METLIFE INC
Form 11-K
June 27, 2013
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

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

For the fiscal year ended December 31, 2012

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:

New England Life Insurance Company Agents Deferred Compensation Plan and Trust

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

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New England Life Insurance Company

Agents   Deferred Compensation Plan and Trust

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

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of

New England Life Insurance Company Agents Deferred Compensation Plan and Trust

We have audited the accompanying statements of net assets available for benefits of New England Life Insurance Company Agents Deferred Compensation Plan and Trust (the Plan) as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012. 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, 2012 and 2011, and the changes in net assets available for benefits for the year ended December 31, 2012 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, 2012 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 2012 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, 2013

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New England Life Insurance Company

Agents Deferred Compensation Plan and Trust

Statements of Net Assets Available for Benefits

	As of December 31, 2012	2011
Assets:		
Participant directed investments at estimated fair value (see Note 3)	$ 140,498,936	$ 131,684,884
Notes receivable from Participants	3,532,365	3,531,642
Total assets	144,031,301	135,216,526
Adjustment from estimated fair value to contract value for fully benefit-responsive stable value fund	(1,693,276)	1,021,702
Net assets available for benefits	**$ 142,338,025**	**$ 136,238,228**

See accompanying notes to financial statements.

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New England Life Insurance Company

Agents Deferred Compensation Plan and Trust

Statement of Changes in Net Assets Available for Benefits

	For the Year Ended December 31, 2012
Additions to net assets attributed to:	
Employer contributions	$ 4,742,670
Interest income on notes receivable from Participants	127,890
Interest and dividends	4,822,306
Net appreciation in estimated fair value of investments (see Note 4)	6,250,364
Reallocated fees	25,980
Total additions	**15,969,210**
Deductions from net assets attributed to:	
Benefit payments to participants	9,869,413
Net increase in net assets	6,099,797
Net assets available for benefits:	
Beginning of year	136,238,228
End of year	**$ 142,338,025**

See accompanying notes to financial statements.

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New England Life Insurance Company

Agents Deferred Compensation Plan and Trust

Notes to Financial Statements

1. Description of the Plan

The following description of New England Life Insurance Company Agents Deferred Compensation Plan and Trust, as amended (the Plan), is provided for general information purposes only. Participants (as defined below under Participation) should refer to the Plan document for a more complete description of the Plan.

General Information

The Plan is a noncontributory profit sharing defined contribution plan that is designed to comply with the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and the United States Internal Revenue Code (IRC). The administrator of the Plan (the Plan Administrator) is an officer of New England Life Insurance Company (the Company), a wholly-owned subsidiary of Metropolitan Life Insurance Company (MetLife). Recordkeeping services are performed for the Plan by a third party unaffiliated with the Company, the Plan s Recordkeeper.

The Plan provides investment options in three categories Target Retirement Funds, Individual Core Investment Funds, and a Self-Directed Brokerage Account (SDB). The Target Retirement Funds, the Individual Core Investment Funds (with the exception of a fund holding primarily shares of common stock of MetLife, Inc. (the MetLife Company Stock Fund) and the NEF Stable Value Fund), and the SDB are held in trust by Orchard Trust Company, LLC, as trustee. Participants may allocate contributions to each fund. The MetLife Company Stock Fund is held in the New England Insurance Company Defined Contribution Plans Master Trust (the New England Master Trust) (see Note 5) by The Bank of New York Mellon Corporation (BNY Mellon), as trustee.

Following are the fund choices within the Target Retirement Funds and Individual Core Investment Funds categories:

Target Retirement Funds	Individual Core Investment Funds
Vanguard Target Retirement Income Fund	NEF Stable Value Fund
Vanguard Target Retirement 2010 Fund	Vanguard Total Bond Market Index Institutional Fund
Vanguard Target Retirement 2015 Fund	BlackRock Equity Dividend Institutional Fund*
Vanguard Target Retirement 2020 Fund	Vanguard Institutional Index Fund
Vanguard Target Retirement 2025 Fund	T. Rowe Price Blue Chip Growth Fund
Vanguard Target Retirement 2030 Fund	Vanguard Mid Capitalization Index Institutional Fund
Vanguard Target Retirement 2035 Fund	Vanguard Small Cap Index Fund
Vanguard Target Retirement 2040 Fund	Loomis Sayles Small Cap Growth Institutional Fund
Vanguard Target Retirement 2045 Fund	Vanguard Total International Stock Index Institutional Fund
Vanguard Target Retirement 2050 Fund	MetLife Company Stock Fund

* BlackRock Equity Dividend Institutional Fund replaced Goldman Sachs Large Cap Value Institutional Fund effective September 4, 2012.

Note: Natixis CGM Advisor Targeted Equity A Fund was no longer offered by the Plan as of September 4, 2012.

The Target Retirement Funds and the Individual Core Investment Funds together are referred to as the Core Funds . The Core Funds represent investments in publicly available mutual funds managed by a third-party investment management firm and an investment in the general account of MetLife. To supplement the Core Funds, the Plan offers to all Participants the ability to transfer funds out of the Core Funds into a SDB. The SDB 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.

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 other funds 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 the New England Master Trust (see Note 5) by BNY Mellon, as trustee.

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New England Life Insurance Company

Agents Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

Prior to January 1, 2007, Participants had an option to invest any part of their account balance in life insurance. The following terms and conditions apply to Participants currently invested in Cash Value Life Insurance policies (Life Insurance): (i) the total premium payments for life insurance must be less than 50% of the aggregate employer contributions allocated to the Participant s account for any particular time, (ii) the Plan shall pay all premiums on such policies from each Participant s account, shall own all such policies, and shall exercise any and all incidents of ownership therein, (iii) at, or prior to, the Participant s Normal Retirement Date (the last day of the month in which the Participant attains age 65) or Deferred Retirement Date (the last day of the month following Normal Retirement Date on which an active Participant actually retires), the Plan Administrator shall, at its discretion, distribute all policies to the Participant, or convert the policies into cash by surrender so that no portion of such policies values may be used to continue life insurance protection beyond retirement.

Participation

Full-time insurance agents of the Company (as defined in and with such exceptions as set forth in the Plan document) are eligible to participate in the Plan on the first day of the month following the completion of two years of service. Those who do so are Participants.

Participant Accounts

The Recordkeeper maintains individual account balances for each Participant. Each Participant s account is credited with contributions, charged with withdrawals, and allocated investment earnings or losses as provided by the Plan document.

Contributions

Each year, the Company contributes to the Plan an amount equal to 11.667% of eligible commissions as defined in the Plan document on behalf of each Participant. Such contributions are subject to certain IRC limitations. There are no Participant Contributions to the Plan.

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, if the Participant has died, the Participant s beneficiary) request in connection with his or her retirement, death, or total disability (as defined in the Plan document). The Participant or beneficiary may elect to receive either a lump sum, installment payments or an annuity actuarially equivalent in value to the Participant s account as of the relevant date of distribution.

For a Participant who requests that an annuity contract be purchased with their Participant s benefits under the Plan, the Plan purchases an individual annuity contract from MetLife. Upon the purchase of such annuity, the benefits thereunder become fully guaranteed by MetLife. Accordingly, the Plan s financial statements exclude assets which pertain to such annuity contracts.

Upon termination of employment other than retirement, death, or total disability, Participants may receive benefits in the form of a lump sum or installment payments.

Additionally, Participants who reach age 59 $^{1}/_{2}$ are allowed to take up to 25% of their account balance while they remain actively employed by the Company and actively participating in the Plan.

Vesting

Participants account balances are 100% vested at all times.

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Agents Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

Notes Receivable from Participants

A Participant may borrow from his or her account up to a maximum of $50,000 (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 that 1% over the prime rate published in The Wall Street Journal on the last business day of the quarter before the loan is originated. The principal of and interest on the loans are paid ratably through monthly deductions from the bank account specified by the Participant. Loan repayments are made to the Core Funds in accordance with the Participant s contribution investment allocation at the time of repayment.

Plan Amendment

For the years ended December 31, 2012 and 2011, the following material Plan amendment was adopted and became effective:

Effective October 31, 2011, the Plan was amended to allow individuals who reached age 59 1/2 to take up to 25% of their account balance while they remain actively employed by the Company and actively participating in the Plan.

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. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan utilizes various investment vehicles, including the insurance company general account, mutual funds, life insurance, and the MetLife Company Stock Fund. 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.

Investment Valuation and Income Recognition

The Plan s investments are reported at estimated fair value. The NEF Stable Value Fund, which represents a fully benefit-responsive stable value fund in the general account of MetLife (see Note 7), is reported 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 the NEF Stable Value Fund, is presented on a contract value basis.

Participant directed investments 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.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded as earned. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

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New England Life Insurance Company

Agents Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

Contributions

Contributions are recognized when due.

Notes Receivable from Participants

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

Investment Management Fees and Operating Expenses

Except for a limited amount of fees related to Participant transactions, operating expenses of the Plan are paid by the Company. Investment management fees charged to the Plan are paid out of the assets of the Plan and 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.

Payment of Benefits

Benefit payments to Participants are recorded when paid.

Adoption of New Accounting Pronouncement

Effective January 1, 2012, the Plan adopted new guidance regarding fair value measurements that establishes common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and International Financial Reporting Standards. Some of the new guidance clarifies the Financial Accounting Standards Board s (FASB) intent on the application of existing fair value measurement requirements. Other parts of the new guidance change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The adoption of this new guidance did not have a material impact on the Plan s financial statements.

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New England Life Insurance Company

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Notes to Financial Statements (Continued)

3. Investments

The Plan s investments were as follows:

	As of December 31, 2012	As of December 31, 2011
Target Retirement Funds:		
Vanguard Target Retirement Income Fund	$ 133,721	$ 103,080
Vanguard Target Retirement 2010 Fund	107,107	212,174
Vanguard Target Retirement 2015 Fund	419,996	279,693
Vanguard Target Retirement 2020 Fund	1,131,628	734,374
Vanguard Target Retirement 2025 Fund	426,795	327,717
Vanguard Target Retirement 2030 Fund	390,619	302,154
Vanguard Target Retirement 2035 Fund	958,968	552,370
Vanguard Target Retirement 2040 Fund	380,697	327,441
Vanguard Target Retirement 2045 Fund	456,927	296,933
Vanguard Target Retirement 2050 Fund	713,257	735,353
Total Target Retirement Funds	**5,119,715**	**3,871,289**
Individual Core Investment Funds (excluding MetLife Company Stock Fund):		
NEF Stable Value Fund	84,461,102*	76,604,837*
Vanguard Total Bond Market Index Institutional Fund	2,543,725	2,778,070
BlackRock Equity Dividend Institutional Fund**	6,713,510	
Goldman Sachs Large Cap Value Institutional Fund**		6,572,457
Vanguard Institutional Index Fund	14,089,702*	2,793,147
T. Rowe Price Blue Chip Growth Fund	5,330,250	4,771,049
Natixis CGM Advisor Targeted Equity A***		11,918,387*
Vanguard Mid Capitalization Index Institutional Fund	5,984,712	6,100,872
Vanguard Small Cap Index Fund	1,075,575	876,454
Loomis Sayles Small Cap Growth Institutional Fund	4,356,778	4,885,628
Vanguard Total International Stock Index Institutional Fund	5,611,313	5,103,119
Total Individual Core Investment Funds	**130,166,667**	**122,404,020**
SDB Account	2,968,138	2,987,026
Cash Value Life Insurance	1,256,188	1,310,868
Plan s interest in the New England Master Trust (see Note 5)	988,228	1,111,681
Total Investments	**$ 140,498,936**	**$ 131,684,884**

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

** BlackRock Equity Dividend Institutional Fund replaced Goldman Sachs Large Cap Value Institutional Fund effective September 4, 2012.

*** Natixis CGM Advisor Targeted Equity A Fund was no longer offered by the Plan as of September 4, 2012.

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New England Life Insurance Company

Agent s Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

4. Net Appreciation in Estimated Fair Value of Investments

The Plan s net appreciation in estimated fair value of investments (including realized and unrealized gains and losses) was as follows:

	For the Year Ended December 31, 2012
Mutual funds	$ 5,830,855
Plan s interest in the New England Master Trust (see Note 5)	86,809
SDB Account	332,700
Net appreciation in estimated fair value of investments	**$ 6,250,364**

5. Interest in New England Master Trust

The New England Master Trust was established to hold certain investments of several Company-sponsored defined contribution plans, including the Plan. Each participating defined contribution plan has an undivided interest in the New England Master Trust. The basis for allocating the Plan s interest in the New England Master Trust for the net assets and net appreciation is the proportionate share of the Plan s holdings within the New England Master Trust. At December 31, 2012 and 2011, the Plan s interest in the net assets of the New England Master Trust was approximately 42% and 44%, respectively.

The New England Master Trust s investments were as follows:

	As of December 31,	
	2012	2011
MetLife Company Stock Fund	$ 2,373,663	$ 2,498,281
RGA Frozen Fund	17,472	17,005
Total net assets available in the New England Master Trust	**$ 2,391,135**	**$ 2,515,286**
Plan s interest in the New England Master Trust	**$ 988,228**	**$ 1,111,681**

The New England Master Trust s net appreciation in the estimated fair value of investments (including realized and unrealized gains and losses) was as follows:

	For the Year Ended December 31, 2012
MetLife Company Stock Fund	$ 204,109
RGA Frozen Fund	670

Net appreciation in estimated fair value of investments	**$**	**204,779**
Plan s share of net appreciation in estimated fair value of investments	**$**	**86,809**

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Agent s Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

6. Fair Value Measurements

When developing estimated fair values, 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 Plan s policy is to recognize significant transfers between levels at the beginning of the reporting period.

The estimated fair values of the Plan s interests in the Core Funds (excluding the MetLife Company Stock Fund), which represent investments in publicly available mutual funds, are valued at quoted market prices, which represent the net asset values (NAV) of shares published by the respective fund managers on the applicable reporting date.

The estimated fair value of the funds held in the SDB is determined by reference to the underlying shares of the publicly available mutual funds held within each Participant s respective account. Such estimated fair value is based on the NAV published by the respective fund managers on the applicable reporting date.

The estimated fair value of the Life Insurance is determined by the cash surrender value (CSV). CSV is based on the sum of monies held in the policies after adjustments for cost of insurance and dividends.

The NEF Stable Value Fund represents the Plan s fully benefit-responsive stable value fund in the general account of MetLife (see Note 7). Estimated fair value of the NEF Stable Value Fund was calculated by discounting the contract value, which is payable in ten annual installments upon termination of the contract by the Plan, using the yield of the Moody s Baa Industrial Bond Index on the appropriate valuation dates.

The estimated fair value of the Plan s interest in the New England Master Trust (see Note 5) is determined by reference to the underlying assets held in the trust. These underlying assets represent 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. At December 31, 2012 and 2011, the Plan s percentage interest in the net assets of the New England Master Trust was approximately 42% and 44%, respectively. The underlying assets of the New England Master Trust at December 31, 2012 and 2011 were principally comprised of the MetLife Company Stock Fund and the RGA Frozen Fund, each of which is a fund offered in the Plan that is available exclusively to Participants, and each of which is described more fully in Note 1. Interest, dividends and administrative expenses relating to the New England Master Trust are allocated to each participating defined contribution plan based upon average daily balances invested by each plan.

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

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Agent s Deferred Compensation Plan and Trust

Notes to Financial Statements (Continued)

Plan assets have been classified in their entirety within a level of the fair value hierarchy based on the lowest level of input that is significant to the estimated fair value measurement, as set forth. For the years ended December 31, 2012 and 2011, there were no significant transfers between levels.

	Assets Held Outside the New England Master Trust Estimated Fair Value Measurements at December 31, 2012			
	Total	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Investments in mutual funds - balanced funds:				
Vanguard Target Retirement Income Fund	$ 133,721	$ 133,721	$	$
Vanguard Target Retirement 2010 Fund	107,107	107,107		
Vanguard Target Retirement 2015 Fund	419,996	419,996		
Vanguard Target Retirement 2020 Fund				