September 15, 2025

Via Electronic Mail

The Hon. Paul Atkins
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Modernizing Delivery Requirements Under the Federal Securities Laws

Dear Chairman Atkins,

The Securities Industry and Financial Markets Association[1] and its Asset Management Group[2] (collectively, "SIFMA") are requesting that the Securities and Exchange Commission ("SEC" or "Commission") take necessary steps to modernize the framework for the electronic delivery of required communications and disclosures by market participants to investors, customers, and clients (collectively, "customers"). SIFMA believes firms should be permitted to treat electronic delivery as the default delivery method, and that with appropriate customer notifications and safeguards investors can receive necessary information electronically without sacrificing investor protection or choice. In addition, SIFMA encourages the SEC to adopt a rule or issue an order under Section 104(d)(1) of the Electronic Signatures in Global and National

[1] SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's one million employees, we advocate on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

[2] SIFMA's Asset Management Group (SIFMA AMG) brings the asset management community together to provide views on U.S. and global policy and to create industry best practices. SIFMA AMG's members represent U.S. and global asset management firms that manage more than 50% of global AUM. The clients of SIFMA AMG member firms include, among others, tens of millions of individual investors, registered investment companies, endowments, public and private pension funds, UCITS and private funds such as hedge funds and private equity funds. For more information, visit http://www.sifma.org/amg.

Commerce Act ("E-Sign") to exempt from E-Sign's requirements all statutory and regulatory requirements under the federal securities laws to deliver information in writing.

I. Rationale for Request

The SEC's current electronic delivery guidance, which was groundbreaking when it was established, has not been revisited in over 25 years. The SEC generally permits the use of electronic delivery provided that there is timely and adequate notice that information is available electronically; the customer has access to the information; and there is evidence of delivery, which can be addressed by obtaining the informed consent of the customer.[3] Additionally, E-Sign, which was enacted after the SEC last updated its electronic delivery guidance, has presented an additional layer of complexity for information that is required to be delivered "in writing" under the federal securities laws.[4] For those documents, electronic delivery must comply with the requirements of E-Sign, including that the customer has affirmatively consented (or affirmed consent) to electronic delivery.[5]

There has been significant technological innovation and widespread customer adoption, preference for, and use of electronic communications since the SEC adopted its existing electronic delivery guidance nearly 30 years ago. When the SEC first issued its electronic delivery guidance in 1995, it cited a survey that suggested nearly half of all American households own at least one computer and about 16% of those households subscribed to on-line services.[6] The adoption of electronic technologies has evolved markedly since then. The US Census Bureau has found that, as of 2021, 95% of US households had at least one type of computer and 90% had a broadband internet subscription.[7] This is in addition to increased use of smartphones and tablets that support a wide variety of e-commerce and financial services applications, as well as other forms of electronic technology.

Further, a July 2025 Investment Company Institute survey found that 88% of fund investors believe that electronic delivery should be the default so long as paper is still an option—including 87% of fund investors aged 65 and older. Of the investors that receive at least some paper documents, 38% believe that a default to electronic delivery would be better because they either thought they signed up for electronic delivery or the process for opting in to electronic delivery was too cumbersome.[8]

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[3] Use of Electronic Media by Broker-Dealers, Transfer Agents, and Investment Advisers for Delivery of Information, 61 Fed. Reg. 24644 (May 15, 1996) [hereinafter 1996 Electronic Delivery Guidance].

[4] Electronic Signatures in Global and National Commerce Act, PL 106–229, June 30, 2000, 114 Stat 464; see also 15 USCA §§ 7001 to 7006, 7021, 7031.

[5] *See infra* note 17.

[6] Use of Electronic Media for Delivery Purposes, 60 Fed. Reg. 53458, 53458 n.4 (Oct. 13, 1995).

[7] US Census Bureau, Computer and Internet Use in the United States: 2021 (June 18, 2024), *available at* https://www.census.gov/newsroom/press-releases/2024/computer-internet-use-2021.html.

[8] Holden, Sarah, Daniel Schrass, Jason Seligman, and Michael Bogdan, Investment Company Institute, *Americans' Views on E-Delivery of Financial Documents* (Sept. 3, 2025), available at www.ici.org/files/2025/25-ici-paper-edelivery.pdf.

Despite significant changes in the adoption and use of technology, the SEC's electronic delivery guidance continues to be a substantial burden on electronic commerce and an obstacle to improving the investor experience. Making electronic delivery the default mechanism for transmitting required customer communications will improve the customer experience, promote more timely communications, decrease the number of paper mailings, reduce unnecessary costs, and enhance the security of receiving sensitive financial and personally identifiable information.

II. Making Electronic Delivery the Default Method of Delivery

The SEC should amend relevant customer communications rules and its electronic delivery guidance to permit firms to treat electronic delivery as a default delivery method.[9] Specifically, after a transition period that includes notice to customers about the switch from postal to electronic delivery, firms should be permitted to designate electronic delivery as the default method of delivery for required customer communications, and to deliver customer communications electronically to an electronic delivery address that the firm has on file for the customer ("E-Delivery Address"). Firms would be deemed to have satisfied obligations under the federal securities laws to deliver required communications by sending the communications or a notice of the availability thereof to the E-Delivery Address (or otherwise making the communications available to institutional investors as contemplated in Section II.D).

SIFMA believes the following key principles are critical to treating electronic delivery as a default delivery method:

> <u>Covered Communications</u>. Consistent with the SEC's current electronic delivery guidance, firms should only need to follow the updated guidance with respect to communications that are required to be delivered under the federal securities laws and not with respect to any other communications.[10]
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> <u>Covered Firms</u>. For these purposes, firms could include broker-dealers, investment advisers, issuers, sponsors, and other market participants required to deliver communications to investors under the federal securities laws.
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> <u>Covered Accounts</u>. The electronic delivery process should apply at the legal entity level only, and cover all of the customer's accounts at the entity. For example, where a broker-dealer is part of a financial services holding company, or has affiliates or subsidiaries, each entity would need to separately follow applicable requirements for electronic delivery.
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> <u>E-Delivery Address</u>. An E-Delivery Address could include a variety of current and future electronic methods for delivering communications, such as an email address, cell

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[9] *See* Dalia Blass, Director, Div. of Inv. Mgmt., SEC, Speech: PLI Investment Management Institute (July 28, 2020) ("I do not believe that we should override any expressed delivery preference, but we should consider guidance that treats physical and electronic delivery as equals rather than measuring delivery against a paper standard."). SIFMA encourages the SEC to consider ways to coordinate with other financial regulators, including self-regulatory organizations and the North American Securities Administrators Association, to ensure harmonization of regulatory guidance on electronic delivery.

[10] *See* 1996 Electronic Delivery Guidance, 61 Fed. Reg. at 24646.

phone number, online account, web-based portal, mobile app, or other means developed by a firm to deliver communications electronically. The E-Delivery Address could be provided by the customer, established by the customer, or provided or selected by a customer's employer (e.g., non-ERISA 403(b) plan account where an employer provides or selects an E-Delivery Address on the customer's behalf under applicable law). For non-publicly available information (e.g., account statements), such information could be delivered to a customer securely, regardless of the electronic method chosen. As technology evolves, the SEC should facilitate innovation and adoption of new delivery methods.

Separate Consent Not Required. Consistent with treating electronic delivery as a default delivery method, firms should not be required to obtain separate consent to electronic delivery.

Confirmation of Receipt Not Required. Consistent with the SEC's existing electronic delivery guidance, as is the case with postal delivery, firms should not be required to confirm that communications sent to an E-Delivery Address were received or accessed by the customer.

Policies and Procedures. Firms are currently required to adopt and implement policies and procedures reasonably designed to ensure compliance with the federal securities laws, including applicable requirements to deliver communications. In this regard, firms typically have a process to monitor and remediate electronic delivery failures, including email bouncebacks, such as to notify a customer by postal delivery of an electronic delivery failure and to switch a customer to postal delivery after successive electronic delivery failures. SIFMA believes the SEC should avoid imposing prescriptive policies and procedures requirements and allow firms to adopt and implement policies and procedures reasonably designed to address delivery requirements in light of their business models.

Paper Is Always an Option. Customers who receive communications via e-delivery will have the option to request paper delivery at any time and for any reason. Firms could also allow investors to change delivery preferences by contacting their firm representatives, calling a toll-free number, accessing a firm's mobile application or online platform, or through other means. The SEC should permit firms to determine an appropriate approach for investors to change delivery preferences in light of their business models, rather than prescribing a process through rule or guidance.

A. Existing Customers

Customers who already accept electronic delivery should continue to receive their customer communications for existing and new accounts according to a firm's electronic delivery process. For other existing customers, following a transition period,[11] firms should be

[11] For example, the transition period could be six to twelve months. The "Improving Disclosure for Investors Act of 2025" (S. 1877) would only impose a 180-day transition period.

permitted to begin delivering required customer communications electronically to an E-Delivery Address.

The SEC could require that, before being switched to electronic delivery, customers receive notice by postal delivery that explains generally how electronic delivery will work, including the customer's current delivery method or E-Delivery Address, and how it will change under the new framework. These notices could indicate that electronic delivery will begin on a specified date unless the customer elects to receive documents by postal delivery or the firm does not have an E-Delivery Address for the customer, urge customers to contact the firm if the E-Delivery Address changes, and describe how to choose postal delivery (see Section II.C below). If an existing customer elects to receive documents by postal delivery or the firm does not have an E-Delivery Address for the customer, the customer would continue to receive postal delivery.

> <u>Example 1</u>: Customer A of ABC Brokerage is currently enrolled in electronic delivery. ABC Brokerage would continue delivering documents electronically to Customer A unless Customer A notifies ABC Brokerage that she wants postal delivery.

> <u>Example 2</u>: Customer B of ABC Brokerage provided the firm an E-Delivery Address when Customer B opened an account. During the transition period, ABC Brokerage sends Customer B notification that, as of a specified date, Customer B will begin to receive disclosures required under the federal securities laws through electronic delivery at an E-Delivery Address for Customer B and that, absent an election for postal delivery, on the specified date, ABC Brokerage will begin delivering required disclosures to Customer B via the E-Delivery Address.

B. New Customers

The SEC could require that new customers be informed that they will receive required communications electronically at the customer's E-Delivery Address. For example, firms might include provisions in their customer agreements describing how electronic delivery will work, and stating that by providing an E-Delivery Address, all communications will be sent to the E-Delivery Address.

> <u>Example 3</u>: Customer C of ABC Brokerage opens an account. In opening the account, Customer C provides an E-Delivery Address. The account application, customer agreement, or other document states that by providing one or more E-Delivery Addresses, the firm will use an E-Delivery Address as the address of record for delivery of all communications. The application explains how electronic delivery will work and how Customer C can opt out of electronic delivery. If Customer C provides an E-Delivery Address, ABC Brokerage will deliver communications to Customer C through the E-Delivery Address.

C. Customers Who Choose Postal Delivery or Do Not Provide an E-Delivery Address

Customers should be permitted to opt to receive documents via postal delivery, whether by notifying the firm or declining to provide an E-Delivery Address.[12] Customers should be permitted to request postal delivery of a specific communication at any time, and firms should be required to inform customers how to request postal delivery.

> <u>Example 4</u>: Client A of XYZ Investment Adviser has never provided an E-Delivery Address to the firm. Client A needs to only decline to provide an E-Delivery Address or ignore the notice and she will continue to receive paper.

> <u>Example 5</u>: Client B of XYZ Investment Adviser is enrolled in electronic delivery, but has decided that she would prefer postal delivery going forward. Client B contacts XYZ Investment Adviser in an identified manner and requests postal delivery. As soon as practicable, XYZ Investment Adviser will begin delivering communications to Client B using postal delivery.

For publicly available information, (e.g., prospectuses, investment adviser brochures, Regulation Best Interest disclosures, Form CRS), postal delivery should be satisfied by delivering a notice or summary document to the customer specifying where and how to obtain additional information online (e.g., QR code, website address). The SEC has taken a similar approach with respect to mutual fund and ETF shareholder reports (requiring delivery of standalone tailored shareholder reports directing investors where and how to additional information online)[13] and closed-end fund and certain registered unit investment trust shareholder reports (by delivering a notice of the online availability of the reports rather than postal delivery of the entire reports).[14]

D. Providing Greater Flexibility for Institutional Investors

In undertaking this initiative, the SEC should recognize that there are important differences between the retail and institutional markets. Once an institutional investor[15] is

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[12] Firms should be allowed to require electronic delivery to be all or nothing, or allow customers to identify specific communications that they want to receive through postal delivery, while receiving any remaining communications via electronic delivery.

[13] *See* Investment Company Act of 1940 ("Investment Company Act") Rule 30e-1.

[14] *See* Investment Company Act Rule 30e-3.

[15] For these purposes, the SEC could define institutional investor similar to the definition in FINRA Rule 2210, exclusive of retail investors as defined for purposes of Form CRS. FINRA Rule 2210 defines an "institutional investor" as any:

> (A) person described in Rule 4512(c), regardless of whether the person has an account with a member; (B) governmental entity or subdivision thereof; (C) employee benefit plan, or multiple employee benefit plans offered to employees of the same employer, that meet the requirements of Section 403(b) or Section 457 of the Internal Revenue Code and in the aggregate have at least 100 participants, but does not include any participant of such plans; (D) qualified plan, as defined in Section 3(a)(12)(C) of the Exchange Act, or multiple qualified plans offered to employees of the same employer, that in the aggregate have at least 100 participants, but does not include any

enrolled in electronic delivery, a firm should be able to treat the institutional investor as being in self-service mode going forward under which the institutional investor would "pull" any desired communications, if and as needed, as opposed to "push" mode where notice is required for each communication. This approach would build upon the SEC Staff's long-standing approach allowing electronic delivery of Rule 10b-10 confirmations to institutional investors.[16]

Managing delivery of notices for institutional investors creates operational burdens and costs that outweigh the benefits of providing separate notices. Unlike retail investors, institutional investors can have many, sometimes hundreds, of accounts for which separate notice for each communication can be required. In our members' experience, institutional investors do not want to receive multiple duplicative communications or notices for the same communication, particularly in paper form. Moreover, electronic communications can allow institutional investors to manage access to documents based on their needs – for example, the "paper image" copy of a confirm or statement may not even be useful to an institutional investor as compared to a more useful, machine-readable format from the firm or its clearing mechanism (e.g., DTCC). Perpetuating a construct for institutional investors where postal delivery is required creates operational and compliance risk for little incremental benefit to most institutional investors, who may only need to reference a particular document as the exception, if at all.

III. Exempting Delivery Requirements from E-Sign

To ensure that firms are fully capable of using electronic delivery, the SEC should adopt a rule or issue an order under Section 104(d)(1) of E-Sign to exempt all statutory and regulatory requirements under the federal securities laws to deliver information "in writing" from E-Sign's requirements.[17] There are various statutes and regulations under the federal securities laws that impose obstacles to electronic delivery because they require delivery to be "in writing" or "written," which may trigger the additional consent requirements of E-Sign.[18]

participant of such plans; (E) member or registered person of such a member; and (F) person acting solely on behalf of any such institutional investor.

[16] *See* Omgeo, LLC, SEC Staff No-Action Letter (Mar. 12, 2008).

[17] While the SEC's rules and interpretations since the early 1990s permit consent to be obtained over the telephone or on a paper account application form, under E-Sign a firm would be required to seek to obtain or confirm the customer's affirmative consent to electronic delivery via email or other electronic means and the customer must respond in kind. Applying E-Sign's requirements results in a cumbersome, multiple-step process for collecting consents, and, in the experience of financial services firms, many customers become confused, believing that they have already signed up for electronic delivery. Not infrequently, customers overlook or ignore the confirming email from the firm or call their representatives to clear up their confusion. In a 2022 survey commissioned by SIFMA, over a quarter of customers surveyed who do not receive electronic delivery currently say they have signed up but still receive paper documents. SIFMA, Most Investors Want Electronic, Not Paper, Delivery of Investor Documents (Summer 2022), *available at* https://www.sifma.org/wp-content/uploads/2022/07/SIFMA-Survey-Results-for-SEC-July-2022.pdf.

[18] The following is a non-exhaustive list of provisions under the federal securities laws that refer to customer disclosures being "written" or "in writing": Securities Act of 1933 ("Securities Act") Section 4A(b)(1)(G) and Rules 147, 147A, 428, 501, 502, 504, and 506; Securities Exchange Act of 1934 Sections 11(d)(2) and 15(b)(13), and Rules 8c-1, 10b-10, 10b-16, 14a-3, 14a-6, 14a-12, 14c-2, 15c1-5, 15c2-1, 15c2-5, 15c3-1, 15c3-1d, 15c3-3, 15g-3, 15g-4, 15g-5, 15g-6, 15g-9, 15*l*-1, 15Ba1-1, 15Fh-6, 18a-4, 18a-4a, 18a-7, 18a-8, and 18a-10; Regulation NMS;

Section 104(d)(1) of E-Sign allows the SEC to exempt by regulation or order issued after notice and an opportunity for public comment a specified category or type of record from the requirements of E-Sign if the exemption is necessary to eliminate a substantial burden on electronic commerce and will not increase the material risk of harm to consumers.[19] This exemption process would cover both statutory and rule requirements for information to be delivered in writing. This approach would be more effective than the SEC amending all relevant rules to change "in writing" requirements to delivery or other requirements, as that approach would not comprehensively address statutory requirements. Other regulators have used this approach to exempt delivery requirements from E-Sign. For example, the Department of Labor recently used the exemptive authority under E-Sign to allow employers to post retirement plan disclosures online or deliver them to workers by e-mail as a default.[20] We believe taking action to exempt required customer communications from the requirements of E-Sign would eliminate a substantial burden on electronic commerce and will not increase the material risk of harm to consumers.

IV. Developments Since the SEC Adopted Its Electronic Delivery Guidance Support Modernizing the Framework

A. E-Delivery Provides for More Secure and Timely Delivery of Required Disclosures

While the default to postal delivery has in the past been cited as providing security in the delivery for sensitive documents, electronic delivery is more secure and permits firms to use electronic methods to notify customers of important documents that they can access digitally without directly exposing confidential information to any recipient. Firms already use pop-up messages from mobile phone applications and text or email alerts to provide important notifications to customers related to password changes, account profile changes, and electronic payments. Electronic delivery provides better protections that ensure that customers receive timely and secure communications. For example, electronic delivery presents a reduced risk of lost or stolen documents compared to traditional mail.[21] Similarly, electronic delivery can enhance the security of receiving sensitive financial and personally identifiable information. For

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Regulation S-P; Investment Advisers Act of 1940 Section 206(3) and Rules 206(3)-2 and 206(4)-2; and Investment Company Act Sections 7, 16, 19, 27, 30, and 64, and Rules 3a-4, 19a-1, 23c-1, and 30e-1.

[19] 15 U.S.C. § 7004(d)(1).

[20] *See* Default Electronic Disclosure by Employee Pension Benefit Plans Under ERISA, 85 Fed. Reg. 31,884, 31,909 (May 27, 2020) (exempting the Department of Labor's proposed regulations by application of Section 104(d)(1) of E-Sign).

[21] *See, e.g.*, United States Postal Inspection Service, Project Safe Delivery: Combatting Mail Theft and Letter Carrier Robberies Strategy (Oct. 2023), *available at* https://www.uspis.gov/wp-content/uploads/2023/11/USPIS_Mail-Theft-Strategy.pdf (discussing a significant growth in mail theft beginning around 2020, as "evidenced by an 87% increase in reports of high-volume mail theft from mail receptacles between Fiscal Year (FY) 2019 and FY2022"); Financial Crimes Enforcement Network, FinCEN Alert on Nationwide Surge in Mail Theft-Related Check Fraud Schemes Targeting the U.S. Mail, FIN-2023-Alert003 (Feb. 27, 2023), *available at* https://www.fincen.gov/sites/default/files/shared/FinCEN%20Alert%20Mail%20Theft-Related%20Check%20Fraud%20FINAL%20508.pdf (discussing a surge in mail theft-related check fraud, highlighting red flags to assist financial institutions in identifying suspicious activity, and reminding financial institutions of their reporting requirements under the Bank Secrecy Act).

example, online portals offer enhanced security measures, including encryption and multi-factor authentication, to protect sensitive customer data.

Electronic delivery also ensures more consistent and timely delivery of required disclosures and regulatory information. One asset manager and clearing firm with more than $900 billion in assets under management reported a 0.6% failure rate on initial electronic deliveries, with a 99.85% success on retry. Electronic delivery also provides detailed records that communications were sent to customers. By contrast, postal mail poses challenges in rectifying undelivered and returned mail, as there is no real assurance that the firm will receive the returned mail, and if it does the process typically is so slow (weeks or months later, typically) that the customer communication in question may well be outdated by the time the problem is rectified. As noted above, firms typically have a process to monitor and remediate electronic delivery failures, such as to notify a customer by postal delivery of an electronic delivery failure and to switch a customer to postal delivery after successive electronic delivery failures.

B. The Vast Majority of Customers Have Access to the Internet and Prefer E-Delivery

Internet access and mobile phones are now prevalent in the United States. In 2000, there were about 7 million broadband subscriptions in the United States, while in 2018 the number had grown to about 111 million.[22] Between 2000 and 2019, the number of internet users grew from about 125 million to over 300 million.[23] Today, not only are there more than 300 million active internet users, there are almost 250 million mobile internet users and over 200 million users of social media.[24] There is also widespread evidence that individuals are increasingly engaging with legal, investment, and tax documents in an online format. For example, in 2024, 93.3% of individual tax returns in the U.S. were filed electronically.[25] A 2022 survey commissioned by SIFMA found that 79% of customers have already opted to receive customer communications electronically through email, a financial institution's website, or a mobile application. This statistic was consistent across age groups, including seniors (82% of age 18-34, 83% of 35-54 and 75% of 55+).[26] This trend suggests that customers of all ages are comfortable with and seek electronic delivery.

C. E-Delivery Facilitates Delivery of User-Friendly Materials

As the SEC has acknowledged,[27] electronic delivery allows customers to review documents in more user-friendly formats, when and where they choose, leveraging modern

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[22] Statista 2020, sourced from the Federal Communications Commission.

[23] Statista 2020, sourced from Internet World Stats.

[24] Statista 2020, sourced from We Are Social, Hootsuite, and DataReportal.

[25] Internal Revenue Service, *available at* https://www.irs.gov/statistics/returns-filed-taxes-collected-and-refunds-issued. SIFMA is separately seeking guidance from the IRS regarding tax reporting obligations and electronic delivery.

[26] SIFMA, Most Investors Want Electronic, Not Paper, Delivery of Investor Documents (Summer 2022), *available at* https://www.sifma.org/wp-content/uploads/2022/07/SIFMA-Survey-Results-for-SEC-July-2022.pdf.

[27] For example, the Instructions to Form CRS encourage the use of electronic and graphical formats. Instructions to Form CRS, General Instruction 3 ("For a *relationship summary* that is posted on your website or otherwise provided

communications technology to create deeper and more productive customer engagement, including through interactive content, hyperlinking to related resources, and layered disclosure. Communications delivered electronically are also more functional for customers and easier to use. The ability to search and compare electronic documents more easily makes them a more effective tool for disclosure. Electronic communications also present opportunities for firms to create new customer-friendly tools and resources, such as to service customers preferring a foreign language or customers with disabilities and others who may use specialized software. For example, documents sent via electronic delivery could be translated into any number of languages or could be read via audio capabilities. Customers today have special tools available to them, such as screen readers and other visual aids, that could be enhanced with more widespread use of electronic delivery.

D. The SEC and Other Regulators Have Increasingly Supported E-Delivery

The SEC has increasingly facilitated electronic delivery for critical customer communications. In 2005, for example, the Commission permitted the delivery of final prospectuses via filing on EDGAR, subject to certain conditions.[28] In 2007, the Commission adopted Rule 14a-16, allowing an issuer to post proxy materials and annual reports online instead of mailing them, so long as it provided notice to customers of its intent to do so and a means for customers to elect to continue to receive postal delivery. As mentioned above, in 2018, the Commission adopted Rule 30e-3, which allows closed-end funds and certain registered unit investment trusts to satisfy their obligation to delivery shareholder reports by posting reports online and mailing customers a short form paper notice of the availability of reports.

Other regulators now mandate or default to electronic delivery for various important communications and transactions. For example, The Centers for Medicare & Medicaid Services encourages Medicare recipients to receive Electronic Medicare Summary Notices to "get key Medicare information fast."[29] The Social Security Administration promotes that an online Social Security account means "not needing to wait for [a notice] to arrive in the mail or the notice getting lost or misplaced."[30] In response to the Covid-19 pandemic, the Treasury Department, the Bureau of Fiscal Service, and the Internal Revenue Service administered payments under the

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electronically, we encourage online tools that populate information in comparison boxes based on investor selections. You also may include: (i) a means of facilitating access to video or audio messages, or other forms of information (whether by hyperlink, website address, Quick Response Code ('QR code'), or other equivalent methods or technologies); (ii) mouse-over windows; (iii) pop-up boxes; (iv) chat functionality; (v) fee calculators; or (vi) other forms of electronic media, communications, or tools designed to enhance a *retail investor's* understanding of the material in the *relationship summary*.").

[28] *See* Securities Act Rules 172 and 173, which deem final prospectuses filed on EDGAR, with a notice that the sale was made pursuant to a final prospectus that is not being delivered pursuant to Rule 172, to satisfy prospectus delivery requirements.

[29] U.S. Centers for Medicare and Medicaid Services, Go digital, *available at* https://www.medicare.gov/go-digital.

[30] U.S. Social Security Administration, *available at* https://www.ssa.gov/myaccount/.

Coronavirus Aid, Relief, and Economic Security (CARES) Act almost entirely by digital means.[31]

E. Postal Delivery Is Less Efficient and Results in Significant Costs

Postal delivery is less efficient and results in significant costs to customers and the industry. Postal delivery can pose issues regarding theft, misplacement, or delay in delivery. Customers who realize that documents have not been delivered need to request new copies, with delivery subject to the same risks. Even if documents are returned to sender, the process of resending the documents can cause unnecessary delays. Delivering paper documents to customers rather than promoting electronic delivery is costly and environmentally wasteful.[32] Since 1995, when the SEC addressed electronic delivery, postage costs have risen from 32 cents to 73 cents for the first ounce.[33] These costs are often borne in significant part by investors and shareholders. Moreover, it can often be challenging for firms to find capacity with commercial printers to obtain the quantities of documents needed for mailing. This often results in limited options in selecting a commercial printer and challenging timelines where delays can cause firms to miss mandated mailing deadlines.

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We appreciate the Commission's continued commitment to efficiency and innovation and the opportunity to advocate on behalf of our members. We are happy to discuss the reforms described above further and welcome any future opportunities to engage with the Commission and staff on these matters. If you have any questions or require additional information, please do not hesitate to contact us by calling me at 202-962-7300 or Melissa MacGregor, Deputy General Counsel and Corporate Secretary, at 202-962-7385.

Sincerely,

Kenneth E Bentsen, Jr.
President & CEO

cc: The Honorable Hester M. Peirce, Commissioner
The Honorable Caroline A. Crenshaw, Commissioner
The Honorable Mark T. Uyeda, Commissioner
Brian T. Daly, Director, Division of Investment Management

[31] U.S. Department of the Treasury, Treasury, IRS Announce Delivery of 159 Million Economic Impact Payments *(*June 3, 2020*)*, *available at* https://home.treasury.gov/news/press-releases/sm1025.

[32] *See, e.g.*, Environmental Paper Network, Modernizing ERISA Health Plan Communications: E-Delivery vs. Paper Mandates, *available at* https://environmentalpaper.org/wp-content/uploads/2023/09/Modernizing-Federal-Paper-Mandates-Report.pdf (estimating that "federal default paper delivery mandates necessitate as many as *11.4 billion sheets of paper p*er year for ERISA health plan documents") (emphasis in original).

[33] United States Postal Service, Rates for Domestic Letters Since 1863 (Feb. 2025), *available at* https://about.usps.com/who/profile/history/domestic-letter-rates-since-1863.htm.

James J. Moloney, Director, Division of Corporate Finance
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Melissa MacGregor, Deputy General Counsel & Corporate Secretary, SIFMA