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Peter M. Carlson
Executive Vice President and
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October 26, 2009

Technical Director
Financial Accounting Standard Board (FASB)
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: Exposure Draft – Consideration of an Insurer’s Accounting for Majority-Owned Investments When Ownership Is through a Separate Account (A Consensus of the FASB Emerging Issues Task Force)

File Reference No. EITF090B

Dear Technical Director:

MetLife, Inc. (“MetLife”) appreciates the opportunity to provide comments on the exposure draft of proposed Accounting Standards Update, *Consideration of an Insurer’s Accounting for Majority-Owned Investments When Ownership Is through a Separate Account (A Consensus of the FASB Emerging Issues Task Force)* (the “Proposed ASU”). MetLife is a leading provider of individual and institutional life and property & casualty insurance, employee benefits and financial services with operations throughout the United States and the regions of Latin America, Europe and Asia Pacific.

We agree with the Financial Accounting Standards Board’s (“FASB”) proposal, which clarifies that insurance entities are not required to consolidate a majority-owned voting interest investment when ownership is held through the insurance entity’s separate account or a combination of investments in the insurance entity’s separate and general accounts. This proposal reduces unnecessary complexity in the financial statements of an insurance entity and limits diversity in practice.

However, we have concerns regarding the impact of investments in mutual funds that are variable interest entities and are subject to consolidation, particularly in light of the changes to the primary beneficiary guidance as a result of the issuance of Statement of Financial Accounting Standards No. 167, *Amendments to FASB Interpretation No. 46(R)* (“SFAS 167”), and request that the FASB consider this issue and provide additional clarification.

In addition, we believe the Proposed ASU should provide insurers with the option to early adopt in fiscal years, and interim periods within those fiscal years, beginning after December 15, 2009.

Below are our responses to the Questions for Respondents outlined in the Proposed ASU, which will illustrate our concerns as it related to variable interest entities.

Question 1:

The amendments in this proposed Update would not require an insurance entity to consolidate an investment in a voting-interest mutual fund when that investment is held entirely or partially in a separate account with the characteristics outlined in paragraph 944-80-25-2, and the separate account is considered an investment company or would be considered an investment company if the entity issued separate financial statements. Do you agree with this conclusion? If not, do you believe that the insurance entity should or should not consolidate the mutual fund? Please provide the reasons for your view.

Response to Questions 1:

Given the distinct nature of separate accounts as noted in the summary of the Proposed ASU, we agree with the Proposed ASU that insurance entities would not be required to consolidate an investment in a voting interest mutual fund when that investment is held entirely or partially in a separate account that meets the criteria for summary total presentation.

However, as stated earlier, we have concerns regarding the impact of investments in mutual funds that are variable interest entities, particularly in light of the changes to the primary beneficiary guidance as a result of the issuance of SFAS 167. Most mutual fund investment options held within our separate accounts were established by us specifically to accommodate the separate account contract holders. While some of the mutual funds are managed by MetLife wholly-owned subsidiaries, the decisions on the investments of the mutual funds are essentially directed by the separate account contract holders. In addition, these mutual fund assets and related contract holder liabilities are reported specifically as a single line item designated as separate account assets and liabilities on MetLife's consolidated balance sheets. The consolidation of variable interests in these mutual funds would increase complexity and would not be meaningful to the users of our consolidated financial statements.

We therefore believe that the Proposed ASU should be expanded to exempt from consolidation, variable interest entities in which separate accounts are involved.

Question 2:

Do you believe additional guidance is required on how an insurer should consolidate a majority-owned investment in a mutual fund if some or all of that interest is held by a separate account with the characteristics outlined in paragraph 944-80-25-2 and the insurer has determined that it should consolidate the investment?

Response to Question 2:

We believe that if an insurance entity was required to consolidate an investment in a mutual fund related to its separate accounts, additional guidance would be helpful given the distinct characteristic feature of a separate account as outlined in our response to question 1 above.

We once again thank you for the opportunity to respond to the Proposed ASU and your consideration of our comments. If you have any questions regarding the contents of this letter, please do not hesitate to contact me.

Sincerely,



Peter M. Carlson