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STATE OF WASHINGTON  
OFFICE OF THE INSURANCE COMMISSIONER

In the Matter of the Redomestications of  
SYMETRA LIFE INSURANCE  
COMPANY and SYMETRA NATIONAL  
LIFE INSURANCE COMPANY.  
Authorized Domestic Insurers.

NO. 14-0031

FINAL ORDER APPROVING  
APPLICATIONS FOR  
REDOMESTICATION FROM THE  
STATE OF WASHINGTON TO THE  
STATE OF IOWA

TO: Michaelanne Ehrenberg  
Vice President  
Chief Litigation and Governmental Affairs Counsel  
Associate General Counsel  
Symetra Life Insurance Company  
777 108<sup>th</sup> Avenue NE, Suite 1200  
Bellevue, WA 98004

Timothy J. Parker, Esq.  
Carney Badley Spellman, P.S.  
701 Fifth Avenue, Suite 3600  
Seattle, WA 98104

COPY TO: Mike Kreidler, Insurance Commissioner  
James T. Odiorne, J.D., CPA, Chief Deputy Insurance Commissioner  
AnnaLisa Gellermann, Esq., Deputy Commissioner, Legal Affairs Division  
Andrea Philhower, Staff Attorney, Legal Affairs Division  
William R. Michels, Deputy Commissioner, Company Supervision  
Gayle D. Pasero, Company Licensing Manager, Company Supervision  
Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

1 Pursuant to Chapter 48.04 RCW, Chapter 34.05 RCW, RCW 48.07.210, and  
2 specifically RCW 48.07.210(2), and after appropriate notice to interested parties and persons,  
3 the above-entitled matter came on at 5000 Capitol Boulevard, Tumwater, Washington, for  
4 hearing commencing at 10:00 a.m. on June 19, 2014, before the undersigned hearing officer  
5 appointed by the Insurance Commissioner of the state of Washington. All persons to be  
6 affected by the above-entitled matter were given the right to be present at such hearing and  
7 had reasonable opportunity to inspect all documentary evidence, to examine witnesses and  
8 present oral and written statements. The Insurance Commissioner was represented by Andrea  
9 Philhower, Esq., Staff Attorney in its Legal Affairs Division. The Applicants, Symetra Life  
10 Insurance Company and Symetra National Life Insurance Company, were represented by  
11 Timothy J. Parker of Carney Badley Spellman, P.S., Seattle, Washington.

12 **NATURE OF THE PROCEEDING**

13 On January 14, 2014, the Washington State Insurance Commissioner (“Insurance  
14 Commissioner”) received an Application from Symetra Life Insurance Company requesting  
15 approval to transfer its state of incorporation (corporate domicile) from the state of  
16 Washington to the state of Iowa. Symetra National Life Insurance Company submitted a  
17 similar Application on February 6, 2014. Symetra Life Insurance Company and Symetra  
18 National Life Insurance Company are hereinafter collectively referred to as “the Applicants”  
19 unless otherwise indicated.

20 Applications for redomestication are controlled by Title 48 RCW and specifically RCW  
21 48.07.210(2). Pursuant to RCW 48.07.210(2), *[t]he commissioner shall approve any proposed*  
22 *transfer of domicile unless the commissioner determines after a hearing, pursuant to such notice*  
23 *as the commissioner may require, that the transfer is not in the best interests of the public or the*  
24 *insurer’s policyholders in this state.* On April 29, 2014, the Chief Presiding Officer received and  
25 filed a request for hearing from the Insurance Commissioner relative to this Application for  
26

1 Redomestication. The Application seeks domicile transfer such that the Applicants will cease to  
2 be domestic insurers of Washington State and will become domestic insurers of the state of Iowa.

3 **FINDINGS OF FACT**

4 Having considered the written and oral evidence presented at the hearing and the  
5 documents on file herein, the undersigned presiding officer finds as follows:

6 1. The hearing was duly and properly convened and all substantive and procedural  
7 requirements under the laws of the state of Washington, have been satisfied;

8 2. The Applicants are active Washington domestic life and disability insurance  
9 companies, with total gross annual written premiums as of December 2013 of over \$3 billion,  
10 with approximately \$101 million written in Washington State. [Ex. 1, Application and  
11 Organization Charts.]

12 3. On January 14, 2014, pursuant to RCW 48.07.210, Applicant Symetra Life  
13 Insurance Company filed an Application for Redomestication, with detailed attachments  
14 concerning its history, personnel and financial status. On February 7, 2014, pursuant to RCW  
15 48.07.210, Applicant Symetra National Life Insurance Company filed an Application for  
16 Redomestication, with detailed attachments concerning its history, personnel and financial status.  
17 The proposed effective date of the Redomestications is on or before June 30, 2014. The  
18 Applicants have, therefore, provided the Insurance Commissioner with at least thirty days  
19 advance written notice of their proposed plans to redomesticate.

20 4. The Applicants have applied for redomestication consistent with an effort to  
21 grow and diversify their product portfolio and risk profile by permitting them to take  
22 advantage of the statutes and regulations governing the life insurance industry in Iowa,  
23 including Iowa's legislation that allows the enforcement of derivative netting provisions in the  
24 event of insurer insolvency. The Applicants also expect the redomestication to Iowa to  
25 benefit their competitiveness through enhanced capabilities to offer product features and  
26 benefits. Additionally, the redomestication will result in corporate and capital efficiencies.

1 Further, the Applicants expect to realize savings related to reduced retaliatory taxes, with no  
2 detrimental impact on tax revenues of Washington State.

3 5. In reliance upon the assertions of the Applicants during testimony, the proposed  
4 redomestications will be seamless and virtually invisible to the Applicants' Washington  
5 policyholders if the redomestications are approved because, at this time, there are no planned  
6 changes to the Applicants' producer base or to their methods and ability to handle claims and  
7 service policyholders. Further, in reliance upon the assertions of the Applicants during  
8 testimony, if the proposed redomestications are approved, there will be no impact on the interests  
9 of the public or on the contractual or statutory rights of the Applicants' Washington  
10 policyholders: the rights and privileges of Washington policyholders will not change. Further, in  
11 reliance upon the assertions of the Applicants during testimony, the redomestications will have  
12 no impact on any pending litigation filed in Washington involving the Applicants' Washington  
13 policyholders.

14 6. The Applicants have filed a request to redomesticate to Iowa with the Iowa  
15 Insurance Division. The Iowa Insurance Division has advised the Washington State Insurance  
16 Commissioner that it has completed its review process and is prepared to approve the  
17 redomestication of the Applicants from the state of Washington to the state of Iowa, subject only  
18 to the final approval of the referenced redomestications by the Washington State Insurance  
19 Commissioner. [Applicants' Exhibit A] Further, the Washington State Insurance Commissioner  
20 has determined that the Applicants will be qualified to be admitted to do business in Washington  
21 State as foreign insurers as of the effective date that they become domestic insurers in the state of  
22 Iowa.

23 7. The Notice of Hearing on Application for Redomestication herein entered by the  
24 Office of the Insurance Commissioner June 5, 2014, which contains detailed information  
25 concerning the proposed redomestications and the administrative hearing to be held, and links  
26 the reader to all of the documents that were filed in this proceeding prior to the hearing date (and

1 currently since the hearing date), were published in its entirety on the Insurance Commissioner's  
2 website on June 5, 2014, at latest, and remained there continuously through the date of the  
3 hearing. Therefore, reasonable and adequate notice of the hearing concerning the proposed  
4 redomestications was provided. [OIC Exhibit A, Notice of Hearing] Further, in the Notice of  
5 Hearing, as published, all interested individuals and entities were advised of their right to submit  
6 either support for, or objections to, the proposed redomestications by letter on or before 9:00 a.m.  
7 on June 19, 2014. The undersigned received no complaints that support denial of the  
8 Applications, and OIC and Symetra represented that they received no such complaints.

9 8. There is no basis to find that the proposed transfer of domicile of the Applicants  
10 from Washington State to the state of Iowa is not in the best interests of the public or not in the  
11 best interest of the Applicants' Washington policyholders.

12 9. Gayle D. Pasero, Company Licensing Manager of the Company Supervision  
13 Division of the Office of the Insurance Commissioner, appeared as the sole witness for the  
14 Insurance Commissioner. Ms. Pasero presented her testimony in a detailed and credible manner  
15 and exhibited no apparent biases.

16 10. Margaret Meister, Chief Financial Officer of the Applicants, appeared as the sole  
17 witness for the Applicants. Ms. Meister presented her testimony in a detailed and credible  
18 manner and exhibited no apparent biases.

19 11. The Applications for Redomestication filed herein by Symetra Life Insurance  
20 Company and Symetra National Life Insurance Company, which propose to transfer their  
21 state of incorporation from the state of Washington to the state of Iowa, to the effect that they  
22 would become domestic insurers in the state of Iowa and foreign insurers in the state of  
23 Washington, and as detailed in their Applications and documents submitted subsequent  
24 thereto, are reasonable under the circumstances, and the Applicants' Applications for  
25 Redomestication should be approved.

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## CONCLUSIONS OF LAW

1. Pursuant to Title 48 RCW, and specifically RCW 48.07.210, the Washington State Insurance Commissioner has jurisdiction over Symetra Life Insurance Company and Symetra National Life Insurance Company, and the undersigned, pursuant to appointment and delegation of authority by the Honorable Mike Kreidler, has jurisdiction and authority to issue this Final Order on application for redomestication.

2. The Applicants have provided reasonable and lawful notice of their redomestication plan to the Washington Insurance Commissioner, as required by RCW 48.07.210(2).

3. There is no legal or factual basis to determine that the proposed transfer of domicile of Symetra Life Insurance Company and Symetra National Life Insurance Company from the state of Washington to the state of Iowa is not in the interests of the public or the Applicants' Washington policyholders. Pursuant to RCW 48.07.210(2), because no such determination has been made, the Insurance Commissioner must approve these Applications for Redomestication.

## ORDER

On the basis of the foregoing Findings of Fact and Conclusions of Law, to the effect that the statutory criteria for approval of these Applications have been met,

**IT IS HEREBY ORDERED** that the Applications for Redomestication of Symetra Life Insurance Company and Symetra National Life Insurance Company, which seek approval of the Washington State Insurance Commissioner to transfer their state of incorporation from the state of Washington to the state of Iowa, thereby becoming domestic insurers in the state of Iowa and becoming foreign insurers in the state of Washington, is **GRANTED** effective as of the date of entry of this Final Order.

**IT IS FURTHER ORDERED** that the actual effective date of the transfers of domicile from the state of Washington to the state of Iowa shall be the effective date that the

1 state of Iowa has determined that Symetra Life Insurance Company and Symetra National  
2 Life Insurance Company shall become domestic Iowa insurers. That same date shall be the  
3 ~~effective date on which Symetra Life Insurance Company and Symetra National Life~~  
4 ~~Insurance Company shall become admitted as foreign insurers in the state of Washington.~~  
5 Thus, these transactions shall become effective on the same date in order to allow no gap in  
6 clear state of domicile as between the state of Washington and the state of Iowa.

7  
8 **ENTERED** at Seattle, Washington, this 19th day of June, 2014, pursuant to Title 48 RCW  
9 and specifically RCW 48.04 and 48.07.210, Title 34 RCW, and the regulations applicable  
10 thereto.

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13 Judge George Finkle (Ret.)  
14 Hearing Officer

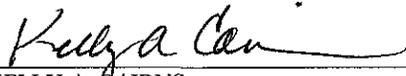
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1 Pursuant to RCW 34.05.461(3), the parties are advised that they may seek reconsideration of  
2 this order by filing a request for reconsideration under RCW 34.05.470 with the undersigned  
3 within 10 days of the date of service (date of mailing) of this order. Further, the parties are  
4 advised that, pursuant to RCW 34.05.514 and 34.05.542, this order may be appealed to  
5 Superior Court by, within 30 days after date of service (date of mailing) of this order. 1) filing  
6 a petition in the Superior Court, at the petitioner's option, for (a) Thurston County or (b) the  
7 county of the petitioner's residence or principal place of business; and 2) delivery of a copy  
8 of the petition to the Office of the Insurance Commissioner; and 3) depositing copies of the  
9 petition upon all other parties of record and the Office of the Attorney General.

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12 Declaration of Mailing

13 I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused  
14 delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed  
15 above: Michaelanne Ehrenberg, Esq., Timothy J. Parker, Esq., Mike Kreidler, James T. Odiorne, William R. Michels, Gayle  
16 D. Pasero, AnnaLisa Gellermann, Esq. and Andrea Philhower, Esq.

17 DATED this 20<sup>th</sup> day of June, 2014.

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KELLY A. CAIRNS