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| | **Comments Template on EIOPA-CP-14-065**<br>**Draft proposal for Level 3 Guidance on valuation of assets and liabilities other than technical provisions** | **Deadline**<br>**02.Mar.2015**<br>**23:59 CET** |
| Company name: | MetLife | |
| Disclosure of comments: | EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.<br><br>Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential. | Public |
| | Please follow the instructions for filling in the template:<br>⇨ Do **not** change the numbering in column "Reference".<br>⇨ Please fill in your comment in the relevant row. If you have no comment on a paragraph, keep the row empty.<br>⇨ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below.<br>○ If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies.<br>○ If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment itself.<br>**Please send the completed template to Consultation_Set2@eiopa.europa.eu, in MSWord Format, (our IT tool does not allow processing of any other formats).**<br><br>The paragraph numbers below correspond to Consultation Paper No. EIOPA-CP-14-065. | |
| **Reference** | **Comment** | |
| General Comment | | |
| 1.1. | | |
| 1.2. | | |
| 1.3. | | |
| 1.4. | | |

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| 1.5. | | |
| 1.6. | It is possible that alternative valuation methods (such as, those determined in accordance with local GAAP), may be used to determine fair value, so long as they are consistent to the exit price notion under Solvency II and IFRS 13. Hence, reference to fair value should not be restricted only to IFRS or adjustments to IFRS. | |
| 1.7. | | |
| 1.8. | | |
| 1.9. | | |
| 1.10. | | |
| 1.11. | | |
| 1.12. | | |
| 1.13. | | |
| 1.14. | | |
| 1.15. | | |
| Guideline 1 | | |
| Guideline 2 | | |
| Guideline 3 | With respect to plant and equipment, depreciated cost should be explicitly allowed as a proxy to the economic value. Their revaluation, should the need so arise, would result in significant administrative and cost burden on users with no real benefits to such economic valuation. | |
| Guideline 4 | We believe that it should be possible to adjust the economic value of property from the date of last valuation to the reporting date, using appropriate benchmarks (e.g. property indices), so long as full appraisal are performed at sufficient frequency to meet any existing legal requirements (e.g. 3 years in the UK) or to not result in an unreliable economic value. | |
| Guideline 5 | | |
| Guideline 6 | | |
| Guideline 7 | | |
| Guideline 8 | We oppose requiring contingent liabilities to be valued on-balance sheet, given they are off-balance sheet for accounting purposes, unless in the context of business combinations. As contingent | |

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| | liabilities by their very nature have low probability of future outflow and amount of obligation cannot be determined with reasonable certainty, it would be difficult to robustly value them. | |
| Guideline 9 | | |
| Guideline 10 | | |
| Guideline 11 | | |
| Guideline 12 | | |
| Explanatory text Guideline 5 | | |
| Explanatory text Guideline 6/7 | | |
| Explanatory text Guideline 8 | | |
| Explanatory text Guideline 9 | | |
| Explanatory text Guideline 10 | | |
| Explanatory text Guideline 11 | | |
| Explanatory text: Table consistency of IFRS valuation | IAS 8 provides guidance on changes to methodology, estimates and errors, and how they should be presented. For Solvency II, insurers face similar issues for which clear guidance is needed. | |
| Technical Annex | | |
| Annex I: Impact Assessment | | |
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