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THE Committee OF Annuity Insurers
www.annuity-insurers.org

September 21, 2026

VIA ELECTRONIC SUBMISSION

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Electronic Delivery of Information Under the Federal Securities Laws (File No. S7-2026-25)

Dear Ms. Countryman,

The Committee of Annuity Insurers (the "CAI") is submitting this letter in response to the request by the U.S. Securities and Exchange Commission (the "SEC" or "Commission") for comments on the proposed rulemaking titled *Electronic Delivery of Information Under the Federal Securities Laws* (the "Proposal").[1] This rulemaking represents a long-awaited modernization in the delivery of information under the federal securities laws. Regulation E-Delivery will significantly expand the ability of issuers and intermediaries to use electronic media to satisfy their delivery obligations, including for SEC-registered variable and non-variable insurance contracts issued by the CAI's member companies and other life insurance companies.

Since the SEC originally promulgated its guidance on e-delivery over thirty years ago (the "E-Delivery Guidance"),[2] there have been transformative advances in communication technologies, broad adoption of these technologies by the investing public, and profound changes in how the world interacts. The E-Delivery Guidance has not kept pace with those advances, and the patchwork of intervening rules and regulations relating to e-delivery has adversely impacted investors and regulated entities.

The CAI therefore applauds the Commission's modernization efforts and enthusiastically supports the overall Proposal. Regulation E-Delivery will enhance investors' experience and reduce unnecessary costs that issuers, intermediaries, and ultimately investors bear under the current antiquated paper-driven regime.[3] While certain modifications and improvements to the Proposal, as discussed in this letter, are necessary to achieve a comprehensive and enduring electronic delivery framework—such as the inclusion of a paper notice and access option that may be utilized in the absence of an electronic address—implementing our recommendations will build upon the solid foundation established by the Proposal. Accordingly, the CAI encourages the Commission to proceed to the adoption stage of this rulemaking, and in doing so, to make the recommended modifications set forth in this letter so that the full benefits of default e-delivery may be realized.

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[1] Release Nos. 33-11430; 34-105921; 39-2564; IA-6980; IC-36252; File No. S7-2026-25 (July 16, 2026). Special terms not defined herein have the same meanings as in the Proposal.

[2] *See* Use of Electronic Media for Delivery Purposes, Release No. IC-21399 (Oct. 6, 1995); Use of Electronic Media by Broker-Dealers, Transfer Agents, and Investment Advisers for Delivery of Information, Release No. IC-21945 (May 9, 1996); Use of Electronic Media, Release No. IC-24426 (Apr. 28, 2000).

[3] To this end, the Commission should encourage FINRA and the MSRB to advance similar electronic delivery frameworks in order to achieve consistency across the securities industry.

SUMMARY

The CAI strongly supports most of the core elements of the Proposal, including the move to default e-delivery and the delivery methods under proposed Rule 102, the transition process for default e-delivery under proposed Rule 104, and the proposed exemption from the Electronic Signatures in Global and National Commerce Act (the "E-SIGN Act"). Each is an essential component of a modernized electronic delivery framework and should be included (with the CAI's recommended changes) in the final rulemaking.

There are several aspects of the Proposal, however, that should be modified to maximize the benefits of default e-delivery and improve the Regulation E-Delivery framework. These comments, as elaborated upon later in this letter, are summarized below.

- *Paper Notice and Access Option*. A paper "notice and access" option should be included so that default e-delivery may be utilized in the absence of an investor's electronic address. Without this option, a very large population of investors who do not actually prefer paper delivery will be deprived of a modern e-delivery framework, with consequential harm for issuers, intermediaries, and investors. Furthermore, by excluding an entire category of investors from Regulation E-Delivery, there will be a fundamental flaw in the new framework that will inevitably require the Commission to revisit this issue in a future rulemaking.

- *Transition Process.* With respect to the transition process under proposed Rule 104:

  - The Commission should expressly confirm that the "provided by or accepts to use" standard for an electronic address does not apply to the transition process, such that a covered entity may use any electronic address on file for a covered recipient. This is an important confirmation, as it would be entirely impractical for an issuer or intermediary to analyze and determine the specific circumstances under which potentially hundreds of thousands of electronic addresses were originally obtained.

  - The transition process should not be limited to covered recipients receiving paper as of the effective date. Rather, the transition process should be available on a go-forward basis for future situations, *i.e.*, when a covered entity has or obtains an electronic address for a covered recipient, but it has not been clearly established whether that electronic address was provided or accepted to use by the covered recipient.

  - To reduce mailing costs associated with the transition process, the Commission should modify Rule 104(c) to permit transition notices to be delivered in the same envelope as other communications, rather than requiring that the notices be provided separately.

- *Landing Page for Posted Documents.* As proposed, Regulation E-Delivery requires that a statement of availability include a hyperlink that brings a covered recipient directly to the covered information (or, in the case of covered information containing personal financial information ("PFI"), directly to the covered information after completion of an authentication process). Regulation E-Delivery should permit covered entities to route covered recipients to a landing page or other user-friendly interface (rather than to the covered information itself), provided the covered information is readily accessible from that location.

- *Document-by-Document Opt-Out.* Regulation E-Delivery should not require covered entities to allow opt-out on a document-by-document basis. To be consistent with Regulation E-Delivery as a permissive safe harbor, covered entities should be permitted to utilize an "all or nothing"

approach under which a covered entity could require a covered recipient's opt-out election to apply to all (or, at the covered entity's discretion, a specified subset of) covered information.

- *Statement of Availability Content.* The content requirements for statements of availability should be more abbreviated to promote technology neutrality and reduce the compliance burdens associated with preparing those notices. To that end, the final rulemaking should (i) permit covered entities to provide generally applicable information (*e.g.*, information regarding paper delivery requests and opt-out rights) through the website (or other interface) where the covered information is made available, rather than requiring that information to be included in each statement of availability, and (ii) reduce the amount of document-specific information that must be tailored each time a statement of availability is used.

- *Legacy E-Delivery Programs.* The Commission should provide assurance that legacy e-delivery programs used with existing investors, established and maintained in reliance on the E-Delivery Guidance, will continue to satisfy a covered entity's delivery obligations.

- *E-SIGN Act Exemption.* The proposed E-SIGN Act exemption should be expanded to generally encompass electronic delivery of information under the federal securities laws, not only information delivered in reliance on Regulation E-Delivery. Limiting the exemption to Regulation E-Delivery is inconsistent with Regulation E-Delivery as a regulatory safe harbor, as other e-delivery methods providing equal assurances of delivery would not benefit from the exemption.

- *Website Availability for Evergreen Documents.* Primarily to minimize the risk of investor confusion, proposed Rule 103(b) should be modified to expressly provide that only the current versions of prospectuses, summary prospectuses, and any other evergreen documents are to be posted on the Regulation E-Delivery website that is required when using statements of availability.

- *Preemption.* To help avoid uncertainty regarding potential conflicts between Regulation E-Delivery and state law, the Commission should expressly preempt conflicting state laws regarding the delivery of covered information.

The CAI believes that these modifications and other improvements discussed below would strengthen and help futureproof the Regulation E-Delivery framework. They would help ensure that a default e-delivery option is available for every category of investors, reduce unnecessary costs and burdens for issuers and intermediaries, and provide greater regulatory certainty. They would also further the Commission's goal of bringing information delivery into the modern age while preserving investor protection.

ABOUT THE CAI

The CAI is a coalition of life insurance companies formed in 1981 to address legislative and regulatory issues relevant to the annuity industry and to participate in the development of federal policy with respect to securities, regulatory, and tax issues affecting annuities. The CAI's 33 member companies represent approximately 80% of the annuity business in the United States.[4] For over 40 years, the CAI has been actively involved in shaping and commenting on many elements of the SEC's regulatory framework as it applies to SEC-registered insurance contracts. The CAI's advocacy efforts before the SEC are focused on achieving a regulatory framework that protects investors, is appropriately

[4] *See* Appendix A for a list of the CAI's current member companies.

contoured to the unique aspects of registered annuity and life insurance products, and minimizes unnecessary burdens and market impediments.

Over the past several years, the CAI has actively engaged with the SEC and its staff on the need for a modernized electronic delivery framework. In this regard, the CAI has recently commented in response to several SEC rulemakings and submitted various regulatory modernization recommendations to the Commissioners,[5] as well as met with Commissioners and staff to discuss its comments and recommendations. The CAI is certainly encouraged that the Proposal reflects several of the CAI's previous recommendations, including a default e-delivery option for new investors, a transition process for existing investors that receive paper, and an exemption from the E-SIGN Act.

COMMENTS IN SUPPORT OF THE PROPOSAL

Before more fully discussing the CAI's recommended modifications and other improvements for the final rulemaking, we wish to emphasize our broad support for core elements of the Proposal, including the following:

- **Default E-Delivery Option.** Proposed Rule 102 would permit a covered entity to automatically enroll a covered recipient into e-delivery if the covered recipient has provided or accepted to use an electronic address and certain other conditions are satisfied. This default e-delivery option is the centerpiece of Regulation E-Delivery and will transform the landscape of information delivery under the federal securities laws. It will significantly facilitate the ability of issuers and intermediaries to use electronic delivery by eliminating the need to demonstrate evidence of delivery (typically by obtaining affirmative consent of investors), which historically has been the largest barrier to e-delivery enrollment.

- **Methods of E-Delivery.** Under proposed Rule 102, covered information that contains PFI would need to be delivered through an electronic statement of availability directing the covered recipient to access the information on a website, whereas covered information that does not contain PFI could be delivered either through direct electronic delivery or via an electronic statement of availability that includes a hyperlink that brings a covered recipient directly to the covered information. Other than sensible requirements related to the permitted methods of delivery (*e.g.*, a process to protect PFI, paper delivery upon request, permanent opt-out rights), the Proposal would give covered entities substantial flexibility in designing and administering their e-delivery programs. In that regard, the CAI believes that the designated methods of delivery under the Proposal mostly strike an appropriate balance among modernization, investor protection, and technology neutrality.

- **Transition to Default Electronic Delivery for Existing Investors.** Proposed Rule 104 would establish a transition process that permits covered entities to default a covered recipient receiving paper (as of the effective date) to e-delivery, provided the covered entity has an electronic address for the covered recipient and certain conditions are satisfied, including specified notice requirements. The CAI generally supports the transition process under proposed Rule 104 (although the CAI is recommending certain changes and clarifications for the final rulemaking,

[5] *See, e.g.*, Committee of Annuity Insurers, Letter to Chairman Atkins re Recommendations for Regulatory Modernization (Apr. 29, 2025); Committee of Annuity Insurers, Memorandum to the U.S. Securities and Exchange Commission re Regulatory Modernization and Other Initiatives (Mar. 3, 2025); Committee of Annuity Insurers, Comment Letter on Updated Disclosure Requirements and Summary Prospectus for Variable Annuity and Variable Life Insurance Contracts, File No. S7-23-18 (Feb. 14, 2019), available at https://www.sec.gov/comments/s7-23-18/s72318-4939923-178486.pdf; Committee of Annuity Insurers, Comment Letter on Investment Company Reporting Modernization, File No. S7-08-15 (Aug. 11, 2015), available at https://www.sec.gov/comments/s7-08-15/s70815-295.pdf.

including expanding its applicability to covered recipients receiving paper *after* the effective date). The transition process is particularly important because it will enable covered entities to enroll a substantial population of existing investors in e-delivery without the need to demonstrate evidence of delivery (again, currently typically accomplished through obtaining affirmative consent). These investors will benefit from the efficiency and convenience of electronic delivery, with an opportunity to request paper copies and permanently opt-out, while covered entities realize substantial cost savings. The CAI also believes that the general requirements for the transition process, such as the notice requirements, provide meaningful investor protection while preserving the workability of the framework.

- **E-SIGN Exemption.** The CAI welcomes the Commission's attention to the obstacle that the E-SIGN Act poses for e-delivery. For many years, the E-SIGN Act's consumer consent requirements have impeded broader adoption of e-delivery. The CAI strongly supports the proposal to exempt covered information delivered under Regulation E-Delivery from the E-SIGN Act and asks that the SEC expand the proposed exemption to generally encompass any e-delivery method outside of Regulation E-Delivery (insofar as such methods provide adequate assurances of delivery) to ensure that such other programs are not unduly constrained by the E-SIGN Act.

RECOMMENDED MODIFICATIONS AND OTHER IMPROVEMENTS FOR THE FINAL RULEMAKING

Paper Notice and Access Option

- **A Paper "Notice and Access" Option Should be Included so Default E-Delivery may be Utilized in the Absence of an Electronic Address**

The CAI urges the Commission to reconsider its preliminary determination to exclude a paper notice and access option from Regulation E-Delivery. A paper notice and access option is critical to achieving a comprehensive Regulation E-Delivery framework that could be implemented by all covered entities, including issuers and intermediaries of SEC-registered insurance contracts. If the Commission were to adopt a paper notice and access option as part of Regulation E-Delivery alongside the other e-delivery options set forth in the Proposal, there would be a default e-delivery solution for every category of investor, including investors for whom a covered entity does not have an electronic address. By contrast, without a paper notice and access option, a very large population of existing *and future* investors will be defaulted to an antiquated paper delivery framework, while issuers, intermediaries, and ultimately investors continue to bear unnecessary printing and mailing costs. Furthermore, if Regulation E-Delivery does not include a paper notice and access option, thereby leaving an entire category of investors outside the scope of this rulemaking, there will be a fundamental gap in the regulatory framework that will necessitate future rulemaking.

As discussed in the Proposal, a paper notice and access option could be utilized only in situations where a covered entity does not have an electronic address for a covered recipient. Paper notice and access, if included, would generally permit the covered entity to fulfill its delivery obligations by posting the covered information on a website and delivering a paper notice of availability to the covered recipient.[6] This option is essential because, as explained further below in the CAI's comments on the transition process, many issuers and financial intermediaries do not have electronic addresses for many of their customers. Indeed, CAI members continue to administer *millions* of contracts for investors who have not

[6] A covered entity could, of course, always choose to satisfy its delivery obligations by delivering paper copies.

provided an electronic address.[7] Also, as a practical matter, and as discussed in more detail below, there will continue to be instances where electronic addresses are not obtained for new customers during the onboarding process. Without a paper notice and access option, these existing and future investors desiring e-delivery will end up continuing to receive paper documents because they are excluded from the default e-delivery framework.

In the Proposal, the Commission explained that it did not propose a paper notice and access option primarily for two reasons. First, the Commission expressed a view that a covered recipient who has not provided an electronic address "may be more likely to prefer to receive covered information in paper format." Second, the Commission generally questioned whether non-contemporaneous paper notices and/or the additional steps needed to access covered information online (*e.g.*, manually entering a URL or using a QR Code) accomplish meaningful delivery.

In response to the Commission's first concern, the CAI respectfully disagrees with the notion that an investor is more likely to prefer paper delivery merely because that investor has not provided an electronic address. There are many reasons why an investor may not have provided an electronic address. Considering the data that the Commission cites in support of the Proposal—*e.g.*, that 96% of adults use the internet, and nearly 80% of investors prefer electronic delivery for at least some documents—it seems quite *unlikely* that those investors do, in fact, prefer paper delivery. It seems far more likely that such an investor either prefers electronic delivery or is indifferent to the delivery method, and that the investor has not provided an electronic address simply because it would require some type of affirmative action on their part. Accordingly, the Commission should not equate inaction with preference. Nor do we believe that issuers, intermediaries, and investors should have to bear the significant costs associated with printing and mailing covered information in paper documents for a population of investors that will likely be satisfied with default e-delivery, especially when opt-out rights will always be available.

In the context of SEC-registered insurance contracts, investor satisfaction with default e-delivery is reflected in CAI members' experience under Rule 30e-3 and Rule 498A, where investors have overwhelmingly accepted notice and access delivery frameworks with minimal opt-out rates and virtually no customer complaints. For example, based on responses to an informal CAI member survey, opt-outs from default e-delivery for shareholder reports (while Rule 30e-3 was available for insurance company separate accounts that are unit investment trusts) ranged from a low of less than 1% to a high of about 3%. In addition, responding members relying on Rule 498A reported that requests for paper fund prospectuses, since Rule 498A implementation, have been practically non-existent (*e.g.*, one company reported zero requests, another reported two, and a third reported six).

With respect to the Commission's second set of concerns, the CAI appreciates the view that paper notice and access models can present barriers to access but firmly believes that a thoughtfully designed paper notice and access option can achieve meaningful delivery consistent with the principles underlying the Proposal. The Commission has adopted successful notice and access models previously (*e.g.*, Rule 30e-3, Rule 498A), and it can certainly do so again as part of Regulation E-Delivery. To that end, in the next section, the CAI recommends a modified notice and access option for the Commission's consideration as part of the final rule.

[7] A recent informal survey of participating CAI members reflects the potential enormity of this category of investors. The percentage of contract owners for whom those companies do not have an electronic address ranges from approximately 20% to more than 90%. Multiple companies reported missing electronic addresses for hundreds of thousands of their contract owners, with two companies reporting that they do not have electronic addresses for at least 1 million contract owners.

Overall, the absence of an electronic address should not be viewed as an absolute impediment to default e-delivery. Rather than excluding a paper notice and access option altogether and effectively ignoring the Proposal's compelling statements regarding investor preference, the Commission should adopt a paper notice and access option that avoids undue barriers to access and provides investors with covered information in a manner that is consistent with their actual delivery preferences. A paper notice and access option is essential to maximizing the benefits of this long-awaited rulemaking and we urge the Commission to include such an option in the final rule. The CAI would welcome the opportunity to work with the Commission and its staff in evaluating how a paper notice and access option could be adopted as part of the final rulemaking, including educational information about the benefits of electronic documents that could be included in notices sent to this class of investors.

- **The Following Modified Notice and Access Option Would Provide Meaningful Delivery of Covered Information and Should be Adopted**

The CAI believes that the paper notice and access option outlined below would be consistent with the principles and objectives of the Proposal, accomplish actual and meaningful delivery of covered information, and provide investors with ample opportunity to receive documents via their preferred method of delivery. The key elements are as follows:

(1) *Transition Period with Paper Notices of Availability + Paper Delivery.* For a period of time referred to below in this section as the "transition period," for each delivery of covered information, the covered entity could be required to deliver a paper notice of availability contemporaneously (which would tell investors where and how they can access their covered information online) *along with* the covered information in a paper document. This transition period would enable covered recipients to become familiar with notice and access, while delaying any change in delivery method (since the covered recipients would temporarily continue to receive paper documents).

(2) *Post-Transition Period: Paper Notices of Availability Only.* After the end of the transition period, if the covered recipient has not provided an electronic address for e-delivery or opted-out in favor of paper delivery, the paper notice and access delivery process would continue. However, beginning at the end of the transition period, the paper documents would no longer be delivered contemporaneously with the paper notices. Instead, the covered recipient would receive *only* the paper notices of availability, with paper documents available upon request.

(3) *Length of Transition Period.* The length of the transition period could be at least 180 days to mirror the transition process for covered recipients receiving paper under proposed Rule 104. Another possibility would be for the transition period to cover a full cycle of mailings, in which case the transition period could be at least one year.

(4) *Covered Information with PFI.* The CAI believes that a paper notice and access option should, at a minimum, be available for covered information that does not contain PFI (which we refer to herein as "generic documents"). Such generic documents include summary prospectuses, prospectuses, shareholder reports, proxy materials, etc. Indeed, the CAI would be supportive of a paper notice and access option that is limited to the delivery of generic documents. Nonetheless, the CAI does believe it would be workable and consistent with the principles of the Proposal to extend a paper notice and access option to covered information that contains PFI. For covered information containing PFI, the website address provided in the paper notice of availability would direct the covered recipient to a secure URL, and the paper notice and website would include clear instructions for completing the authentication process. Consistent with the Proposal,

the authentication process would need to be reasonably designed to safeguard the covered recipient's PFI.

(5) *Effect of Election of Other Delivery Option During or After Transition Period*. During or after the transition period, covered recipients would have the option to (a) provide an electronic address to begin the electronic delivery process proposed under Rule 102, or (b) affirmatively opt-out in favor of permanent paper delivery. In either event, the paper notice and access option would then no longer apply to that covered recipient. If neither occurs, then paper notice and access would continue.

(6) *Content of Paper Notices of Availability.* The SEC could require that paper notices of availability contain the same general content as statements of availability under proposed Rule 102(c)(1). In addition, the paper notice of availability could describe the process for providing an electronic address to begin electronic delivery as set forth under proposed Rule 102 and could include educational information regarding the benefits of e-delivery.

During the transition period, the SEC could also require the paper notices to contain prescribed information regarding the transition to notice and access. In addition, as applicable, each notice could disclose the date on which the transition period would end and explain that, once the transition period concludes, the covered recipient would continue to receive paper notices of availability but would no longer receive the covered information itself in paper (except upon request or after opting out). The notice could further explain that the covered recipient may, at any time, provide an electronic address and receive covered information via the electronic address, or, alternatively, elect to opt out to receive covered information exclusively in paper. By prominently disclosing these options throughout the transition period, covered recipients would have ample opportunity to understand the consequences of each delivery method and make an informed choice that reflects their actual delivery preferences.

(7) *Website Requirements*. The website on which covered information would be posted could be subject to the same general requirements as set forth under proposed Rule 103. Consistent with proposed Rule 103(a), this would include requiring the covered information to be available online at the time that covered recipients receive a paper notice of availability.

The CAI believes that the framework described above would strike the appropriate balance for a paper notice and access option. This paper notice and access option would provide covered recipients with an opportunity to become accustomed to accessing covered information online while ensuring uninterrupted access to that information through the continued delivery of paper documents for a temporary period. It would also provide ample opportunity for those investors who have an actual delivery preference to receive covered information in a manner that is consistent with that preference, including paper.

Transition Process Under Proposed Rule 104

- **The Commission Should Expressly Confirm that the "Provided By or Accepts to Use" Standard for Electronic Addresses Does Not Apply to the Transition Process under Proposed Rule 104**

As proposed, Regulation E-Delivery appears to have different standards for the use of an electronic address, depending on whether a covered recipient is a member of the "general" population under Rule 102 or the "transition" population under Rule 104. More specifically, it appears the Proposal applies the "provided by or accepts to use" standard for electronic addresses *only* to the general population, and *not*

to the transition population. The CAI fully supports applying this heightened standard only to the general population, as the application of that standard to the transition population under Rule 104 would severely undermine the practicality and utilization of the transition process. Yet, the Proposal could have more clearly explained the applicability of the "provided by or accepts to use" standard. Given the importance of this issue to the overall viability of the transition process, the CAI urges the Commission to expressly confirm in the adopting release that the "provided by or accepts to use" standard *does not* apply to the transition process set out in Rule 104.

General population. Following the effective date of Regulation E-Delivery, any new covered recipient who provides or accepts to use an electronic address, or any existing covered recipient who does so at a later point in time, would be captured by the "general default e-delivery process" under Rule 102.[8] As proposed, these covered recipients could be immediately defaulted into e-delivery by providing an initial notice of the covered entity's intent to use e-delivery, per Rule 102(b). In this context, the application of the heightened "provided by or accepts to use" standard is sensible because the covered recipient can be defaulted into e-delivery *without* any transition period.

Transition population. A covered recipient for whom a covered entity has an electronic address but who is receiving covered information in paper (as of the effective date of Regulation E-Delivery) is subject to a "transition default e-delivery process" under Rule 104, which generally requires two paper transition notices over a 180-day period, after which there would be a shift from paper to electronic delivery of covered information. In this scenario, the covered recipient's electronic address should *not* be subject to the heightened "provided by or accepts to use" standard, as covered recipients would benefit from advance notice, an extended transition period, and ongoing opportunities to opt-out in favor of paper delivery or change their electronic address before (and after) e-delivery begins. These protections eliminate the need to apply the heightened standard and justify greater flexibility (*e.g.*, facilitating the ability of covered entities to use electronic addresses obtained from affiliates or other third parties).

Moreover, covered entities cannot be reasonably expected to determine whether "on file" electronic addresses were provided or accepted to use by a covered recipient. This is especially true for issuers of SEC-registered insurance contracts, including CAI member companies. The lifespan of life insurance contracts is inherently long-tailed, with contracts often remaining in force for decades. Many such contracts were issued before the proliferation of electronic communications, the ability for insurers to capture electronic addresses and/or the advent of e-delivery programs. Accordingly, when an insurer has an electronic address on file for an existing covered recipient who is receiving covered information in paper, determining when, why and/or how that address was obtained is simply not feasible. Accordingly, if the heightened "provided by or accepts to use" standard were to apply to the transition process under Rule 104, it is unlikely that life insurance companies, as well as many other issuers and intermediaries, would be able to meaningfully utilize the transition process.[9]

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[8] Relatedly, we respectfully request clarification that, where a covered recipient has, as of the effective date, already opted into electronic delivery for all documents then being made available electronically by a covered entity, but at that time continues to receive certain other documents in paper form solely because the covered entity was not yet making those documents available for electronic delivery, the covered entity may later rely on the general process, rather than the transition process, if those other documents become available for electronic delivery in the future. Such an outcome would be consistent with the covered recipient's expectations to receive documents electronically, because the covered recipient would have already provided an electronic address or accepted its use for electronic delivery purposes. Accordingly, delivering those documents electronically pursuant to Rule 102 would appear consistent with the recipient's existing electronic delivery election and would not raise the concerns that the transition process is intended to address.

[9] Further to this point, CAI members have millions of paper customers, a subset for whom they do, in fact, have electronic addresses. Consistent with the Commission's statements regarding the high rate of investor preference for e-delivery, CAI members strongly believe that most of these recipients would prefer electronic delivery over paper and attribute the lack of e-delivery enrollment to various practical (non-preference related) factors, including the complication of E-SIGN Act compliance.

For all these important reasons, the CAI respectfully requests that the Commission expressly confirm that the "provided by or accepts to use" standard applies only to the general e-delivery process under Rule 102, and not to the transition e-delivery process under Rule 104. Absent this commonsense structure, the Commission's effort to modernize the covered information delivery framework, and shift away from an opt-in regulatory construct, would leave out innumerable investors and significantly dilute the overall goals of Regulation E-Delivery.

- **The Transition Default E-Delivery Process under Proposed Rule 104 Should Not Be Limited to Covered Recipients Receiving Paper as of the Effective Date**

As noted above, the CAI is generally supportive of proposed Rule 104's transition default e-delivery process, which encompasses a broader category of investors than included in proposed Rule 102's general process. The CAI, however, cautions that, even with the adoption of Regulation E-Delivery, practical (non-investor preference related) obstacles to default e-delivery will inevitably remain. Accordingly, to help minimize the number of investors who fall through the cracks of Regulation E-Delivery, the transition default e-delivery process should *not* be limited to covered recipients receiving paper as of the effective date. It should also be available on a go-forward basis after the effective date. Absent a more inclusive and flexible transition framework, a fundamental gap in Regulation E-Delivery's investor reach will exist and continue to grow.

Expanded use of the transition process would help facilitate default e-delivery in situations where a covered entity comes into possession of an electronic address after the point of sale (where the electronic address was not necessarily provided or accepted to use by the covered recipient). Regulation E-Delivery, as proposed, seems to assume that an electronic address will always be readily obtainable at the point of sale unless the investor chooses not to provide it. Yet, this is *not* an accurate assumption. For example, in the registered insurance space, third party broker-dealers are a major distribution channel. These unaffiliated selling broker-dealers often are responsible for all point-of-sale contact and paperwork. Insurance investors in this channel generally sign both a brokerage agreement (establishing the brokerage relationship) and an application for the insurance contract. While the broker typically captures an electronic address in connection with the brokerage relationship, that same electronic address is frequently not included on the insurance application. This could be due to simple paperwork fatigue; it may also be due to the fact that many brokers consider the investor relationship to be proprietary.[10] In any event, there remains, for many insurers, no foolproof way to ensure the capture of an insured's electronic address at the point of sale.

Many insurers view compliance with the E-SIGN Act as a requisite component of e-delivery enrollment, in part due to positions taken by regulators. Under the E-SIGN Act, an investor's affirmative consent to e-delivery, provided in a manner that reasonably demonstrates that the investor can access information in the electronic form that will be used to provide the information, is a requirement of the E-SIGN Act. For insurers, such affirmative electronic consent has been primarily achieved by sending the investor an email at the electronic address on file asking the investor to respond to the message. Unfortunately, these emails often go unacknowledged. This means that even when issuers have an electronic address (which may or may not meet the "provided by or accepts to use" standard), they have been unable to uniformly institute e-delivery. A transition e-delivery default process that is NOT subject to the heightened electronic address standard will help shift many recipients, who have been left behind by a somewhat elusive opt-in framework under the E-SIGN Act, despite their delivery preferences, to a modernized and investor-friendly e-delivery framework.

[10] Generally, the provision of an electronic address is not currently a required element of an insurer's "good order" processing requirements, *i.e.*, applications are processed and contracts are issued with or without an electronic address. Introducing this as an element of "good order" processing has not gained significant traction, as, anecdotally, it creates significant delays in contract issuance and, ultimately, the allocation of funds. In some cases, it would also require burdensome and voluminous state insurance refiling of applications.

In this not uncommon scenario,[11] should the insurance company issuer later obtain the investor's electronic address through the broker-dealer, an affiliate or other third party, or other means where the electronic address was not necessarily provided or accepted to use by the investor, the insurance company should be permitted to use the transition process to default the investor into e-delivery. However, as proposed, Rule 104 would not permit use of the transition process in that situation because the new investor would not have been a covered recipient receiving paper *as of* the effective date. Short of a proactive and successful e-delivery campaign to obtain an electronic address directly from such investors, which historically has not proven fruitful, such investors could be subject to paper delivery ad infinitum.[12]

Expanded use of the transition process would also alleviate unnecessary time pressure under the Proposal. As proposed, the transition process may be utilized only for covered recipients for whom the covered entity has an electronic address *as of* the effective date. However, some covered entities may not be fully positioned to begin collecting electronic addresses at scale and/or across all of their business lines until after the effective date, as additional time may be needed to develop the operational and technological capabilities necessary to capture and maintain such information. In the context of SEC-registered insurance contracts, some life insurance companies continue to have contract administrative systems (many of which are decades old, cover numerous product iterations, and/or involve multiple issuing companies) that are unable to capture electronic addresses. Reprogramming these platforms could take considerable time and resources, and these efforts undoubtedly would vary in complexity and timelines across insurers and even within single insurers. If the transition process is not available on a go-forward basis after the effective date, it may not be practical or cost-effective for some insurance companies to revamp these legacy systems at all. On the other hand, if the transition process is available to covered entities on a go-forward basis, insurance companies and other covered entities will be further incentivized to utilize Regulation E-Delivery. In sum, limiting the transition process to covered recipients receiving paper *as of* the effective date would deprive insurance company issuers, as well as other covered entities, of a mechanism for transitioning future investors to electronic delivery. We therefore strongly recommend that the Commission modify Rule 104 to permit use of the transition process beyond covered recipients receiving paper as of the effective date.

We hope that the Commission will aim to futureproof the Proposal's e-delivery framework by addressing these nuanced and unfortunate "transition" gaps and ensuring that there is a default e-delivery solution for every category of investor. The Proposal's more limited transition framework is contrary to investor preference, denies investors the benefits of e-delivery, and unnecessarily perpetuates an opt-in framework.

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[11] It is noteworthy that this same practical obstacle does not appear to be as significant for fund companies. Unlike insurance companies, which generally have a legal obligation under the federal securities laws to deliver covered information to individual contract owners, a fund company's delivery obligation often runs to the broker-dealer who holds the fund shares in street name for the benefit of the broker-dealer's customers. This distinction is worth making because, while an expanded transition process on a go-forward basis may be of limited interest to certain types of covered entities, it is critical for issuers of SEC-registered insurance contracts that have direct delivery obligations to large populations of investors.

[12] For clarity, we further note that, while our understanding is that phone numbers are, of course, generally captured, we expect many issuers, including many CAI members, will not be able to incorporate mobile devices, in the near-term or perhaps ever, in their e-delivery platforms. Accordingly, while we fully support the Commission's broad and technologically neutral approach to acceptable forms of electronic communications, *an*y electronic address provided or obtained does not automatically resolve this gap in the framework. Put differently, a financial intermediary including a cellphone number on an insurance application or an insurance administration system capturing that same number will not automatically enable that issuer to implement e-delivery. Under the Proposal, similar to the above scenarios, capturing a covered recipient's different (workable) electronic address later would also not allow for default e-delivery (unless such address meets the "provided by or accepts to use" standard).

- **Rule 104 Should Permit Transition Notices to be Delivered in the Same Envelope as Other Communications**

Proposed Rule 104(c) provides that transition notices "must be provided separately from other communications." The CAI recommends that Rule 104(c) be modified to allow transition notices to be included in the same envelope as other mailed materials, provided that the notice itself remains a separate document, not attached or bound to any other accompanying documents. Permitting co-mailing in this manner would substantially reduce mailing costs associated with the transition process, particularly for insurers that currently routinely send account statements, confirmations, and other required communications to customers. Requiring a separate mailing for a transition notice would generate significant additional expenses that ultimately provide little corresponding benefit to investors. Furthermore, allowing a transition notice to be included in the same envelope as other materials would not diminish the effectiveness of the notice. The notice would remain a standalone document and would continue to be subject to all of the content, formatting, and presentation requirements prescribed by the rule. Investors would therefore receive the same information and protections contemplated by the Proposal, while issuers would be afforded greater flexibility in reducing mailing costs.

Other Comments on the Proposal

- **Covered Entities Should be Permitted to Direct Covered Recipients to a User-Friendly Interface or Landing Page When Using Statements of Availability**

As proposed, Regulation E-Delivery requires that a statement of availability include a hyperlink that brings a covered recipient directly to the covered information (or, in the case of covered information containing PFI, directly to the covered information after completion of an authentication process). The CAI supports the Commission's objective of ensuring that covered recipients can access covered information efficiently and without unnecessary barriers. However, we believe the final rule should provide covered entities with greater flexibility in how they direct covered recipients to covered information. In particular, the Commission should not require that a hyperlink bring a covered recipient directly to a specific document or webpage. Rather, covered entities should be permitted to direct covered recipients to an intuitive user interface from which the covered information can be readily accessed. For example, a covered recipient could be directed to a secure account portal, document center, or landing page that clearly identifies the available documents and provides a straightforward path to the covered information.

Requiring direct linking would be significantly more burdensome and costly, may not always be operationally feasible, and could unnecessarily constrain the design of electronic delivery websites. Allowing covered entities to utilize a well-designed user interface or landing page would not present an undue barrier to access, particularly given the widespread familiarity of investors with web-based and mobile applications. Furthermore, allowing covered entities to direct covered recipients to an interface or landing page would facilitate the efficient delivery of multiple documents through a single statement of availability. As proposed, a statement of availability being used with multiple documents would presumably need to include a separate hyperlink for each available document, which may be cumbersome for covered recipients to navigate and would require them to return to the statement of availability each time they wish to access a different document. By contrast, a landing page that clearly identifies and organizes all available documents would provide a more intuitive and streamlined user experience, enabling covered recipients to easily access multiple documents from a single location.

The CAI therefore recommends that the Commission adopt a more principles-based standard that focuses on whether a covered recipient can readily locate and access the covered information, rather than on the number of clicks required to reach it. Such an approach would better promote technology neutrality,

accommodate a wider range of electronic delivery platforms, and allow covered entities to develop user experiences that are both effective and secure, while continuing to satisfy the core objective of ensuring easy access to covered information.

- **Covered Entities Should Not be Required to Facilitate Partial Opt-Outs**

The CAI is concerned that Rules 102 and 104, as proposed, would require covered entities to permit opt-outs on a document-by-document basis (by mandating the ability of covered recipients to receive "all or a subset" of covered information in paper format following an opt-out election). While the CAI agrees that covered recipients should have the ability to opt-out in favor of paper delivery, the final rule should not require covered entities to facilitate partial opt-outs across different categories of covered information. Instead, on an investor-by-investor basis, covered entities should be permitted to utilize an "all or nothing" approach to electronic delivery. Likewise, covered entities should have the ability, at their discretion, to facilitate partial opt-outs for only certain categories of covered information (*e.g.*, allowing a partial opt-out only for covered information with PFI), understanding that the covered recipient would always have the right to fully opt-out. In any event, Regulation E-Delivery, as a permissive safe harbor, should not mandate electronic delivery by requiring covered entities to facilitate partial opt-outs.

Requiring covered entities to maintain systems capable of tracking and implementing document-specific delivery preferences would introduce substantial operational complexity and cost. Covered entities would need to establish processes to record, monitor, and apply varying delivery preferences across a broad spectrum of covered information categories (*e.g.*, summary prospectuses, prospectuses, shareholder reports, confirmations). In many cases, existing systems are not designed to support such granular preference management and would require significant modifications. Moreover, allowing covered entities to prohibit partial opt-outs would be more consistent with Regulation E-Delivery as a permissive rule and regulatory safe harbor. Indeed, mandating operational support for partial opt-outs would discourage some covered entities from relying on Regulation E-Delivery altogether, reducing the benefits of the rulemaking for investors and market participants.

- **The Content Requirements for Statements of Availability Should be More Abbreviated to Promote Technology Neutrality and Reduce Compliance Burdens**

The CAI supports the Commission's efforts to establish a technology-neutral framework for electronic delivery. However, the content requirements for statements of availability should be more abbreviated than proposed. Specifically, the final rule should permit covered entities to provide certain generally applicable information through the website by which covered information is made available, rather than requiring that information to be repeated in each statement of availability. Such generally applicable information includes: (i) the statement that covered information made available on the website may be superseded by subsequent versions of the covered information; (ii) the covered entity's obligation to provide paper copies upon request; (iii) the ability to opt out of electronic delivery and receive covered information in paper format; (iv) the ability to update one's electronic address; (v) the process for requesting paper copies, opting out of electronic delivery, and updating an electronic address; and (vi) disclosure regarding the potential negative consequences of requesting paper delivery or opting out of electronic delivery.

A more abbreviated approach, as described above, would better advance the Commission's stated objective of technology neutrality. The more information that must be included in a statement of availability, the more the rule effectively dictates the form and medium through which such notices can be delivered. As proposed, the volume of required content may inadvertently favor communication channels such as email, which can readily accommodate lengthy disclosures. By contrast, a streamlined statement of availability focused on alerting the covered recipient that covered information is available,

identifying the covered information, and providing a direct means of accessing that information would be more adaptable to evolving technologies and communication methods. Such an approach would facilitate the use of electronic delivery channels such as mobile application notifications, text messages, social media messages, and other emerging forms of electronic communication, thereby making the final rule more durable and technology neutral over time.

The Commission should also consider further streamlining the content requirements for statements of availability to reduce unnecessary compliance burdens. As proposed, certain content requirements would require covered entities to substantially tailor statements of availability on a document-by-document basis, increasing operational complexity and diminishing the cost effectiveness that Regulation E-Delivery is intended to achieve. This burden may be particularly significant for issuers and intermediaries that deliver large volumes of covered information across multiple products and investor populations, such as life insurance companies with SEC-registered variable products that often need to deliver, *e.g.*, summary prospectuses, prospectus supplements, and shareholder reports for hundreds of underlying mutual funds. The CAI believes that the final rule should seek to minimize the extent to which statements of availability must be customized for each delivery, while providing covered recipients with the information necessary to alert them about the availability of covered information.

In particular, the Commission should reconsider the requirement to include a brief description of the covered information in each statement of availability. Developing and inserting descriptions that are tailored to individual documents would require covered entities to establish processes for drafting, reviewing, and maintaining document-specific content on an ongoing basis. Instead, the final rule should permit covered entities to simply identify the type of covered information being delivered (prospectus, shareholder report, confirmation, proxy statement, etc.) and provide a simple indication as to whether the covered information is time-sensitive. Such an approach would provide covered recipients with sufficient context regarding the nature and time sensitivity of the covered information while substantially reducing the need for individualized drafting and review.

To the extent the Commission believes additional explanation of the covered information would be beneficial, that information could instead be provided through the website by which the covered information is made available. For example, the website could include standardized descriptions of the various categories of covered information that a covered recipient may receive electronically. This approach would further reduce compliance burden, as well as promote a more technology-neutral electronic delivery framework.

- **The Commission Should Provide Assurances that Legacy E-Delivery Programs for Existing Investors, Established and Maintained in Reliance on the E-Delivery Guidance, will Continue to Satisfy a Covered Entity's Delivery Obligations**

Regulation E-Delivery would function as a regulatory safe harbor, and the Proposal is clear that other methods of e-delivery that provide comparable assurances to paper delivery could still be used to satisfy a covered entity's delivery obligations under the federal securities laws. Nonetheless, the Commission's proposal to rescind the existing E-Delivery Guidance would introduce significant uncertainty regarding the appropriateness of legacy e-delivery programs developed and maintained in reliance on the SEC's decades-old E-Delivery Guidance. In that regard, covered entities with legacy e-delivery programs will face a challenging choice. On one hand, a covered entity could continue utilizing those legacy e-delivery programs, thereby avoiding the costs and operational burdens associated with migrating existing investors to the Regulation E-Delivery framework, but in doing so would assume the regulatory risk associated with operating outside the parameters of the Regulation E-Delivery safe harbor. On the other hand, a covered entity could obtain more regulatory certainty by migrating existing investors to Regulation E-Delivery, but in doing so would incur substantial costs and burdens to replace delivery arrangements that

were implemented in accordance with the investor's informed consent and the SEC's longstanding guidance.

Insofar as legacy e-delivery programs for existing investors have been developed and maintained in reliance on the E-Delivery Guidance, the CAI does not believe that issuers and intermediaries should have to grapple with regulatory uncertainty as part of these decisions. Accordingly, the CAI respectfully requests that the Commission provide express assurances that, with respect to existing investors as of the end of the two-year compliance period or at least the effective date of the final rule, electronic delivery methods that are consistent with the existing E-Delivery Guidance will continue to provide equivalent assurance that applicable delivery obligations have been satisfied. In effect, the Commission should extend grandfather treatment to legacy e-delivery methods established pursuant to the E-Delivery Guidance.

The CAI would be open to reasonable limitations on any such grandfather relief, including limiting relief to electronic delivery arrangements for which the investor previously provided informed consent, and potentially excluding delivery models that present distinct policy concerns. Subject to such limitations, grandfather treatment would preserve investor expectations, help minimize transition costs and operational burdens, and provide more regulatory certainty for issuers and intermediaries that have been complying with and relying on the E-Delivery Guidance for decades.

- **The E-SIGN Act Exemption Should be Expanded to Generally Encompass Electronic Delivery of Information under the Federal Securities Laws, Not Only Information Delivered Under Regulation E-Delivery**

Under the Proposal, the exemption from the E-SIGN Act is limited to covered information delivered under Regulation E-Delivery. As such, it appears that the proposed exemption would not apply to electronic delivery methods that operate outside of Regulation E-Delivery, even when such other methods provide comparable assurances of delivery. Limiting the E-SIGN Act exemption in this manner is inconsistent with the nature of Regulation E-Delivery as a regulatory safe harbor, as it could have the unintended effect of making Regulation E-Delivery the exclusive means of delivering documents electronically. Accordingly, the Commission should expand the E-SIGN Act exemption in the final rulemaking to encompass the electronic delivery of any information required to be delivered under the federal securities laws, provided that the delivery method is otherwise consistent with applicable law and reasonably designed to effectuate delivery.

- **Rule 103 Should Require Only Current Versions of Evergreen Documents to Remain Available on the Regulation E-Delivery Website**

For documents delivered via a statement of availability, proposed Rule 103(b) would require covered information to remain available online for at least three years if it includes PFI, and for at least one year if it does not include PFI (*i.e.*, generic documents), except to the extent that a different website-availability period is set forth under the federal securities laws, in which case the other period would apply. We understand that the exception is intended to defer to other provisions of the federal securities laws that prescribe website-posting requirements for specific types of documents. Indeed, the Commission cites Rules 498 and 498A as examples where the exception may apply. The CAI agrees with the spirit of the exception, but believes that Rule 103 should nonetheless specifically provide that only the current versions of prospectuses, summary prospectuses, and other covered information that is evergreen in nature must be posted on the Regulation E-Delivery website. Absent this modification, the website availability requirements for generic documents may be unclear or inconsistently applied.

In the context of insurance companies relying on Rule 498A, for example, it is entirely possible that an insurance company will maintain a Rule 498A website through one service provider or platform while utilizing a different service provider or platform for their Regulation E-Delivery website. Rule 498A requires only the current versions of the contract's Initial Summary Prospectus, Updating Summary Prospectus, Statutory Prospectus, and Statement of Additional Information to remain available on the website maintained pursuant to that rule. Nonetheless, if an insurance company is using a different website for Regulation E-Delivery purposes, it is not clear whether Rule 498A's website-posting requirements would extend to the Regulation E-Delivery website.

Furthermore, the exception as proposed in Rule 103(b) could result in inconsistent website posting requirements for the same types of covered information. Continuing with Rule 498A as an example, some insurance companies do not rely on Rule 498A, while others rely on it for only certain blocks of business. Also, Rule 498A is unavailable for certain types of contracts, such as grandfathered "Great-Wested" contracts or certain types of non-variable insurance contracts (*e.g.*, contingent deferred annuities). Accordingly, absent the requested modification, the same types of evergreen documents could be subject to different website-posting requirements based entirely on whether Rule 498A happens to be available and relied upon for the contracts at issue, creating the potential for inconsistency in the regulatory framework.

To avoid uncertainty and inconsistency in the new framework, Rule 103 should expressly provide that, for prospectuses, summary prospectuses, and any other covered information intended to be evergreen in nature, only the current version of the document must remain available on the Regulation E-Delivery website. Requiring outdated versions of evergreen disclosure documents to remain available on a Regulation E-Delivery website after they have been superseded could create confusion by presenting investors with multiple versions of documents that are intended to be updated and replaced over time. An express clarification in Rule 103 would better align the rule with existing disclosure frameworks, including Rule 498A, while providing issuers with clearer requirements regarding their website-posting obligations.

- **The Commission Should Expressly Confirm Preemption of Conflicting State Laws Affecting the Delivery of Covered Information**

The CAI respectfully requests that the Commission include an express statement in the adopting release confirming the Commission's view that Regulation E-Delivery preempts any state law requirements to the extent state law would prohibit or otherwise restrict a covered entity from delivering covered information in a manner permitted by the final rule.[13] In such circumstances, preemption should apply as state law would present an obstacle to the accomplishment of the purposes of Regulation E-Delivery. *See, e.g.*, Fid. Fed. Sav. & Loan Ass'n v. de la Cuesta, 458 U.S. 141, 152-154 (1982) (explaining that federal law preempts if state law is an obstacle to the accomplishment and execution of the full purposes and objectives of the federal law, and that federal regulations have no less preemptive effect than federal statutes). An express confirmation by the Commission would be particularly important for covered entities that are responsible for delivering covered information that serves a dual state law purpose. Of particular interest to the CAI's member companies, SEC-registered insurance contracts are subject to federal securities regulation and state insurance regulation. Certain documents delivered to policyholders may be required to be delivered under both federal and state law. In that regard, it is possible that state law may require covered information to be delivered in paper form or pursuant to different electronic delivery standards, creating a potential conflict with Regulation E-Delivery. An express statement regarding federal preemption would promote regulatory certainty, facilitate broader utilization of

[13] For example, some states may require certain documents to be delivered in paper, require affirmative customer consent before certain documents may be delivered electronically, or may impose specific requirements related to website posting.

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Regulation E-Delivery, and help ensure that the full benefits of the Commission's modernization efforts are not undermined by inconsistent state law requirements that may apply to covered information.

* * *

The CAI appreciates the opportunity to comment on this important rulemaking. We strongly support the Commission's efforts to modernize information delivery under the federal securities laws, and we believe that Regulation E-Delivery, as modified by the CAI's recommendations, will deliver substantial benefits to investors, issuers, intermediaries, and the securities markets as a whole. The CAI is committed to working collaboratively with the Commission and its staff to ensure the successful implementation of a comprehensive and enduring electronic delivery framework.

Respectfully submitted,

Eversheds Sutherland (US) LLP

FOR THE COMMITTEE OF ANNUITY INSURERS

Please direct any questions or requests regarding this letter to any of the following:

Stephen E. Roth Partner Eversheds Sutherland (US) LLP SteveRoth@eversheds-sutherland.us 202.383.0158	Dodie C. Kent Partner Eversheds Sutherland (US) LLP DodieKent@eversheds-sutherland.us 212.389.5080	Ronald Coenen Jr. Partner Eversheds Sutherland (US) LLP RonCoenen@eversheds-sutherland.us 202.383.0940

cc: The Honorable Paul S. Atkins, Chairman
The Honorable Hester M. Peirce, Commissioner
The Honorable Mark T. Uyeda, Commissioner
Mr. Brian Daly, Director, Division of Investment Management

EVERSHEDS SUTHERLAND

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APPENDIX A

THE COMMITTEE OF ANNUITY INSURERS MEMBER LIST

Allianz Life Insurance Company
American Equity Investment Life Insurance Company
Ameriprise Financial
Athene USA
Augustar Life Insurance Company
Brighthouse Financial
Corebridge Financial
Equitable
Fidelity Investments Life Insurance Company
Fortitude Re
Genworth Financial
Global Atlantic Financial Group
Guardian Insurance & Annuity Co., Inc.
Jackson National Life Insurance Company
John Hancock Life Insurance Company
Lincoln Financial Group
Massachusetts Mutual Life Insurance Company
Metropolitan Life Insurance Company
Nationwide Life Insurance Companies
New York Life Insurance Company
Northwestern Mutual Life Insurance Company
Pacific Life Insurance Company
Protective Life Insurance Company
Prudential Insurance Company of America
Sammons Financial
Security Benefit Life Insurance Company
Symetra Financial
Talcott Resolution
Thrivent
TIAA
Transamerica
TruStage
USAA Life Insurance Company

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From: Kent, Dodie <dodiekent@eversheds-sutherland.com>
Sent: Tuesday, September 15, 2026 3:41 PM
To: CAI - E-Delivery Working Group <cai-e-deliveryworkinggroup@eversheds-sutherland.com>
Cc: Coenen, Ron <roncoenen@eversheds-sutherland.com>; Roth, Stephen <steveroth@eversheds-sutherland.com>
Subject: "Fatal Flaw" Final Draft Review -- CAI SEC Regulation E-Delivery Comment Letter: Comments due THIS Friday, September 18, 2026 at COB

Good evening. Attached please find the current draft CAI Regulation E-Delivery SEC Comment letter for your final review and input. We have attached both a clean copy, as well as a PDF redline, reflecting all changes since the prior (8/27/26) draft. This draft includes two additional (technical/practical) comments, based on our last E-Delivery Working Group discussion and related follow-on member input, as well as some company data shared by members in connection with their
e-delivery/electronic address experiences. It also reflects some general clean-up.

Please let us know no later than COB this Friday, September 18, 2026, if you have any comments or concerns.

We will be submitting our letter to the SEC on Monday, September 21st, which is the comment deadline.

Thank you to everyone for the thoughtful collaboration, input and partnering that went into this comment letter. Your contributions are greatly appreciated and make everything better.

Best, Dodie
Dodie Kent | New York Office Managing Partner | T: +1.212.389.5080 | M: +1.917.282.5457

Eversheds Sutherland
Helping our clients, our people and our communities to thrive

From: Kent, Dodie
Sent: Thursday, August 27, 2026 10:45 AM
To: CAI - E-Delivery Working Group <CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us>
Cc: Coenen, Ron <RonCoenen@eversheds-sutherland.us>; Roth, Stephen <SteveRoth@eversheds-sutherland.us>; Koffler, Michael <MichaelKoffler@eversheds-sutherland.us>
Subject: CAI Draft SEC Regulation E-Delivery Comment Letter & Next CAI E-Delivery Working Group Call -- Tuesday, September 1, 2026 at 2pm ET

Good morning. Attached is our draft E-Delivery SEC Comment letter, reflective of our working group's discussions to date, as well as various communications with individual members.

We are scheduling our next E-Delivery Working Group call on Tuesday, September 1st at 2pm to discuss any comments and input. A calendar invite will follow shortly.

If you have any questions in the meantime or would like to convey your comments ahead of the call, please do hesitate to contact any of us. We look forward to talking soon.

BEST, Dodie
Dodie Kent | New York Office Managing Partner | T: +1.212.389.5080 | M: +1.917.282.5457

Eversheds Sutherland
Helping our clients, our people and our communities to thrive
From: Kent, Dodie
Sent: Saturday, August 15, 2026 2:28 PM

EVERSHEDS SUTHERLAND

To: CAI - E-Delivery Working Group <CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us>
Cc: Coenen, Ron <RonCoenen@eversheds-sutherland.us>; Roth, Stephen <SteveRoth@eversheds-sutherland.us>
Subject: Reminder: Proposed Regulation E-Delivery -- Request for any Additional Comment Suggestions and Company Datapoints

Hi everyone. Thank you for the helpful participation on the E-Delivery working group calls we have had so far. The active dialogue is so valuable. As a reminder, we are currently drafting a Regulation E-Delivery comment letter, which is *due on September 21, 2026*. We plan to circulate the draft letter later this month for your review and input. *If you have additional comment ideas or suggestions, please let us know asap.*

Also, as we discussed on our last call, we think it would be helpful to include certain datapoints in support of our continued efforts to get some form of default e-delivery accommodation for legacy contract owners for whom companies do not have electronic contact information. As you know, as proposed, Regulation E-Delivery does not provide any e-delivery default mechanism for this category of contract owners. The datapoints we identified as potentially helpful are as follows:

With the adoption of Rule 498A, underlying fund prospectuses may be delivered online as long as they are made available in paper upon request.

- Provide the number of times in the past three years (or a lesser time period you designate) paper underlying fund prospectuses were requested.

Prior to the repeal of Rule 30e-3, shareholder semi-annual and annual reports were deliverable online, in which case contract owners received a simultaneous paper notice that included, among other things, information as to how to opt out of online delivery and instead receive paper.

- Provide the number of contract owners who opted out of online delivery.

Complaints about paper mailings arguably help demonstrate that contract owners do not want to receive paper.

- Over the past two years, how many complaints have you received related to paper mailings, e.g., confirmations, tailored shareholder reports and/or USPs, etc… provide any helpful color around such complaints.

Of course, we welcome any other datapoints you think might be compelling. We will put placeholders in the draft comment letter and include any data that the working group agrees is helpful in a later draft. *Please start sending us this information as soon as you can with an eye toward providing your company's input no later than September 4, 2026*.

Again, be on the lookout for a first draft comment letter in the coming days. Please do not hesitate to reach out with any questions. In the meantime, hope everyone is finding some time to enjoy the summer.

BEST, Dodie

Dodie Kent | New York Office Managing Partner

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T: +1.212.389.5080
M: +1.917.282.5457
Biography

Eversheds Sutherland
Helping our clients, our people and our communities to thrive

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From: Kent, Dodie
Sent: Monday, July 27, 2026 8:09 AM
To: CAI - E-Delivery Working Group CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us
Cc: Roth, Stephen SteveRoth@eversheds-sutherland.us; Coenen, Ron RonCoenen@eversheds-

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sutherland.us
Subject: Next CAI E-Delivery Meeting -- Thursday, July 30th at 2pmET -- Regulation E-Delivery Preliminary Comment Ideas for Discussion

Good morning, everyone. We hope you had a great summer weekend. We look forward to continuing our Regulation E-Delivery discussion later this week ***on Thursday, July 30th at 2pm ET*** (a calendar invite will follow). We plan to use our call to begin to flesh out possible SEC comments, which are due on September 21, 2026.

To facilitate our discussion, below we have provided some preliminary comment ideas for your review and consideration. We welcome any revisions/objections/additional comment topics, please! And, of course, we look forward to discussing any further general observations, concerns, and/or questions. A continued active working group dialogue will help us make sure the Committee's comment letter is as comprehensive as possible, so thank you for your continued participation.

On Thursday's call, in addition to discussing possible comments, we would like to continue the conversation about companies' contract owner "account set-up" process. Specifically, we would like to better understand whether companies are able to send contract owners a secure link to electronic documents with personal financial information ("PFI") *without* requiring a contract owner proactively to go through the process of first setting up an account. If this is not possible, we would like to understand how the account set-up process works. It would be very helpful if members could be ready to discuss these details (or send us an email in advance if that's easier).

Preliminary Comment Ideas:

Electronic Addresses
As proposed, "electronic addresses" must be "provided," *or* "accepted for use," by the contract owner to receive required documents electronically. This means that not all electronic contact information automatically qualifies as an "electronic address" that can be used under Regulation E-Delivery. In this regard, on our initial call, we discussed the need to advocate for a more liberal and workable framework.

COMMENT: The provide or accept for use requirement should only apply to the "general" process, i.e., the process that permits companies to default without advance notice (*i.e.*, no transition period).

COMMENT: For purposes of the "transition" process, i.e., the process by which companies can default with 180-day advance notice, *any* reasonably reliable electronic address (i.e., including those that companies are *not* certain were provided by, or accepted for use by, the customer) should be permitted. Accordingly, the transition process should remain available on a prospective basis and should include *both* existing customers who are not receiving paper as of the effective date of the final rulemaking, as well as future customers who cannot be defaulted to electronic delivery under the general process, *i.e.*, future customers for whom the company possesses a reasonably reliable electronic address but the electronic address may not have been provided or accepted for use by the customer.

- This approach would provide a default mechanism for *any* contract owners for whom companies have electronic contact information, either on the effective date of Regulation E-Delivery or in the future.

COMMENT: *Alternatively*, if the SEC is unwilling to expand the transition process in this manner, for legacy contract owners as of the effective date (or for a reasonable time thereafter) only, *any* reasonably reliable electronic address should be permitted (i.e., those that cannot be readily

characterized as provided or accepted for use), as companies cannot, in hindsight, determine how such information was obtained.

- This would provide a default mechanism for legacy contract owners for whom companies have electronic contact information, but who were receiving paper as of the effective date of Regulation E-Delivery.
- To some degree, this framework would require companies going forward from the effective date to track and characterize how electronic contact information is obtained, as it would dictate whether the customer is subject to the general or transition default process.

Legacy Contract Owners for Whom Insurers Have No Electronic Contact Information
As proposed, Regulation E-Delivery does not provide any default mechanism for contract owners for whom insurers have no electronic addresses. As you know, over the years, the Committee has rigorously advocated for paper notices coupled with website posting. The proposal expressly rejects paper notice and access models. In doing so, the proposal reasons that a contract owner who has declined to provide an electronic address may be more likely to prefer to receive information in paper format. Notably, the proposal notes the Commission "preliminarily" believes this to be the case.

The Committee's comment letter should, of course, challenge the Commission's rejection of notice and access models and reiterate the arguments the Committee has advanced previously. At the same time, given the Commission's expressed concerns, the Committee's comment letter should also seek to advance *new* approaches within the spirit of the proposal. In doing so, the Committee can hopefully provide the Commission with additional, constructive options for the final rulemaking.

COMMENT: Based on the same general principles of the transition process outlined in the proposed rule, companies will provide, for at least 180 days *(WG decision point: alternatively, perhaps a complete year in order to capture a full cycle of mailings)* a transition notice with each instance of paper delivery. Each transition notice would (i) inform the customer of all the ways to access that same document electronically; (ii) the date as of which the customer will be transitioned to e-delivery of such documents, unless the customer opts-out; and (iii) how the customer can transition to full electronic delivery, if desired. In addition, the notice would include multiple options for providing electronic address information, e.g., a website address, an email address, a telephone number, a mobile number. Following the stated transition period, for any contract owner who does not respond, required documents will be e-delivered online (process TBD) and a paper "Statement of Availability" would be delivered simultaneously.

- We should consider the advisability/workability of including PFI documents in this paper notice and access process, i.e., alternatively excluding default e-delivery of PFI documents from this category of contract owners.
- The Committee should assert its strong disagreement that a contract owner who has declined to provide an electronic address is more likely to prefer to receive information in paper format based on *at least* the following counterpoints. *Please consider what company data points could be supportive here:*
    - For many legacy contract owners, email was not widely used at the time of contract issue and/or was not built-in to the application/administrative process and hence is not a reliable indicator of preferred communication method.
    - Overwhelmingly, contracts are sold through third-party brokers who collect electronic addresses for broker use but historically did not replicate the e-delivery on-boarding process on behalf of the insurance company.

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- More reliable preference indicators are in contract owner actions/reactions:
  - Contract owners do not request paper for documents that are default web-posted in reliance on Rule 498A.
  - Contract owners did not opt-out of the now defunct 30e-3 electronic delivery process.
  - Contract owners complain about paper in general, as well as in connection with scheduled paper mailings, e.g., annual shareholder reports and prospectuses.
  - What else?

Historical E-Delivery Recipients
Although Regulation E-Delivery is designed to be a safe harbor, the Commission intends to rescind (much of) the existing e-delivery guidance (while reaffirming certain principles from the guidance in the final rulemaking). The Commission anticipates providing a two-year interim period running from the rule's effective date before rescinding said guidance. After the guidance is rescinded, companies that wish to be assured that they have satisfied applicable requirements to deliver information under the federal securities laws through the use of e-delivery would have to comply with the prescribed requirements of Regulation E-Delivery. As a result, companies will need to evaluate whether to transition existing e-delivery customers to an electronic delivery process that complies with Regulation E-Delivery's "safe harbor," even for customers that previously consented to e-delivery.

COMMENT: For contract owners who were already receiving required documents electronically as of the effective date of Regulation E-Delivery, the applicable e-delivery process for those customers should essentially be grandfathered, i.e., the Commission should provide assurances that those processes can be used to satisfy delivery without transitioning those customers to Regulation E-Delivery.

Document-By-Document Opt-Out
As proposed, companies would be required to provide document-by-document e-delivery opt-out rights.

COMMENT: Companies should be permitted to provide: (i) an "all-in" only e-delivery option; and/or (ii) e-delivery opt-out rights by categories of documents (e.g., generic documents vs. PFI documents). Companies should not be required to support ad hoc document-by-document preferences.

Misc. Responses to Requests for Comments (to be expanded…)

- The E-SIGN exemption should be expanded to include electronic delivery of SEC documents generally, not only those delivered in accordance with Regulation E-Delivery's safe harbor.
- For consideration (there was a lot of concern about this among working group members, but we should discuss the advisability of commenting on this all together): There should be no further obligation once you have an electronic address and/or have completed the transition process, e.g., not opening documents and/or accessing accounts is the same as not opening mail, which has never, of course, been regulated.

We should also consider a possible comment related to certain state-preemptions.

Again, we look forward to speaking on Thursday. In the meantime, please feel free to reach out to Steve, Ron or me with any reactions, questions or concerns.

BEST, Dodie
Dodie Kent | New York Office Managing Partner

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Biography

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From: Kent, Dodie
Sent: Friday, July 17, 2026 12:58 AM
To: CAI - E-Delivery Working Group <CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us>
Cc: Roth, Stephen <SteveRoth@eversheds-sutherland.us>; Koffler, Michael <MichaelKoffler@eversheds-sutherland.us>; Graves, Timothy <timothygraves@eversheds-sutherland.us>
Subject: SEC Proposes Regulation E-Delivery -- Next CAI E-Delivery Working Group Call on Tuesday, July 21, 2026 at 2pm ET

Yesterday, July 16, 2026, the SEC issued its much-anticipated e-delivery rule proposal ("Reg E-Delivery"), which will largely supersede the SEC's current, decades-old e-delivery interpretive guidance. In general, Reg E-Delivery would permit default e-delivery for contract owners *for whom insurers have electronic addresses*. In addition, consistent with the Committee's active engagement with the SEC on e-delivery over the past several years, as proposed, the new framework would be exempt from the consent requirements of the E-SIGN Act.

The Proposing Release is available here, the related Fact Sheet is available here, and the SEC press release is available here.

While we are actively still "unpacking" the proposal and assessing appropriate areas for comment, we wanted to provide the following detailed summary for your review. We are also scheduling a call to discuss the proposal and possible areas for comment, as well as timelines and next steps, on Tuesday, July 21st at 2pm ET. A calendar invite with dial-in information will follow.

Summary

Important Dates

- Comments are due 60 days after the proposal is published in the Federal Register.
- Effective Date: 60 days after the final rules are published in the Federal Register.
- Compliance Date: 2 years after the Effective Date.

Overview of Proposed E-Delivery Framework. Reg E-Delivery would permit (but not require) e-delivery to be used as the default delivery method for any person who has an obligation to deliver information under the federal securities laws—including insurance companies, their registered separate accounts, broker-dealers and investment advisers—to deliver such information ("covered information") to any current or prospective customer, client, investor, security holder, counterparty, or similar recipient without first obtaining affirmative consent, so long as (i) the recipient has provided an electronic address; (ii) the company has provided a clear and prominent disclosure to the recipient that it will send the covered information to that electronic address; and (iii) the recipient has not opted out of e-delivery.

Covered information eligible for e-delivery includes but is not limited to contract prospectuses, underlying fund prospectuses, fund annual and semi-annual shareholder reports, proxy statements, and documents required to be delivered by broker-dealers and investment advisers (such as transaction confirmations, Form CRS, and Form ADV).

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- ***Electronic Address Requirement.*** The term "electronic address" is defined broadly to include an email address, a mobile phone number, or "any other means of electronic communication capable of receiving electronic delivery . . . and alerting a covered recipient that covered information is available." The proposal contemplates that this would include mobile phone numbers for texting, mobile web portal inboxes or mobile applications. Importantly, the electronic address must have been provided under circumstances that indicate a willingness to receive the covered information (e.g., an email address provided during the contract application process). An electronic address that was provided solely for another purpose, such as a request for technical support, would not support reliance on Reg E-Delivery.

- *NOTABLY,* this means that if a company does not have an electronic address for a recipient, the company is unable to rely on proposed Reg E-Delivery to deliver covered information electronically to that recipient. The SEC specifically rejected using ongoing paper notices for online e-delivery of covered information if an electronic address is not provided, reasoning that a recipient who has "declined to provide" an electronic address may be more likely to prefer to receive covered information in paper format and may encounter barriers to accessing covered information electronically. ***Accordingly, insurers with legacy contract owners for whom no electronic address has been provided and/or is available will not be able to rely on Reg E-Delivery as proposed (at least with respect to such contract owners).***

- ***Disclosure/Pre-Notice Requirement.*** Prior to relying on proposed Reg E-Delivery, a company that wants to use e-delivery as the default would be required to provide a clear and conspicuous disclosure to the recipient that describes the methods of e-delivery that may be used and describes the types of covered information that will be delivered electronically to the recipient's electronic address, unless the recipient opts out of e-delivery. The notice must also disclose, if applicable, whether a recipient's request for paper or choice to opt out of e-delivery could result in restrictions or the termination of the recipient's relationship with the company.

- For new customers who become entitled to receive the covered information after the effective date, this disclosure/notice can be incorporated into the contract application process.
- For existing contract owners who already receive the covered information by e-delivery under the current e-delivery guidance framework, no disclosure/notice would be required.
- For existing contract owners who, as of the effective date of Reg E-Delivery, receive the covered information in paper format, and for whom the insurance company has an electronic address, special disclosures/notices are required to transition to default e-delivery (detailed below*).
- As noted above, for existing contract owners for whom the insurance company does not have an electronic address, e-delivery is not available and covered information must be delivered in paper format. Presumably, given the E-SIGN exemption, the SEC's thinking is that insurers would be able to obtain electronic addresses, and, thereafter, default contract owners to default e-delivery.

E-Delivery Transition Process – Special Notices for Existing Contract Owners Receiving Paper Documents but for Whom Insurers have an Electronic Address.* In order to transition existing recipients who currently receive paper documents to default e-delivery, companies would be required to provide an initial notice in paper format at least 180 days prior to the transition date and a follow-up notice 30 days prior to the transition date containing specified information to alert the recipients about the upcoming transition to default e-delivery and apprise them of their opt-out rights. Insurers would thereafter be permitted immediately to begin providing covered information by e-delivery to contract owners who update or confirm their electronic address in response to either notice. The follow-up 30-day notice would not be required for contract owners

who, after receiving the initial notice, either (i) update or confirm their electronic address or (ii) exercise their opt-out rights. *Again, this transition process is only applicable to recipients (i) for whom the company has an electronic address, and (ii) who were receiving covered information in paper format as of the effective date of proposed Reg E-Delivery.*

- ***Opt-Out Rights and Paper Copies.*** Recipients would have the right to opt out of e-delivery at any time and receive the covered information only in paper format without charge. Companies would be required to honor opt-out requests promptly, but the proposal does not prescribe a time period for doing so. The Proposing Release contemplates that the opt-out right would apply on a document-by-document basis, meaning recipients may choose to receive some types of covered information in paper format and other types of covered information electronically, which could present operational challenges for insurers in terms of tracking mixed elections.

- In addition, if requested, a company must promptly deliver a paper copy of any covered information that has already been e-delivered within 3 business days after receiving a request during the period the company is required to retain the covered information under the federal securities laws (or during the preceding two years, if there is no required period). We note that this would allow contract owners to request copies of prospectuses and other regulatory documents that have been superseded by updated documents.

E-Delivery Methods. Proposed Reg E-Delivery provides for two permissible methods of e-delivery, depending on the type of covered information being provided:

1. Direct E-Delivery: Covered information that does not contain personal financial information (i.e., information specific to the recipient's personal financial matters, such as an account number or transaction confirmation) may be delivered directly to the recipient's electronic address, e.g., as an attachment or included in the body of an email.

2. Statement of Availability: Covered information that contains personal financial information must be delivered by sending a statement of availability to the recipient's electronic address with a link to a website[1] address where the covered information can be accessed. Covered information that does not contain such information may also be delivered this way. However, covered information that contains personal financial information ***must*** be subject to a process reasonably designed to safeguard the personal financial information (e.g., secure login).

Additional Considerations.

- Consistent with the requirements of the summary prospectus framework under Rule 498A, the provided link must lead the recipient directly to the covered information (immediately after completing the security process, if there is personal financial information included), and recipients must be able to retain the covered information in electronic format permanently, free of charge. If no website availability period is already provided under the federal securities laws, the covered information must remain available on the website for at least 3 years (if it contains personal financial information) or 1 year (if it does not contain personal financial information).

- Companies relying on the statement of availability method would also be required to adopt and implement written policies and procedures reasonably designed to ensure the covered information is made available and remains available in the manner required by Reg E-Delivery. If the website becomes temporarily unavailable, the company would be required to take prompt action to ensure the covered information becomes available as

soon as practicable after the company knows or reasonably should know that the covered information was temporarily unavailable.

- Regardless of the delivery method used, certain disclosures must be provided each time covered information is sent by e-delivery, such as a description of the nature of the covered information being delivered, whether any action is required by the recipient within a fixed time frame to exercise his or her rights, whether the covered information is being delivered on behalf of another entity, and how the recipient may request paper copies, opt-out of e-delivery, or update his or her electronic address.

- Multiple pieces of covered information may be delivered together, and a delivery may combine the two methods of delivery if all of the requirements have been met (i.e., providing a statement of availability for one piece of covered information and directly delivering another piece of covered information). However, e-delivery must not include other communications that are not covered information, such as marketing materials or other communications that are not required to be delivered under the federal securities laws.

Interestingly, the Proposing Release notes that if a company develops a method of e-delivery that differs from those contemplated in Reg E-Delivery but provides assurance comparable to paper delivery that the information will be delivered, that method may be used to satisfy the delivery requirements under the federal securities laws, unless a rule or statute provides otherwise.

Remediation of Failed E-Delivery Attempts. The proposal would (of course) require companies to adopt and implement written policies and procedures reasonably designed to identify and remediate failed e-delivery attempts (e.g., email bounce-backs). In the event of failed e-delivery, the company would be required to promptly take reasonable remediation steps, including obtaining a new electronic address or delivering the covered information in paper format until a new electronic address is provided. Persistent e-delivery failures would need to be addressed by reverting the recipient to paper delivery on a global basis unless an alternative electronic address is provided.

Existing E-Delivery Guidance. The SEC's 1995 and 1996 E-Delivery Guidance—which focus on a framework of notice, access, and evidence of delivery—would be entirely superseded by proposed Reg E-Delivery. However, the SEC proposal reaffirms certain discrete principles from these releases. The SEC anticipates that the majority of its 2000 E-Delivery Guidance will be retained, with select sections and examples superseded by Reg E-Delivery. Accordingly, the 2000 Guidance would need to be read and interpreted alongside any final e-delivery rules and guidance.

Next Steps.

As noted above, we will have an initial discussion call on Tuesday, and we very much look forward to everyone's input. Also, there are some special considerations applicable to broker-dealers and advisers, including the interplay with FINRA rules. We will follow up in the next few days with a separate email to the Committee's Product Distribution Working Group regarding those issues.

In the meantime, if you have any questions, comments or reactions, please don't hesitate to reach out to Steve, Michael or me.

Best, Dodie

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Dodie Kent | New York Office Managing Partner | T: +1.212.389.5080 | M: +1.917.282.5457

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From: Kent, Dodie <DodieKent@eversheds-sutherland.us>
Sent: Wednesday, June 24, 2026 8:54 PM
To: CAI - E-Delivery Working Group <CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us>
Cc: Roth, Stephen <SteveRoth@eversheds-sutherland.us>; Kosoff, Michael L. <kosoffm@sec.gov>; Graves, Timothy <TimothyGraves@eversheds-sutherland.us>
Subject: Finally -- Some Positive E-Delivery News!

Good evening, everyone. You may have seen in the news earlier today an exciting new development with regard to the SEC's efforts to develop a rulemaking proposal related to e-delivery of SEC required documents.

On Monday, the SEC submitted a proposal titled "Electronic Delivery of Information Under the Federal Securities Laws" to the Office of Information and Regulatory Affairs (OIRA) for review. Under Executive Order 12866, the SEC must submit drafts of all significant regulatory actions to OIRA for review before they can be published in the Federal Register for public comment. OIRA has up to 90 days to review the draft regulations for consistency with applicable law, federal policies and priorities (and such review time may be extended by the Director of the Office of Management and Budget on a one-time basis for an additional 30 days). In the last decade, the average OIRA review time has been 75 days.

As you know (and, in part, as further detailed in our emails below), the Committee had been actively engaging with the SEC staff to advocate for an e-delivery framework that (i) makes e-delivery the default for SEC required documents, (ii) expressly pre-empts the applicability of E-SIGN, and (iii) preserves the ability to use ongoing paper notices for online e-delivery of generic SEC required documents when electronic contact information is not available. You will recall, we met with the SEC staff in December to discuss these requests and highlight the unique challenges posed by legacy contract owners who have not provided electronic contact information. In March, we sent a follow up email to reiterate the Committee's e-delivery priorities and counter the staff's suggestion (made at our December meeting) that pre-empting E-SIGN would ultimately obviate the need for ongoing paper notices for online e-delivery, i.e., once insurers obtain missing email addresses (through, e.g., contract owner communication campaigns and/or by employing third-party vendors), insurers could then readily default contract owners to e-delivery (free of any E-SIGN obstacles). To help support this position, we provided detailed member survey data illustrating how an email gathering campaign for these legacy contracts would be operationally burdensome, costly, and unlikely to succeed at scale. We were told that this information, in turn, was shared with the larger SEC interdisciplinary e-delivery rulemaking team.

While we will not have firm details about the content of the proposed regulations until they have passed OIRA review (and, so, will likely have to remain on the edge of our seats until then), we are cautiously hopeful that the concerns and information we shared with the SEC staff will be reflected in the proposal.

We will continue to monitor and report on any developments in real time. In the meantime, please don't hesitate to reach out if you have any questions.

BEST, Dodie
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From: Kent, Dodie
Sent: Tuesday, April 14, 2026 10:03 AM
To: CAI - E-Delivery Working Group <CAI-E-DeliveryWorkingGroup@eversheds-sutherland.us>
Cc: Roth, Stephen <SteveRoth@eversheds-sutherland.us>; Koffler, Michael <MichaelKoffler@eversheds-sutherland.us>; Stith, Alexandria <AlexandriaStith@eversheds-sutherland.us>
Subject: FW: Follow Up -- Committee of Annuity Insurers December E-Delivery Meeting with SEC Staff

Hi everyone. We wanted to share the below email, which we sent to certain SEC staff as a follow-up to our hybrid December 2025 CAI E-Delivery working group SEC meeting.

You will recall that our plan with this communication was to reiterate our primary e-delivery framework asks: (i) make e-delivery the *default* for SEC required documents; (ii) expressly pre-empt the applicability of E-SIGN from any new framework; and (iii) permit ongoing paper notices for online e-delivery of *generic* SEC required documents (*i.e.,* documents that do not contain personal information) for investors for whom insurers do not have electronic contact information on file.

In addition, importantly, we wanted more fully to address the staff's suggestion at our December meeting that an e-delivery framework that includes (i) and (ii) above would largely eliminate the need for paper notices, i.e., once insurers obtain missing email addresses (through, e.g., contract owner communication campaigns and/or by employing third-party vendors), insurers could then readily default contract owners to e-delivery (free of any E-SIGN obstacles).

In this regard, we strongly conveyed that our working group members overwhelmingly believe that even with very significant investment in an email gathering campaign, obtaining a reasonably complete and/or reliable email address list is unlikely, which would leave ongoing paper delivery of SEC required documents necessary for millions of contract owners. To help support this position, you will see that we included a sampling of the number (and/or overall percentages) of missing email addresses, as provided by working group members. Thank you to everyone who provided this information; as suspected, it was quite compelling.

The staff responded to our email, letting us know that they were very thankful for the information and for the Committee's continued engagement. They noted that they intended to share it with the larger interdisciplinary e-delivery rulemaking team.

We will continue to keep you posted on anything we hear and any further communications with the staff. We plan to contact the staff in the coming weeks to try to gain insights as to their progress, and to see if we can provide any additional information. If there are any additional steps or avenues you think might be helpful for the Committee to pursue, please reach out to any of us. As always, we are very open to and grateful for all suggestions. And, of course, please let us know if you have any questions.

Thanks to all of you for your continued engagement on this issue.

BEST, Dodie
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Biography

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From: Kent, Dodie
Sent: Thursday, March 26, 2026 5:18 PM
To: Wagner, Amanda <wagnera@sec.gov>; Johnson, Brian M. <johnsonbm@sec.gov>; ellisp@sec.gov
Cc: Roth, Stephen <SteveRoth@eversheds-sutherland.us>; Koffler, Michael <MichaelKoffler@eversheds-sutherland.us>; Stith, Alexandria <AlexandriaStith@eversheds-sutherland.us>
Subject: Follow Up -- Committee of Annuity Insurers E-Delivery Meeting with SEC Staff

Hi everyone, and happy Spring! Hope all is well.

Thank you again for meeting with the Committee of Annuity Insurers (the "CAI" or the "Committee") at the end of last year to discuss our members' e-delivery recommendations and particular concerns. You will recall that, as a part of that discussion, the Committee set forth three overarching requests: (i) make e-delivery the *default* for SEC required documents; (ii) that any new e-delivery framework expressly pre-empt the applicability of E-SIGN; and (iii) permit paper ongoing notices for online e-delivery of generic SEC documents (*i.e.,* documents that do not included personal investor information) for investors for whom insurers do not have electronic contact information on file.

Regarding the third request, there was some discussion at our meeting, prompted by the staff, as to whether a framework that includes the above-mentioned (i) and (ii) could essentially obviate the need for (iii). In other words, if insurers can obtain "missing" contract owner email addresses (through contract owner communications and/or by engaging third-party vendors), and then, in turn, default legacy contract owners to e-delivery free of E-SIGN obstacles or concerns, is there still a need for paper notices. Since our meeting, we vetted this possibility with our members, and we wanted to follow-up with some overall input, as well as some practical data.

In response to the staff's inquiry, we surveyed members of the Committee's E-Delivery working group to gain a clearer understanding of whether (a) an explicit preemption of E-SIGN, combined with (b) a campaign to obtain missing contract owner email addresses, would obviate the need for paper notices to e-deliver generic documents to legacy investors for whom the firm *does not* currently have electronic contact information. Among other questions, we requested that Committee members indicate roughly how many contract owners email addresses the company would need to obtain.

In summary, not a single working group member who participated in our follow-up calls and/or actively responded to our written survey believes that preempting E-SIGN would make it practical or cost-effective for insurers successfully to obtain email addresses for legacy contract owners in order to default them to e-delivery. Overwhelmingly, working group members responded that even with very significant investment, obtaining a reasonably complete and/or reliable email address population for blocks of legacy contracts (many of which are decades old) is unlikely and would still leave paper delivery necessary ad infinitum for millions of contract owners.

Here is the data that eleven CAI members provided us:

MEMBER	MISSING E-MAIL ADDRESSES by # and/or %*
Company 1	267,000 contract owners, which is approximately 68% of all owners
Company 2	• Approximately 50% of all annuity contract owners • Approximately 30 % of all life contract owners
Company 3	1 million contract owners
Company 4	More than 90% of all contract owners

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Company 5	40,000 contract owners
Company 6	20 – 30% of all contract owners
Company 7	280,000 contract owners, which is approximately 55% of all owners
Company 8	More than 90% of all contract owners
Company 9	145,000 contract owners, which is approximately 55% of all owners
Company 10	• 950,000 life contract owners, which is approximately 70% of all owners • 375,000 annuity contract owners, which is approximately 52% of all owners
Company 11	More than 70% of contract owners

**Companies provided either the number and/or percentage of contract owners for whom they did not have electronic contact information. Numbers have been rounded up for simplicity.*

The data presented above is just a relatively small sampling of companies, but, nonetheless, we hope the staff will agree that the number of missing email addresses is staggering. Obtaining missing email addresses for such a large number of legacy contract owners would require repetitive ongoing, multi-channel outreach, endless remediation of invalid or stale addresses, and the use of third-party vendors. These efforts would entail substantial recurring operational costs rather than a one-time expense, with uncertain outcomes.

We want to re-emphasize and underscore that the CAI is recommending that paper notices be an acceptable form of ongoing notice only for generic SEC documents, which are typically already available on company websites. We are not suggesting that use of paper notices be a permissible form of ongoing notice to default investors to e-delivery for personal documents. Paper notices to facilitate default e-delivery of generic SEC documents are a reliable and cost-effective way to reach this population, and default e-delivery is overwhelmingly preferred by today's investors. In addition, while the insurance industry has certain challenges that make ongoing paper notices particularly compelling in this context, public policy would support optional paper notices not only for insurers but for all similarly situated entities that must deliver generic SEC Required Documents. Going even further, we believe that the SEC could reasonably determine that no notices should be required for publicly available generic SEC documents.

We also note that most of our working group members generally appreciate that gaining the ability to send paper notices on an ongoing basis to legacy contract owners for whom they have no electronic contact information may not extend to new sales going forward. That is, our members appreciate that the updated SEC default e-delivery framework may require such electronic contact information going forward in order to default such investors to e-delivery. Nonetheless, we do want to point out that most members continue to have concerns about certain obstacles related to obtaining even new contract owner email addresses, including but not limited to a lack of agency over third-party selling intermediaries who are at the touchpoint of many sales.

Next Steps. We are hopeful that you will consider the additional information we have provided above as you continue to develop a modernized SEC e-delivery regulatory framework. We are happy to try to augment this data and thinking in any way that might be of further help. Also, as we mentioned at the meeting, we stand ready to meet with other SEC staff involved in the inter-disciplinary effort to develop a modernized SEC default e-delivery framework. The CAI recognizes that the issues it has raised may be particularly important to the insurance industry. Therefore, we appreciate that SEC staff other than IM staff will be less familiar (indeed unfamiliar) with the insurance industry's unique business model and its associated challenges. Given the importance of this issue to the insurance industry, we and/or our

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members would be pleased to meet in person or virtually with others involved in the rulemaking effort to explain our issues and concerns and to answer any questions. Please let us know whether and how we can follow up in this regard.

Thank you again for being open to ongoing dialogue around this important issue to our members.

BEST, Dodie

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Biography

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[1] The rule would define "website" as "an internet website or other internet- or electronic-based location where information is stored or presented, such as a mobile application, to which a covered recipient has been provided reasonable access."

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