

Mike Monahan
Senior Director, Accounting Policy

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February 22, 2022

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE.
Washington, DC 20549

Re: File No. S7-21-21; Share Repurchase Disclosure Modernization

Dear Ms. Countryman:

ACLI appreciates the opportunity to comment on File No. S7-21-21, Share Repurchase Disclosure Modernization.

Included in the proposed rule is the requirement to file Form SR following each purchase of a company's equity securities, which could be daily for certain life insurance companies. We don't believe the costly frequent and extensive disclosures, as currently contemplated in the proposed rule, are going to realize the intended effect of benefiting the investor community or improve information symmetry as proposed.

By way of background, many life insurance companies have been using excess cash flow to repurchase shares on the open market, some with repurchase programs in place for decades. Various companies repurchase shares on a regular basis, some on a daily basis. Many of the repurchase programs don't specify repurchase mandates, but are based on available cash flows that are in excess of those needed to fund the operations of the company. Due to the mature nature of the life insurance industry, having excess cash flows is quite common.

ACLI member companies are concerned that the proposed rule: (1) creates significant compliance costs and unreasonable filing requirements, in particular for companies with daily repurchase programs and (2) will create an enormous amount of filings and white noise to the system that will not provide a helpful perspective to investors.

American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.

As it relates to Concern 1, the daily reporting requirements of share repurchases, in addition to the quarterly reporting scheme already in place, will create an administrative burden that will require a significant amount of time and costs for compliance. Although the SEC estimates 1.5 hours per day to prepare the new filing, companies in the market repurchasing shares on a daily basis would be subject to nearly 7.5 hours per week in preparation, or almost one full workday. In addition, it is likely that additional systems or applications will need to be purchased to ensure timely reporting and compliance. The requirement to file daily share repurchase information to the market is a burden that no other investor, large institution, or individual is required to make.

With respect to Concern 2, investors are already flooded with enormous amounts of information. Adding daily reporting of share repurchase information is only going to add to the avalanche of information and overwhelm investors. Life insurance companies already disclose in quarterly analyst calls the number and amount of shares repurchased during the quarter. In addition, companies disclose this information in the quarterly Form 10Q's and the Form 10K. The reporting requirements included in the proposed rule are unlikely to impact an investor's decision to invest in a company. Likely over time, the enhanced reporting will be white-noise that will be disregarded by investors, but will leave companies with the daily burden and cost of compliance.

ACLI member companies are not opposed to reasonable disclosure that is helpful to investors, but the enhanced disclosure as proposed will greatly increase compliance costs and overwhelm the market with additional information that will eventually be considered not useful to investors. If the SEC is determined to increase the current reporting, ACLI member companies recommend monthly reporting of shares repurchased in a given month. This will greatly reduce the compliance costs, while not overwhelming the market with additional information.

Thank you for your consideration. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "M Monahan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mike Monahan
Senior Director, Accounting Policy