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Ms. Susan M. Cosper
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
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September 29, 2016

Re: Exposure Draft – Income Taxes (Topic 740): Disclosure Framework – Changes to the Disclosure Requirements for Income Taxes
File Reference No. 2016-270

Dear Ms. Cosper:

MetLife, Inc. ("MetLife" or "we") appreciates the opportunity to provide comments on the FASB's Exposure Draft, *Income Taxes (Topic 740): Disclosure Framework – Changes to the Disclosure Requirements for Income Taxes* (the "Exposure Draft"). MetLife, through its subsidiaries and affiliates, is a global provider of life insurance, annuities, employee benefits and asset management with leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East.

We commend the Board for its efforts to improve the effectiveness of disclosures that would deliver the most important information to users of an entity's financial statements; however we believe the proposed amendments requiring disclosure of cash, cash equivalents, and marketable securities held by foreign subsidiaries would not necessarily provide decision-useful information and could be misleading for companies, like MetLife, with significant foreign insurance company operations. MetLife's response is specific to the following proposed additional disclosures: (1) the aggregate of cash, cash equivalents, and marketable securities held by foreign subsidiaries, and (2) an explanation of circumstances that caused a change in assertion about the indefinite reinvestment of undistributed foreign earnings and the corresponding amount of the earnings.

MetLife's foreign insurance operations are strictly regulated in each jurisdiction where they operate and are required to maintain a certain amount of liquid assets, including cash, cash equivalents and marketable securities to meet statutory minimum capital and surplus requirements. Additionally, insurance companies primarily invest in debt securities as part of their normal course of business to support long term liabilities to policyholders. Such investments and policyholder liabilities are presented gross on the consolidated balance sheet. Accordingly, MetLife's foreign earnings are generally maintained in country to meet local statutory capital or solvency standards and support policyholder liabilities. While only earnings in excess of the statutory requirements are available to be remitted to shareholders, such amounts are generally subject to local regulatory approval. In addition, in order to maintain certain ratings to remain competitive in local foreign markets, insurance companies typically maintain capital and surplus well in excess of minimum requirements, further complicating a reliable determination of the amount that could be available for repatriation.

MetLife believes that disclosing the amount of cash, cash equivalents and marketable securities held by foreign subsidiaries may be misleading to the users of the financial statements in making predictions about whether and when foreign earnings will be remitted, without disclosing restrictions on such items and potentially quantifying the amounts that could be available for repatriation in the future. We appreciate that the Board considered but did not propose disclosing the amount and description of encumbrances or other legal restrictions on cash, cash equivalents, and marketable securities held by foreign subsidiaries and agree with that decision. However, if the amendments are adopted as proposed, MetLife would most likely need to make additional "voluntary" disclosures and in some cases a reconciliation of cash, cash equivalents and marketable securities to those amounts that could be available for repatriation. As noted earlier, reliably determining the amounts that could be available for repatriation would require significant judgment, may vary significantly across multiple jurisdictions, and could be considered a form of forward looking information. These additional quantitative disclosures would need to be considered in relation to the existing internal control framework and would add significant additional complexity and costs that may not be justified by any perceived benefits to users. Our recommendation is for this disclosure requirement to be removed for companies with foreign operations whose business model involves significant investments in marketable securities, and are subject to minimum capital requirements.

Additionally, if the term "marketable securities" is retained in the final standard, MetLife believes that this term should be clarified, either by definition or specific example by industry. While not defined in U.S. GAAP, marketable securities can be broadly considered to be any financial asset that is easily sold or that can be readily converted into cash, or it can be more narrowly interpreted to be debt or equity securities with a readily determinable fair value.

We believe that a change in assertion about the indefinite reinvestment of undistributed foreign earnings is the appropriate trigger event for disclosure. As such, the proposed amendment to provide an explanation of circumstances that caused a change in assertion and corresponding amount of the earnings would provide useful information to financial statement users in determining the timing of future cash flows.

Once again, we appreciate the opportunity to comment on the Exposure Draft and offer our perspective. If you have any questions on the contents of this letter, please do not hesitate to contact me.

Sincerely,

Peter M. Carlson
Executive Vice President and
Chief Accounting Officer

cc: John C.R. Hele
Executive Vice President and
Chief Financial Officer