

February 7, 2011

BY EMAIL: rule-comments@sec.gov

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549
Attention: Rule Comments

Re: Release No. 34-63652; File No. S7-02-11; RIN 3235-AK89 (the “Dodd-Frank § 942(a) Release” or the “Release”)

Dear Ms. Murphy:

MetLife welcomes the opportunity to submit this letter (this “Comment Letter”) in response to the SEC’s request for comment regarding the Dodd-Frank § 942(a) Release and the proposed rules and regulations set forth therein. We greatly appreciate the concern that the SEC has devoted to repairing and revitalizing the securitization market.

MetLife, Inc. and its insurance affiliates are large investors in the securitization market, purchasing securities primarily to fund core insurance products, which provide critical financial protection for over 90 million customers worldwide. MetLife Bank, National Association (collectively referred to herein with MetLife, Inc. and its insurance affiliates as “MetLife”) also participates in the securitization market both as an originator and servicer of conforming and non-conforming mortgage and reverse mortgage loans and is a depositor with respect to Ginnie Mae, Fannie Mae and Freddie Mac securities. MetLife Bank currently services or sub-services for others a portfolio of residential mortgage loans, which includes loans owned by Fannie Mae or Freddie Mac and loans that are included in pools supporting mortgage backed securities issued by those entities. As of September 30, 2010, the general accounts of MetLife’s insurance companies held approximately \$76 billion of structured finance securities comprised of \$46 billion of residential mortgage-backed securities, \$16 billion of commercial-backed securities and \$14 billion of asset-backed securities.

This letter will focus on the appropriate implementation of Dodd-Frank §942(a) from the perspective of MetLife as a large institutional investor and as a

mortgage originator, servicer and depositor of loans in mortgage backed securities transactions.

Before the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank”), Section 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) provided for automatic suspension of the duty to file ongoing Exchange Act reports (other than with respect to the fiscal year in which the registration statement became effective) if the securities of each relevant class of ABS were held of record by fewer than 300 persons. Because most ABS are held in street name through brokers and custodians, there typically are fewer than 300 record holders in such transactions. Therefore, the reporting obligations of most ABS issuers were suspended after one report on Form 10-K was filed. §942(a) of Dodd-Frank amended Section 15(d) of the Exchange Act to eliminate the automatic suspension rules and directed the Commission to suspend or terminate Section 15(d) reporting requirements for any class of ABS on such terms and conditions and for such periods as the Commission deems appropriate.

In the Dodd-Frank §942(a) Release, the Commission has proposed new Exchange Act Rule 15d-22(b) (the “Proposed Rule”) pursuant to which an ABS issuer’s reporting obligations for any class of publicly registered ABS would be suspended for any fiscal year (other than the fiscal year in which a registration statement related to such securities became effective), if at the beginning of such fiscal year, there are no longer any ABS of such class held by non-affiliates of the depositor.

MetLife broadly supports the policy goals of the Proposed Rule. We believe that Exchange Act reporting for registered ABS transactions would provide investors with transparency regarding both the financial condition of these transactions and compliance by servicers with their obligations in such transactions.

From our perspective as an investor, MetLife believes that the Proposed Rule should be strengthened. Specifically, we believe that Section 15(d) reporting obligations should be suspended only if (a) ABS of a particular class are no longer held by non-affiliates of the depositor and (b) the transaction has matured (i.e. the collateral has been liquidated from the trust or otherwise been fully amortized) or been redeemed or called by the servicer. (We do not believe that it is necessary to specify a minimum threshold regarding the amount of the transaction that remains outstanding because the servicer will be likely to exercise its optional redemption / call feature when the cost of keeping the public ABS transaction outstanding outweighs any related benefits). While we recognize this requirement would apply only to public ABS transactions, and there would be a time and expense burden for ABS issuers, we believe the suspension of Section 15(d) reporting obligations too early in a transaction could create reporting and information gaps for future investors. These reporting and

information gaps may impact market liquidity for registered ABS transactions where reporting is suspended and where an affiliate of the depositor decides to sell its position in the secondary market at some point in the future.

On the other hand, MetLife believes that the Proposed Rule's re-assessment of Section 15(d) reporting obligations at the beginning of each fiscal year provides some protection to investors. That being said, reporting and information gaps may exist under certain circumstances due to the timing of a secondary sale of a class of ABS securities by the depositor or its affiliates following the suspension of Section 15(d) reporting for such class. By way of example, there are possible scenarios where a depositor or its affiliates could potentially acquire all registered ABS securities of a particular class that were not held by such entities prior to the Section 15(d) re-assessment determination date and then re-sell such securities to non-affiliates in secondary transactions during the course of the fiscal year. In order to balance these considerations, MetLife believes that the Proposed Rule should be amended to replace the annual re-assessment of Section 15(d) reporting obligations with a semi-annual reassessment and to also include an anti-avoidance provision therein.

The SEC has also asked whether suspension of the duty to file ongoing Exchange Act reports should be triggered earlier than as set forth in the Proposed Rule, whether based on holdings by a limited number of non-affiliates or based on the percentage of remaining pool assets held by non-affiliates or through passage of a mandatory period of time. In MetLife's view, the duty to file should remain in effect even if a limited number of non-affiliates hold the securities or even if several years have passed since the time of the registered offering. As the Commission Staff is aware, securities involved in ABS transactions often have durations that last for many years. For this reason, MetLife believes that a mandatory reporting obligation (such as three or five years) would be insufficient to provide investors with adequate reporting during the life of a transaction.

The SEC has asked whether a suspension standard based on minimum ownership thresholds by non-affiliates (such as holdings by a limited number of non-affiliates or the percentage of pool assets held by non-affiliates of the depositor) would be appropriate. In our opinion, use of a minimum ownership threshold would not be suitable because the securities are traded frequently in the markets and it is conceivable that the filing obligation could be suspended and reinstated with some degree of frequency. We believe this would be likely to cause information gaps and confusion among investors in the market.

In addition, MetLife believes that the Proposed Rule's use of the term "held" should be clarified. As the Commission staff may be aware, most registered ABS securities are held of record by a custodian or broker on behalf of the actual beneficial owners of the securities. Unless the Rule 15d-22(b) is amended to

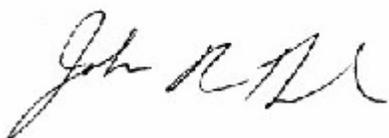
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require a “look through” to the beneficial owners of the ABS securities, it is possible that a depositor’s brokerage or custodial operations could be treated as affiliated holders under the Proposed Rule, even though they are holding such securities on behalf of beneficial owners who are non-affiliates of the depositor. In this scenario, it is possible that Exchange Act reporting would be suspended. In order to address this concern, MetLife respectfully requests that the Commission amend Rule 15d-22(b) by replacing the words “held by non-affiliates of the depositor” with “held or beneficially owned by non-affiliates of the depositor.”

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Thank you in advance for providing MetLife with the opportunity to comment on the Dodd-Frank §942(a) Release. If you have any questions concerning the views or recommendations MetLife has expressed in this Comment Letter, please feel free to contact either Jonathan Rosenthal of our Investments Department (at 973.355.4777; jrosenthal@metlife.com), Terry McCoy of MetLife Bank (at 214.441.5415; tmccoy@metlife.com) or Kristin Smith of our Government and Industry Relations Department (at 202.466.6224; ksmith4@metlife.com).

Respectfully submitted,



Jonathan L. Rosenthal
Senior Managing Director – Core Securities
Metropolitan Life Insurance Company

cc: The Honorable Mary L. Schapiro, Chairman
The Honorable Kathleen L. Casey, Commissioner
The Honorable Elisse B. Walter, Commissioner
The Honorable Luis A. Aguilar, Commissioner
The Honorable Troy A. Paredes, Commissioner

Meredith Cross, Director, Division of Corporation Finance
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