



June P Howard
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May 15, 2013

Susan M. Cospers, Technical Director
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856- 5116

File Reference No. 2013-221

Dear Ms. Cospers,

Aflac, Inc. (Aflac) welcomes the opportunity to share with you our views regarding Exposure Draft (Reference No 2013-221) of the Proposed Amendments to Accounting Standards Update Financial Instruments: Recognition and Measurement of Financial Assets and Financial Liabilities (Companion Document). The goal of the Board to address application questions from interested parties, consider the interaction of the classification and measurement model with other existing standards that may have overlap, and reduce key differences with the IASB's Classification and Measurement: IFRS 9 model is acknowledged and appreciated by Aflac.

Aflac Incorporated is a general business holding company and acts as a management company, overseeing the operations of its subsidiaries by providing management services and making capital available. Its principal business is supplemental health and life insurance, which is marketed and administered through its subsidiary, American Family Life Assurance Company of Columbus (Aflac), which operates in the United States (Aflac U.S.) and as a branch in Japan (Aflac Japan). Most of Aflac's policies are individually underwritten and marketed through independent agents. Additionally, Aflac U.S. markets and administers group products through Continental American Insurance Company (CAIC), referred to as Aflac Group Insurance. Our insurance operations in the United States and our branch in Japan service the two markets for our insurance business.

Aflac offers voluntary insurance policies in Japan and the United States that provide a layer of financial protection against income and asset loss. We continue to diversify our product offerings in both Japan and the United States. Aflac Japan sells voluntary supplemental insurance products, including cancer plans, general medical indemnity plans, medical/sickness riders, care plans, living benefit life plans, ordinary life insurance plans and annuities. Aflac U.S. sells voluntary supplemental insurance products including loss-of-income products (life and short-term disability plans) and products designed to protect individuals from depletion of assets (hospital indemnity, fixed-benefit dental, vision care, accident, cancer, critical illness/ critical care, and hospital intensive care plans).

General Comments

The extensive volume of proposed amendments to the Codification and limited amount of time to evaluate the proposed amendments severely limits Aflac's ability to complete a thorough review and provide comprehensive feedback. We suggest the FASB comment period for the amendment to be re-exposed and extended. Nevertheless, Aflac has provided limited comments regarding the proposed amendments.

Question 1: Do you believe that the proposed consequential amendments that would result from the proposals in the proposed Update on financial instruments have been appropriately reflected? If not, what alternative amendment(s) do you recommend and why?

Response: Aflac does not believe the amendments to supersede Subtopic 340-30 should be a part of the recognition and measurement of financial assets and financial liabilities exposure document. If further proposed amendments are required, discussion should be included in the proposed Insurance Contract exposure document rather than Financial Instruments.

Question 2: Do you believe that all guidance related to financial instruments in various Topics in the FASB Accounting Standards Codification® (for example, Topics 310 and 470) should be consolidated into a single Topic?

Response: Aflac believes consolidation of all guidance related to financial instruments into a single Topic will assist in simplifying the current codification standards.

Question 3: The proposed amendments also would eliminate the fair value option (for financial instruments not within the scope of the proposed Update on financial instruments) in current U.S. GAAP (see paragraph 825-10-15-4), related to guarantees, contingencies, rights and obligations of insurance contracts and warranties, written loan commitments, and firm commitments. Do you agree with the proposed elimination and the effective date and transition guidance? If not, why? What would you propose instead?

Response: Aflac believes the fair value option related to insurance contracts should be discussed in the proposed Insurance Contract exposure document rather than Financial Instruments.

We appreciate the Board's efforts thus far in providing clarity and convergence on various standards. In that regard, we strongly recommend that the Board evaluate the impact of the proposed standard changes for all phases of the Financial Instruments Project in conjunction with proposed changes to the Insurance Contracts Standard. Additionally, we suggest the Board consider regulatory changes that are also in varying stages of effectiveness that would impact the Insurance Industry (i.e. Dodd Frank and Solvency II initiatives). Specifically, we recommend that the Board undertake a project to model an insurer's financial statements under the proposed accounting standard changes and in conjunction with the proposed regulatory changes to clearly vet the impact on the industry's liquidity, capital adequacy and financial health prior to requiring any proposal stage literature to become effective. We believe that a thorough modeling project will identify additional considerations and concerns on how the various accounting and regulatory changes interrelate that have yet to be uncovered.

Thank you again for your consideration. If you have any questions or concerns regarding our comments please feel free to contact June Howard, SVP and CAO or Resh J. Reese, 2nd VP of Accounting Policy at (706) 323-3431.

Sincerely,



June P. Howard
Senior Vice President and
Chief Accounting Officer