September 21, 2026

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:

I. Introduction

The Insured Retirement Institute ("IRI")[1] appreciates the opportunity to comment on the Commission's proposed Regulation E-Delivery ("Reg E-Delivery," the "Proposed Rule," or the "Proposal"),[2] which would permit covered entities to deliver covered information to covered recipients electronically as the default method, subject to conditions, and would rescind Rule 30e-3[3] and amend the proxy and tender offer rules. IRI is the leading trade association for the insured retirement industry. Its members include the insurers, asset managers, broker-dealers, and distributors that develop, issue, and distribute annuities and other insured retirement solutions that provide protected lifetime income to millions of American workers and retirees.

IRI strongly supports the Proposal. Making e-delivery the default is a modernization that IRI has long sought, and it aligns with the goals of IRI's Digital First for Annuities initiative and IRI's Federal Retirement Security Blueprint. IRI commends the Commission for independently advancing this reform through rulemaking and for grounding the Proposal in documented investor preferences. The Proposal also aligns with the electronic-delivery framework the Department of Labor has successfully implemented.[4] The Proposal aligns default delivery with the way most investors now prefer to receive information, while preserving the consumer choice that IRI has consistently advocated, in particular the durable right to request paper at any time.

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[1] The Insured Retirement Institute (IRI) is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, broker dealers, banks, marketing organizations, law firms, and solution providers. IRI members account for 90 percent of annuity assets in the U.S., include the foremost distributors of protected lifetime income solutions, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, diversity, equity, and inclusion, and the advancement of digital solutions within a collaborative industry community.

[2] 17 CFR Parts 240, 270, and 303; [Release No. 33-11430; 34-105921; 39-2564; IA-6980; IC-36252; File No. S7-2026-25] RIN 3235-AN57 (July 2026).

[3] 17 CFR § 270.30e-3, Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

[4] 85 FR 31834 (May 27, 2020); codified at 29 CFR § 2520.104b-31, *see also* 67 FR 17266 (Apr. 9, 2002); codified at 29 CFR § 2520.104b-1(c); Treas. Reg. § 31.6051-1(j), Treas. Reg. § 1.6045-4(e)(6), and TD 9114 (69 FR 7577); *see also* T.D. 9282 (71 FR 51727).

Consistent with that support, IRI's comments focus on refining the conditions of the Proposed Rule so that a single compliant workflow is operationally feasible across the insurer, asset manager, broker-dealer, distributor, and vendor relationships that characterize the insured retirement industry. IRI supports the Proposal's objective and offers the recommendations below to make implementation workable. The comments are organized in the order of IRI members' priorities.

II. Summary of Key Recommendations

IRI's principal recommendations, in order of member priority, are as follows.

1. IRI strongly supports making e-delivery the default and commends the Commission for advancing this modernization through rulemaking, while preserving the durable right to request paper.
2. The transition provisions should incorporate a workable framework for bringing legacy and in-force contracts that have no electronic address on file into e-delivery, with adequate transition time, rather than defaulting those contracts to paper indefinitely. Additionally, shortening the 180-day transition timeline after the initial paper notice would better reflect how investors receive and respond to digital communications today, while continuing to preserve investor choice and maintaining strong investor protections.
3. The adopting release should confirm that the Proposal's exclusion of recipients already receiving e-delivery for all covered information from the transition process extends to existing valid electronic-delivery elections, including those whose scope does not precisely match the definition of covered information, so that covered entities and their distribution partners need not re-collect consents that recipients have already given, and should adopt outcome-based conditions and realistic timelines for reconciling existing opt-in records with the new opt-out default across the insurer, distributor, broker-dealer, transfer agent, and vendor chain, including a reasonable-reliance safe harbor for a covered entity that acts in good faith on the most recent delivery preference available to it through an established distribution or servicing data process while a more recent change propagates.
4. In response to Request for Comment 36, the final rule should permit a covered entity to use, and to share, an electronic address, together with the recipient's provision or acceptance and delivery preferences, obtained from an affiliate, another covered entity, or a reliable third party such as a plan sponsor or recordkeeper, in defined circumstances, subject to reasonable evidence standards and appropriate safeguards for the protection of the recipient's information, with responsibility for the delivery obligation remaining with the obligated covered entity. In particular, a covered entity should be able to rely on a plan-sponsor-provided address to send the transition initial notice, unless the recipient has changed or removed that address, and a successor covered entity should be able to rely on a predecessor's e-delivery records when servicing transfers between providers.

5. Because Rule 30e-3 already operates on an opt-out-to-paper basis, the Commission should align the rescission of Rule 30e-3 with the compliance period and, in response to Request for Comment 6, permit a notice-and-access option or comparable outreach for recipients without an electronic address, so that those recipients can move to e-delivery rather than reverting to paper.
6. The Commission should confirm that a covered entity may phase implementation product by product and in-force block by block within the two-year interim period, according to realistic product-level build and vendor timelines, and should align the endpoint for the rescission of Rule 30e-3 with that period.
7. In connection with the rescission of Rule 30e-3, the Commission should adopt any conforming amendments needed so that Rule 498A summary prospectuses and related disclosures for variable annuities, variable life insurance, and registered non-variable annuities reflect Reg E-Delivery rather than the rescinded rule, and should apply those changes consistently across these products.
8. The Commission should adopt a workable definition of personal financial information and confirm that reasonable existing safeguarding methods, including password, multifactor, and biometric authentication, satisfy the requirement for delivering covered information that includes personal financial information.
9. The Commission should take an outcome-based rather than prescriptive approach and refine the conditions that are more prescriptive than necessary to achieve the Commission's objectives, including notice content and prominence, the paper-fulfillment timing and retention lookback, and website availability periods, so that a single compliant workflow is operationally feasible.
10. The Commission should harmonize Reg E-Delivery with the Department of Labor and ERISA safe harbor, FINRA rules, and state insurance requirements, so that one compliant workflow can serve overlapping obligations in the same customer relationship. With respect to State insurance requirements in particular, the Commission should confirm that a covered entity may rely on Reg E-Delivery for its Federal securities law obligations regardless of the applicable State consent standard. It should coordinate with State insurance regulators and the National Association of Insurance Commissioners, without preempting State insurance law.

III. Legacy and In-Force Contracts, No-Address Recipients, and Rule 30e-3

IRI supports a clear transition process. The Proposal would require a paper initial notice at least 180 days before conversion to default e-delivery, followed by a paper follow-up notice 30 days before conversion. It would also permit an earlier switch once the recipient confirms or updates an electronic address, and it would not permit overwriting an opt-out. IRI supports these safeguards generally and offers several recommendations for the Commission's consideration that would enhance investor communications while reducing operational burdens and accelerating the benefits of the Proposal.[5]

The earlier-switch mechanism presupposes that the covered entity already has an electronic address for the recipient to confirm or update. That premise does not hold for certain legacy, in-force contracts issued before electronic delivery was common, for which no electronic address is on file. IRI's priority in the transition is to ensure that the process incorporates a workable framework for bringing these in-force contracts into e-delivery, with adequate transition time for long-standing in-force blocks. Because these contracts reflect the absence of an electronic address rather than a choice to receive paper, they should not be defaulted to paper indefinitely, and IRI continues to support honoring every affirmative paper election.

IRI also recommends that the transition framework accommodate the operational realities of long-standing in-force blocks, including householding, returned mail, deceased owners, inactive accounts, and mixed document preferences, and that the Commission confirm that a covered entity may elect when to begin the transition for a given block rather than being required to convert all populations on a single fixed schedule.

The rescission of Rule 30e-3 sharpens this concern. Rule 30e-3 has functioned as a notice-and-access framework under which the shareholder report is made available online, the recipient is sent a paper notice of its availability, and the recipient receives the full report on paper only by electing it. Because that notice is itself delivered by mail, Rule 30e-3 has never required the recipient to have an electronic address on file. Recipients served by Rule 30e-3, including certain insurance company separate accounts registered on Form N-3 for their shareholder report obligations, have therefore already moved off full-paper-report delivery, and many did so without ever providing an electronic address.[6] Rescinding Rule 30e-3 without a workable bridge would return the recipients in that population who have no electronic address on file to full paper delivery, because they cannot be defaulted into Reg E-Delivery without an electronic address. That outcome would increase paper, and it would be inconsistent with the modernization the Proposal is designed to achieve.

The rescission also affects products differently across the insured retirement industry. Rule 30e-3 has supported notice-and-access delivery of shareholder reports for closed-end funds and for certain insurance company separate accounts registered on Form N-3, and many members have invested

[5] *See* Electronic Delivery of Information Under the Federal Securities Laws, 91 Fed. Reg. 45884 (July 21, 2026) (File No. S7-2026-25); proposed Rule 303.104, 17 CFR 303.104 (transition process for covered recipients receiving paper).
[6] *See* Rule 30e-3, 17 CFR 270.30e-3; Optional Internet Availability of Investment Company Shareholder Reports, Investment Company Act Release No. 33115 (June 5, 2018) [83 FR 29158 (June 22, 2018)] (permitting a fund to satisfy shareholder-report transmission obligations by posting the report online and sending a notice, with paper provided only to investors who elect it). Rule 30e-3 reaches certain registered investment companies, including insurance company separate accounts registered as management investment companies on Form N-3. *See also* Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds, Investment Company Act Release No. 34731 (Oct. 26, 2022) (open-end funds no longer able to rely on Rule 30e-3).

significant time and expense building notice-and-access infrastructure, including website hosting, mailing workflows, and vendor arrangements, into their regular operations. Variable annuity and variable life separate accounts organized as unit investment trusts (Forms N-4 and N-6) already lost access to Rule 30e-3 under the 2022 tailored shareholder report amendments, and registered index-linked and registered market value adjustment annuity contracts (together, "registered non-variable annuities") were never within Rule 30e-3's scope.[7] IRI asks the Commission to confirm that Reg E-Delivery, rather than Rule 30e-3, is the applicable delivery framework for these products, to resolve the internal timing ambiguity in the release regarding the rescission date, and to weigh the practical, cost, and operational burden of retiring working Rule 30e-3 infrastructure so that members are not required to unwind existing systems while simultaneously building new Reg E-Delivery capabilities.

The rescission of Rule 30e-3 also reaches the variable contract summary prospectus framework under Rule 498A, which is central to how IRI's members deliver disclosures for variable annuities and registered non-variable annuity contracts. Rule 498A and the related variable contract registration forms currently direct investors to shareholder reports made available under Rule 30e-3, including the initial summary prospectus legend that alerts investors to the online availability of Form N-3 shareholder reports transmitted under that rule.[8] If Rule 30e-3 is rescinded without corresponding updates, these summary prospectus legends and cross-references would point investors to a rule that no longer exists. IRI therefore asks the Commission to adopt any conforming amendments to Rule 498A and the variable contract registration forms needed so that variable contract summary prospectuses and related disclosures reflect the Reg E-Delivery framework rather than the rescinded Rule 30e-3, and so that investors in these products continue to receive accurate information about how and where their shareholder reports and other required documents are made available. Because registered non-variable annuities are offered through the same Rule 498A summary prospectus framework, even though they were never within Rule 30e-3's scope, IRI encourages the Commission to ensure that any such conforming changes apply consistently across variable and registered non-variable annuity disclosures alike, so that members can maintain a single, coherent summary prospectus framework across their registered product lines.

To address this, and in response to Request for Comment 6, IRI recommends that the final rule permit a notice-and-access option, or comparable reasonable outreach, for recipients who do not have an

[7] *See* Rule 30e-3, 17 CFR 270.30e-3; id. § 270.30e-3(a) (defining "Fund" as a management company registered on Form N-2 or Form N-3). The 2022 tailored shareholder report amendments left Rule 30e-3 available to closed-end funds (Form N-2) and management-company separate accounts (Form N-3) but made it unavailable to variable insurance contract separate accounts organized as unit investment trusts (Forms N-4 and N-6). *See* Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds; Fee Information in Investment Company Advertisements, Release Nos. 33-11125; IC-34731 (Oct. 26, 2022) [87 FR 72758 (Nov. 25, 2022)]. Registered index-linked and registered market value adjustment annuity contracts are registered under the Securities Act of 1933 and are not registered investment companies under the Investment Company Act of 1940, so Rule 30e-3 does not apply to them.

[8] See Rule 498A, 17 CFR 230.498A; Updated Disclosure Requirements and Summary Prospectus for Variable Annuity and Variable Life Insurance Contracts, Release Nos. 33-10765; 34-88358; IC-33814 (Mar. 11, 2020) [85 FR 25964 (May 1, 2020)]; 17 CFR 230.498A(b)(2)(v)(B) (requiring, where a Form N-3 Registered Separate Account relies on Rule 30e-3 to transmit a report, that the summary prospectus legend include the Rule 30e-3 website address).

electronic address on file. Under such an option, a covered entity could provide a paper notice directing the recipient to the website where covered information is available, or undertake reasonable outreach, alternative verification, or a phased collection process so these recipients can be moved to e-delivery over time rather than defaulted to paper. IRI recognizes that the Proposal currently declines to permit a paper-notice approach for recipients without an electronic address. IRI encourages the Commission to reconsider that choice for this population, at least as a transitional bridge tied to the rescission of Rule 30e-3, so that the recipients of Rule 30e-3 who have already moved off default paper are not returned to it.

Additionally, IRI recommends the option for shortening the 180-day period between the initial paper notice and conversion to electronic delivery under the SEC's proposed Reg E-Delivery framework. Adjusting the 180-day transition period after the initial paper notice to options such as 60 to 90 days would better reflect how investors communicate and access information today. On one hand, firms generally provide advance notice to clients, often ranging from 30 to 90 days, especially if the change affects account access, statements, fees, or service features. Investors routinely receive and respond to digital communications within significantly shorter timeframes, and a 60- to 90-day transition period would still provide ample opportunity for individuals to opt out or update their delivery preferences. Yet, on the other hand, certain firms may prefer the longer timeframe to help provide them with ample time to operationalize any necessary changes to their processes and systems. By adopting optionality to the transition window, the SEC can modernize investor communications more efficiently while preserving investor choice and maintaining strong investor protections.

IV. Transition of Existing Delivery Elections and Connectivity of Delivery Records

IRI's members and their distribution partners already maintain substantial, established volumes of electronic-delivery elections under the current guidance, in which recipients opt in to e-delivery. The Proposal replaces that opt-in model with a default e-delivery model that recipients may opt out of. Reconciling the existing opt-in elections with the new opt-out default across insurer, distributor, broker-dealer, transfer agent, and vendor systems is among the most significant implementation questions the Proposal presents for the insured retirement industry, and it is the area where members report the most uncertainty about how existing elections will operate once the final rule takes effect.

To resolve that uncertainty in a workable way, IRI recommends that the adopting release confirm that the Proposal's exclusion of recipients already receiving e-delivery for all covered information from the transition process extends to existing valid electronic-delivery elections under Reg E-Delivery, including elections whose scope does not precisely match the definition of covered information.[9] For example, a recipient may already have elected electronic delivery for

[9] *See proposed Rule 303.104*; Electronic Delivery of Information Under the Federal Securities Laws, Release Nos. 33-11430; 34-105921; 39-2564; IA-6980; IC-36252 (July 16, 2026) [91 FR 45884 (July 21, 2026)] (transition process does not apply to covered recipients who already receive e-delivery for all covered information, and covered entities that have

communications such as periodic account statements or privacy notices that are not themselves covered information, reflecting a clear and continuing preference for electronic delivery. Covered entities and their distribution partners should be able to treat an existing, validly obtained e-delivery consent as a continuing election, without re-collecting consents that recipients have already given. If existing elections were not recognized as carrying over, the resulting need to re-collect them would impose substantial cost and operational burden on carriers, distributors, and their vendors, would create recipient confusion, and would risk moving recipients who have already chosen e-delivery back to paper, contrary to the purpose of the Proposal.

The reconciliation of elections across the distribution chain also raises data-connectivity questions. These include which system is the source of record for an electronic address and a delivery preference, how elections are kept current across parties, how conflicting or stale elections are resolved, and how an opt-out is propagated so it is honored everywhere and not overwritten. IRI recommends that any conditions the Commission adopts in this area be outcome-based rather than prescriptive as to specific technology or system architecture, and that the Commission recognize realistic build and vendor timelines for the record-connectivity work that reconciliation requires. An outcome-based approach will allow carriers, distributors, and vendors to satisfy the rule's objectives using the systems and interfaces that already connect them, and to sequence the necessary work in a way that protects recipients and preserves data integrity. Consistent with that outcome-based approach, IRI further recommends that the final rule include a reasonable-reliance safe harbor under which a covered entity that relies in good faith on the most recent electronic address and delivery preference available to it through an established distribution or servicing data process is treated as satisfying the rule, even where another party has received a more recent change but has not yet propagated through normal batch or interface processing. Recognizing reasonable processing latency in this way would prevent a covered entity from being treated as in violation solely because of the ordinary timing of data exchanged across the distribution chain, while preserving the obligation to honor an updated election once it propagates.

V. Sourcing and Sharing of Electronic Addresses Across the Distribution Chain

The Proposal generally requires that an electronic address be provided by, or accepted for use by, the covered recipient. It provides that a covered entity that lacks such an address cannot rely on the rule for that recipient. The Proposal also invites comment, in Request for Comment 36, on whether and in what circumstances a covered entity should be permitted to use an electronic address that the recipient provided to an affiliate or to another party, including another covered entity.[10] This question is of central importance to IRI's members. Delivery in this industry ordinarily depends on

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already obtained affirmative consent to deliver all covered information electronically generally need not provide the transition disclosure).

[10] *See* Electronic Delivery of Information Under the Federal Securities Laws, Release Nos. 33-11430; 34-105921; 39-2564; IA-6980; IC-36252 (July 16, 2026) [91 FR 45884 (July 21, 2026)], Request for Comment No. 36 (asking whether, and in what circumstances, a covered entity should be permitted to use an electronic address that a covered recipient provided to an affiliate or another party, including another covered entity).

addresses and preferences captured and maintained across more than one entity, and reliance on a third-party-sourced address can be the practical means of satisfying the initial-notice requirement under the transition rule for a recipient the covered entity would otherwise have to reach by paper.

The following fact patterns illustrate the point. An insurer may rely on the selling broker-dealer or firm of record that opened the contract and captured the customer's email address, mobile number, and delivery election. Insurers, distributors, and advisers within a single enterprise may share a common address and preference record. Carriers and distributors may also rely on transfer agents and on shared books of record or omnibus platforms that maintain address and preference data for the recipients they serve. In the employer-sponsored retirement plan context, a plan sponsor or recordkeeper may furnish participant contact information, including a work or personal email address, to the covered entity that services the annuity or guaranteed lifetime income options offered under the plan. These dependencies also recur throughout the life of a contract. When a customer updates an email address or delivery preference through the selling firm or distributor rather than directly with the insurer, the current information resides first with the distributor, and the insurer must be able to rely on it to reach the customer. Servicing relationships likewise change over time. For example, when a servicing agent or recordkeeper changes, when an in-force block is acquired or transferred, or when a broker-dealer converts clearing firms or platforms. In each case, the electronic address and delivery preference already collected travel with the servicing relationship rather than being re-gathered from the recipient. In each of these patterns, the recipient has provided an electronic address and a delivery preference, and requiring the obligated entity to re-collect the same information directly would be duplicative and would delay the move to e-delivery that the recipient has already chosen.

IRI therefore recommends, in response to Request for Comment 36, that the final rule permit a covered entity to use, and to share, an electronic address, together with the recipient's provision or acceptance and the recipient's delivery preferences, obtained from an affiliate, from another covered entity, or from a reliable third party such as a plan sponsor or recordkeeper, in defined circumstances. That permission should be subject to reasonable evidence standards and appropriate safeguards for the protection of the recipient's information. The obligated covered entity would remain responsible for satisfying the delivery obligation. IRI identifies three illustrative circumstances in which this reliance should be permitted. These examples are not intended to be exclusive, and similar reliance should be permitted in other situations where electronic address or delivery preference information is obtained from a reliable third party as part of an established customer, distribution, servicing, or recordkeeping relationship.

First, in employer-sponsored retirement plans that offer annuity or guaranteed lifetime income options, the final rule should permit a covered entity to rely on an electronic address that a plan sponsor, recordkeeper, or other plan service provider furnishes for a participant, to satisfy the initial-notice requirement under Rule 303.104, unless the participant has changed or removed that address. Several considerations support this result. The participant ordinarily uses the work or personal email address on an ongoing basis and is familiar with reviewing and responding to messages sent to it, so the participant is likely to see and act on the initial notice. The plan sponsor or recordkeeper is a reliable source of the address because it maintains the participant relationship and the plan records. The covered entity would remain obligated to allow the participant to opt out of e-delivery in response to the initial notice, preserving the participant's choice. Permitting this reliance would also reduce physical delivery volume, which can lower plan costs and produce savings for participants across the many employer-sponsored plans that offer these options.

Second, servicing of contracts or accounts frequently moves from one covered entity to a successor covered entity, for example, when a plan sponsor changes recordkeepers or administrators, when in-force blocks are transferred, or when servicing platforms are consolidated. In these transfers, the successor covered entity typically receives from the predecessor covered entity a file identifying the recipients who receive their communications by e-delivery. The final rule should permit the successor covered entity to rely on the predecessor covered entity's e-delivery records and prior compliance, so that the successor need not restart the process for recipients already receiving e-delivery, including by re-sending an initial notice under Rule 303.104. The successor should instead be able to provide a single notice of the transfer stating that e-delivery will remain the default method, together with the right to opt out. This approach is consistent with the negative-consent bulk-transfer mechanisms that FINRA has recognized for directed transfers of plan accounts.[11], and it would avoid duplicative electronic or paper notices and the associated cost to the plan and its participants. If the final rule does not permit a successor covered entity to rely on a predecessor covered entity's e-delivery compliance, IRI recommends that the successor at least be permitted to use the electronic addresses in the predecessor's file to send the initial notice under Rule 303.104.

Third, many IRI members operate within a single holding company or financial institution in which the covered entity and one or more affiliates, such as an affiliated broker-dealer, bank, or other financial institution, maintain the recipient's electronic address and delivery preferences as part of a common customer relationship. Where those records are current and verifiable, the final rule should permit the covered entity to rely on the electronic address and delivery preferences maintained by an affiliate under common control, and to carry over the recipient's existing electronic-delivery preference, to satisfy the initial-notice requirement under Rule 303.104, unless the recipient has changed or removed that address or preference. Reliance within an affiliated group is consistent with established privacy frameworks, including the Gramm-Leach-Bliley Act and Regulation S-P, under which affiliates may share a consumer's nonpublic personal information. It presents a lower risk of stale or erroneous data than reliance on an unaffiliated third party because the information is

[11] See FINRA Regulatory Notice 26-03 (Feb. 6, 2026) (consolidating and modernizing guidance on the use of negative consent for the bulk transfer or assignment of customers' accounts, effective Apr. 1, 2026); NASD Notice to Members 02-57 (Sept. 2002) (identifying circumstances in which negative response letters may be used to effect the bulk transfer of customer accounts); see also FINRA Rule 11870 (Customer Account Transfer Contracts).

maintained within a single corporate family subject to common controls.[12] As with the other circumstances described above, the obligated covered entity would remain responsible for satisfying the delivery obligation, would apply reasonable evidence standards and appropriate safeguards for the protection of the recipient's information, and would preserve the recipient's right to opt out of e-delivery in response to the initial notice.

VI. Compliance Period

Implementation of default e-delivery in the insured retirement industry requires system changes at both the product level and across the carrier, distributor, transfer agent, and vendor relationships that characterize the industry, and those changes must be sequenced with the record-connectivity and address-sourcing work described above. IRI recommends that the Commission confirm that a covered entity may phase its implementation within the two-year interim period during which firms may continue relying on existing guidance, sequencing the transition product by product and in-force block by block according to realistic product-level build and vendor timelines rather than converting all products and populations on a single fixed date, and align the endpoint for the rescission of Rule 30e-3 with that period. IRI does not suggest that the two-year interim period is insufficient; rather, IRI asks the Commission to confirm that staggered implementation within that period is permitted. A compliance period set to realistic build and vendor timelines will allow members to implement the rule in a way that protects recipients and preserves data integrity, and will avoid a rushed transition that increases the risk of delivery errors.

VII. Personal Financial Information and Secure Delivery

The Proposal would require that covered information containing personal financial information be delivered through a statement of availability that leads to a website using a process reasonably designed to safeguard the information, rather than by direct delivery. IRI supports protecting personal financial information in e-delivery. To make the requirement workable, IRI recommends that the Commission adopt a workable definition of personal financial information, one that is clear, administrable, and bounded enough that covered entities can determine in advance which information falls within its scope, and that the Commission confirm in the adopting release that reasonable, widely used safeguarding methods, including password authentication, multifactor authentication, and biometric authentication, satisfy the requirement. IRI also recommends that the Commission identify categories of covered information that should be treated as not containing personal financial information. IRI further recommends that the Commission confirm that covered information does not become personal financial information merely because it includes a customer's name, masked contract number, product name, or similar limited identifying information, and thus, any such information is therefore eligible for direct delivery. Any such categorization should,

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[12] See Gramm-Leach-Bliley Act, Pub. L. No. 106-102, 113 Stat. 1338 (1999) (codified at 15 U.S.C. §§ 6801–6809); Regulation S-P, 17 CFR Part 248 (imposing notice-and-opt-out requirements on disclosures of nonpublic personal information to nonaffiliated third parties, and thus permitting information sharing among affiliates).

however, take the form of a non-exhaustive, illustrative safe list coupled with a reasonableness standard rather than an exhaustive or prescriptive taxonomy, consistent with the outcome-based approach IRI recommends elsewhere in this letter. Finally, IRI recommends that the Commission address authentication friction so that recipients can reach covered information efficiently, including by recognizing alternatives such as one-time authentication rather than implicitly requiring the creation of a permanent online account. A prescriptive secure-delivery requirement could otherwise generate substantial increases in password resets, call-center volume, failed authentications, and paper requests.

VIII. Notice Content, Prominence, and the Two Delivery Methods

IRI supports the two permitted delivery methods under the Proposal, namely direct delivery for covered information that does not contain personal financial information, and a statement of availability that leads to a secure website for covered information that does. IRI also supports the continued availability of an opt-in alternative. To ensure that a single compliant workflow is operationally feasible, IRI recommends that the Commission assess whether the required content and prominence of the initial e-delivery disclosure and of the statement of availability are more prescriptive than necessary. If so, the Commission should afford covered entities flexibility in the format and content of these notices, consistent with clear and non-misleading communication.

IX. Website Availability and Reasonable Access

IRI supports the reasonable-access principles in the Proposal, including free printing and retention, access that does not require excessive steps, fees, surveys, or app-download-only access, and excluding EDGAR as a delivery website. IRI also recommends that the Commission establish a reasonable timeframe for covered entities to transition to and implement compliance with applicable accessibility standards, including the Americans with Disabilities Act (ADA)[13], for the websites used to make covered information available.

IRI recommends that the Commission adopt outcome-based access standards and align default availability periods with the retention rules that already govern the underlying documents, rather than set fixed periods that may diverge from those rules. While most in-house and third-party hosting solutions can support multi-year presentation of documents as a technical matter, extending the web-availability period beyond what those retention rules require is not necessary for how these documents are reviewed and used. Supplementing documents throughout the document's lifecycle and fully replacing them at the annual renewal event is a recognized workflow used by mutual funds and variable product issuers alike, and one with which investors are already familiar. Accordingly, IRI recommends that the Commission not require a web-availability period longer than the applicable

[13] See Americans with Disabilities Act of 1990, Pub. L. No. 101-336, 104 Stat. 327 (codified as amended at 42 U.S.C. § 12101 et seq.).

retention rules required for the underlying documents, and that it assess the proposed default availability periods against member systems so that the standard is workable.

IRI further recommends that, in adopting these access standards, the Commission preserve the established webhosting and layered-disclosure conventions that already govern document posting under Rule 498, Rule 498A, and the tailored shareholder report framework[14], including the required documents to be posted, document-navigation "click-through" conventions, layered disclosure, and internal and external document-linking guidelines, so that covered entities may continue to rely on these familiar, working frameworks rather than build to new and divergent standards. IRI also notes that variable product issuers that do not currently rely on Rule 498A but elect to use e-delivery as their default delivery model may implement webhosting in support of the regulation, so that recipients experience consistent document availability and access across product lines.

X. Cross-Regime Harmonization

Delivery obligations in the insured retirement industry frequently arise under more than one regime in the same customer relationship. IRI recommends that the Commission align Reg E-Delivery with the Department of Labor and ERISA electronic-delivery safe harbor, Internal Revenue Service practices, FINRA rules, and state insurance requirements, so one compliant workflow can serve overlapping obligations for the same recipient. Harmonization is particularly important given the SECURE 2.0 paper-statement provisions and the range of documents that travel together in a single customer relationship.[15] IRI members read the Proposal to reach only the portion of a communication required under the Federal securities laws. IRI asks that the Commission preserve that reading, so that relying on Reg E-Delivery for the covered portion of a combined communication does not disturb the treatment of content required under FINRA rules, the Internal Revenue Code, ERISA, or state insurance law. Specifically, compliance with Reg E-Delivery for the federally required covered information should not cause an otherwise combined communication to become subject to Reg E-Delivery in its entirety, nor should the inclusion of state-law-required insurance content in the same communication prevent reliance on Reg E-Delivery for that federally required covered information.

[14] See Rule 498, 17 CFR 230.498; Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Investment Companies, Release Nos. 33-8998; IC-28584 (Jan. 13, 2009) [74 FR 4546 (Jan. 26, 2009)]; Rule 498A, 17 CFR 230.498A; Updated Disclosure Requirements and Summary Prospectus for Variable Annuity and Variable Life Insurance Contracts, Release Nos. 33-10765; 34-88358; IC-33814 (Mar. 11, 2020) [85 FR 25964 (May 1, 2020)]; Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds; Fee Information in Investment Company Advertisements, Release Nos. 33-11125; IC-34731 (Oct. 26, 2022) [87 FR 72758 (Nov. 25, 2022)].

[15] See SECURE 2.0 Act of 2022, § 338, Pub. L. No. 117-328, div. T, 136 Stat. 4459 (Dec. 29, 2022) (amending section 105(a)(2) of ERISA, 29 U.S.C. § 1025(a)(2), to require that defined contribution plans furnish at least one pension benefit statement per year, and defined benefit plans at least one every three years, in paper form, effective for plan years beginning after December 31, 2025, unless the participant or beneficiary elects electronic delivery); Requirement to Provide Paper Statements in Certain Cases—Amendments to Electronic Disclosure Safe Harbors, 91 Fed. Reg. 9218 (proposed Feb. 25, 2026) (to be codified at 29 CFR pt. 2520) (RIN 1210-AC27).

IRI also asks the Commission to address how Reg E-Delivery interacts with State insurance electronic-delivery laws. States regulate the electronic delivery of insurance documents under a patchwork of statutes and consent standards that vary from State to State: some condition electronic delivery on the recipient's affirmative, opt-in consent, while others permit an opt-out approach, with differing pre-delivery disclosures and withdrawal rights.[16] Because IRI's members deliver federally required covered information and state-law-required insurance content to the same contract owners, often in a single customer relationship, Reg E-Delivery's opt-out default may diverge from the consent standard that governs the state-law content in a given State. IRI does not ask the Commission to preempt State insurance law. IRI instead asks the Commission to confirm in the adopting release that a covered entity may rely on Reg E-Delivery to satisfy its Federal securities law delivery obligations regardless of how any separate, state-law-required insurance content is delivered under the applicable State consent standard, and to coordinate with State insurance regulators and the National Association of Insurance Commissioners so that the Federal and State frameworks operate together without subjecting insurers or their customers to conflicting consent requirements for the same communication.

XI. Paper Copies and Opting Out

Because a recipient may opt out for all or only a subset of covered information, honoring that election, and ensuring that an opt-out is recognized wherever the recipient is served and is not overwritten, depends on the same source-of-record and record-connectivity framework described in Section IV; IRI accordingly recommends that any conditions governing how opt-out and paper-delivery elections are captured, propagated, and honored across the insurer, distributor, broker-dealer, transfer agent, and vendor chain be outcome-based rather than prescriptive. IRI recommends that the fulfillment standard and the retention scope be operationally feasible.

In particular, IRI recommends that the Commission reconsider the proposed three-business-day fulfillment standard and evaluate whether it reflects current operational realities for the retrieval, processing, and delivery of paper materials. The Commission should assess both the proposed fulfillment requirement and the retention lookback against existing industry practices, confirm that the Proposal preserves delivery by first-class mail or another reasonably prompt means, and establish a reasonable timeframe that accommodates both expedited requests and requests for archived or superseded documents. A uniform three-business-day standard may be workable for certain readily available materials. Still, it may not be feasible in all circumstances, particularly where documents must be retrieved from legacy systems or archives. A fulfillment and retrieval standard aligned with

[16] Compare Ariz. Rev. Stat. § 20-239 (conditioning electronic delivery of insurance documents on the recipient's affirmative consent), with Tex. Ins. Code § 35.004, as amended by H.B. 4210, 87th Leg., R.S. (2021) (permitting electronic delivery on an opt-out basis where the recipient is notified of the default to electronic delivery and given an opportunity to request nonelectronic delivery). State electronic-delivery requirements for insurance documents vary in their consent standards, disclosures, and withdrawal rights.

operational capabilities will allow members to honor paper requests promptly while avoiding retrieval obligations that current systems cannot consistently meet.

XII. Identifying and Remediating E-Delivery Failures

The Proposal would require covered entities to adopt and implement written policies and procedures reasonably designed to identify and remediate failed e-delivery, including through detection of bounce-backs and other indications of an invalid or inoperable electronic address. IRI supports the goal of identifying and remediating failed e-delivery, but does not believe covered entities should be required to adopt a separate set of written policies and procedures dedicated to this narrow topic. Covered entities already maintain written policies and procedures under the federal securities laws that can be used to address failed e-delivery, and IRI recommends that the Commission permit them to do so rather than mandate a standalone framework. IRI recommends that the standard be workable and risk-based, and that the adopting release provide practical parameters for how many delivery failures should trigger reverting a recipient to paper and how alternative electronic addresses should be handled, so that covered entities can implement consistent, auditable procedures. IRI also asks that the adopting release confirm that a failed e-delivery is a failure of electronic deliverability, such as a bounce-back or another indication of an invalid or inoperable electronic address. The release should likewise confirm that a recipient's failure to open, click, or read a delivered communication does not itself constitute a delivery failure, so that covered entities are not required to monitor recipient engagement rather than electronic deliverability.

XIII. Scope, Flexibility, and Industry Data Standards

IRI welcomes that the definition of covered entity expressly includes insurance company separate accounts offering variable annuity and variable life insurance contracts, and registered non-variable annuities that offer securities under the Securities Act. IRI supports the evergreen, technology-neutral scope of the Proposed Rule, which will accommodate current and future forms of electronic communication.

IRI also welcomes that Reg E-Delivery would be a permitted, non-exclusive method, and that a covered entity may use another method that provides assurance comparable to paper delivery. IRI recommends that the Commission preserve this flexibility, including for existing compliant digital practices, and limit any exclusivity, such as the exclusivity proposed for proxy delivery, to the narrowest scope necessary.

The Proposal introduces operational data elements, including electronic addresses, delivery preferences, opt-out elections, and delivery status, that will need to be exchanged consistently across carriers, distributors, and service providers. IRI encourages the Commission to recognize the value of common industry data standards in this area, which can reduce implementation complexity for covered entities and support a more consistent recipient experience, complementing the record-connectivity and address-sourcing recommendations above.

Finally, in Requests for Comment 4 and 5, the Commission asks whether an access-equals-delivery approach should be available for institutional investors or for certain document types. IRI supports making an access-equals-delivery option available where it would reduce duplicative deliveries for members with large or omnibus account structures, provided that the option preserves the consumer-choice protections in the Proposal for other recipients.

XIV. E-SIGN Act exemption

IRI supports the Proposal's exemption of covered information from the consumer-consent requirements of the Electronic Signatures in Global and National Commerce Act (the “E-SIGN Act”).[17] Aligning covered information under a single Commission framework removes a source of friction and duplication that the E-SIGN consent process would otherwise impose, and it advances the Proposal's modernization and consumer-choice objectives without diminishing the recipient's right to request paper at any time.

XV. Conclusion

IRI strongly supports the Commission's Proposal to make e-delivery the default and appreciates the Commission's leadership in advancing this modernization. The recommendations above are offered to make the rule workable across the insurer, asset manager, broker-dealer, distributor, and vendor relationships of the insured retirement industry, while preserving the consumer choice that IRI has consistently advocated. This effort is consistent with IRI's Digital First for Annuities initiative and IRI's Federal Retirement Security Blueprint. IRI appreciates the Commission's consideration of these comments and offers itself as a resource to the Commission and its staff as the Commission develops a final rule.

Respectfully submitted,

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[17] Electronic Signatures in Global and National Commerce Act, Pub. L. No. 106-229, 114 Stat. 464 (2000) (codified at 15 U.S.C. § 7001 et seq.). The consumer-consent requirements appear at 15 U.S.C. § 7001(c).