

METLIFE INC  
Form 11-K  
June 26, 2012  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2011

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-15787

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**Savings and Investment Plan for Employees of Metropolitan Life and Participating Affiliates**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**MetLife, Inc.**

**200 Park Avenue**

**New York, New York 10166-0188**

**Table of Contents**

**Savings and Investment Plan for Employees of  
Metropolitan Life and Participating Affiliates**

**Table of Contents**

	<b>Page</b>
<u>Report of Independent Registered Public Accounting Firm</u>	1
<b>Financial Statements:</b>	
<u>Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010</u>	2
<u>Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2011</u>	3
<u>Notes to Financial Statements</u>	4
<b>Supplemental Schedule:</b>	
<u>Form 5500, Schedule H, Part IV, Line 4i, Schedule of Assets (Held at End of Year) as of December 31, 2011</u>	16
<u>Signatures</u>	17
<u>Exhibit Index</u>	18

Note: Supplemental schedules not listed are omitted due to the absence of conditions under which they are required

**Table of Contents**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Trustees and Participants of the  
Savings and Investment Plan for Employees of  
Metropolitan Life and Participating Affiliates

We have audited the accompanying statements of net assets available for benefits of the Savings and Investment Plan for Employees of Metropolitan Life and Participating Affiliates (the Plan) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in net assets available for benefits for the year ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2011 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP

Certified Public Accountants

Tampa, Florida

June 26, 2012

**Table of Contents****Savings and Investment Plan for Employees of****Metropolitan Life and Participating Affiliates****Statements of Net Assets Available for Benefits****(In thousands)**

	<b>As of December 31,</b>	
	<b>2011</b>	<b>2010</b>
<b>Assets:</b>		
Participant directed investments at estimated fair value (see Note 3)	\$ 5,175,212	\$ 5,175,116
Notes receivable from participants	79,549	81,765
<b>Total assets</b>	<b>5,254,761</b>	<b>5,256,881</b>
<b>Liabilities:</b>		
Accrued investment management fees	1,495	1,590
<b>Net assets available for benefits at estimated fair value</b>	<b>5,253,266</b>	<b>5,255,291</b>
Adjustment from estimated fair value to contract value for fully benefit-responsive investment contracts	(155,161)	(107,709)
<b>Net assets available for benefits</b>	<b>\$ 5,098,105</b>	<b>\$ 5,147,582</b>

See accompanying notes to financial statements.

**Table of Contents**

**Savings and Investment Plan for Employees of  
Metropolitan Life and Participating Affiliates**

**Statement of Changes in Net Assets Available for Benefits**

**(In thousands)**

	<b>Year Ended December 31, 2011</b>
<b>Additions to net assets attributed to:</b>	
Contributions:	
Participant	\$ 178,632
Employer	72,329
Rollover	5,598
<b>Total contributions</b>	<b>256,559</b>
Interest income on notes receivable from participants	2,770
Interest and dividends	166,497
<b>Total additions</b>	<b>425,826</b>
<b>Deductions from net assets attributed to:</b>	
Benefit payments to participants	285,912
Investment management fees	10,075
Net depreciation in estimated fair value of investments (see Note 4)	164,042
Administration expenses	521
<b>Total deductions before plan transfers</b>	<b>460,550</b>
Plan transfers into the MetLife Bank 401(k) Plan (see Note 2)	14,753
<b>Total deductions after plan transfers</b>	<b>475,303</b>
<b>Net decrease in net assets</b>	<b>49,477</b>
<b>Net assets available for benefits:</b>	
Beginning of year	5,147,582
<b>End of year</b>	<b>\$ 5,098,105</b>

See accompanying notes to financial statements.

**Table of Contents**

**Savings and Investment Plan for Employees of**

**Metropolitan Life and Participating Affiliates**

**Notes to Financial Statements**

**1. Description of the Plan**

The following description of the Savings and Investment Plan for Employees of Metropolitan Life and Participating Affiliates, as amended and restated (the Plan) is provided for general information purposes only. Participants (as defined below) should refer to the Plan document for a more complete description of the Plan.

**General Information**

The Plan, a defined contribution plan, became effective on May 1, 1970 and is designed to comply with the requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and the United States Internal Revenue Code (IRC). The administrator of the Plan (the Plan Administrator) is Metropolitan Life Insurance Company (the Company), which has delegated that duty to one of its officers. Recordkeeping services are performed for the Plan by an unaffiliated third party.

The Plan provides the following investment options through participation in various group annuity contracts (GAC) with the Company, Company separate account funds, as well as (for certain participants) The New England Financial Accumulation Account:

<b>Separate Account Funds*</b>	<b>Separate Account(s)</b>
Fixed Income Fund	Separate Accounts #78, #253, #429, and #649 and The New
	England Financial Accumulation Account
Large Cap Growth Index Fund	Separate Account #611
Large Cap Equity Index Fund	Separate Account # MI
Small Cap Equity Fund	Separate Account #596
International Equity Fund	Separate Account #79
Large Cap Value Index Fund	Separate Account #593
Mid Cap Equity Index Fund	Separate Account # 612
Bond Index Fund	Separate Account # 377

\* See Plan Amendments regarding changes during 2010 in separate account funds. Contributions to the Plan that are directed by participants into these funds are remitted by the Participating Affiliates (as defined below) to the Plan and allocated in accordance with the elections of the participants among each investment fund, including the separate account funds.

The Plan also offers participants the option to invest in a fund holding primarily shares of common stock of MetLife, Inc., the Company's parent, known as the MetLife Company Stock Fund. The MetLife Company Stock Fund is held in trust by The Bank of New York Mellon Corporation (BNY Mellon), as trustee.

A frozen fund (the RGA Frozen Fund) was established primarily to hold shares of the Class B common stock of Reinsurance Group of America, Incorporated (RGA) issued in connection with the exchange offer of shares of MetLife, Inc. common stock held in the MetLife Company Stock Fund (a frozen fund is one into which participants may neither direct contributions nor transfer balances from any other fund but may make withdrawals or reallocate to other available investment options under the Plan). RGA subsequently reclassified its shares of common stock, including Class B, into a single class. The RGA Frozen Fund is also held in trust by BNY Mellon, as trustee.

The separate account funds and the MetLife Company Stock Fund together constitute the core investment options of the Plan (Core Funds). To supplement the Core Funds, the Plan offers to all participants the ability to transfer funds out of the Core Funds into a Self-Directed Account (SDA). The SDA works like a personal brokerage account by providing participants with direct access to a wide variety of mutual funds that are available to the public through many well-known mutual fund families. The SDA is held in trust by BNY Mellon, as trustee.

## Edgar Filing: METLIFE INC - Form 11-K

Participants in the former New England 401(k) Plan who had amounts invested in The New England Financial Accumulation Account as of December 31, 2000 were permitted to continue their investment in such fund as a frozen Core Fund of the Plan, to the extent they have retained assets in such fund. Such assets are included with the Plan's Fixed Income Fund.



---

## **Table of Contents**

### ***Participation***

Generally, each employee of a Participating Affiliate who is regularly scheduled to work at least 1,000 hours per year is eligible to participate in the Plan on the employee's date of hire, and may immediately make contributions to the Plan, with the exception of certain groups of individuals performing services for the Participating Affiliates (e.g., an individual classified by the Participating Affiliates as a leased employee or independent contractor, an employee participating in or eligible to participate in the New England Agents' Deferred Compensation Plan and Trust, the New England Agents' Retirement Plan and Trust, the New England Life Insurance Company 401(k) Savings Plan and Trust, the New England Agency Employees' Retirement Plan and/or the MetLife Bank 401(k) Plan, an employee in certain collective bargaining units, and individuals hired by a Participating Affiliate as a cooperative student or intern). Generally, each participant is eligible for matching contributions as of the first day of the month following the date the participant completes one year of service, provided that the participant makes the minimum contributions to the Plan, as discussed below.

### ***Participant Accounts***

The recordkeeper maintains individual account balances for each employee of the Participating Affiliates who participates in the Plan (each such employee, a participant). Each participant's account is credited with contributions, as discussed below, charged with withdrawals, and allocated investment earnings or losses, as provided by the Plan document. A participant is entitled to the benefits that generally are equal to the participant's vested account balance determined in accordance with the Plan document and as described below.

The following entities comprise the Participating Affiliates as of December 31, 2011: the Company, MetLife Group, Inc., Metropolitan Property and Casualty Insurance Company, MetLife Funding, Inc., MetLife Credit Corp., MetLife Securities, Inc., MetLife Insurance Company of Connecticut and SafeGuard Health Plans, Inc. (SafeGuard), a California corporation (collectively, Participating Affiliates).

### ***Contributions***

Contributions consist of those participant contributions which are matched by each of the Participating Affiliates for its respective participants (matching contributions) and those participant contributions which are not matched by any of the Participating Affiliates. A participant may contribute from 3% to 45% of eligible compensation, as defined in the Plan, subject to limitations on highly compensated employees as described below. Contributions of the participants and matching contributions are credited to the Core Funds in the manner elected by the participants and as provided by the Plan. New matching contributions are suspended for six months if matching contributions are withdrawn by a participant.

Under the IRC, a participant who earned in excess of a specified dollar threshold during the preceding plan year (\$110 thousand during 2010 for the 2011 plan year) is a highly compensated employee. A participant who is not a highly compensated employee may contribute up to 45% of eligible compensation, on a before-tax 401(k), Roth 401(k) and/or after-tax basis, subject to certain IRC and Plan-imposed limitations. Each highly compensated employee may elect to make before-tax 401(k) and/or Roth 401(k) contributions up to an aggregate maximum of 10% of such employee's eligible compensation. If such an employee makes after-tax employee contributions, the aggregate percentage of all such contributions may not exceed 13% of such employee's eligible compensation. In addition, a participant's combined before-tax 401(k) and/or Roth 401(k) contributions were not permitted to exceed the IRC-imposed limitation of \$16.5 thousand for the plan year ended December 31, 2011. Participants who were age 50 or older during the plan year were permitted to make additional catch-up contributions (up to \$5.5 thousand for the year ended December 31, 2011) in excess of such IRC-imposed limitation.

Effective January 1, 2010, each of the Participating Affiliates made a matching contribution equal to the sum of (i) 100% of the participant's contributions that did not exceed 3% of the participant's eligible compensation, and (ii) 50% of the participant's contributions that were in excess of 3% of the participant's eligible compensation but did not exceed 5% of the participant's eligible compensation. See Plan Amendments. Subject to the approval of the Plan Administrator, participants may also rollover into the Plan amounts representing distributions from (i) traditional individual retirement accounts (IRAs) (to the extent that the participant did not make nondeductible contributions), (ii) qualified defined benefit plans, (iii) qualified defined contribution plans, (iv) 403(b) plans, or (v) governmental 457(b) plans. A rollover occurs when a participant transfers funds distributed from an eligible source, such as another qualified plan or certain other plans, into the Plan.

---

**Table of Contents*****Withdrawals and Distributions***

A participant may request withdrawals from the Plan under the conditions set forth in the Plan document. Distributions from the Plan are generally made upon a participant's or beneficiary's request in connection with his or her retirement, death, or other termination of employment from a Participating Affiliate, or receipt of disability benefits for more than 24 months.

***Vesting***

Participant contributions vest immediately. Matching contributions become fully vested upon the participant's completion of five years of service in accordance with a five-year graded vesting schedule, as well as upon the occurrence of the events triggering acceleration of vesting described below. A participant becomes 25% vested after the completion of two years of service, and then increases his or her vested percentage by an additional 25% per year for each additional year of completed service, until the participant is 100% vested in the Plan after five years of completed service. In addition, a participant becomes fully vested when the participant either (i) attains age 55, (ii) dies, (iii) terminates employment with eligibility under the MetLife Plan for Transition Assistance for Officers or the MetLife Plan for Transition Assistance (which covers non-officer level employees), or (iv) has been receiving disability benefits for more than 24 months after the date of his or her initial disability payment. For purposes of (ii) of the preceding sentence, a participant who dies during a military absence while performing qualified military service (as defined in the IRC) is fully vested at death.

***Forfeited Accounts***

A participant forfeits non-vested employer matching contributions upon the earlier of (i) the date the participant receives a distribution of the vested portion of his or her account balance (subject to the right of restoration described below), or (ii) the occurrence of five consecutive one-year periods of severance (a period of severance is a twelve-month period during which the participant has not been credited with a single hour of service). If a participant who has forfeited non-vested employer matching contributions (in accordance with (i) of the preceding sentence) is rehired by a company in the Company's control group (as defined in the IRC), such participant has the right to have the forfeited portion of matching contributions restored to his or her account, if such participant repays to the Plan any before-tax 401(k) savings contributions previously distributed prior to the earlier of (i) five years after the date such participant is rehired, or (ii) the close of a period of severance equal to at least five consecutive years commencing after such participant received a distribution of his or her vested matching contributions. Employer matching contribution forfeitures are held in the General Account Fund and are used either to reduce future matching contributions, to pay certain Plan administrative expenses, and/or restore previously forfeited balances (as described above).

The Plan's General Account Fund was established solely to track the activity of forfeitures. At December 31, 2011 and 2010, the balance of the Plan's General Account Fund was \$364 thousand and \$285 thousand, respectively. For the year ended December 31, 2011, forfeited non-vested matching contributions totaled \$1,549 thousand. During the year ended December 31, 2011, \$1,473 thousand from the General Account Fund were used to reduce employer matching contributions, to pay certain administrative expenses, or restore previously forfeited balances of partially vested participants who were re-employed. During the year ended December 31, 2011, forfeitures earned \$3 thousand in investment earnings.

***Notes Receivable from Participants***

A participant may borrow from his or her account up to a maximum of \$50 thousand (reduced by the highest outstanding balance of loans in his or her defined contribution plan account(s) during the one-year period ending the day before the date a loan is to be made) or 50% of the participant's account balance (reduced by outstanding loans on the date of the loan), whichever is less. Such loans are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates at the time funds are borrowed, as determined quarterly by the Plan Administrator. The principal of and interest on the loans are paid ratably through payroll deductions. Loan repayments are made to Core Funds in accordance with the participant's contribution investment allocation at the time of repayment.

***Plan Amendments***

For the years ended December 31, 2011 and 2010, the following material Plan amendments were adopted and became effective:

Effective September 14, 2011, the Plan was amended to clarify that compensation paid to commissioned employees is recognized under the Plan only as of the date it is paid to the employee and any offsets or charge-backs against such employees' compensation reduces the amount of compensation recognized under the Plan.



---

**Table of Contents**

Effective January 10, 2011, the Plan was amended to permit continuation of outstanding loan repayments by participants transferred to Group Health & Benefits Administrators, Inc. in connection with the outsourcing of the employment functions performed by such participants.

Effective January 1, 2011, the Plan was amended to clarify that compensation paid to salaried employees is recognized under the Plan only as of the date it is paid to the employees.

Effective January 1, 2011, the Plan was amended to reflect various statutory changes under Puerto Rican law impacting the provisions of the Plan which involve Puerto Rican participants.

Effective January 1, 2011, in connection with the establishment of the MetLife Bank 401(k) Plan, the Plan was amended as follows: the definition of eligible compensation for MetLife Bank commissioned employees was deleted and employees eligible to participate in or participating in the MetLife Bank 401(k) Plan were excluded from the definition of eligible employee; MetLife Bank was removed as a Participating Affiliate; any employee of a Participating Affiliate who becomes an employee of MetLife Bank shall become fully vested in his or her company matching contributions, notwithstanding the otherwise applicable vesting schedule; and any participant who becomes an employee of MetLife Bank shall be permitted to make an elective plan transfer to the MetLife Bank 401(k) Plan.

In addition, as a result of a legislative change, the Plan was amended, effective January 1, 2011, to permit a participant to elect to make a direct rollover of that portion of his or her account balance consisting of Roth 401(k) contributions and Roth rollover and transfer amounts to a Roth 457 account.

As a result of the acquisition by MetLife, Inc. of American Life Insurance Company ( Alico ) on November 1, 2010 (the Acquisition Date ), the Plan was amended (effective on the Acquisition Date) to provide for the exclusion from the Plan of nonresident aliens with no United States source income and certain nonresident aliens receiving United States source income which is exempt from United States income tax due to an applicable income tax convention. Any individual who was employed by Alico, or any affiliate who was either performing services within the United States or was on the United States payroll of Alico or any affiliates on the day preceding the Acquisition Date and who became employed by a Participating Affiliate as of the Acquisition Date became eligible to participate in the Plan for purposes of eligibility to share in the allocation of company matching contributions as of the Acquisition Date. Any participant who, prior to the Acquisition Date, was (i) employed by Alico, or any affiliate; (ii) was either performing services within the United States or was on the United States payroll of Alico or any affiliates; and (iii) has a termination of employment (A) during the period commencing on the Acquisition Date and continuing through December 31, 2011 under circumstances which would entitle him or her to benefits under the American Life Insurance Company Employee Continuity Assurance Plan-U.S. Operations or (B) during the twelve month period commencing on the Acquisition Date under the American Life Insurance Company Employee Continuity Assurance Plan-U.S. Operations became fully vested in the Plan as a result of such termination. Any participant who, prior to the Acquisition Date, (i) was employed by Alico or any affiliate; (ii) was performing services within the United States or was on the United States payroll of Alico or any affiliate as of the day preceding the Acquisition Date; and (iii) became employed by a Participating Affiliate as of the Acquisition Date may elect to make a direct rollover of his or her account balance under the American International Group Incentive Savings Plan to the Plan, including any outstanding loans under such plan.

Effective July 1, 2010, certain participants who are on military absence are permitted to request qualified reservist distributions from the Plan. In addition, the Plan was amended to provide that if a participant receives or commences to receive a distribution from the Plan, she or he has six months from the date such distribution is paid or commenced to make a claim challenging the calculation of the amount of such distribution.

Effective April 1, 2010, certain employees whose positions were outsourced to Pitney Bowes, Inc. or Pitney Bowes Management Services were permitted to rollover any outstanding plan loans to the 401(k) plan in which they would be participating as employees of Pitney Bowes.

Effective January 1, 2010, the definition of eligible compensation for salaried employees was amended to include the 2009 Executive Group Annual Award and the definition of eligible compensation for MetLife Bank commissioned employees was amended to provide that 100% of the MetLife Bank Telesales Rep Incentive was benefitable. The rules on Plan beneficiaries were amended to permit the participant to have greater flexibility in designating a beneficiary.

Effective January 1, 2010, if a participant has an outstanding loan and goes on military absence, she or he may elect from all of the available options for making level repayment upon his or her re-employment following discharge from the military. This includes making a partial prepayment so that the repayments which are required to be made for the remaining term of the loan (as extended by the military absence) will be equal to the repayment amounts she or he was making prior to going on military absence.



---

## **Table of Contents**

Effective January 1, 2010, the Plan was amended to add to the list of items of eligible compensation that are 40% benefitable, as applied to certain MetLife Bank commissioned employees, and to specify which elements of compensation were considered 100% benefitable with respect to such employees.

Effective January 1, 2010, the Plan was amended to change the match formula. The new match formula will provide a 100% match on the first 3% contributed by a participant and a 50% match on the next 2% contributed by a participant. Participants contributing 5% of their eligible pay to the Plan will receive the full company match of 4%. The match formula in place in 2009 provided for the full company match of 4% if the participants contribute 3% of their eligible pay to the Plan.

A number of investment fund changes were made effective January 1, 2010. The Plan added two new Core Funds, the Bond Index Fund and the Mid Cap Equity Index Fund. The Equity Fund, which was renamed the Large Cap Growth Index Fund, changed from an active investment management strategy to a passive, indexed management approach. Also effective January 1, 2010, the Small Company Stock Fund and the Emerging Markets Equity Fund were closed to the Plan. In addition, the following Core Funds were renamed: the Common Stock Index Fund to the Large Cap Equity Index Fund, the Value Equity Fund to the Large Cap Value Index Fund, and the Blended Small Company Stock Fund to the Small Cap Equity Fund. The maximum percentage of a Participant's account balance which could be invested via contributions and/or transfers in the MetLife Company Stock Fund was reduced from 50% to 10%. Finally, the number of permitted transfers per month was increased from two to four.

## **2. Basis of Presentation and Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The financial statements of the Plan have been prepared in conformity with accounting principles generally accepted in the United States of America ( GAAP ).

The preparation of financial statements in conformity with GAAP requires management of the Plan to adopt accounting policies and make estimates and assumptions that affect amounts reported in the financial statements. The most important of these estimates and assumptions relates to the fair value measurements. Actual results could differ from those estimates.

### ***Risks and Uncertainties***

The Plan utilizes various investment vehicles, including insurance company general and separate accounts and mutual funds. Such investments, in general, are exposed to various risks, such as overall market volatility, interest rate risk, and credit risk. Volatility in interest rates, as well as the equity and credit markets, could materially affect the value of the Plan's investments as reported in the accompanying financial statements. In addition, investments in actively managed funds are exposed to diversified risks. Diversified risk is the risk of price change due to the unique circumstances of a specific security, as opposed to the overall market.

### ***Investment Valuation and Income Recognition***

The Plan's investments are stated at estimated fair value. The fully benefit-responsive investments with the Company (see Note 6) are stated at estimated fair value and then adjusted to contract value as a single amount reflected separately in the statements of net assets available for benefits. The statement of changes in net assets available for benefits, as it relates to these fully benefit-responsive investments, is presented on a contract value basis.

As described below, certain assets and liabilities are measured at estimated fair value in the Plan's financial statements. In addition, the notes to these financial statements include further disclosures of estimated fair values. The Plan defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In most cases, the exit price and the transaction (or entry) price will be the same at initial recognition. Subsequent to initial recognition, fair values are based on unadjusted quoted prices for identical assets or liabilities in active markets that are readily and regularly obtainable. When such quoted prices are not available, fair values are based on quoted prices in markets that are not active, quoted prices for similar but not identical assets or liabilities, or other observable inputs. If these inputs are not available, or observable inputs are not determinative, unobservable inputs and/or adjustments to observable inputs requiring the judgment of Plan management are used to determine the fair value of assets and liabilities.



**Table of Contents**

The Plan considers three broad valuation techniques: (i) the market approach, (ii) the income approach, and (iii) the cost approach. The Plan determines the most appropriate valuation technique to use, given what is being measured and the availability of sufficient inputs, giving priority to observable inputs. The Plan categorizes its assets and liabilities measured at estimated fair value into a three-level hierarchy, based on the significant input with the lowest level in its valuation. The input levels are as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities. The Plan defines active markets based on average trading volume for equity securities. The size of the bid/ask spread is used as an indicator of market activity for fixed maturity securities.
- Level 2 Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. These inputs can include quoted prices for similar assets or liabilities other than quoted prices in Level 1, quoted prices in markets that are not active, or other significant inputs that are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The estimated fair value of the Plan's interests in the Core Funds, other than the Fixed Income Fund and the MetLife Company Stock Fund, is determined by reference to the underlying assets of the respective separate accounts. The underlying assets of each respective separate account, which are principally comprised of cash investments and marketable equity and fixed income securities, reflect accumulated contributions, dividends and realized and unrealized investment gains or losses apportioned to such contributions, less withdrawals, distributions, loans to participants, allocable expenses relating to the purchase, sale and maintenance of the assets, and an allocable part of investment-related expenses. The estimated fair value of the underlying assets in each separate account is expressed in the form of a unit value for each respective separate account. Unit values are calculated and provided daily by the Company and represent the price at which participant-directed contributions and transfers are effected.

The estimated fair value of the funds held in the SDA is determined by reference to the underlying shares of the publicly available mutual funds, other than the Core Funds, held within each participant's respective account. Such estimated fair value is based on the net asset value published by the respective fund managers on the applicable reporting date.

The Fixed Income Fund is comprised of a fully benefit-responsive investment with the Company (see Note 6). Except for The New England Financial Accumulation Account, the Fixed Income Fund is backed by a portfolio of assets allocated among several separate accounts with the Company. The estimated fair value of the Fixed Income Fund (excluding The New England Financial Accumulation Account) was determined by reference to the underlying assets of the separate accounts in a manner consistent with that for the other separate accounts that constitute the Core Funds, as described above. Unit values for the separate accounts backing the Fixed Income Fund, as determined daily, represent the price at which allocated contributions and transfers are effected for purposes of determining the estimated fair value of the Fixed Income Fund (excluding The New England Financial Accumulation Account). The estimated fair value of The New England Financial Accumulation Account is calculated by discounting the contract value which is payable in ten annual installments upon termination of the underlying contract using the yield of the Moody's Baa Industrial Bond Index on the appropriate valuation dates.

The estimated fair values of the MetLife Company Stock Fund and the RGA Frozen Fund, which are proprietary funds offered by the Plan, are determined by the price of MetLife, Inc. and RGA common stock, respectively, each of which is traded on the New York Stock Exchange.

Funds held in the Plan's General Account Fund are invested through an investment contract with the Company. Amounts are stated at the aggregate amount of accumulated transfers of forfeited non-vested account balances and interest earned thereon, less withdrawals to reduce employer matching contributions or pay certain Plan administrative expenses, as discussed above. Amounts are available for withdrawal to reduce employer matching contributions or pay administrative expenses at any time. Interest crediting rates are reviewed for reset quarterly by the Company and interest is credited periodically in a manner consistent with the Company's general practices for allocating such income. Accordingly, the stated carrying value approximates the estimated fair value.

***Notes Receivable from Participants***

Notes receivable from participants are measured at their unpaid principal balance plus any accrued unpaid interest. Defaulted loans are treated as deemed distributions based upon the terms of the plan documents.





---

## **Table of Contents**

### ***Contributions***

Contributions are recognized when due and withdrawals and distributions are recognized when incurred. Investment income is recorded as earned. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

On January 31, 2005, MetLife, Inc. completed the sale of SSRM Holdings, Inc. to a third party. Pursuant to the terms of the sale agreement, MetLife, Inc. was entitled to additional consideration based upon the amount of affiliated ERISA plan assets that remained under management by the third party purchaser as of the fifth anniversary of the sale. The additional consideration was allocated to the MetLife, Inc. affiliated ERISA plans based on the assets that remained under management. As a result, on August 2, 2010, the Plan received a contribution of \$1,576 thousand.

### ***Payment of Benefits***

Benefit payments to participants are recorded when paid. Amounts allocated to accounts of participants who have elected to withdraw from the Plan but have not yet been paid were \$1,684 thousand and \$1,885 thousand at December 31, 2011 and 2010, respectively.

### ***Plan Transfers into the MetLife Bank 401(k) Plan***

As of December 31, 2011, participants rolled over a total of \$14,753 thousand from the Plan to the MetLife Bank 401(k) Plan.

### ***Excess Contributions Payable***

The Plan is required to return contributions received during the Plan year in excess of IRC limits applicable to such contributions. An immaterial amount of such excess contributions was required to be returned to participants for the year ended December 31, 2011.

### ***Investment Management Fees and Operating Expenses***

Investment management fees are paid out of the assets of the Core Funds and the RGA Frozen Fund and are recognized as reasonable expenses of the Plan. Investment management fees charged to the Plan for investments in the mutual funds held in the SDA are deducted from income earned on a daily basis and are not separately reflected. Consequently, investment management fees are reflected as a reduction of return on such investments. As provided in the Plan document, non-investment related expenses are paid by both the Company and the Plan. Those expenses paid by the Plan are recognized as reasonable expenses of the Plan.

### ***Adoption of New Accounting Pronouncements***

In May 2011, the Financial Accounting Standards Board ( FASB ) issued new guidance regarding fair value measurements (ASU 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and international financial reporting standards ( IFRSs )*), effective for the first interim or annual period beginning after December 15, 2011. The guidance should be applied prospectively. The amendments in this ASU are intended to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and IFRSs. Some of the amendments clarify the FASB's intent on the application of existing fair value measurement requirements. Other amendments change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The adoption of this new guidance is not expected to have a material impact on the Plan's financial statements.

**Table of Contents****3. Investments**

The Plan's investments were as follows at December 31, 2011 and 2010:

	As of December 31,	
	2011	2010
	(In thousands)	
Fixed Income Fund (including The New England Financial Accumulation Account)	\$ 3,096,579*	\$ 2,931,422*
Large Cap Growth Index Fund (formerly the Equity Fund)	468,133*	472,372*
Large Cap Equity Index Fund (formerly the Common Stock Index Fund)	409,042*	407,842*
Small Cap Equity Fund (formerly the Blended Small Company Stock Fund)	362,654*	390,888*
International Equity Fund	302,286*	387,074*
MetLife Company Stock Fund	203,359	295,295*
Large Cap Value Fund (formerly the Value Equity Fund)	159,967	159,212
Mid Cap Equity Index Fund (commenced January 1, 2010)	77,756	57,039
Bond Index Fund (commenced January 1, 2010)	54,559	32,146
Self-Directed Account Mutual funds	40,168	41,137
General Account Fund **	364	285
RGA Frozen Fund	345	404
<b>Total investments</b>	<b>\$ 5,175,212</b>	<b>\$ 5,175,116</b>

\* Represents 5% or more of the net assets available for benefits.

\*\* Designed to hold Plan forfeitures.

**4. Net Depreciation in Estimated Fair Value of Investments**

The Plan's net depreciation in estimated fair value of investments (including realized and unrealized gains and losses) was as follows for the year ended December 31, 2011:

	Year Ended December 31, 2011
	(In thousands)
Separate accounts (including Fixed Income Fund)	\$ 77,458
MetLife Company Stock Fund	83,416
Self-Directed Account	3,161
RGA Frozen Fund	7
<b>Net depreciation in estimated fair value of investments</b>	<b>\$ 164,042</b>

**Table of Contents****5. Fair Value Measurements**

The assets measured at estimated fair value on a recurring basis, including those items for which the Plan has elected the fair value option, are determined as described in Note 2. For the years ended December 31, 2011 and 2010, there were no significant transfers into or out of asset levels 1, 2, or 3.

These estimated fair values and their corresponding fair value hierarchy are summarized as follows:

	Total Estimated Fair Value	Estimated Fair Value Measurements at December 31, 2011		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(In thousands)				
Investments in separate accounts fixed income securities:				
Separate Accounts 78, 253, 429 & 649	\$ 2,862,059	\$	\$ 2,862,059	\$
The New England Financial Accumulation Account <sup>2</sup>	234,520		234,520	
Investments in separate accounts equity securities:				
Large Cap Growth Index Fund <sup>3</sup>	468,133		468,133	
International Equity Fund <sup>4</sup>	302,286		302,286	
Large Cap Equity Index Fund <sup>5</sup>	409,042		409,042	
Small Cap Equity Fund <sup>6</sup>	362,654		362,654	
Large Cap Value Index Fund <sup>7</sup>	159,967		159,967	
Mid Cap Equity Index Fund <sup>8</sup>	77,756		77,756	
Bond Index Fund <sup>9</sup>	54,559		54,559	
MetLife Company Stock Fund	203,359		203,359	
Self Directed Account	40,168		40,168	
General Account Fund	364		364	
RGA Frozen Fund	345		345	
<b>Total investments</b>	<b>\$ 5,175,212</b>	<b>\$</b>	<b>\$ 5,175,212</b>	<b>\$</b>

Total Estimated Fair Value	Estimated Fair Value Measurements at December 31, 2010		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)

Edgar Filing: METLIFE INC - Form 11-K

1)

(In thousands)

Investments in separate accounts fixed income securities:			
Separate Accounts 78, 253, 429 & 649	\$ 2,693,277	\$	\$ 2,693,277
The New England Financial Accumulation Account <sup>2</sup>	238,145		238,145
Investments in separate accounts equity securities:			
Large Cap Growth Index Fund <sup>3</sup>	472,372		472,372
International Equity Fund <sup>4</sup>	387,074		387,074
Large Cap Equity Index Fund <sup>5</sup>	407,842		407,842
Small Cap Equity Fund <sup>6</sup>	390,888		390,888
Large Cap Value Index Fund <sup>7</sup>	159,212		159,212
Mid Cap Equity Index Fund <sup>8</sup>	57,039		57,039
Bond Index Fund <sup>9</sup>	32,146		32,146
MetLife Company Stock Fund	295,295		295,295
Self Directed Account	41,137		41,137
General Account Fund	285		285
RGA Frozen Fund	404		404
<b>Total investments</b>	<b>\$ 5,175,116</b>	<b>\$</b>	<b>\$ 5,175,116</b>

**Table of Contents**

- <sup>1</sup> A fixed income fund that pays a credited rate, reset periodically and backed by diversified investment portfolios consisting of fixed income securities.
- <sup>2</sup> An investment consisting of a credited rate, reset periodically and backed by a diversified investment portfolio of MetLife, Inc.'s General Account.
- <sup>3</sup> A diversified investment portfolio consisting of domestic equity securities with relatively large market capitalizations that exhibit signs of above average sales and earnings growth.
- <sup>4</sup> A diversified investment portfolio consisting of international equity securities with relatively large market capitalizations and no particular bias towards value or growth.
- <sup>5</sup> A diversified investment portfolio consisting of domestic equity securities with relatively large market capitalizations and no particular bias towards value or growth.
- <sup>6</sup> A diversified investment portfolio consisting of domestic equity securities with relatively small market capitalizations and no particular bias towards value or growth.
- <sup>7</sup> A diversified investment portfolio consisting of domestic equity securities with relatively large market capitalizations and low price to book and price to earnings ratios.
- <sup>8</sup> A well diversified investment portfolio consisting of domestic equity securities with relatively middle market capitalizations and no particular bias towards value or growth.
- <sup>9</sup> A well diversified investment portfolio generally consisting of investment-grade fixed income securities with varying maturities invested across diverse asset sectors such as government, corporate, and structured finance.

**6. Fully Benefit-Responsive Investments with the Company**

The Plan has fully benefit-responsive investments with the Company. These investments are included in the Plan's financial statements at estimated fair value and then adjusted to contract value as a single amount reflected separately in the statements of net assets available for benefits reported to the Plan by the Company. Contract value represents contributions directed to the investments, plus interest credited, less participant withdrawals and expenses. Participants may direct withdrawals for benefit payments and loans or transfer all or a portion of their investment to other investments offered under the Plan at contract value. The crediting interest rate is based on a formula agreed upon with the Company and is reviewed quarterly for resetting, but may not be less than zero.

Assets held in these investments, except for The New England Financial Accumulation Account, are invested in various separate accounts. The contract value for these investments is determined using the annual crediting rate irrespective of the actual performance of the underlying separate account. The crediting interest rate for Plan participants and average yield for these investments with the Company was 4.18% and 4.30% for the years ended December 31, 2011 and 2010, respectively. The contract value was \$2,703,770 thousand and \$2,583,234 thousand at December 31, 2011 and 2010, respectively. The estimated fair market value of the separate accounts underlying the contract value of these investments, as described in Note 2, was \$2,862,059 thousand and \$2,693,277 thousand at December 31, 2011 and 2010, respectively. Upon termination of one of these investments by the Plan, proceeds would be paid to the Plan, for the benefit of the participants, at the greater of the contract value or the estimated fair market value.

Assets held in The New England Financial Accumulation Account are invested in the general account of the Company. Accordingly, no quoted market valuation is readily available. The crediting interest rate for participants and average yield for The New England Financial Accumulation Account was 4.85% and 5.75% for the years ended December 31, 2011 and 2010, respectively. This account had a contract value of \$237,648 thousand and \$240,479 thousand at December 31, 2011 and 2010, respectively. The estimated fair market value of this account was \$234,520 thousand and \$238,145 thousand as of December 31, 2011 and 2010, respectively. The estimated fair market value is presented for measurement and disclosure purposes. Upon termination of the underlying contract by the Plan, proceeds will be paid for the benefit of the participants at the contract value determined on the date of termination in ten equal annual installments plus additional interest credited.

---

## **Table of Contents**

The fully benefit-responsive investments have certain restrictions that may affect the ability of the Plan to collect the contract value. Plan management believes that the occurrence of events that would cause the Plan to enter into transactions at less than contract value is not probable. The Company may not terminate the contract at any amount less than the contract value.

While the Plan may elect to do so at any time, it does not currently intend to terminate any of the contracts underlying these investments. There are no reserves against the reported contract value for credit risk of the Company, as the issuer of the contracts that constitute these fully benefit-responsive investments.

### **7. Related-Party Transactions**

Certain Plan investments include separate accounts managed by the Company. Excluding the Fixed Income Fund, the balance of these investments was \$1,834,397 thousand and \$1,906,573 thousand at December 31, 2011 and 2010, respectively. Total net depreciation, including realized and unrealized gains and losses, for these investments was (\$77,463) thousand for the year ended December 31, 2011. The Company is the sponsor of the Plan and, therefore, transactions between the Plan and the Company qualify as party-in-interest transactions. During the year ended December 31, 2011, the Company received \$3,627 thousand from the Plan for investment management fees.

Plan investments in the Fixed Income Fund, except for The New England Financial Accumulation Account, include separate accounts underlying these investments with the Company (see Note 6) which are also managed by the Company. The estimated fair value of these investments was \$2,862,059 thousand and \$2,693,277 thousand at December 31, 2011 and 2010, respectively. Total investment income was \$114,642 thousand for the year ended December 31, 2011. During the year ended December 31, 2011, the Company received investment management fees of \$6,142 thousand from these separate accounts.

Plan investments also include The New England Financial Accumulation Account which is also managed by the Company. The estimated fair value of this investment was \$234,520 thousand and \$238,145 thousand at December 31, 2011 and 2010, respectively. Total investment income was \$11,258 thousand for the year ended December 31, 2011.

At December 31, 2011 and 2010, the Plan held 6,505,463 and 6,635,056 shares, respectively, of common stock of MetLife, Inc. in the MetLife Company Stock Fund with a cost basis of \$232,865 thousand and \$238,840 thousand, respectively. During the year ended December 31, 2011, the Plan recorded dividend income on MetLife, Inc. common stock of \$4,730 thousand.

Certain participants, who are also employees of the Participating Affiliates, perform non-investment related services for the Plan. None of these employees or the Participating Affiliates receives compensation from the Plan in exchange for these services.

### **8. Termination of the Plan**

While the Participating Affiliates intend that the Plan be permanent, each of the Participating Affiliates (with respect to their respective employees) has the right to discontinue their participation in the Plan. In the event of such termination, each participant employed by a terminating Participating Affiliate would be fully vested in matching contributions made to the Plan, and has a right to receive a distribution of his or her interest, in accordance with the provisions of the Plan.

### **9. Federal Income Tax Status**

The United States Internal Revenue Service ( IRS ) has determined and informed the Company by letter dated May 23, 2002 that the Plan was designed in accordance with the applicable requirements of the IRC. The Plan has been amended and restated since receiving such determination letter. The Plan Administrator believes that the Plan is designed and currently being operated in material compliance with the applicable requirements of the IRC and the Plan document, and continues to be tax-exempt under the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements for the year ended December 31, 2011.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a tax liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions: however, there are currently no audits of the Plan in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.





**Table of Contents**

On January 28, 2010, the Plan, as amended and restated to reflect numerous legislative, regulatory and other changes, was submitted to the IRS with a request for determination that the amendment and restatement of the Plan (effective January 1, 2009) does not adversely affect the Plan's qualification under the IRC.

**10. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits between the financial statements and the Form 5500, Schedule H, Part I, Line 11, Asset and Liability Statement, as of December 31, 2011 and 2010:

	December 31, 2011	December 31, 2010
	(In thousands)	
Net assets available for benefits per the financial statements	\$ 5,098,105	\$ 5,147,582
Benefits payable	(1,684)	(1,885)
Certain deemed distributions of participant loans	(1,042)	(1,197)
<b>Net assets per Form 5500, Schedule H, Part I, Line 11</b>	<b>\$ 5,095,379</b>	<b>\$ 5,144,500</b>

The following is a reconciliation of decrease in net assets per the financial statements to net loss per Form 5500, Schedule H, Part II, Line 2k, Income and Expense Statement, for the year ended December 31, 2011:

	December 31, 2011
	(In thousands)
Decrease in net assets per the financial statements	\$ 49,477
Less Plan transfers into the MetLife Bank 401(k) Plan	(14,753)
Benefits payable at December 30, 2011	1,684
Benefits payable at December 31, 2010	(1,885)
Current year cumulative deemed distributions	1,042
Prior year cumulative deemed distributions	(1,197)
<b>Net loss per Form 5500, Schedule H, Part II, Line 2k</b>	<b>\$ 34,368</b>

**11. Subsequent Events**

Effective January 1, 2012, the Plan was amended to remove the provision allowing salaried employees to make a special election with respect to the employees' Annual Variable Incentive Plan payments.

Effective January 1, 2012, the Plan was amended to provide that employees who are residents of Puerto Rico are no longer permitted to contribute into the Plan as of January 1, 2012 and that the account balances of such participants are fully vested as of December 31, 2011.

\*\*\*\*\*

**Table of Contents****Savings and Investment Plan for Employees of****Metropolitan Life and Participating Affiliates****Form 5500, Schedule H, Part IV, Line 4i, Schedule of Assets (Held at End of Year)****As of December 31, 2011**

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value (In thousands)
*	Metropolitan Life Insurance Company	Fully Benefit-Responsive Investments **: <ul style="list-style-type: none"> <li>GAC #11557 SA 78</li> <li>GAC #24888 SA 253</li> <li>GAC #28894 SA 429</li> <li>GAC #32359 SA 649</li> <li>GAC #25767 (The New England Financial Accumulation Account)</li> </ul>	***	\$ 484,219
			***	489,689
			***	1,160,286
			***	727,865
			***	234,520
		<b>Total assets in fully benefit-responsive investments Fixed Income Fund</b>		<b>3,096,579</b>
*	Metropolitan Life Insurance Company	Separate Account Funds: <ul style="list-style-type: none"> <li>Large Cap Growth Index Fund 611 (GAC #32098)</li> <li>Large Cap Equity Index Fund MI (GAC #8550)</li> <li>Small Cap Equity Fund 596 (GAC #29962)</li> <li>International Equity Fund 79 (GAC #8550)</li> <li>Large Cap Value Index Fund 593 (GAC #29958)</li> <li>Mid Cap Equity Fund 612 (GAC #32099)</li> <li>Bond Index Fund 377 (GAC #32100)</li> </ul>	***	468,133
			***	409,042
			***	362,654
			***	302,286
			***	159,967
			***	77,756
			***	54,559
		<b>Total assets held for investment in separate account funds</b>		<b>1,834,397</b>
*	Metropolitan Life Insurance Company	MetLife Company Stock Fund	***	203,359
		Self-Directed Account (GAC #25768)	***	40,168
*	Metropolitan Life Insurance Company	General Account Fund Forfeiture Account	***	364
		RGF Frozen Fund	***	345
*	Various participants	Participant loans (maturing through 2027 with interest rates from 3.25% to 10.25%)	***	79,549
		<b>Participant-directed investments **</b>		<b>5,254,761</b>
		Adjustment from estimated fair value to contract value for fully benefit-responsive investment contracts		(155,161)
		<b>Participant-directed investments (Adjusted)</b>		<b>\$ 5,099,600</b>

\* Permitted party-in-interest.

\*\* At estimated fair value.

\*\*\* Cost has been omitted with respect to participant-directed investments.



**Table of Contents**

**SIGNATURES**

*The Plan.* Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Savings and Investment Plan for Employees of  
Metropolitan Life and Participating Affiliates

By: /s/ Andrew J. Bernstein  
Name: Andrew J. Bernstein  
Title: Plan Administrator

Date: June 26, 2012

**Table of Contents**

**EXHIBIT INDEX**

**EXHIBIT**

<b>NUMBER</b>	<b>EXHIBIT NAME</b>
23.1	Consent of Independent Registered Public Accounting Firm