	£482,628	£464,903	£487,428	£521,568
6	15yr Risk-Free ZCBs (<i>p</i> =1)	£499,335	£500,808	£510,318	£555,518
7	15yr Risk-Free ZCBs (<i>p</i> =0.8)	£454,879	£312,529	£231,592	£222,810
8	15yr Corporate Bonds (<i>p</i> =1)	£499,333	£498,624	£513,587	£560,743
9	15yr Corporate Bonds (<i>p</i> =0.8)	£455,512	£318,688	£244,990	£237,686
10	Portfolio 1 (<i>p</i> =1)	£538,729	£673,042	£805,097	£917,844
11	Portfolio 1 (<i>p</i> =0.8)	£499,217	£519,480	£559,855	£592,183
12	Portfolio 2 (<i>p</i> =1)	£532,940	£644,465	£759,550	£863,761
13	Portfolio 2 (<i>p</i> =0.8)	£493,227	£492,553	£517,332	£543,861
14	Portfolio 3 (<i>p</i> =1)	£508,901	£564,411	£642,610	£732,059
15	Portfolio 3 (<i>p</i> =0.8)	£466,636	£405,397	£401,464	£418,793
	Sterling Receiver Swaptions	L=25			
16		7.42%	9.87%	7.95%	5.47%

- (iv) Initial UK equity yield assumed 3.2%
Initial UK property yield assumed 4.3%
- (iii) No asset classes outside the UK are modelled separately.
- (iv) The average outstanding term of with profits liabilities in the New With Profits Fund is approximately 8 years. The average outstanding term of with profits liabilities in the Old With Profits Fund is approximately 9 years. A breakdown for selected product types is shown in the table below.

Outstanding term (yrs)	NWPF	OWPF
Bonds	5	5
Conventional Pensions	5	6
UWP Life	5	6
UWP Pensions	10	12

Term is the outstanding term of the contract weighted by the asset share.

The outstanding duration of with profits guarantees is fairly evenly spread over the term of the liabilities, though the cost of guarantees is greater at shorter durations. The outstanding duration of GAR guarantees is also shorter but still evenly spread.

The model was calibrated to a moneyness of between 105% for short durations to 70% for longer terms. The table below shows the extent of the fit of the modelled equity volatilities to market implied volatility.

Term (years)	Strike	Market Equity Volatility	Modelled Equity Volatility
1	105%	21.60%	22.31%
2	105%	22.83%	22.95%
3	105%	24.05%	23.80%
5	105%	24.65%	25.02%
10	95%	27.10%	26.66%
20	70%	28.90%	28.68%

(vii) The asset model is validated by accumulating and discounting asset values and comparing with the starting asset value. Results of this comparison are shown under (viii) below.

(viii) The valuation is based on 2,000 simulations of the asset model. The convergence of these simulations is shown in the table below. The figures are the ratio of the average, across the 2,000 scenarios, of the accumulating and discounted asset values to the starting asset value.

Projection term (years)	Ratio
5	100.52%
10	100.90%
15	99.22%
20	100.07%
25	102.19%
30	97.26%

The same principle of accumulating, discounting and comparing with the start value is applied to the asset shares in the liability valuation. The convergence of these results is at the level expected given the validation results of the asset model.

- (b) None of the costs of guarantees, options and smoothing has been valued using the market costs of hedging.
- (c) None of the cost of guarantees, options and smoothing has been valued using a series of deterministic projections with attributed probabilities.

- (5) (a) The management actions assumed in the projection of assets and liabilities are derived from the PPFM, as set out below. The actions modelled below are consistent with the PPFM, although the PPFM does allow for larger movements in regular bonus rates and payouts when solvency is at risk.

Regular bonuses

Sustainable regular bonuses in the valuation for each modelled bonus series have been derived from the gross redemption yield on long dated gilts, with deductions for guaranteed interest rates, tax, expenses, shareholder transfers, and a contingency margin to reflect the extent of existing guarantees. The bonus rate in a given year is targeted at this sustainable level, but is constrained to move by no more than 1% upwards or downwards from the previous year's rate. Additionally, the bonus rate is constrained not to increase if the guaranteed benefits exceed the asset share at that point in the projection.

Terminal bonuses

The model determines a scale of terminal bonus rates for maturing policies (surrendering policies for bonds). These are also used to derive rates for death and surrender. Terminal bonus rates are set for a cohort of similar policies in the same bonus series. For a given group of policies, the payout on an identical maturing policy is restricted to move by a maximum of 15% in either direction from year to year. The implied payout ratios are assumed to start from forecast values and move to sustainable levels over time.

For all policies with a maturity date, and those without a maturity date but which have been in force a specified length of time, the sustainable payouts assumed in the valuation allow for a level of uplift to asset share, consistent with the PPFM.

Market value reduction (MVR)

For unitised with profits business, where a policy is assumed to surrender, and where the asset share is below the face value of the units an MVR is applied so that the payout is equal to the asset share plus a defined percentage (10% for bonds and trustee plans, and 15% for other pensions) of the face value; subject to an overall maximum of the face value of units. No MVRs are assumed to be applied for regular premium life business.

Asset allocation

The asset mix of the with profits fund is assumed to remain constant throughout the projection.

(b) Best estimates of the future proportions of assets backing the with profits benefit reserves and future bonus rates under specified scenarios are:

Return	Risk-Free Rate unadjusted			Risk-Free Rate reduced by 0.78% p.a			Risk-Free Rate increased by 0.78% p.a.		
	Current	5	10	Current	5	10	Current	5	10
Years into projection									
Equity backing ratio	65%	65%	65%	65%	65%	65%	65%	65%	65%
Annual bonus rate									
Investment Bond	2.75%	2.25%	2.25%	2.75%	1.75%	1.75%	2.75%	3.00%	2.75%
Annual Bonus rate UWP Pension (effected 1999)	2.00%	1.50%	1.50%	2.00%	1.00%	0.75%	2.00%	2.25%	2.25%

Note: Equity backing ratio includes equities and property.

(6) The persistency assumptions used for the main classes of business are:

Product		Average lapse / surrender / paid-up rate for the policy years			
		1 – 5	6 – 10	11 – 15	16 – 20
		% p.a.	% p.a.	% p.a.	% p.a.
UWP Bond	surrender	1.3	11	11	11
UWP Bond	automatic withdrawals	100% of current	100% of current	100% of current	100% of current
CWP pension regular premium	PUP	5	5	5	5
CWP pension regular premium	surrender	2	2	2	2
CWP pension single premium	surrender	2	2	2	2
UWP individual pension regular premium	PUP	6.5	6.5	4.8	4.5
UWP individual pension regular premium	surrender	2.5	2.5	2.5	3.2
UWP individual pension single premium	surrender	2.5	2.5	2.5	3.2
CWP savings endowment	surrender	12.6	8.1	4.3	2.5

Product		Average lapse / surrender / paid-up rate for the policy years			
		1 – 5	6 – 10	11 – 15	16 – 20
		% p.a.	% p.a.	% p.a.	% p.a.
CWP target cash endowment	surrender	1	1	1	1
UWP savings endowment	surrender	7.6	8	9	8
UWP target cash endowment	surrender	12.4	12.8	8.8	6

The take-up rates on GARs are assumed to vary with scenario. When the option is in the money, the take-up rate varies between 75% and 80%, depending on the relative values of the tax free cash alternative and the value of the annuity net of tax.

The mortality assumption in possession of any GAR is assumed to be 97.5% of PCMA00 100% medium cohort (1992-2004) & 100% medium cohort with 1.7% floor (2004 onwards) for males. For female, the mortality assumption is assumed to be 95% of PCFA00 100% medium cohort (1992-2004) & 75% medium cohort with 1.5% floor (2004 onwards). For practical reasons, an equivalent one-dimensional table is used.

- (7) Policyholder lapse and paid-up rates are not assumed to vary with scenario in the calculations. The policyholder take-up rates on GARs are described in (6) above.

7. Financing costs

There are no financing arrangements in place.

8. Other long-term insurance liabilities

Form 19 Line 47 includes the value of the future tax and investment expenses on the assets backing the Future Policy Related Liabilities in excess of asset share. It also includes the value of the future Reorganisation Bonus payable in accordance with the reorganisation scheme governing the company. Section 3(2) details the amounts of each.

9. Realistic current liabilities

In the OWPF, the realistic current liabilities are equal to the regulatory current liabilities plus an amount reflecting the tax liability on future shareholder transfers and on the shareholders' share of the Reorganisation Bonus.

In the NWPF the realistic current liabilities are equal to the regulatory current liabilities. An amount reflecting the tax liability on future shareholder transfers and on the shareholders' share of the Reorganisation Bonus is subtracted from the support asset shown on Form 19 Line 27 and is also included in Form 18 Line 65.

10. Risk Capital Margin

- (a) The Risk Capital Margin for the NWPF is £180m and for the OWPF is £46m.

For both funds the most adverse scenario is the combination of events described below.

- (i) Equity values are assumed to fall by 20%. Property values are assumed to fall by 12.5%. No separate assumption is made for non UK assets.
- (ii) Fixed interest yields are assumed to fall by the amounts shown in the table below. The percentage change in yields is 17.5%. No overseas fixed interest assets are treated as being invested in significant territories.

Currency	Long term yield (annualised)	Nominal rise in yields
Sterling	4.45%	0.78%

- (iii) The average (weighted by value) change in spread for bonds, and the percentage changes in asset value arising from the credit risk scenario are given below. These are the percentage changes applying to the corporate bond investments of the funds in the most adverse scenario. No other asset values are adjusted in the credit risk scenario.

	Average change in spread (basis points)	Percentage change in asset values
With profits portfolio	80	-5.9%
Non-profit portfolio	38	-2.6%

- (iv) The overall percentage change in the realistic value of liabilities that results from applying the persistency risk scenario, assuming the market and credit risk stress scenarios have occurred is given in the table below.

	Percentage change in liabilities
NWPF	0.77%
OWPF	1.14%

- (v) Not applicable.

(b)

- (i) In the stress scenario that defines the Risk Capital Margin calculation, it is assumed that the Long Term Target Payout Ratio is reduced from 125% to 120%.

No other changes to management actions are assumed from the base calculation. There are no further changes to assumptions, other than those that result directly from the events of the stress scenario itself.

- (ii) The impact of the change in management actions on the Risk Capital Margin is £127m for NWPF and £33m for OWPF.
- (iii) No changes would apply to the table in **6(5)(b)** if the management actions assumed within the Risk Capital Margin were also assumed within the base scenario.
- (iv) Not relevant since it is not assumed that such charges are taken.

- (c) All the assets required by the OWPF to cover the Risk Capital Margin are held within the fund. For NWPF some Support Arrangement Assets (as shown in Form 19 Line 27) are required to cover the Risk Capital Margin.

11. Tax

- (i) Tax on assets backing the With Profits Benefit Reserve (asset share) is charged to the asset share.
- (ii) The liability for future tax on assets backing the future policy related liabilities is calculated separately and included on the balance sheet in Form 19, Line 47. The calculation assumes that these assets are locked in for the mean term of the policy liabilities, and incur tax on the investment return over that term. Tax is only incurred on the BLAGAB proportion of the assets.

- (iii) There is no liability assumed for tax on the assets backing realistic current liabilities

12. Derivatives

Derivatives held as at 31 December 2009 are as follows:

Sterling interest rate receiver and payer swaps are held for the purposes of hedging interest rate risk. The swaps held have maturity dates between 2012 and 2037, a total notional of £360m, and a total market value of £6.4m.

Sterling and Euro-quanto receiver swaptions are held for the purpose of hedging interest rate risk. These have exercise dates ranging from 2010 to 2032, all have a tenor of 20 years and a strike rate of 5%. They have a total notional of £344m and a total market value of £31.5m.

Equity put options are held for the purpose of hedging equity risk. They are:

- Total return options on a basket of indices weighted as follows:

Index	Economy	Weighting
FTSE 100 Total Return	UK	71%
S&P 500 Total Return	US	13%
Dow Jones EUROSTOXX 50 Total Return	Europe	8%
TOPIX Total Return	Japan	8%

They have maturity dates ranging from 2012 to 2025, a total original notional of £422.6m and a market value of £48.6m.

- OTC Equity Options on indices (S&P 500, DJ Eurostoxx50). They are out of the money options. There are 105,008 contracts for a market value of £8.1m.
- Listed Equity Options on FTSE100. They are out of the money options. There are 15,969 contracts (10 units per contracts) for a market value of £26.6m.

Single name Credit default swaps are held to hedge against credit risk on identified bonds. There is £174m of notional bought protection. They are maturing between 2012 and 2019

Other Credit default swaps are held to adjust credit exposure for the purpose of portfolio management, rather than as a strategic hedge against credit risk. There is £5.0m notional of sold protection and £5m notional of bought protection. They are maturing in 2010.

Futures are held as set out in the table below:

Future	Bought / Sold	Purpose	Maturity Date	Exposure
FTSE 100	Bought	Managing equity risk	19 Mar 2010	£2.6m
Long (10y) Gilt	Sold	Duration management	29 Mar 2010	£198m
EURO Bond	Sold	Hedging interest rate risk	08 Mar 2010	£17.7m

Cross currency swaps are held to hedge overseas currencies exposure. They have a total notional of £158m and a market value of £-22.4m.

Currency forwards are held for the purpose of portfolio management to hedge overseas currencies exposure back to Sterling. There is £296.4m exposure to Euro, USD and JPY back to Sterling.

13. Analysis of change in working capital

£m	NWPF	OWPF
Realistic working capital 31 December 2008	1080	226
Opening Adjustments to valuation of WP liabilities	-	-
Model & Methodology Changes on valuation of WP liabilities	1	-
Return on Working Capital	8	31
Mismatch profits on assets backing the future policyholder related liabilities	151	15
Changes to persistency & mortality assumptions	10	1
Changes to economic assumptions	24	4
Changes to non-economic assumptions	-4	-
New Business	-1	-
Profit from Non-profit business in the With Profit Funds	-15	-5
Changes in other liabilities of lines 47 and 51 of Form 19	-	-
Change in Support Arrangement Assets	204	-
Other	52	-3
Realistic working capital 31 December 2009	1510	269

The change in Support Arrangement Assets is essentially the change in the Non-Profit Funds surplus, which is lendable to NWPF under the rules of the Reorganisation Scheme.

The main reasons for the increase in this amount are the investment returns on the assets backing the surplus, offset by new business expenses incurred by the Non-Profit Funds.

Name of Insurer **AXA Sun Life Plc**

IPRU(INS) RULE 9.29 - STATEMENT ON DERIVATIVE CONTRACTS

Financial year ended 31 December 2009

a) Investment Guidelines

The investment guidelines of AXA Sun Life Plc allow for the use of derivative contracts for the purposes of efficient portfolio management or the reduction of investment risk.

The guidelines restrict the investment in derivative contracts to specified exchange traded derivatives on a limited number of markets, forward foreign exchange contracts, interest rate swaps and inflation rate swaps. Credit default swaps may be used within the With Profit funds, shareholder and Non Profit funds to buy credit protection. If credit protection needs to be sold in these funds the investment manager will need the approval of the Insurer before executing the proposed transactions. In the unit linked funds credit default swaps may only be used on a case by case basis with the Insurer informed of each trade in advance.

The counterparties through whom such transactions can be made are restricted, as are the counterparty exposures that may be built up using derivatives. Prudent limits have also been set on the extent to which derivatives may be used within a given portfolio. Derivatives must not be used to gear the portfolio.

The use of non exchange traded derivatives, with the exception of the derivative contracts noted above, is not permitted without the prior approval of the Group Finance Director or the Chief Investment Officer.

Approval has been given for the use of over the counter (OTC) derivatives to support particular unit linked funds. As at the end of 2009, the value of the OTC derivatives held to cover such contracts was £2.3m (2008: £3.5m).

b) Guidelines in respect of derivatives not likely to be exercised

The investment guidelines do not explicitly allow or exclude the use of derivatives which create rights or obligations which are not, at the time the contract is entered into, reasonably likely to be exercised.

c) Derivatives not likely to be exercised

During the year, no contracts were entered into which were not, at the time of entry, reasonably likely to be exercised.

d) No other instrument, whether it be a derivative or an instrument of similar nature was used which required a significant provision under INSPRU 3.2.17R, or where appropriate, did not fall within the definition of a permitted derivative contract.

e) There were no rights granted under derivative contracts, or instruments of similar nature, for which fixed consideration was received by the Insurer during the year.

Name of Insurer **AXA Sun Life Plc****IPRU (INS) RULE 9.30 - STATEMENT OF CONTROLLERS OF AXA SUN LIFE PLC****At 31 December 2009**

Controller	Shareholding/Voting Rights						
AXA Sun Life Holdings Plc 5 Old Broad Street, London, EC2N 1AD Incorporated in England Registered No: 3479251	100% shareholding in AXA Sun Life Plc						
AXA UK Plc 5 Old Broad Street, London, EC2N 1AD Incorporated in England Registered No: 2937724	100% shareholding in AXA Sun Life Holdings Plc						
AXA 25 avenue Matignon, 75008 Paris Incorporated in France Registered No: 572093920	100% shareholding in AXA UK Plc split as follows: <table> <tr> <td>AXA</td><td>78.3%</td></tr> <tr> <td>AXA Equity & Law Plc (a 99.9% owned subsidiary of AXA)</td><td>21.7%</td></tr> <tr> <td></td><td><hr/>100.0%</td></tr> </table>	AXA	78.3%	AXA Equity & Law Plc (a 99.9% owned subsidiary of AXA)	21.7%		<hr/> 100.0%
AXA	78.3%						
AXA Equity & Law Plc (a 99.9% owned subsidiary of AXA)	21.7%						
	<hr/> 100.0%						
Mutuelles AXA: AXA Assurances Vie Mutuelle 26 rue Drouot, 75009 Paris Incorporated in France Registered No: 353457245 AXA Assurances IARD Mutuelle 26 rue Drouot, 75009 Paris Incorporated in France Registered No: 775699309	Is an association of two companies, as listed, which collectively exercise 22.2% of AXA's voting rights as at 31 December 2009.						

Name of Insurer **AXA Sun Life Plc**

IPRU(INS) RULE 9.36 - STATEMENT OF INFORMATION ON THE ACTUARY APPOINTED TO PERFORM THE WITH-PROFITS ACTUARY FUNCTION

The actuary was requested to furnish the insurer with particulars specified in Rule 9.36 of the Interim Prudential Sourcebook for Insurers and he has confirmed that the information below is correct.

1. Shares

Mr Shelley had no interest in the shares of the insurer.

Mr Shelley's interests in options as at 31 December 2009 were as follows:

- 3,154 €9.91 options (adjusted to take account of the rights issue in 2009) in AXA SA, exercisable to 4 July 2010,
- 2,384 €40.01 options (adjusted to take account of the rights issue in 2009) in AXA SA, exercisable to 11 July 2010,
- 6,308 €31.49 options (adjusted to take account of the rights issue in 2009) in AXA SA, exercisable to 8 May 2011,
- 4,206 €20.45 options (adjusted to take account of the rights issue in 2009) in AXA SA, exercisable to 26 February 2012,
- 3,154 €10.73 options (adjusted to take account of the rights issue in 2009) in AXA SA, exercisable to 13 March 2013,
- 300 shares in AXA SA Global Shareplan 2005,
- 200 shares in AXA SA Global Shareplan 2006,
- 167 shares in AXA SA Global Shareplan 2007,
- 197 shares in AXA SA Global Shareplan 2008,
- 221 shares in AXA SA Global Shareplan 2009.

2. Remuneration

In respect of 2009 Mr Shelley received management remuneration and other benefits (other than pension contributions) to the value of £126,492.

3. Pension contributions

Mr Shelley is a member of the AXA UK Group Pension Scheme.

Name of Insurer **AXA Sun Life Plc**

CERTIFICATE OF THE MONITORING BOARD OF AXA SUN LIFE PLC

Financial Year ended 31 December 2009

1 Overall Conclusion

- (a) The Monitoring Board, having been advised by the Monitoring Actuary, hereby certifies pursuant to paragraph 2(b) of Part VII of the Scheme (see note 1) that in 2009 ('the period'), the Old With Profits Fund (OWPF) of AXA Sun Life Plc (ASL) was managed in a manner that was consistent with the Scheme.

2 Detailed Conclusions

- (a) The Monitoring Board is satisfied that:

- (i) the operation and management of the sub-funds in the period, and
- (ii) the reinsurance into the OWPF from the New With Profits Fund of ASL (NWPF) of new with profits business written by ASL during the period were performed in accordance with the Scheme.

- (b) The Monitoring Board has reviewed:

- (i) the investment policy of the OWPF during the period (the equity backing ratio having been above that of the median of the companies which ASL could reasonably determine as 'Peer Companies' as at the end of 2008, the latest available date for information)
- (ii) the bonus policy of ASL in respect of policies allocated to the OWPF during the period (during which bonus rates, including rates of Reorganisation Bonus, on policies allocated to the OWPF were identical to those on identical policies allocated to the NWPF),
- (iii) the volumes, mix and terms of new business which was written in or reassured in the OWPF during the period and which is planned to be written in or reassured in the OWPF during 2010, and
- (iv) the surrender terms applied in the period to policies allocated to the OWPF

and is satisfied that none of those items have been managed by ASL in a way prejudicial to the reasonable expectations of holders of 'Monitored Policies'.

3 Financial Support from the Non Profit Funds (NPF) of ASL

- (a) The need for financial support for the OWPF and for the NWPF was assessed by ASL at 1 January 2009 in accordance with paragraph 21.3 of the Scheme. No financial support was required by the OWPF or by the NWPF.
- (b) The solvency on both a regulatory and a realistic basis of the OWPF and of the NWPF were assessed by ASL throughout the period. No financial support was required by the

OWPF or by the NWPF.

Name of Insurer **AXA Sun Life Plc**

CERTIFICATE OF THE MONITORING BOARD OF AXA SUN LIFE PLC

Financial year ended 31 December 2009

The Monitoring Board is satisfied that these assessments in paragraphs 3 (a) and 3 (b) were made by ASL in accordance with the provisions of the Scheme.

A further assessment of the need for financial support for the OWPF and for the NWPF in accordance with paragraph 21.3 of the Scheme is in the process of being made by ASL. The Monitoring Board will report further on this assessment in its certificate in respect of 2010.

4 Basis for the Certificate of the Monitoring Board

In preparing this certificate, the Monitoring Board has, as stated above, been advised by the Monitoring Actuary, and has had full access to documents and reports prepared by ASL and by its With Profits Actuary and Actuarial Function Holder.

Note 1: The 'Scheme' means the transfer of the long term business of AXA Equity & Law Life Assurance Society Plc to ASL and the subsequent financial reorganisation of the long term business of ASL as approved by the High Court and by the Royal Court of Jersey in December 2000. 'Peer Companies' and 'Monitored Policies' are as defined in the Scheme.

Lord Taverne
Chairman of the Monitoring Board

29 March 2010

Name of Insurer **AXA Sun Life Plc**

IPRU(INS) 9.34 - DIRECTORS' CERTIFICATE

Financial year ended 31 December 2009

We certify that:

- (a) in our opinion, the return has been properly prepared in accordance with the requirements in IPRU(INS), GENPRU and INSPRU; and
- (b) we are satisfied that:
 - (i) throughout the financial year in question, the Company has complied in all material respects with the requirements in SYSC and PRIN as well as the provisions of IPRU(INS), GENPRU and INSPRU; and
 - (ii) it is reasonable to believe that the Company has continued to comply subsequently and will continue so to comply in future;
- (c) in our opinion, premiums for contracts entered into during the financial year and the resulting income earned are sufficient, under reasonable actuarial methods and assumptions, and taking into account the other financial resources of the Company that are available for the purpose, to enable the Company to meet its obligations in respect of those contracts and, in particular, to establish adequate mathematical reserves;
- (d) the sum of the mathematical reserves as shown in Form 14 constitute proper provision at the end of the financial year in question for the long-term insurance liabilities (other than liabilities which had fallen due before the end of the financial year) including any increase in those liabilities arising from a distribution of surplus as a result of an actuarial investigation as at that date into the financial condition of the long-term insurance business;
- (e) the with-profits fund has been managed in accordance with the Principles and Practices of Financial Management, as established, maintained and recorded under COBS 20.3;
- (f) we have, in preparing the return, taken and paid due regard to:
 - (i) advice in preparing the return from the actuary appointed by the Company to perform the actuarial function in accordance with SUP 4.3.13R; and
 - (ii) advice from the actuary appointed by the Company to perform the with-profits actuary function in accordance with SUP 4.3.16AR;
- (g) in our opinion, the Company was managed in a manner that was consistent with the Scheme approved by the High Court in December 2000 to transfer the business of AXA Equity & Law Life Assurance Society plc to the Company.

Signed on behalf of AXA Sun Life Plc

P. J. Evans

Chief Executive

A. M. Parsons

Director

A. J. Purvis

Director

29 March 2010

Name of Insurer **AXA Sun Life Plc**

REPORT OF THE AUDITORS TO THE DIRECTORS PURSUANT TO IPRU(INS) RULE 9.35

Global business

Financial year ended 31 December 2009

We have examined the following documents prepared by the company pursuant to the Accounts and Statement Rules set out in part I and part IV of chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Insurance Prudential Sourcebook (“the Rules”) made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 2, 3, 11 to 19, 40 to 45, 48, 49, 56, 58 and 60 (including the supplementary notes) (‘the Forms’);
- the statement required by IPRU(INS) rule 9.29 on page 206 (‘the Statement’);
- the valuation report required by IPRU(INS) rule 9.31(a) (‘the valuation report’) on pages 165 to 192; and
- the statements, analysis and reports required by IPRU(INS) rule 9.31(b) (‘the realistic valuation report’) on pages 193 to 205.

We are not required to examine and do not express an opinion on:

- Forms 46, 47, 50 to 55, 57, 59A and 59B (including the supplementary notes)
- the statements required by IPRU(INS) rules 9.30 and 9.36 on pages 207 and 208;
- the certificate required by IPRU(INS) rule 9.34(1) on page 211 (‘the certificate’); and
- the certificate of the monitoring board of AXA Sun Life Plc on pages 209 to 210.

Respective responsibilities of the company and its auditors

The company is responsible for the preparation of an annual return including the Forms, the Statement, the valuation report, the realistic valuation report, the forms and statements not examined by us and the certificate under the provisions of the Rules. The requirements of the Rules have been modified by waivers issued under section 148 of the Financial Services and Markets Act 2000 on 3 December 2007, 31 October 2008, 5 May 2009 and 19 November 2009. Under IPRU(INS) rule 9.11 the Forms, the Statement, the valuation report, the realistic valuation report, the forms and statements not examined by us and the certificate are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules.

The methods and assumptions determined by the company and used to perform the actuarial investigation as set out in the valuation report and the realistic valuation report, prepared in accordance with IPRU(INS) rule 9.31 are required to reflect appropriately the requirements of INSPRU 1.2 and 1.3.

It is our responsibility to form an independent opinion as to whether the Forms, the Statement, the valuation report and the realistic valuation report meet these requirements, and to report our opinions to you. We also report to you if, in our opinion, the company has not kept proper accounting records or if we have not received all the information we require for our examination. This report has been prepared for the directors of AXA Sun Life Plc to comply with their obligations under IPRU(INS) rule 9.35 and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

Name of Insurer **AXA Sun Life Plc**

REPORT OF THE AUDITORS TO THE DIRECTORS PURSUANT TO IPRU(INS) RULE 9.35

Global business

Financial year ended 31 December 2009

Basis of opinion

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (Revised)' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms, the Statement, the valuation report and the realistic valuation report. The evidence included that previously obtained by us relating to the audit of the financial statements of the company for the financial year. It also included an assessment of the significant estimates and judgements made by the company in the preparation of the Forms, the Statement, the valuation report and the realistic valuation report.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms, the Statement, the valuation report and the realistic valuation report are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with IPRU(INS) rule 9.11.

In accordance with IPRU(INS) rule 9.35(1A), to the extent that any document, Form, Statement, analysis or report to be examined under IPRU(INS) rule 9.35(1) contains amounts or information abstracted from the actuarial investigation performed pursuant to IPRU(INS) rule 9.4, we have obtained and paid due regard to advice from a suitably qualified actuary who is independent of the company.

Opinion

In our opinion:

- (a) the Forms, the Statement, the valuation report and the realistic valuation report fairly state the information provided on the basis required by the Rules as modified and have been properly prepared in accordance with the provisions of those Rules; and
- (b) the methods and assumptions determined by the insurer and used to perform the actuarial investigation as set out in the valuation report and the realistic valuation report prepared in accordance with IPRU(INS) rule 9.31 appropriately reflect the requirements of INSPRU 1.2 and 1.3.

PricewaterhouseCoopers LLP

Chartered Accountants

London

29 March 2010