

Ameritas Life Insurance Corp.
5900 O Street / Lincoln, NE 68510



Via Electronic Mail

Rule-comments@sec.gov

Mr. Brent J. Fields
Associate Director, Division of Investment Management
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Comments on Proposed Summary Prospectus Rule for Variable Contracts; File Number S7-23-18

Dear Mr. Fields:

Thank-you for the opportunity to share our comments on the above rule proposal. Ameritas Life Insurance Corp. ("Ameritas") commends the Securities and Exchange Commission ("SEC") for its efforts to modernize the framework for variable contract disclosures. We believe the proposal provided a thoughtful and comprehensive approach towards this goal.

Ameritas was involved in the American Council of Life Insurers' (ACLI's), working group that reviewed the proposed rule and developed and submitted a consensus-based comment letter to the SEC addressing some of the more than 600 individual questions on which the SEC sought comment. We support the comments submitted by the ACLI, particularly that the final rule replaces the \$100,000 investment assumption used in tables and examples with a \$10,000 investment assumption, as is used by mutual funds. We are submitting this letter to emphasize four areas of the proposal that are of concern to Ameritas.

Discontinued Variable Contents

Ameritas, like many other insurance companies issuing variable contents, has prided itself in researching and developing insurance products to meet the ever-changing needs of our customers. As the needs of our customers have changed, we've discontinued sales of products as new products offering additional or different features have been developed.

For several years, we have relied on the "Great West" line of no-action letters to enable us to discontinue updating registration statements and cease delivering updated prospectuses to policy owners of those "retired" products that meet the parameters of the Great West no-action letters. Instead of updated prospectuses, we deliver any financial statements, underlying fund prospectuses, and other materials as required by the Great West no-action letters. We are very interested in the continued viability of the Great West line of no-action letters, and urge the SEC to avoid disrupting the current Great West adherent practices in place at most, if not all, variable insurance companies today.

We would discourage the SEC from taking a position, through issuance of a final Summary Prospectus Rule, that would require us to disrupt the schedule or content of disclosures that have been provided to policy owners of Great Wested products for the last several years. To require insurance companies to provide a form of updating summary prospectus (if such were to be the result of the final rule) we believe could cause confusion to policy owners who for years have grown comfortable with receiving the documents mandated by the Great West letters.

Ideally, we would like the SEC to preserve the availability of Great West relief into the future for products discontinued at future points in time, and for which filing "maintenance" costs can be quite high in the face of dwindling numbers of policy owners. The proposed summary prospectus rule and form amendments would not provide relief from the substantial burdens and costs associated with preparing annual prospectuses and statements of additional information for products that are no longer sold and are held by decreasing numbers of policy owners. Allowing the Great West relief to continue makes sense. Ameritas has a total of 40 different policy or contract forms that have been sold through the years. Were it to be required to again file each registration statement for these products on an annual basis, the cost for the auditor opinions alone would be significant.

Underlying Fund Performance Information

The proposed rule requires that insurance companies provide performance information on the underlying portfolio companies available through the variable product as part of the Initial Summary Prospectus. Average annual returns would be required for 1-, 5-, and 10- year periods, and would only reflect fees and expenses of the portfolio companies. The performance would exclude the policy's fees and expenses. Ameritas has two concerns with this requirement.

First, our variable products filing season runs, roughly, through May 1st each year. This is the same filing season that most underlying portfolio companies have. It is often difficult to obtain the expense ratio information we currently must include in our variable products filings--simply because both we and the fund companies are on the same schedule with regard to getting "good" information through all channels of review in a timely manner. To add the requirement that we obtain performance information from the funds will make our ability to get good information on a timely basis more difficult.

Second, we are concerned that the presentation of performance information for the underlying funds will be confusing at best, and is possibly susceptible to being misunderstood at worse. Currently,

the form N-4, and all variable product performance we present to policy owners is required to reflect deduction of all recurring fees the policy owner will be charged. Advertising review through FINRA also enforces this requirement. To now require us to present the performance returns without deducting these charges may confuse policy owners whose policy performance will not match what they see in the summary prospectus.

We do not believe the performance information required in the proposed Summary Prospectus Rule will provide useful, meaningful information. And because it can be challenging, from a timing perspective, to obtain the expense information we are already required to, and do, include in our current prospectuses, we do not advocate the proposed Rule's requirement to include the additional performance information. Any possible benefit (which we do not concede) is far outweighed by the difficult burden we would face in trying to get this information in an accurate format, and on a schedule permitting timely filing.

Definitions in the Proposed Rule

The Proposed Rule requires registrants to use specific defined terms, and include a definition of those terms in the summary prospectus. Ameritas discourages the SEC's inclusion of such specific terminology in the final Rule. Our policy owners (and the policy owners of other variable product insurers) likely could be confused to receive documents that reference a "contract", when they are used to seeing disclosure concerning their "policy". Other terms in the list of required definitions are also inconsistent with the terms used in our policies and accompanying prospectuses. Because we have filed our policy forms with the various state jurisdictions in which we offer our products, this point is of great concern to us. We would urge the SEC to provide flexibility in any Final Rule in order to permit registrants to use alternative terms that reflect the substance of the terms defined in the proposal. The Final Rule should allow insurance companies the flexibility to utilize terms that their policy or contract owners will recognize as consistent with their own purchased products. This would assist in avoiding policy owner confusion.

Proposed Technological Enhancements

The proposed Rule Release includes several requests for comments around whether certain technological enhancements should be incorporated into the Rule as requirements. Technological enhancements that could become requirements under the proposal include: 1) active hyperlinks for website addresses referenced in the electronic versions of the initial summary prospectus ("ISP") (including websites of third parties); 2) active hyperlinks in the ISP for any cross references; and 3) provision of an interactive calculator with the ISP. In addition, the SEC sought comment around whether QR codes or similar technological tools, Inline XBRL, retention of links in downloaded documents and mobile device format compatibility would pose difficulty for companies relying on the Rule.

The enhancements referenced in the proposal, by and large, could be administratively burdensome to implement. For example, the continued maintenance of active hyperlinks to third party websites, to ensure the locations have not changed, would be time consuming. The limited benefit to customers of an interactive calculator can be disputed, since the information a calculator could provide is generally provided by the persons selling the policies. Variable contracts are not generally subject to the attention of data aggregators, due to the unique nature of our products. The requirement of machine-readable formats is not therefore warranted.

We would encourage the SEC to retain flexibility in the final Rule to allow those insurance companies issuing variable contracts to determine for themselves whether the cost of implementing enhanced technological features in their file formats is justified. In our opinion, at this time, the costs to implement and maintain the referenced formatting and functionality do not outweigh the burden, expense, and compliance concerns that they pose.

Ameritas Life joins the ACLI in supporting a Summary Prospectus Rule. It is obvious the SEC put considerable efforts into drafting this Proposal. We look forward to the finalization of this important Rule.

Thank-you for the opportunity to provide these comments. Please contact me if you have any questions or would like additional information.

Sincerely,

A handwritten signature in black ink that reads "William W. Lester". The signature is written in a cursive, flowing style.

William W. Lester
President and Chief Executive Officer