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August 21, 2020

Technical Director
File Reference No. 2020-400
FASB
401 Merrit 7
Norwalk, CT 06856-5116

Re: FASB Exposure Draft, Financial Services-Insurance (Topic 944): *Effective Date and Early Application*

Securian Financial Group, Inc. (SFG) welcomes the opportunity to provide comments on the FASB Exposure Draft, Proposed Accounting Standards Update, Financial Services – Insurance (Topic 944): *Effective Date and Early Application* (ED), which aims to delay the effective date of ASU 2018-12, Financial Services-Insurance (Topic 944): *Targeted Improvements to the Accounting for Long-Duration Contracts* (ASU 2018-12 or LDTI), for all entities, and offers transition relief to facilitate early application where possible. SFG is a privately held entity ultimately owned by Minnesota Mutual Companies, Inc. (MMC), a mutual insurance holding company organized under Minnesota Law. SFG was organized for the purpose of holding subsidiary corporations including two life insurance and annuity entities, Minnesota Life Insurance Company and Securian Life Insurance Company, which provide a diversified array of insurance, retirement, and investment products and services designed principally to protect and enhance the long-term financial security of individuals and families.

SFG commends the outreach work the Board and Staff have completed to understand the impact the Coronavirus Disease 2019 (COVID-19 or the pandemic) is having on ASU 2018-12 implementation plans of insurers. We also appreciate the time and energy insurance peers and trade associations have spent in meeting with the Board and Staff on these efforts.

SFG remains supportive of the changes in ASU 2018-12 and committed to a high-quality implementation. However, the pandemic is creating significant strain on resources required for both effective ongoing implementation efforts and new business challenges. We strongly support the Board's proposal to defer the effective date of the amendments in ASU 2018-12 for all entities by one year to allow companies to simultaneously address pandemic-related disruptions in an extremely uncertain environment while continuing to make necessary progress on implementation plans.

Our responses to the specific questions presented within the ED are included in the appendix to this letter. Thank you for your consideration of our comments. If you have any questions about this letter, please do not hesitate to contact John Yaggy.

Sincerely,





Warren J. Zaccaro
Executive Vice President and Chief Financial Officer

John A. Yaggy
Vice President and Controller

Securian Financial is the marketing name for Securian Financial Group, Inc. and its affiliates. Insurance products are issued by its affiliated insurance companies. Securities and investment advisory services offered through Securian Financial Services, Inc., registered investment advisor, member FINRA/SIPC.

Appendix

Question 1 – Effective Date: Should the effective date of LDTI be deferred for all insurance entities by one year? Please explain.

Response: Yes, consistent with feedback outlined by insurance peers and trade associations in the Board and Staff outreach, SFG is also experiencing significant business disruptions that are causing strain on financial and human resources required for both implementation efforts and new critical business initiatives resulting from the pandemic. We have focused and accelerated new critical business initiatives to best serve our associates and the long-term financial security of our policyholders and clients. However, we also recognize the importance of high-quality decision useful financial information for our stakeholders and have not halted our implementation efforts. Our goal in implementing ASU 2018-12 is to ensure that we can produce high-quality financial results in a well-controlled environment, and to ensure those financial results are well-understood and transparent for users. We already realize that the operational implementation of ASU 2018-12 is very challenging and requires significant coordination across functional departments, implementation of new technology, collection and management of new data requirements, and planning for extensive new disclosures and stakeholder communications. A deferral of the effective date, as provided by the proposed ED, will allow us to appropriately prioritize time and resources to meet associate, policyholder and client needs during the pandemic, while also significantly reducing the risk that our implementation goals are not met.

Question 2 – Early Application: Does the proposed alignment of the early application transition date and the standard transition date achieve the Board's objective of facilitating early application of LDTI by certain entities to encourage accelerated delivery of information to financial statement users? Please explain.

Response: Yes, we believe the alignment of the early application transition date and the standard transition date achieves the objective of facilitating early application of LDTI by certain entities to encourage accelerated delivery of information to financial statement users. The transition relief in the ED offers reduced operational burden for companies with the intent and ability to early adopt ASU 2018-12 and may encourage the accelerated delivery of information to financial statement users for certain companies.