

FILED

BEFORE THE STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER

2013 MAR 19 A 9:57

In the Matter of the)
Acquisition of Control of:)

WESTERN UNITED LIFE)
ASSURANCE COMPANY,)

NO. 13-0033

Hearings Unit, DIC
Pamela D. Puhinen
Chief Insurance Officer

By:)
CENTRAL UNITED LIFE)
INSURANCE COMPANY,)

Applicant.)

PRE-FILED TESTIMONY OF DALE WHITNEY

Introduction

1. Please state your name for the record.

ANSWER: Dale Whitney

2. Can you state for the record your purpose for being here today?

ANSWER: I appear today as the President of the Western United, to testify in support of Form A application which is the subject of this hearing.

3. How long have you been employed by Western United?

ANSWER: 22 years

4. What is the basis for your information and knowledge about the Proposed Acquisition that is described in the Form A Statement?

ANSWER: I am the President of Western United, and I am familiar with its operation and financial condition. I participated in the due diligence review of Western United by Central United.

5. As part of this involvement, have you reviewed the Form A Statement as and the supplemental information and materials provided to the Washington State Office of the Insurance Commissioner relating to the Proposed Acquisition, as already admitted into evidence as exhibits to this hearing?

ANSWER: Yes, I am familiar with the information filed with the Office of Insurance Commissioner, including the plans for Western United and the management and financial condition of Central United.

Operations of Western United

6. Please briefly describe Western United.

ANSWER: Western United is a Washington based life insurance company headquartered in Spokane Washington. Western United is in the business of marketing and distributing short to mid term fixed rate and immediate annuity products.

7. Following the acquisition, will Western United honor its commitment to all its policy and other contract rights and obligations?

ANSWER: YES

Statutory Questions:

8. Following the acquisition, is there any reason Western United will not be able to satisfy the requirements for the issuance of a license to write the line of lines of insurance for which it is presently licensed?

ANSWER: NO.

9. Will the effect of the acquisition substantially lessen competition or tend to create a monopoly in insurance in Washington?

ANSWER: NO. Western United is only writing annuities in Washington and Central United and its affiliates write no annuities in Washington or elsewhere.

10. Is the financial condition of Central United and its affiliates such as might jeopardize the financial stability of Western United?

ANSWER: NO.

11. Are the plans or proposals of Central United to liquidate Western United, sell its assets, consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, unfair and unreasonable to the policyholders of Western United and not in the public interest?

ANSWER: NO.

12. Are the competence, experience and integrity of those persons who would control the operation of the insurer such it would not be in the interest of the policyholders of Western United and to the public to permit the merger or other acquisition of control?

ANSWER: NO.

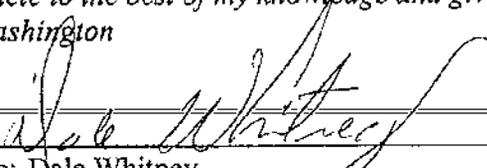
13. Is the acquisition likely to be hazardous or prejudicial to the insurance buying public?

ANSWER: NO.

14. Are you asking the Hearings Officer to approve this application?

ANSWER: YES.

The above testimony is true, correct and complete to the best of my knowledge and given subject to the laws of perjury of the state of Washington



Name: Dale Whitney
Title: President, Western United Life Assurance
Company

Date: March 15, 2013

CERTIFICATE OF SERVICE

I, Alexander Cochran, do hereby certify that a copy of the foregoing was sent via email and U.S. Mail on this 15th day of March 2013, to the following:

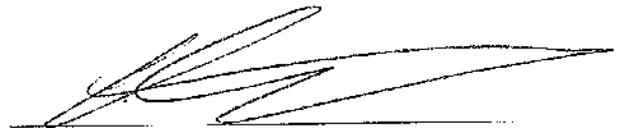
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Alexander Cochran

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NO. 13-0033 Chief Hearing Officer

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APPLICANT'S CLOSING
STATEMENT

Applicant.)

As the testimony and documentary evidence introduced at the hearing demonstrates, Western United Life Assurance Company ("Western United") respectfully submits that the Applicant, Central United Life Insurance Company ("Central United") has met all due requirements of Chapter 48.31B, Revised Code of Washington. Central United submitted a detailed and verified Form A application to the Washington State Office of the Insurance Commissioner. The Insurance Commissioner's staff requested additional information to which CUL provided timely responses. Mr. Pastuch, of the Company Supervision Division of the Office of Insurance Commissioner, testified the Applicant's Form A, together with its exhibits and the supplemental information provided, is complete, and the OIC requested a hearing to be scheduled to consider the Form A application.

The Hearings Officer conducted the hearing, taking testimony and accepting documentary evidence in support of the Form A application. RCW 48.31B.015(4)(a) provides that "the commissioner shall approve a merger or other acquisition of control . . . unless, after a

public hearing thereon, he or she finds" that any of the six identified bases for disapproval set forth in that statute exists.

In addressing these provisions, Mr. Daniel George, who testified on behalf of Central United, and Mr. Dale Whitney, who testified on behalf of Western United, demonstrated that the proposed transaction does not violate any of the six standards for review outlined in RCW 48.31B.015(4).

Thus, the hearing testimony and other evidence offered at the hearing by Central United, Western United and the Office of the Insurance Commissioner establishes, without exception, that none of the statutory bases for disapproval exist. The evidence also establishes that there have been no objections to the proposed acquisition.

On behalf of Central United, we respectfully request that the Hearing Officer approve the acquisition on behalf of the Office of the Insurance Commissioner.

DATED: March 15, 2013

DEBEVOISE & PLIMPTON LLP



Alexander Cochran, New York State Bar
Registration # 4376497
Attorney for Western United Life Assurance
Company

CERTIFICATE OF SERVICE

I, Alexander Cochran, do hereby certify that a copy of the foregoing was sent via email and U.S. Mail on this 15th day of March 2013, to the following:

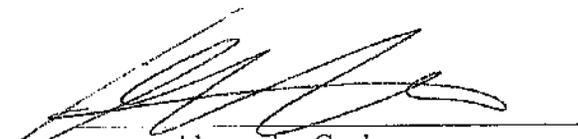
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