

“IBHC”) may voluntarily be supervised by the Commission as a supervised investment bank holding company (or “SIBHC”).<sup>3</sup> In 2004, the Commission promulgated rules, including Rule 17i-6, to create a framework for the Commission to supervise SIBHCs.<sup>4</sup> This framework includes qualification criteria for SIBHCs, as well as recordkeeping and reporting requirements. Among other things, this regulatory framework for SIBHCs is intended to provide a basis for non-U.S. financial regulators to treat the Commission as the principal U.S. consolidated home-country supervisor for SIBHCs and their affiliated broker-dealers.<sup>5</sup>

Pursuant to Section 17(i)(3)(A) of the Exchange Act, an SIBHC must make and keep records, furnish copies thereof, and make such reports as the Commission may require by rule.<sup>6</sup> Rule 17i-6 requires that an SIBHC file with the Commission certain monthly and quarterly reports and an annual audit report.

The collections of information required by Rule 17i-6 are necessary to allow the Commission to adequately to supervise the activities of these SIBHCs and to effectively determine whether supervision of an IBHC as an SIBHC is necessary or appropriate in furtherance of the purposes of Section 17 of the Act. Rule 17i-6s also enhances the Commission’s supervision of a SIBHCs’ subsidiary broker-dealers through collection of additional information and inspections of affiliates of those broker-dealers. Without these reports, the Commission would be unable to adequately supervise an SIBHC, nor would it be able to determine whether continued supervision of an IBHC as an SIBHC were necessary and appropriate in furtherance of the purposes of Section 17 of the Act.

We estimate that three IBHCs will file Notices of Intention with the Commission to be supervised by the Commission as SIBHCs. An SIBHC will require about 8 hours to prepare and file each monthly report required by this rule (or approximately 64 hours per year).<sup>7</sup> On average, it will take an SIBHC about 16 hours each quarter (or 64 hours

each year)<sup>8</sup> to prepare and file the quarterly reports required by this rule. An SIBHC will require about 200 hours to prepare and file the annual audit reports required by this rule. Consequently, the total annual burden of Rule 17i-6 on all SIBHCs is approximately 984 hours.<sup>9</sup>

Rule 17i-6 requires that an SIBHC file certain monthly and quarterly reports with the Commission, as well as an annual audit report. The average cost for an SIBHC to prepare and file the monthly reports is about \$1,424 per month, and thus approximately \$11,392 per year.<sup>10</sup> On average, an SIBHC will incur a quarterly cost of \$2,848 to prepare and file the required quarterly reports, and thus will incur an annual cost of \$11,392 to file these reports.<sup>11</sup> Finally, an SIBHC, on average, will incur an annual cost of \$40,400 to prepare and file an annual audit.<sup>12</sup> Thus, the total dollar cost of the ongoing paperwork burden associated with Rule 17i-6 is approximately \$189,552.<sup>13</sup>

We believe that an IBHC likely will upgrade its information technology (“IT”) systems in order to more efficiently comply with certain of the SIBHC framework rules (including Rules 17i-4, 17i-5, 17i-6 and 17i-7), and that this would be a one-time cost. Depending on the state of development of the IBHC’s IT systems, it would cost an IBHC between \$1 million and \$10 million to upgrade its IT systems to comply with the SIBHC framework of rules. Thus, on average, it would cost each of the three IBHCs about \$5.5

<sup>8</sup> (16 hours × 4 quarters in a year) = 64 hours/year.

<sup>9</sup> (64 hours per year to prepare and file monthly reports + 64 hours each year to prepare and file quarterly reports + 200 hours each year to prepare and file annual audit reports) × 3 SIBHCs = 984 hours.

<sup>10</sup> We believe that an SIBHC would have a Senior Accountant prepare and file these reports. According to the Securities Industry Financial Management Association (or “SIFMA”), the hourly cost of a Senior Accountant is \$178, as reflected in the SIFMA’s *Report on Management and Professional Earnings for 2008*, and modified to account for an 1,800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead. (\$178 × 8 hours) = \$1,424. (\$1,424 × 8 months) = \$11,392.

<sup>11</sup> We believe that an SIBHC would have a Senior Accountant prepare and file these reports. The hourly cost of a Senior Accountant is \$178. (\$178 × 16 hours) = \$2,842. (\$2,842 × 4 quarters) = \$11,392.

<sup>12</sup> We believe that an SIBHC would have a Senior Internal Auditor work with accountants to prepare and file these reports. According to the SIFMA, the hourly cost of a Senior Internal Auditor is \$202, as reflected in its *Report on Management and Professional Earnings for 2008*, and modified to account for an 1,800-hour work-year and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead. (\$202 × 200 hours) = \$40,400.

<sup>13</sup> ((\$11,392 + \$11,392 + \$40,400) × 3 SIBHCs) = \$189,552.

million to upgrade their IT systems, or approximately \$16.5 million in total. It is impossible to determine what percentage of the IT systems costs would be attributable to each Rule, so we allocated the total estimated upgrade costs equally (at 25% for each of the above-mentioned Rules), with \$4,125,000 attributable to Rule 17i-6.

The reports and notices required to be filed pursuant to Rule 17i-6 must be preserved for a period of not less than three years.<sup>14</sup> The collection of information is mandatory and the information required to be provided to the Commission pursuant to this Rule is deemed confidential pursuant to Section 17(j) of the Securities Exchange Act of 1934<sup>15</sup> and Section 552(b)(3)(B) of the Freedom of Information Act,<sup>16</sup> notwithstanding any other provision of law. In addition, paragraph 17i-6(h) specifies that all reports and statements filed by an SIBHC in accordance with Rule 17i-6 shall be accorded confidential treatment.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number.

*Comments should be directed to:* (i) Desk Officer for the Securities and Exchange Commission Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC, 20503 or by sending an e-mail to: [Shagufta\\_Ahmed@comb.eop.gov](mailto:Shagufta_Ahmed@comb.eop.gov); and (ii) Charles Boucher, Director/Chief Information Officer, Securities and Exchange Commission, c/o Shirley Martinson, 6432 General Green Way, Alexandria, Virginia 22312 or send an e-mail to [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: December 30, 2009.

**Florence E. Harmon,**

*Deputy Secretary.*

[FR Doc. 2010-5 Filed 1-6-10; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Submission of OMB Review; Comment Request

Upon Written Request, Copies Available  
From: Securities and Exchange  
Commission, Office of Investor

<sup>14</sup> 17 CFR 240.17i-5(b)(3).

<sup>15</sup> 15 U.S.C. 78q(j)

<sup>16</sup> 5 U.S.C. 552(b)(3)(B).

<sup>3</sup> See 15 U.S.C. 78q(i).

<sup>4</sup> See Exchange Act Release No. 49831 (Jun. 8, 2004), 69 FR 34472 (Jun. 21, 2004).

<sup>5</sup> See H.R. Conf. Rep. No. 106-434, 165 (1999). See also Exchange Act Release No. 49831, at 6 (Jun. 8, 2004), 69 FR 34472, at 34473 (Jun. 21, 2004).

<sup>6</sup> 15 U.S.C. 78q(i)(3)(A).

<sup>7</sup> The SIBHC must file with the Commission a monthly report within 30 calendar days after the end of each month that does not coincide with a fiscal quarter end. Consequently, the SIBHC must file a monthly report 8 times each year. (8 hours × 8 months) = 64 hours/year.

Education and Advocacy,  
Washington, DC 20549-0213.

*Extension:* Rule 31a-2, SEC File No. 270-  
174, OMB Control No. 3235-0179.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), the Securities and Exchange Commission (the "Commission") has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Section 31(a)(1) of the Investment Company Act of 1940<sup>1</sup> (the "Act") requires registered investment companies ("funds") and certain principal underwriters, broker-dealers, investment advisers and depositors of funds to maintain and preserve records as prescribed by Commission rules. Rule 31a-1<sup>2</sup> specifies the books and records that each of these entities must maintain. Rule 31a-2,<sup>3</sup> which was adopted on April 17, 1944, specifies the time periods that entities must retain books and records required to be maintained under rule 31a-1.

*Rule 31a-2 requires the following:*

1. Every fund must preserve permanently, and in an easily accessible place for the first two years, all books and records required under rule 31a-1(b)(1)-(4).<sup>4</sup>

2. Every fund must preserve for at least six years, and in an easily accessible place for the first two years:

a. All books and records required under rule 31a-1(b)(5)-(12);<sup>5</sup>

b. all vouchers, memoranda, correspondence, checkbooks, bank statements, canceled checks, cash reconciliations, canceled stock certificates and all schedules that support each computation of net asset value of fund shares;

c. any advertisement, pamphlet, circular, form letter or other sales literature addressed or intended for distribution to prospective investors;

d. any record of the initial determination that a director is not an interested person of the fund, and each subsequent determination that the director is not an interested person of the fund, including any questionnaire and any other document used to determine that a director is not an interested person of the company;

e. any materials used by the disinterested directors of a fund to determine that a person who is acting as legal counsel to those directors is an independent legal counsel; and

f. any documents or other written information considered by the directors of the fund pursuant to section 15(c) of the Act in approving the terms or renewal of a contract or agreement between the company and an investment advisor.

3. Every underwriter, broker or dealer that is a majority-owned subsidiary of a fund must preserve records required to be preserved by brokers and dealers under rules adopted under section 17 of the Securities Exchange Act of 1934<sup>6</sup> ("section 17") for the periods established in those rules.

4. Every depositor of any fund, and every principal underwriter of any fund other than a closed-end fund, must preserve for at least six years records required to be preserved by brokers and dealers under rules adopted under section 17 to the extent the records are necessary or appropriate to record the entity's transactions with the fund.

5. Every investment adviser that is a majority-owned subsidiary of a fund must preserve the records required to be maintained by investment advisers under rules adopted under section 204 of the Investment Advisers Act of 1940<sup>7</sup> ("section 204") for the periods specified in those rules.

6. Every investment adviser that is not a majority-owned subsidiary of a fund must preserve for at least six years records required to be maintained by registered investment advisers under rules adopted under section 204 to the extent the records are necessary or appropriate to reflect the adviser's transactions with the fund.

The records required to be maintained and preserved under this part may be maintained and preserved for the required time by, or on behalf of, a fund on (i) Micrographic media, including microfilm, microfiche, or any similar medium, or (ii) electronic storage media,

including any digital storage medium or system that meets the terms of this section. The fund, or person that maintains and preserves records on its behalf, must arrange and index the records in a way that permits easy location, access, and retrieval of any particular record.<sup>8</sup>

The Commission periodically inspects the operations of all funds to ensure their compliance with the provisions of the Act and the rules under the Act. The Commission staff spends a significant portion of their time in these inspections reviewing the information contained in the books and records required to be kept by rule 31a-1 and to be preserved by rule 31a-2.

There are approximately 4,522 registered investment companies ("funds") as of September 30, 2009, all of which are required to comply with rule 31a-2. Based on conversations with representatives of the fund industry and past estimates, our staff estimates that each fund currently spends 220 hours per year complying with rule 31a-2. Based on these estimates, our staff estimates that the total annual burden for a fund to comply with rule 31a-2, is 220 hours, with a total annual burden for all funds of 994,840 hours.<sup>9</sup>

The hour burden estimates for retaining records under rule 31a-2 are based on our experience with registrants and our experience with similar requirements under the Act and the rules under the Act. The number of burden hours may vary depending on, among other things, the complexity of the fund, the issues faced by the fund, and the number of series and classes of the fund. The estimated average burden hours are made solely for purposes of the Paperwork Reduction Act and are

<sup>8</sup> In addition, the fund, or whoever maintains the documents for the fund must provide promptly any of the following that the Commission (by its examiners or other representatives) or the directors of the fund may request: (A) A legible, true, and complete copy of the record in the medium and format in which it is stored; (B) a legible, true, and complete printout of the record; and (C) means to access, view, and print the records; and separately store, for the time required for preservation of the original record, a duplicate copy of the record on any medium allowed by this section. In the case of records retained on electronic storage media, the fund, or person that maintains and preserves records on its behalf, must establish and maintain procedures: (i) To maintain and preserve the records, so as to reasonably safeguard them from loss, alteration, or destruction; (ii) to limit access to the records to properly authorized personnel, the directors of the fund, and the Commission (including its examiners and other representatives); and (iii) to reasonably ensure that any reproduction of a non-electronic original record on electronic storage media is complete, true, and legible when retrieved.

<sup>9</sup> This estimate is based on the following calculation: 4,522 registered investment companies × 220 hours = 994,840 total hours.

<sup>1</sup> 15 U.S.C. 80a-30(a)(1).

<sup>2</sup> 17 CFR 270.31a-1.

<sup>3</sup> 17 CFR 270.31a-2.

<sup>4</sup> 17 CFR 270.31a-1(b)(1)-(4). These include, among other records, journals detailing daily purchases and sales of securities or contracts to purchase and sell securities, general and auxiliary ledgers reflecting all asset, liability, reserve, capital, income and expense accounts, separate ledgers reflecting, separately for each portfolio security as of the trade date all "long" and "short" positions carried by the fund for its own account, and corporate charters, certificates of incorporation and by-laws.

<sup>5</sup> 17 CFR 270.31a-1(b)(5)-(12). These include, among other records, records of each brokerage order given in connection with purchases and sales of securities by the fund, all other portfolio purchases, records of all puts, calls, spreads, straddles or other options in which the fund has an interest, has granted, or has guaranteed, records of proof of money balances in all ledger accounts, files of all advisory material received from the investment adviser, and memoranda identifying persons, committees or groups authorizing the purchase or sale of securities for the fund.

<sup>6</sup> 15 U.S.C. 78q.

<sup>7</sup> 15 U.S.C. 80b-4.

not derived from quantitative, comprehensive, or even representative survey or study of the burdens associated with our rules and forms.

The Commission staff estimates the average cost of preserving books and records required by rule 31a-2, to be approximately \$70,000 annually per fund. As discussed previously, there are approximately 4,522 funds currently operating, for a total cost of preserving records as required by rule 31a-2 of \$316,540,000 per year.<sup>10</sup> Our staff understands, however, based on conversations with representatives of the fund industry, that funds would already spend approximately half of this amount (\$158,270,000) to preserve these same books and records, as they are also necessary to prepare financial statements, meet various state reporting requirements, and prepare their annual federal and state income tax returns. Therefore, we estimate that the total annual cost burden for funds as a result of compliance with rule 31a-2 is \$158,270,000 per year.

These estimates of average costs are made solely for the purposes of the Paperwork Reduction Act. The estimate is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

*Please direct general comments regarding the above information to the following persons:* (i) Desk Officer for the Securities and Exchange Commission, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503 or send an e-mail to Shagufta Ahmed at [Shagufta\\_Ahmed@omb.eop.gov](mailto:Shagufta_Ahmed@omb.eop.gov); and (ii) Charles Boucher, Director/CIO, Securities and Exchange Commission, C/O Shirley Martinson, 6432 General Green Way, Alexandria, VA 22312; or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov). Comments must be submitted to OMB within 30 days of this notice.

Dated: December 30, 2009.

**Florence E. Harmon,**  
Deputy Secretary.

[FR Doc. 2010-6 Filed 1-6-10; 8:45 am]

**BILLING CODE 8011-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-29101; 812-13549]

### MetLife, Inc. and MetLife Capital Trust V; Notice of Application

December 30, 2009.

**AGENCY:** Securities and Exchange Commission ("Commission").

**ACTION:** Notice of an application under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from all provisions of the Act.

**SUMMARY OF APPLICATION:** MetLife Capital Trust V (the "Trust") and MetLife, Inc. ("MetLife") request an order that would permit the Trust to sell debt securities or non-voting preferred stock and use the proceeds to finance the business operations of its parent company or a controlled company of the parent company.

**FILING DATES:** The application was filed on July 21, 2008, and amended on January 16, 2009, August 13, 2009, November 16, 2009 and November 27, 2009.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on January 25, 2010, and should be accompanied by proof of service on applicant, in the form of an affidavit, or for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

**ADDRESSES:** Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090. Applicants, 200 Park Avenue, New York, NY 10166-0188.

**FOR FURTHER INFORMATION CONTACT:** Laura L. Solomon, Senior Counsel, at (202) 551-6915, or Julia Kim Gilmer, Branch Chief, at (202) 551-6871 (Division of Investment Management, Office of Investment Company Regulation).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained via the Commission's Web site by searching for the file

number, or an applicant using the Company name box, at <http://www.sec.gov/search/search.htm> or by calling (202) 551-8090.

### Applicants' Representations

1. The Trust is a statutory trust formed under Delaware law and pursuant to a Declaration of Trust that MetLife signed as sponsor. As sponsor, MetLife is currently the sole beneficial owner of the Trust.<sup>1</sup> MetLife, a Delaware corporation, is an insurance holding company that, through its subsidiaries and affiliates, offers life insurance, annuities, automobile and homeowners insurance, retail banking and other financial services to individuals, as well as group insurance and retirement and savings products and services to corporations and other institutions.<sup>2</sup>

2. The Trust was formed for the purpose of funding the operations of MetLife or its Controlled Companies through the issuance of debt securities or non-voting preferred stock (the "Finance Subsidiary Securities"). The Trust has not yet begun operations.

3. MetLife currently contemplates that a MetLife Finance Subsidiary will offer Finance Subsidiary Securities in private placement transactions in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), or through public offerings that are registered under the Securities Act.

<sup>1</sup> If the Trust issues common securities, MetLife or a Controlled Company (defined below) will own all of the common securities issued by the Trust. MetLife, as sponsor, will at all times control the Trust in all material respects, including having the sole right to select, remove or replace the Trust administrators. A Controlled Company may be a wholly-owned or majority-owned subsidiary of MetLife through which MetLife conducts its insurance, banking and broker-dealer business, or an entity that is or would be, after giving effect to the requested order, "controlled by" MetLife within the meaning of paragraph (b)(3) of rule 3a-5 under the Act.

<sup>2</sup> Applicants request that the order also apply to any existing or future company controlled by MetLife that is an insurance company or a bank (as defined in section 2(a) of the Act) or a holding company primarily engaged in the business of an insurance company or a bank, that relies on section 3(c)(3) and/or section 3(c)(6) of the Act, and that, except for its reliance on section 3(c)(3) and/or section 3(c)(6), acts as a "parent company" within the meaning of rule 3a-5 under the Act (such companies, together with MetLife, "Parent Companies" and each, individually, a "Parent Company") and to certain finance subsidiaries wholly owned by a Parent Company or a controlled company of such Parent Company ("Controlled Company of the Parent Company") that currently exist or that may be established or acquired in the future (such finance subsidiaries, together with the Trust, "MetLife Finance Subsidiaries"). The Trust is the only MetLife Finance Subsidiary that presently intends to rely on the requested order. Any MetLife entity that relies on the requested order in the future will comply with the terms and conditions of the application.

<sup>10</sup> This estimate is based on the following calculation: 4,522 funds × \$70,000 = \$316,540,000.