STATE OF NEW YORK INSURANCE DEPARTMENT

REPORT ON FINANCIAL CONDITION EXAMINATION

OF THE

MUTUAL OF AMERICA

LIFE INSURANCE COMPANY

CONDITION: DECEMBER 31, 2006

DATE OF REPORT: AUGUST 29, 2007

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EXAMINER:	ANTHONY A. CHIAREL

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STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004

David A. Paterson
Governor

Eric R. Dinallo
Superintendent

January 22,2009

Honorable Eric R. Dinallo
Superintendent of Insurance
Albany, New York 12257

Sir:

In accordance with instructions contained in Appointment No. 22561, dated October 30, 2006 and annexed hereto, an examination has been made into the financial condition and affairs of the Mutual of America Life Insurance Company, hereinafter referred to as “the Company,” at its home office located at 320 Park Avenue, New York, NY 10022.

Wherever “Department” appears in this report, it refers to the State of New York Insurance Department.

The report indicating the results of this examination is respectfully submitted.

1. EXECUTIVE SUMMARY

The Department conducted a review of reserves as of December 31, 2006. This review included an examination of related asset adequacy analysis in accordance with Department Regulation No. 126. During the review, concerns were raised regarding allocation of common stock to back the Company's annuity reserves. In response, the Company committed to refine its reserving methodology, including use of a more conservative asset allocation, and using appropriately conservative assumptions for returns on any common stock and other volatile assets used to back reserves in a manner acceptable to the Department. The examiner recommends that the Company continue to use the reserving methodology as agreed upon with the Department.

The Department expects to issue the certificate of reserve valuation for December 31, 2006 reserves once the Department has completed its analysis of the Company’s refinements to its asset adequacy analysis.

2. SCOPE OF EXAMINATION

The examination of the Company was a financial examination as defined in the *NAIC Financial Condition Examiners Handbook, 2007 Edition* (the "Handbook"). The examination covers the 5-year period from January 1, 2002 through December 31, 2006. The examination was conducted observing the guidelines and procedures in the Handbook and, where deemed appropriate by the examiner, transactions occurring subsequent to December 31, 2006 but prior to the date of this report (i.e., the completion date of the examination) were also reviewed.

The examination was conducted on a risk focused basis in accordance with the provisions of the Handbook published by the National Association of Insurance Commissioners ("NAIC"). The Handbook guidance provides for the establishment of an examination plan based on the examiner's assessment of risk in the insurer's operations and utilizing that evaluation in formulating the nature and extent of the examination. The examiner planned and performed the examination to evaluate the current financial condition as well as identify prospective risks that may threaten the future solvency of the insurer. The examiner identified key processes, assessed the risks within those processes and assessed the internal control systems and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, evaluating the overall financial statement presentation, and determining management's compliance with Department statutes and guidelines, Statutory Accounting Principles as adopted by the Department and annual statement instructions.

Information about the Company's organizational structure, business approach and control environment were utilized to develop the examination approach. The Company's risks and management activities were evaluated incorporating the NAIC's nine branded risk categories. These categories are as follows:

- Pricing/Underwriting
- Reserving
- Operational
- Strategic
- Credit
- Market
- Liquidity
- Legal
- Reputational

The Company was audited annually, for the years 2002 through 2006, by the accounting firm of KPMG LLP. The Company received an unqualified opinion in each of those years. Certain audit workpapers of the accounting firm were reviewed and relied upon in conjunction with this examination. The Company has an internal audit department which has been given the task of assessing the Company's internal control structure.

The examiner reviewed the corrective actions taken by the Company with respect to the recommendations concerning financial issues contained in the prior report on examination. The results of the examiner's review are contained in item 7 of this report.

This report on examination is confined to financial statements and comments on those matters which involve departure from laws, regulations or rules, or which require explanation or description.

3. DESCRIPTION OF COMPANY

A. History

The Company was incorporated and licensed as a retirement association under the laws of New York on January 3, 1945, and commenced business on October 1, 1945 as National Health and Welfare Retirement Association Incorporated, a not for profit organization, with the authority to transact business in accordance with what is currently codified as Article 46 of the New York Insurance Law.

On December 31, 1978, the Company converted to a mutual life insurance company pursuant to Section 7303 of the New York Insurance Law under the name National Health and Welfare Mutual Life Insurance Association, Incorporated and eventually assumed all of the business of National Health and Welfare Retirement Association Incorporated.

Effective January 1, 1984, the Company's name was changed to Mutual of America Life Insurance Company.

The Company is a mutual life insurer that specializes in providing employee benefits, including pensions and life and health insurance, to employees of employers in the "not for profit" field. Its clientele includes providers of health care, educational institutions, unions, religious and charitable organizations and governmental agencies and their employees. As a provider of benefits to the "not for profit" sector, the Company had been exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code. The Tax Reform Act of 1986 limited the Company's federal tax exemption to the Company's pension business only. The Tax Payer Relief Act of 1997 made the Company's entire operations subject to federal income tax, effective January 1, 1998. This change was subject to certain "fresh start" transition rules, which moderated the impact of federal income taxes on the Company.

As a result of the Tax Relief Act of 1997, the Company was also able to broaden its policyholder base. The Company's original charter limited its policyholders to solely tax-exempt organizations, governmental entities and their directors, employees and families (to comply with its original restricted tax-exempt purpose). In December 1998, the Company's board of directors amended the charter so that the Company could serve the insurance and financial needs of the general public, including for-profit companies, while continuing to serve non-profit organizations.

During 1999, the Company submitted a Plan of Reorganization to the Department ("the Plan") whereby the Company planned to sell American Life Insurance Company of New York ("American Life"), a wholly owned subsidiary. In preparation for the sale, the Company recaptured business previously reinsured with American Life and assumed all existing business originally written by American Life. Effective January 31, 2001, the Department gave final approval to the termination of the existing reinsurance agreement in effect between the companies, whereby the Company had ceded certain business to American Life. In addition, business written by American Life was assumed by the Company and American Life was sold on February 28, 2001.

B. Subsidiaries

The following is a brief description of the Company's subsidiaries as of December 31, 2006:

Mutual of America Investment Corporation ("Investment Corporation") is a registered, open-end investment management company, incorporated in Maryland in 1986, commonly known as a mutual fund. Unlike most public mutual funds, it restricts the sale of shares solely to the separate accounts of the Company. The shares of the respective funds of the Investment Corporation are owned by the Company through its various separate accounts.

Mutual of America Institutional Funds, Inc. ("Institutional Funds") is a registered, open-end investment management company, incorporated in Maryland in 1994, commonly known as a mutual fund. Institutional Funds began its operations in 1996 and is owned by the organizations that purchase its shares (i.e., the institutional investors including the Company). Its shares are made available only to endowments, foundations, corporations, municipalities or other public entities and other institutions with a requirement of $25,000 as a minimum initial investment. The funds are not made available to individuals, nor are they made available to Separate Accounts of annuity or insurance contracts. Institutional Funds currently offers six funds, with a selection of equity and fixed income alternatives. Institutional Funds was formed to offer the Company's non-profit clientele investment alternatives for their non-pension assets. Many such organizations had expressed an interest in some form of investment services for their other operational or surplus funds. A mutual fund approach was deemed to be the most cost-effective, viable solution for these clients.

Mutual of America Holding Company, Inc. ("Holding Company") is a holding company organized under the laws of the State of Delaware in 1998. It holds all of the shares of the Company's operating subsidiaries.

The Holding Company has no employees. Holding Company's officers are also officers of the Company.

Mutual of America Capital Management Corporation ("Capital Management") is a registered investment adviser, incorporated in Delaware in 1993. It manages the assets of the Company and its family of companies. It also seeks other opportunities to manage assets for unaffiliated third parties.

Capital Management serves as the investment adviser/manager of the General Account of the Company. It also manages the thirteen funds of the Investment Corporation, and the six funds of the Institutional Funds. Finally, it manages the individual separate accounts established at the Company specifically for the pension plans of several of its clients. Capital Management also manages the funds of each of the Company's subsidiaries in order to carry out their respective investment objectives.

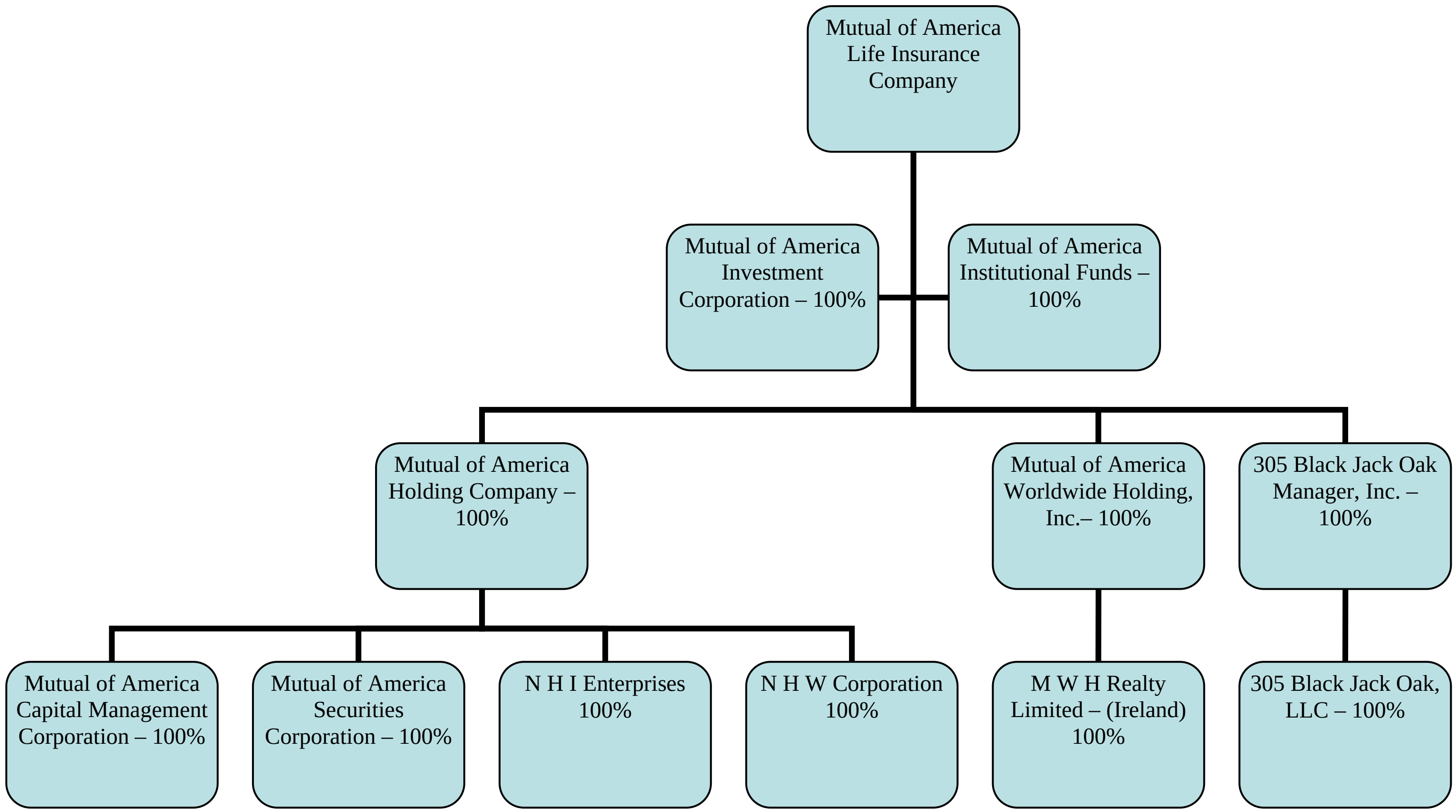
Mutual of America Securities Corporation ("Securities Corporation") is a registered broker/dealer organized under the laws of the State of Delaware in 1990. It distributes the shares of the Institutional Funds. It is also authorized to operate as an introducing broker in executing certain equity trades on behalf of the Company's General Account.

NHW Corporation and NHI Enterprises currently have no assets and are dormant. Previously, they held interests in a partnership holding a foreclosed mortgage loan.

The purpose of Mutual of America Worldwide Holding, Inc. is to own all of the Company's subsidiaries operating outside the United States. Currently, it holds ownership of only one corporation, MWH Realty Limited, which has entered into a lease for office space in Dublin, Ireland.

C. Organizational Chart

The following is an organizational chart of the Company and its subsidiaries bas of December 31, 2006:



D. Service Agreements

The Company had 13 service agreements in effect with affiliates during the examination period.

Item #	**Type of Agreement**	**Effective Date**	**Provider of Services**	**Recipient of Services**	**Specific Services Covered**	**Income/(Expense) For each Year of the Examination ***
1	Service Agreement	1/3/1994	Mutual of America Life Insurance Company (the Company)	Mutual of America Capital Management Corporation (“Capital Management”)	The Company provides accounting, tax and auditing, legal and actuarial services to Capital Management	2002 - $ 472,933 2003 - $ 501,759 2004 - $ 545,337 2005 - $ 571,198 2006 - $ 629,736
2	Investment Advisory Agreement	1/3/1994	Mutual of America Capital Management Corporation	Mutual of America Life Insurance Company	Capital Management services performed for the Company’s General Account including: research; consulting and furnishing the board of directors of the Company recommendations with respect to the Company's investment plan; seeking out, presenting and recommending specific investment opportunities; making and carrying out decisions to acquire or dispose of permissible investments and selecting brokers or dealers that will execute the purchases and sales of the portfolio securities.	2002 - $ (5,338,992) 2003 - $ (5,472,296) 2004 - $ (8,492,613) 2005 - $ (8,548,596) 2006 - $ (8,540,194)

Item #	Type of Agreement	Effective Date	Provider of Services	Recipient of Services	Specific Services Covered	Income/(Expense) For each Year of the Examination *
3	Agreement for Investment Accounting Services	1/1/1997	Mutual of America Life Insurance Company	Mutual of America Capital Management Corporation	The Company provides Capital Management with employees, and accounting services in connection with Capital Management's activities as the investment accounting and record keeping agent for the portfolios of Institutional Funds. .	2002 - $180,000 2003 - $180,000 2004 - $180,000 2005 - $151,875 2006 - $210,000
4	Distribution Agreement	9/21/1994	Mutual of America Life Insurance Company	Mutual of America Investment Corporation (Investment Corporation)	Investment Corporation appoints the Distributor (the Company) as the principal underwriter and distributor to sell its shares to the Distributor's Separate Accounts	2002 - $ 0 2003 - $ 0 2004 - $ 0 2005 - $ 0 2006 - $ 0

Item #	Type of Agreement	Effective Date	Provider of Services	Recipient of Services	Specific Services Covered	Income/(Expense) For each Year of the Examination *
5	Service Agreement	8/5/2003	Mutual of America Life Insurance Company	Mutual of America Holding Company, Inc. (“MOAHC”)	The Company provides services to MOAHC including but not limited to: accounting; tax and auditing; legal; actuarial; employee benefit plan and personnel administration; sales; compliance; software development; electronic data processing operations; administration; purchasing; communications operations; and investment services.	2002 - $ 144,242 2003 - $ 166,825 2004 - $ 173,427 2005 - $ 207,644 2006 - $ 193,112
6	Service Agreement	8/5/2003	Mutual of America Life Insurance Company	Mutual of America Securities Corporation (“Securities Corporation”)	The Company provides services to Securities Corporation including but not limited to: accounting; tax and auditing; legal; actuarial; employee benefit plan and personnel administration; sales; compliance; software development; electronic data processing operations; administration; purchasing; communications operations; and investment services. At the direction of the Company, Securities Corporation may perform services for the Company as agreed upon.	2002 - $ 374,366 2003 - $ 283,617 2004 - $ 188,532 2005 - $ 235,192 2006 - $ 242,555

Item #	Type of Agreement	Effective Date	Provider of Services	Recipient of Services	Specific Services Covered	Income/(Expense) For each Year of the Examination *
7	Service Agreement	8/5/2003	Mutual of America Life Insurance Company	MWH Realty, Limited ("MWH")	The Company provides services to MWH including but not limited to: accounting; tax and auditing; legal; actuarial; employee benefit plan and personnel administration; sales; compliance; software development; electronic data processing operations; administration; purchasing; communications operations; and investment services. The Company agrees to make available its facilities to MWH as MWH may determine to be reasonably necessary in the conduct of its operations.	2002 - $ 166,560 2003 - $ 222,275 2004 - $ 223,526 2005 - $ 240,746 2006 - $ 227,715
8	Service Agreement	8/5/2003	Mutual of America Life Insurance Company	Mutual of America Worldwide Holdings, Inc. ("Worldwide")	The Company provides services to Worldwide including but not limited to: accounting; tax and auditing; legal; actuarial; employee benefit plan and personnel administration; sales; compliance; software development; electronic data processing operations; administration; purchasing; communications operations; and investment services.	2002 - $ 350 2003 - $ 350 2004 - $ 60 2005 - $ 300 2006 - $ 360

Item #	Type of Agreement	Effective Date	Provider of Services	Recipient of Services	Specific Services Covered	Income/(Expense) For each Year of the Examination *
9	Service Agreement	7/23/2002	Mutual of America Life Insurance Company (the Company)	Mutual of America Investment Corporation (Investment Corporation)	The Company provides anti-money laundering (AML) compliance procedures for Investment Corporation.	expenses incurred under this agreement are borne by the Company
10	Service Agreement	7/23/2002	Mutual of America Life Insurance Company (the Company)	Mutual of America Institutional Funds (Institutional Funds)	The Company provides anti-money laundering (AML) compliance procedures for Institutional Funds	expenses incurred under this agreement are borne by the Company
11	Investment Advisory Agreement	8/9/2002	Mutual of America Capital Management Corporation (Capital Management)	Company's Separate Account Client	Capital Management services include: performing research; consulting and furnishing the trustees of the pension plan recommendations with respect to the pension plan's investment plan; seeking out, presenting and recommending specific investment opportunities; making and carrying out decisions to acquire or dispose of permissible investments and selecting brokers or dealers that will execute the purchases and sales of the portfolio securities.	2002 - $ 82,749 2003 - $ 122,390 2004 - $ 147,621 2005 - $ 157,433 2006 - $ 126,809

Item #	Type of Agreement	Effective Date	*Provider of Services*	Recipient of Services	Specific Services Covered	Income/(Expense) For each Year of the Examination *
12	Investment Advisory Agreement	1/10/2003	Mutual of America Capital Management Corporation (Capital Management)	Company's Separate Account Client	Capital Management services include: performing research; consulting and furnishing the trustees of the pension plan recommendations with respect to the pension plan's investment plan; seeking out, presenting and recommending specific investment opportunities; making and carrying out decisions to acquire or dispose of permissible investments and selecting brokers or dealers that will execute the purchases and sales of the portfolio securities.	2002 - N/A 2003 - $ 75,300 2004 - $ 81,266 2005 - $ 82,233 2006 - $ 83,935
13	Expense Reimbursement Agreement	1/1/2005	Mutual of America Life Insurance Company	Mutual of America Capital Management Corporation	Agreement to reimburse Mutual of America Capital Management Corporation for certain operation expenses incurred on behalf of Mutual of America Investment Corporation for the 16-month period beginning 1/1/2005 through 4/30/2006, under an expense reimbursement agreement dated 12/31/2005.	2005 - $(3,326,562) 2006 - $ (875,525)

Section 1712 of New York Insurance Law states in part:

> "…All transactions between the parent corporation and its subsidiaries shall be fair and equitable, charges or fees for services performed shall be reasonable and all expenses incurred and payments received shall be allocated to the parent corporation on an equitable basis in conformity with customary insurance accounting practices consistently applied. The books, accounts and records of each party to all such transactions shall be so maintained as to disclose clearly and accurately the nature and details of the transactions, including such accounting information as is necessary to support the reasonableness of the charges or fees to the respective parties."

Section 308 (b) of New York Insurance Law states:

> "In addition to the other reports required by this article, the superintendent may also require the filing of quarterly or other statements, which shall be in such form and shall contain such matters as the superintendent shall prescribe."

Department Circular Letter No. 17 (2001) which gives guidance to the insurance industry with respect to all authorized insurers that are exempt from the provisions of Article 15 of the New York Insurance Law, states, in part:

> "…4. Beginning September 1, 2001, every authorized domestic insurer that is exempt from the provisions of Article 15 of the New York Insurance Law is hereby directed, pursuant to Section 308 of the New York Insurance Law, to furnish this Department by e-mail with a report on the attached Form CL 17 (2001), at least 30 days in advance of entering into any of the following transactions: (An "affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the insurer.)…
>
> iv. Entering into any management agreements, service contracts, contracts of guarantee or surety and all cost-sharing arrangements."

The Company entered into two service agreements (agreements numbers 9 and 10 in the table above) which relate to Anti-Money Laundering ("AML") compliance and ongoing monitoring procedures performed by the Company for its affiliates, Mutual of America Investment Corporation (Investment Corporation) and Mutual of America Institutional Funds (Institutional Funds). The Company was not reimbursed for the AML services provide to these affiliates.

The examiner recommends that the Company comply with Section 1712 of the New York Insurance Law and require its affiliates to reimburse it for AML services provided by the Company and that the Company maintain the necessary accounting documentation to support the reasonableness of the charges or fees incurred or received by the respective parties to these agreements.

Pursuant to Section 308 of New York Insurance Law and in compliance with Department Circular Letter No. 17 (2001), the Company was required to file a Form CL 17 (2001) report with the Department 30 days in advance of entering into a service agreement with an affiliate. The Company did not file the required Forms CL 17 (2001) reports for five service agreements (agreement numbers 5, 6, 7, 8, and 13 in the table above) which were executed during the examination period.

The examiner recommends that the Company file a Form CL 17 report with the Department for each of the above five service agreements in order to comply with Section 308 of the New York Insurance Law and Department Circular Letter No. 17 (2001).

E. Management

The Company's by-laws provide that the board of directors shall be comprised of not less than 13 and not more than 24 directors. One third of the directors are elected each year for a period of three years. Directors are elected by the policyholders during the Company's board of directors elections held in April of each year. As of December 31, 2006, the board of directors consisted of 18 members. Meetings of the board are held five times a year.

The 18 board members and their principal business affiliation, as of December 31, 2006, were as follows:

Name and Residence	Principal Business Affiliation	Year First Elected
Mr. Clifford L. Alexander, Jr.* Washington, DC	President of Alexander and Associates, Inc.	1989
Mr. Manfred Altstadt Monroe, NY	Senior Executive Vice President and Chief Financial Officer of Mutual of America Life Insurance Company	1998
Mr. Patrick A. Burns Bronxville, NY	Senior Executive Vice President and General Counsel of Mutual of America Life Insurance Company	1998

Name and Residence	Principal Business Affiliation	Year First Elected
Ms. Kimberly Casiano* Guaynabo, PR	President and Chief Operating Officer of Casiano Communications, Inc.	2006
Mr. Richard M. Cummins* Chappaqua, NY	Partner (Past) PricewaterhouseCoopers LLP.	2000
Mr. Salvatore R. Curiale Bellerose, NY	Senior Executive Vice President of Mutual of America Life Insurance Company	1998
Dr. Roselyn P. Epps, M.D.* Washington, DC	Medical and Public Health Consultant	1992
Mr. Earle H. Harbison, Jr.* St. Louis, MO	Chairman of Harbison Corporation	1993
Ms. Maurine A. Haver* New York, NY	President and Founder of Haver Analytics	2004
Ms. Frances R. Hesselbein* Easton, PA	Chairman of the Board, Leader to Leader Institute	1981
Mr. William T. Knowles* Harpswell, ME	Chairman and Chief Executive Officer (Past) of National Westminster Bank USA	2004
Dr. LaSalle D. Leffall, Jr. M.D* Washington, DC	Charles R. Drew Professor of Surgery at Howard University Hospital	1985
Hon. Cornelius McGillicuddy, III* Placida, FL	Senior Policy Advisor at King & Spalding LLP and Chairman of the Board of H. Lee Moffitt Cancer Center	2001
Mr. Thomas J. Moran New York, NY	Chairman of the Board, President and Chief Executive Officer of Mutual of America Life Insurance Company	1992
Dr. Roger B. Porter, Ph.D.* Belmont, MA	IBM Professor of Business and Government at Harvard University	2004
Mr. Peter J. Powers* New York, NY	Chairman and Chief Executive Officer of Powers Global Strategies, LLC.	2006
General Dennis J. Reimer* Arlington, VA	President of DFI International – Government Services	2000
Professor Elie Wiesel* New York, NY	Professor in the Humanities at Boston University and Founder of the Elie Wiesel Foundation for Humanity	1989

* Not affiliated with the Company or any of the Company’s subsidiaries

Mr. Salvatore R. Curiale, Senior Executive Vice President of Mutual of America Life Insurance Company retired in June of 2007 and has not been replaced as of the date of this report.

The examiner's review of the minutes of the meetings of the board of directors and its committees indicated that the meetings were well attended and that each director attended a majority of the meetings.

The following is a listing of the principal officers of the Company as of December 31, 2006:

Name	Title
Thomas Joseph Moran	Chairman of the Board of Directors, President and Chief Executive Officer
John Richard Greed	Executive Vice President and Treasurer
Diane Marie Aramony	Executive Vice President and Corporate Secretary
Manfred Alstadt	Senior Executive Vice President and Chief Financial Officer
Salvatore Raymond Curiale **	Senior Executive Vice President
Patrick Adrian Burns	Senior Executive Vice President and General Counsel
William Stephen Conway	Executive Vice President
Thomas Eugene Gilliam	Executive Vice President
Gregory Anthony Kleva Jr.	Executive Vice President
Edward Joseph Kenny	Executive Vice President
Joan Maureen Squires	Executive Vice President
Jeremy James Brown	Executive Vice President
Jared Gutman*	Executive Vice President
Theodore Leroy Herman	Executive Vice President
Daniel Joseph LeSaffre	Executive Vice President
George Lawrence Medlin	Executive Vice President

*Jared Gutman, Executive Vice President, is the designated consumer services officer per Section 216.4(c) of Department Regulation No. 64.

**Salvatore R. Curiale, Senior Executive Vice President of Mutual of America Life Insurance Company retired in June of 2007 and has not been replaced as of the date of this report.

4. TERRITORY AND PLAN OF OPERATIONS

The Company is authorized to write life insurance, annuities and accident and health insurance as defined in paragraphs 1, 2 and 3 of Section 1113(a) of the New York Insurance Law.

The Company is licensed to transact business in 50 states and the District of Columbia. A majority of the Company's direct writings, as reported in Schedule T of the filed 2006 annual statement, was produced within the following states:

State	Life Insurance Premiums		Annuity Considerations		Deposit Type Contract Funds	
	Balance	Percent	Balance	Percent	Balance	Percent
New York	$ 2,386,184	21.0%	$ 6,743,133	40.0%	$1,198,197	16.9%
California	773,648	6.8%	564,034	3.4%	0	0.0%
Texas	668,922	5.9%	385,951	2.3%	0	0.0%
Pennsylvania	603,011	5.4%	3,837,385	23.0%	0	0.0%
Michigan	556,124	4.8%	504,078	3.0%	0	0.0%
Ohio	545,546	4.7%	0.0%	0.0%	0	0.0%
Virginia	0	0.0%	0.0%	0.0%	5,029,467	70.8%
All Others	5,845,146	51.4%	4,755,724	28.3%	873,754	12.3%
Total	$11,378,581	100.0%	$16,790,305	100.0%	$7,101,418	100.0%

A. Statutory and Special Deposits

As of December 31, 2006, the Company had $2,000,000 (par value) of United States Treasury Bonds on deposit with the State of New York, its domiciliary state for the benefit of all policyholders, claimants and creditors of the Company. As per confirmations received from the following states which were reported in Schedule E of the 2006 filed annual statement, an additional $890,000 was being held by the states of Arkansas ($150,000), Georgia ($40,000), Massachusetts ($100,000), New Mexico (150,000), North Carolina ($150,000) and Oklahoma ($300,000).

B. Direct Operations

The Company focuses on the not-for-profit annuity and pension marketplace. The primary products marketed by the Company include defined benefit and defined contribution retirement plans; tax deferred annuities, individual retirement annuities and guaranteed interest contracts. Policies are written on a participating and non-participating basis.

The Company's agency operations are conducted on a regional sales office basis. All business is solicited either by direct mail or through salaried field consultants of the Company.

C. Reinsurance

As of December 31, 2006, the Company had reinsurance treaties in effect with four companies, of which three were authorized or accredited. The Company's life and accident and health business is reinsured on a modified-coinsurance and/or yearly renewable term basis. Reinsurance is provided on an automatic and/or facultative basis.

The maximum retention limit for individual life contracts is $150,000. The total face amount of life insurance ceded as of December 31, 2006 was $157,007,095, which represents 10% of the total face amount of life insurance in force.

The total face amount of life insurance assumed, as of December 31, 2006, was $8,014,524.

5. SIGNIFICANT OPERATING RESULTS

Indicated below is significant information concerning the operations of the Company during the period under examination as extracted from its filed annual statements. Failure of items to add to the totals shown in any table in this report is due to rounding.

The following table indicates the Company's financial growth during the period under review:

	December 31, 2001	December 31, 2006	Increase
Admitted assets	$ 10,395,017,304	$ 12,437,899,386	$ 2,042,882,082
Liabilities	$ 9,776,250,484	$ 11,625,961,132	$ 1,849,710,648
Guaranty fund – Colorado	$ 400,000	$ 400,000	$ 0
Special contingency fund for separate account business	750,000	750,000	0
Unassigned funds (surplus)	617,616,820	810,788,254	193,171,434
Total surplus	$ 618,766,820	$ 811,938,254	$ 193,171,434
Total liabilities and surplus	$ 10,395,017,304	$ 12,437,899,386	$ 2,042,882,082

The Company's invested assets as of December 31, 2006, exclusive of separate accounts, were mainly comprised of bonds (84.6%), stocks (6.5%), and real estate (4.5%).

The majority (98.2%) of the Company's bond portfolio, as of December 31, 2006, was comprised of investment grade obligations.

The following is the net gain (loss) from operations by line of business after federal income taxes but before realized capital gains (losses) reported for each of the years under examination in the Company's filed annual statements:

	2002	2003	2004	2005	2006
Ordinary:					
Life insurance	$ (843,577)	$ (562,172)	$ (801,990)	$ (1,088,986)	$ (1,129,606)
Individual Annuities	12,992,455	16,202,436	15,749,360	46,362,770	(569,381)
Supplementary Contracts	(464,484)	580,664	481,305	1,019,947	438,434
Total ordinary	$ 11,684,394	$ 16,220,928	$15,428,675	$ 46,293,731	$ (1,260,553)
Group:					
Life	$ 2,129,516	$ 1,705,480	$ 1,672,057	$ 2,028,260	$ 4,563,392
Annuities	52,481,058	43,424,952	35,687,242	85,019,819	10,749,679
Total group	$ 54,610,574	$ 45,130,432	$ 37,359,299	$ 87,048,079	$ 15,313,071
Total group accident and health	$ 214,829	$ 6,194	$ 1,214,002	$ (131,691)	$ (426,133)
Total	$ 66,509,797	$ 61,357,554	$ 54,001,976	$133,210,119	$ 13,626,385

The unusual net gain in 2005 was primarily the result of a one time dividend distribution received from John Hancock Life Insurance Company ("John Hancock") in 2005. The dividend distribution to the Company amounted to $167 million and was related to a settlement with John Hancock regarding it's demutualization in 2000.

Section 91.4(c) (2) states in part:

> "Net investment income, after adjustments, if any, as permitted by the preceding paragraph shall be distributed to major annual statement lines of business either:
>
> (i) in proportion to the total mean policy reserves and liabilities of each of the major annual statement lines of business or
>
> (ii) in proportion to the total mean funds of each of such major annual statement lines of business.
>
> If the reserve method pursuant to subparagraph (i), above, is so used, it shall also be used in distributing net investment income to each secondary annual statement line of business…"

In the Company's work papers, the Company refers to its allocation method as mean reserve liability method. The Company's method deviates from an acceptable mean policy reserves and liabilities method in the following ways:

Section 91.4(c)(2) refers to net investment income while the Company allocates according to gross investment income. The gross investment income is allocated on mean reserves on a quarterly basis. The mean reserve calculation used for allocating investment expenses also uses reserve balances, however, based on a one-quarter lag from the current reporting period. Each of the components of the allocation method should be allocated using the same time period, such as that used to determine the gross investment income each quarter.

The examiner recommends that the Company comply with Section 91.4(c)(2) and use the same time period for each of the components of its allocation method.

In addition, the Company uses only reserves to calculate its reserves and liabilities. There are additional liabilities which can be attributed directly to the annual statement lines of business that should also be included in the Company's allocation method.

The examiner recommends that the Company include all liabilities which can be attributed directly to the annual statement lines of business in its allocation method in order to comply with Department Regulation No. 33.

Also, the Company has guarantee income contracts, which are not included in its allocation method. The Company should have requested New York Insurance Department approval for this deviation of its allocation method.

The Company violated Section 91.4(c)(2) of Department Regulation No. 33 by deviating from an acceptable mean policy reserves and liabilities method of allocating investment income to its lines of business regarding its guarantee income contracts.

The examiner recommends that the Company request approval from the Department to use a method of investment income allocation other than the acceptable mean policy reserves and liabilities method of allocation regarding its guarantee income contracts.

In calculating the reserves for its allocation method the Company inadvertently omitted $826.5 million of IRA and Flexible Premium Annuity reserves. This was brought to the Company's attention by the Department.

The examiner recommends that the Company take greater care in reconciling the reserves used in its allocation method with annual statement reserves.

Section 91.4 (f) (1) of Department Regulation No. 33 states:

> "*General expenses, taxes, licenses and fees.* (1) In distributing costs to lines of business, each company shall employ those principles and methods that will reasonably reflect the actual incidence of cost by line of business. The relative time spent, the extent of usage and the varying volume of work performed for each line of business shall be considered in distributing cost to major annual statement lines of business and, to the extent practicable, to secondary annual statement lines of business. The costs of any unit of activity in performing work for one line of business and only incidentally for other lines may be allocated entirely to the single line of business. "

During the examination period the Company did not report any amounts for general insurance expenses, or taxes, licenses and fees, on the Analysis of Operations by Lines of Business Exhibits for supplementary contracts. However, during the examination period this line of business received considerations, net investment income and paid benefits.

The Company did not comply with Section 91.4 (f) (1) of Department Regulation No. 33 by not allocating amounts to the general insurance expenses, and taxes, licenses and fees to the Supplementary Contracts line of business.

The examiner recommends that the Company allocate expenses to the Supplementary Contracts line of business and report the expenses in the Analysis of Operations by Lines of Business Exhibit.

6. FINANCIAL STATEMENTS

The following statements show the assets, liabilities, and surplus as of December 31, 2006, as contained in the Company's 2006 filed annual statement, a condensed summary of operations and a reconciliation of the surplus account for each of the years under review. The examiner's review of a sample of transactions did not reveal any differences which materially affected the Company's financial condition as presented in its financial statements contained in the December 31, 2006 filed annual statement.

A. Independent Accountants

The firm of KPMG, LLP (KPMG) was retained by the Company to audit its statutory financial statements and the related statutory statements of operations and surplus, and cash flows as of December 31, of each year in the examination period.

KPMG concluded that the statutory financial statements presented fairly, in all material respects, the financial position of Mutual of America Life Insurance Company as of December 31, 2006 and 2005, and the results of its operations and its cash flow for the years then ended, in conformity with accounting practices prescribed or permitted by the State of New York Insurance Department.

B. Net Admitted Assets

Bonds	$5,365,208,600
Stocks:	
Preferred stocks	7,163,291
Common stocks	404,278,189
Mortgage loans on real estate:	
First liens	3,443,152
Real estate:	
Properties occupied by the company	283,833,261
Cash, cash equivalents and short term investments	112,824,190
Contract loans	98,150,142
Other invested assets	57,942,485
Receivable for securities	4,004,440
Investment income due and accrued	64,812,672
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	428,120
Deferred premiums, agents' balances and installments booked but Deferred and not yet due	416,913
Reinsurance:	
Amounts recoverable from reinsurers	449,942
Funds held by or deposited with reinsured companies	1,252
Net deferred tax asset	762,300
Guaranty funds receivable or on deposit	5,822
Electronic data processing equipment and software	493,492
Receivables from parent, subsidiaries and affiliates	436,574
Uncollected group annuity	3,470,062
Prepaid pension & Other assets	7,002,672
From separate accounts, segregated accounts and protected cell accounts	6,022,771,815
Total net admitted assets	$12,437,899,386

C. Liabilities, and Surplus

Aggregate reserve for life policies and contracts	$4,744,092,171
Aggregate reserve for accident and health contracts	48,646,837
Liability for deposit-type contracts	485,350,490
Contract claims:	
Life	7,464,346
Accident and health	607,501
Provision for policyholders' dividends and coupons payable in Following calendar year – estimated amounts:	
Dividends apportioned for payment	334,492
Contract liabilities not included elsewhere:	
Other amounts payable on reinsurance	877,563
Interest maintenance reserve	112,197,111
General expenses due or accrued	30,072,296
Transfers to separate accounts due or accrued	4,107,770
Taxes, licenses and fees due or accrued, excluding federal income taxes	837,048
Amounts withheld or retained by company as agent or trustee	2,413,937
Amounts held for agents' account	18,071
Remittances and items not allocated	1,504,316
Liability for benefits for employees and agents if not included above	52,791,916
Miscellaneous liabilities:	
Asset valuation reserve	94,579,695
Payable for securities	13,296,362
Miscellaneous accounts payable	3,997,395
From separate accounts statement	6,022,771,815
Total liabilities	$11,625,961,132
Special contingency fund for separate account business	750,000
Guaranty fund – Colorado	400,000
Unassigned funds (surplus)	810,788,254
Total surplus	$ 811,938,254
Total liabilities and surplus	$12,437,899,386

D. CONDENSED SUMMARY OF OPERATIONS

	2002	2003	2004	2005	2006
Premiums and considerations	$ 1,012,526,047	$1,083,472,628	$1,087,432,790	$1,170,388,818	$1,284,784,102
Investment income	408,523,973	402,319,703	370,969,971	511,249,560	367,540,205
Commissions and reserve adjustments on reinsurance ceded	(967,677)	(955,577)	(808,418)	(1,201,917)	(718,648)
Miscellaneous income	38,246,393	38,063,617	45,769,587	47,939,671	48,734,863
Total income	$ 1,458,328,736	$1,522,900,371	$1,503,363,930	$1,728,376,132	$1,700,340,522
Benefit payments	$ 993,614,293	$1,064,599,990	$1,198,377,272	$1,316,994,527	$1,438,195,163
Increase in reserves	237,009,268	105,758,773	45,969,225	42,496,669	60,030,236
Commissions	814	225	150	135	68
General expenses and taxes	141,893,365	160,659,368	156,446,728	212,229,437	187,742,943
Increase in loading on deferred and Uncollected premiums	(3,566)	1,367	(20,867)	(3,481)	786
Net transfers to (from) separate accounts	24,894,601	133,894,251	51,277,840	25,463,596	56,513
Miscellaneous deductions	(4,145,560)	(3,632,723)	(2,731,668)	(2,194,299)	485,920
Total deductions	$ 1,393,263,215	$1,461,281,251	$1,449,287,905	$1,594,986,584	$1,686,511,629
Net gain (loss)	$ 65,065,521	$ 61,619,120	$ 54,076,025	$ 133,389,548	$ 13,828,892
Dividends	166,432	261,568	74,049	179,428	202,507
Federal and foreign income taxes Incurred	(1,610,705)	0	0	0	0
Net gain (loss) from operations Before net realized capital gains	$ 66,509,794	$ 61,357,552	$ 54,001,976	$ 133,210,120	$ 13,626,385
Net realized capital gains (losses)	(55,505,307)	(28,305,553)	(35,830,990)	(8,642,674)	3,194,819
Net income	$ 11,004,487	$ 33,051,999	$ 18,170,986	$ 124,567,446	$ 16,821,204

The unusual investment income in 2005 was primarily the result of a one time dividend distribution received from John Hancock in 2005. The dividend distribution to the Company amounted to $167 million and was related to a settlement with John Hancock regarding it's demutualization in 2000.

The increase in premium and annuity considerations in 2005 and 2006 was primarily the result of a Company initiative which started in 2005 and under which the Company began offering products that are more flexible or which the policyholder can easily carry over when they change employer {i.e. IRAs, 403(b), 401(k), 401(a)}. The increase in benefits was mainly due to plan terminations (i.e. a plan terminating due to consolidation of the existing client into another organization with a different insurer) and policyholders' discretionary withdrawals during the exam period.

The Company did not report federal tax expense in any of the last four years due to the application of back tax credits to current taxes.

E. SURPLUS ACCOUNT

	2002	2003	2004	2005	2006
Surplus, December 31, prior year	$618,766,820	$567,160,604	$627,627,948	$676,716,523	$801,828,400
Net income	$ 11,004,487	$ 33,051,999	$ 18,170,986	$124,567,446	$ 16,821,204
Change in net unrealized Capital gains (losses)	(73,444,567)	80,220,466	59,326,007	24,804,629	29,568,800
Change in net deferred income tax	(15,032,665)	2,064,593	(8,482,443)	(14,419,859)	(7,007,630)
Change in non-admitted assets and related items	510,225	(19,336,212)	(12,662,469)	(9,936,061)	(7,614,060)
Change in liability for reinsurance in unauthorized companies	2,630	155	0	0	0
Change in reserve valuation basis	0	(1,359,669)	0	95,724	(2,834,816)
Change in asset valuation reserve	20,393,793	(45,412,989)	(7,263,506)	0	(18,823,644)
Cumulative effect of changes in accounting principles	19,722,858	0	0	0	0
SSAP-8 Additional minimum pension liability	(13,774,000)	11,239,000	0	0	0
Other	(988,977)	0	0	0	0
Net change in surplus for the year	$ (51,606,216)	$ 60,467,343	$ 49,088,575	$125,111,878	$ 10,109,854
Surplus, December 31, current year	$567,160,604	$627,627,947	$676,716,523	$801,828,401	$811,938,254

The 18.5% increase in surplus from 2004 ($676,716,523) to 2005 ($801,828,401), was due mainly to the one time dividend received from John Hancock in 2005 amounting to $167 million resulting from the John Hancock demutualization in 2000. The $167 million included a $25 million portion which was reported as deferred income and not included in income until 2006.

F. RESERVES

The Department conducted a review of reserves as of December 31, 2006. This review included an examination of related asset adequacy analysis in accordance with Department Regulation No. 126. During the review, concerns were raised regarding allocation of common stock to back the Company's annuity reserves. In response, the Company committed to refine its reserving methodology, including use of a more conservative asset allocation, and using appropriately conservative assumptions for returns on any common stock and other volatile assets used to back reserves in a manner acceptable to the Department. The examiner recommends that the Company continue to use the reserving methodology as agreed upon with the Department.

The Department expects to issue the certificate of reserve valuation for December 31, 2006 reserves once the Department has completed its analysis of the Company's refinements to its asset adequacy analysis.

7. PRIOR REPORT SUMMARY AND CONCLUSIONS

Following are the financial violation, and recommendations contained in the prior report on examination and the subsequent actions taken by the Company in response to each citation:

Item	Description
A	The examiner recommends that the Company enter into service agreements with four of its subsidiaries. The Company entered into service agreements with the four subsidiaries (Mutual of America Securities Corporation; Mutual of America Worldwide Holding, Inc.; Mutual of America MWH Realty Limited; and Mutual of America Holding Company, Inc.), but failed to file these reports with the Department as required by Section 308 of New York Insurance Law via Circular Letter 17 (2001), 30 days in advance of entering into such service agreements.
B	The examiner recommends that the Company take greater care in preparing Schedule Q. A review of Schedule Q for the exam period indicated that the Company's preparation of Schedule Q has been adequate.

8. SUMMARY AND CONCLUSIONS

Following are the financial violations and recommendations contained in this report:

Item	Description	Page No(s).
A	The examiner recommends that the Company comply with Section 1712 of the New York Insurance Law and require its affiliates to reimburse it for AML services provided by the Company.	16
B	The examiner recommends that the Company file a Form CL 17 report with the Department for five service agreements in order to comply with Section 308 of the New York Insurance Law and Department Circular Letter No. 17 (2001).	16
C	The examiner recommends that the Company comply with Section 91.4(c)(2) of Department Regulation No. 33 and use the same time period for each of the components of its allocation method.	23
D	The examiner recommends that the Company include all liabilities which can be attributed directly to the annual statement lines of business in its allocation method in order to comply with Department Regulation No. 33.	23
E	The Company violated Section 91.4(c)(2) of Department Regulation No. 33 by deviating from an acceptable mean policy reserves and liabilities method of allocation regarding its guarantee income contracts.	24
F	The examiner recommends that the Company request approval from the Department to use a method of investment income allocation other than the acceptable mean policy reserves and liabilities method of allocation regarding its guarantee income contracts.	24
G	The examiner recommends that the Company take greater care in reconciling the reserves used in its allocation method with annual statement reserves.	24
H	The Company did not comply with Section 91.4(f)(1) of Department Regulation No. 33 by not allocating amounts to the general insurance expenses, and taxes, licenses and fees to the Supplementary Contracts line of business as required by said section of Department Regulation No. 33.	24
I	The examiner recommends that the Company allocate expenses to the Supplementary Contracts line of business and report the expenses in the Analysis of Operations by Lines of Business Exhibit.	24

Item	Description	Page No(s).
J	The examiner recommends that the Company continue to use the reserving methodology as agreed upon with the Department.	31

Respectfully submitted,

/s/

Anthony Chiarel
Senior Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF NEW YORK)

Anthony Chiarel, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

/s/

Anthony Chiarel

Subscribed and sworn to before me

this__________ day of ___________________

APPOINTMENT NO. 22561

STATE OF NEW YORK

INSURANCE DEPARTMENT

I, HOWARD MILLS, Superintendent of Insurance of the State of New York,

pursuant to the provisions of the Insurance Law, do hereby appoint:

ANTHONY CHIAREL

as a proper person to examine into the affairs of the

MUTUAL OF AMERICA LIFE INSURANCE COMPANY

and to make a report to me in writing of the condition of the said

COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed by name
and affixed the official Seal of the Department
at the City of New York

this 30th day of October, 2006

HOWARD MILLS
Superintendent of Insurance

Superintendent