

MARKET CONDUCT EXAMINATION REPORT OF
SYMETRA LIFE INSURANCE COMPANY
WEST DES MOINES, IOWA
AS OF DECEMBER 31, 2020

West Des Moines, Iowa
June 3, 2024

HONORABLE DOUG OMMEN
Commissioner of Insurance
State of Iowa
Des Moines, Iowa

Commissioner:

In accordance with your authorization and pursuant to Iowa statutory provisions, a market conduct examination has been made of the records, business affairs and marketing practices of

SYMETRA LIFE INSURANCE COMPANY

WEST DES MOINES, IOWA

AS OF DECEMBER 31, 2020

at its Statutory Home Office, 4125 Westown Parkway, Suite 102, West Des Moines, Iowa.

INTRODUCTION

This market conduct examination report, containing applicable comments, explanations and findings, is presented herein. In general, this is a report by exception. Comments regarding practices and procedures reviewed during the examination have been omitted from the report if no improprieties were found. All unacceptable or noncomplying practices may not have been identified. The failure to identify specific company practices does not constitute acceptance of these practices.

SCOPE OF EXAMINATION

This risk-focused, market conduct examination was conducted as an examination covering the period from January 1, 2016 through December 31, 2020.

The risk-focused examination reviews internal policies, procedures, and control structures for compliance with applicable Iowa statutes and administrative rules. The examination then focuses on compliance with those policies, procedures, and control structures.

HISTORY

The Company's was incorporated as General Life Company of America under the laws of the State of Washington on January 23, 1957, and commenced business on April 5, 1957. Through subsequent amendments to the Articles of Incorporation, the following changes were made:

1959 – The Company name was changed to LIFECO Insurance Company of America.

1964 – The Company name was changed to Safeco Life Insurance Company. Safeco Life Insurance Company was part of Safeco Life and Investments, which was one of the main business lines of Safeco Corporation.

2004 – On August 2, 2004, a private investor group led by White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc. acquired Safeco Life and Investments from Safeco Corporation through an acquisition vehicle, Occum Acquisition Corp. Symetra Financial Corporation (“Symetra Financial” or “SFC”) was the resulting incorporated holding company entity formed, which wholly owns the Company, and the Company's name was changed to Symetra Life Insurance Company.

2010 – Symetra Financial became a public company and was traded on the New York Stock Exchange under the stock symbol SYA, until its acquisition by Sumitomo Life Insurance Company (“Sumitomo Life”) on February 1, 2016.

2014 – On July 1, 2014, the Company redomesticated from Washington to the State of Iowa following regulatory approvals from the Washington State Office of the Insurance Commissioner and Iowa Insurance Division. Articles of Incorporation for the Company were filed with the Iowa Secretary of State and approved by the Iowa Insurance Commissioner.

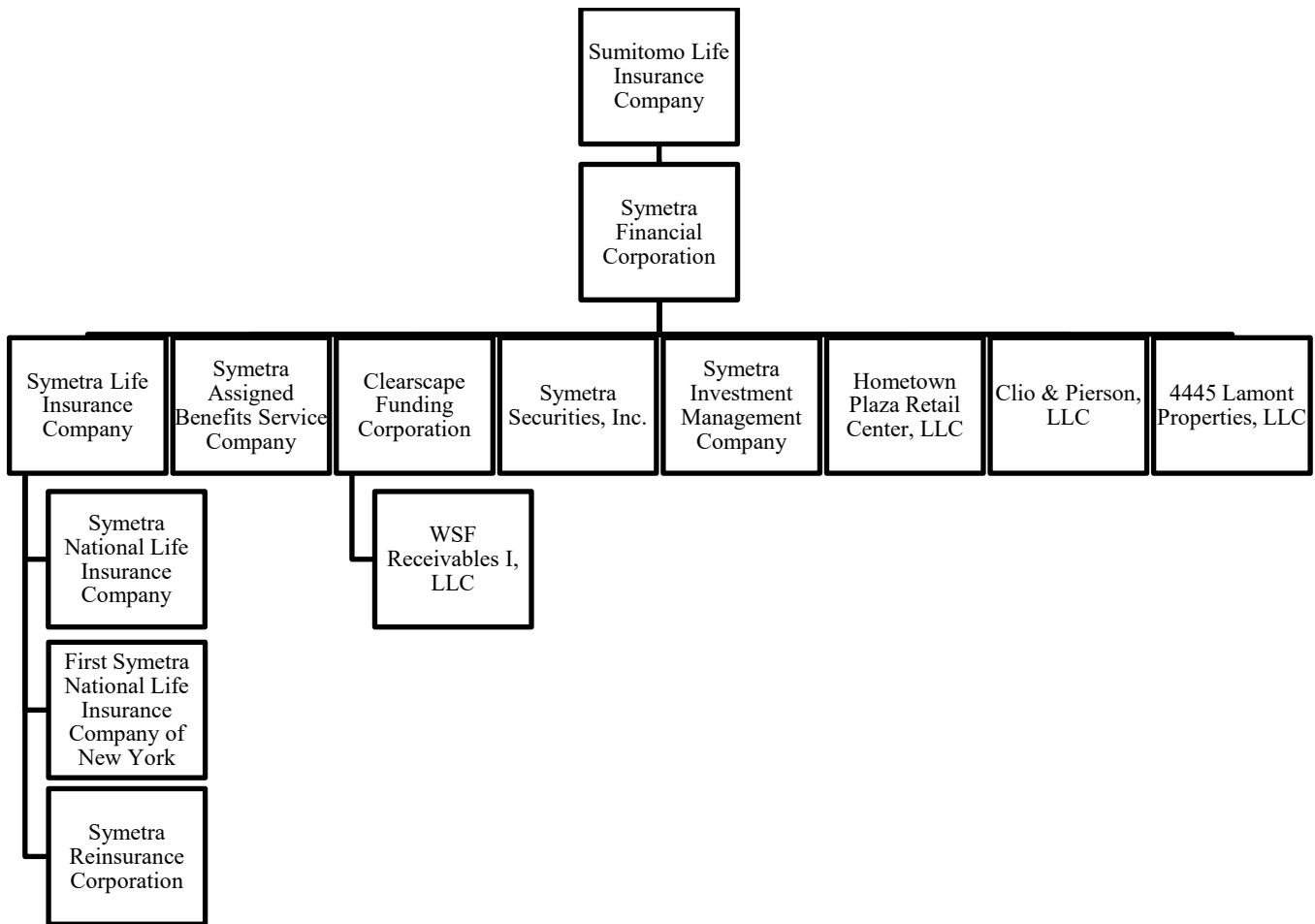
2016 – On February 1, 2016, pursuant to the Agreement and Plan of Merger, dated August 11, 2015, by and among Symetra Financial, Sumitomo Life, a mutual company (*sougo kaisha*) organized under the laws of Japan and SLIC Financial Corporation, a Delaware corporation and wholly owned subsidiary of Sumitomo Life, SLIC Financial Corporation merged with and into Symetra Financial, with Symetra Financial surviving as a wholly owned subsidiary of Sumitomo Life.

INSURANCE HOLDING COMPANY SYSTEM

The Company is a member of an Insurance Holding Company System as defined by Chapter 521A, Code of Iowa, and is a wholly owned subsidiary of Symetra Financial Corporation, a Delaware corporation. The Company's ultimate parent is Sumitomo Life Insurance Company, a mutual life insurance company in Japan.

Symetra Financial Corporation is a financial services company in the life insurance industry that offers an array of employee benefits, annuities, and life insurance products through its direct and indirect subsidiaries.

An organizational chart identifying the companies within the Holding Company System is as follows:



TERRITORY AND PLAN OF OPERATION

The Company was authorized to transact business in the District of Columbia, Puerto Rico, and all other states except New York as of December 31, 2020.

The Company offers products and services that serve the retirement, employment-based benefits, and life insurance markets. These products and services are marketed through financial institutions, broker-dealers, financial professionals, independent agents, and benefits consultants. The Company's principal products include fixed deferred annuities and fixed indexed annuities, registered index-linked annuities, single premium immediate annuities, medical stop-loss insurance, group life and disability income insurance, absence management, group voluntary benefits (accident, critical illness, hospital indemnity) and group fixed-payment medical insurance, term life insurance, universal life insurance, including indexed universal life insurance, and institutional life insurance, including bank-owned life insurance and variable corporate owned life insurance.

TREATMENT OF POLICYHOLDERS

Claim Practices

Examiners reviewed the Company's claim handling policies and procedures and supporting documentation to evaluate the adequacy of the Company's claim handling practices and standards. Examiners also reviewed the Company's denied claims process to ensure appropriate handling and timely responses.

The Examiners reviewed a sample of twenty-five (25) group life; twenty-five (25) individual life and twenty-five (25) annuity claims from the examination period to verify timeliness of settlement, accuracy of payments, and adherence to claim policies and procedures. All were found to follow claim handling guidelines and applicable statutes and regulations. Examiners also reviewed a sample of nine (9) denied claims and found all to be in compliance with claim handling guidelines, applicable statutes and regulations.

Complaints

Examiners reviewed the Company's complaint handling policies and procedures. Complaints are handled and addressed by designated complaint management teams within each product division to be addressed. Examiners found the complaint register to be in compliance with applicable state statutes. Examiners also reviewed a sample of fifty (50) consumer complaints, all were handled in accordance with applicable regulations.

Underwriting

Examiners reviewed the Company's underwriting handling policies and procedures. The examiners reviewed a sample of ten (10) life policies and ten (10) replacements to verify timeliness on policy issuance, producer licensing at time of sale and adherence to reinstatement procedures. All were found to follow underwriting guidelines and applicable statutes and regulations.

MARKETING AND SALES

The Review Unit of the Compliance Department is responsible for the oversight of marketing materials and ensuring compliance with the Company's Advertising Policy. Symetra's Compliance Department maintains a series of reference documents for marketing materials including the Compliance Reference Guide, which outlines NAIC Model Regulations and any state variations, and the Marketing Compliance Guide, which provides more specific guidance regarding disclosures and other product specific requirements. Symetra also maintains the Market Conduct & Reference Guide for Producers which details the submission and approval requirements for producers prior to use.

Examiner's review of the advertisement log for the exam period found it to be in compliance with IAC 191-15.13(507B). Examiners sampled ten (10) advertisements from the advertisement log and no issues of non-compliance were identified.

PRODUCER LICENSING

Examiners reviewed producer licensing policies and procedures. Producer appointment and termination procedures and practices were in compliance with applicable statutes and regulations.

CONCLUSION

Acknowledgment is hereby made of the cooperation and assistance extended by the officers and employees of the Group during this examination.

In addition to the undersigned, Jan Jones, examiner for the Iowa Insurance Division, participated in the examination and preparation of this report.

Respectfully submitted,

/s/ Amanda Theisen
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