

EXAMINATION REPORT OF  
SYMETRA REINSURANCE CORPORATION  
WEST DES MOINES, IOWA  
AS OF DECEMBER 31, 2020

West Des Moines, Iowa  
May 4, 2022

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

Commissioner:

In accordance with your authorization and pursuant to Iowa statutory provisions, an examination has been made of the records, business affairs and financial condition of

SYMETRA REINSURANCE CORPORATION

WEST DES MOINES, IOWA

AS OF DECEMBER 31, 2020

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

#### INTRODUCTION

Symetra Reinsurance Corporation, hereinafter referred to as the “Company”, was last examined as of December 31, 2015. The examination reported herein was conducted as an examination of an insurance holding company group by the contracting firm, Risk & Regulatory Consulting, LLC. The Company’s parent, Symetra Life Insurance Company, and affiliates, Symetra National Life Insurance Company and First Symetra National Life Insurance Company of New York, were also examined as part of the holding company group, with a separate examination report prepared for each entity.

#### SCOPE OF EXAMINATION

This is the regular comprehensive financial examination of the Company covering the intervening period from January 1, 2016, to close of business on December 31, 2020, including any material transactions and/or events occurring and noted subsequent to the examination period.

The examination was conducted in accordance with the National Association of Insurance Commissioners (“NAIC”) Financial Condition Examiners Handbook. The Handbook requires that the Division plan and perform the examination to evaluate the financial condition, identify current and prospective risks of the company and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated both currently and prospectively.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination, an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

This examination report includes significant findings of fact and general information about the insurer and its financial condition.

### HISTORY

The Company was incorporated as a limited purpose subsidiary life insurance company under the laws of the State of Iowa on November 14, 2014. All outstanding shares of the Company are owned by Symetra Life Insurance Company, a life insurance company incorporated in the State of Iowa and wholly owned subsidiary of Symetra Financial Corporation (“Symetra Financial” or “SFC”).

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.

### CAPITAL STOCK AND DIVIDENDS THEREON

The aggregate number of shares of stock the Company is authorized to issue is 20,000 shares of \$125 par value common stock. Issued and outstanding capital stock, as of December 31, 2020, consists of 20,000 shares with \$2,500,000 in common capital stock and \$41,500,000 in gross paid in and contributed surplus.

The Company received cash contributions of \$10,000,000 and \$17,000,000 from its parent, Symetra Life Insurance Company, on March 26, 2019, and December 28, 2020, respectively.

The Company did not pay any dividends during the period under examination.

### SURPLUS NOTES

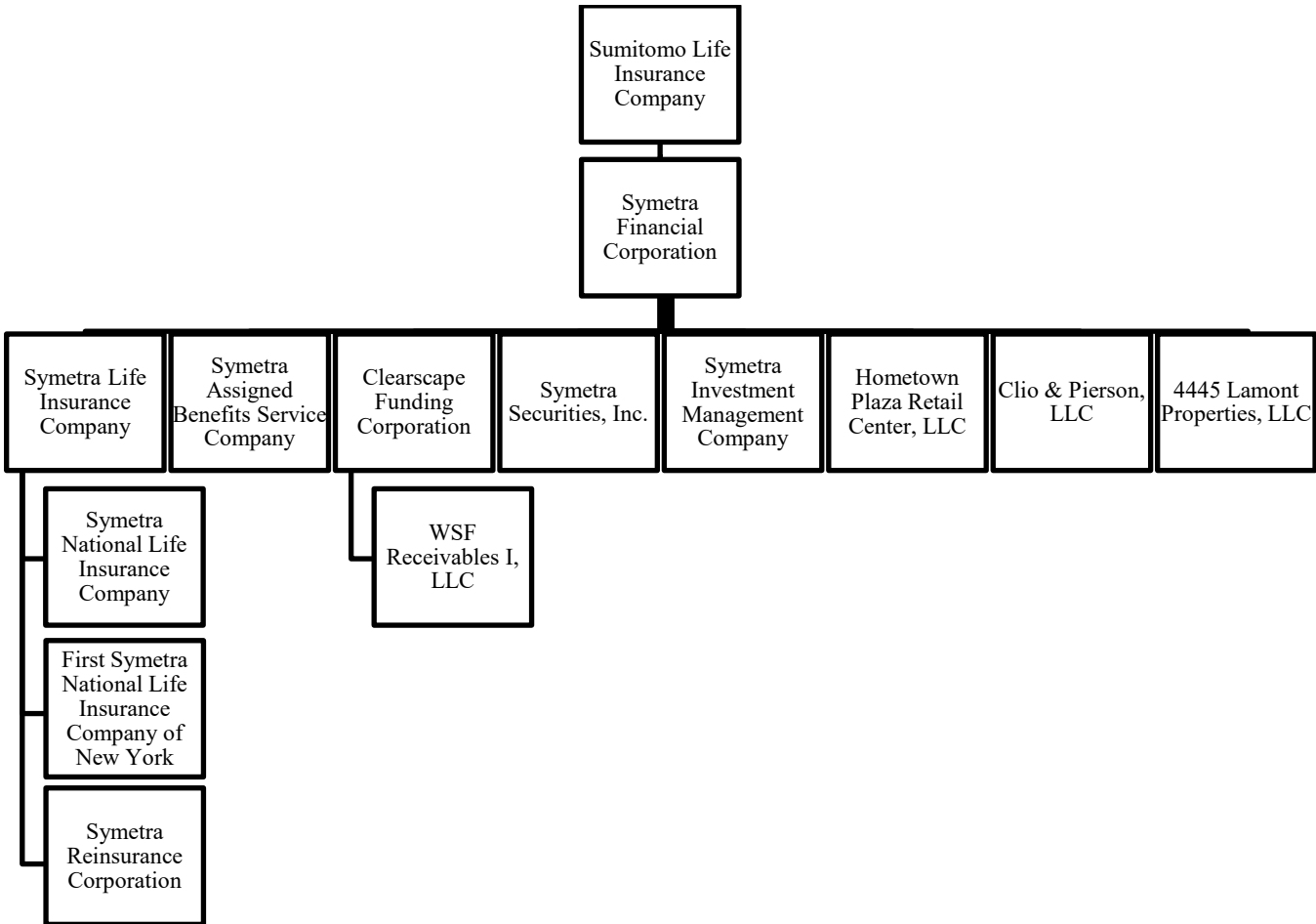
On December 12, 2014, the Company issued, in exchange for a variable funding note, a Variable Principal Amount Surplus Note to a third party, Cascadia, LLC, with no initial principal balance and a maximum capacity of \$107,196,450. The Company recorded a variable funding note as an admitted asset and an increase to surplus in conjunction with the reinsurance agreement entered into with Symetra Life Insurance Company. The balance of the variable funding note was \$56,835,933 as of December 31, 2020. Subject to certain terms and conditions, the Company may demand payment of all or any portion of the variable funding note in order to fund obligations due under the reinsurance agreement with Symetra Life Insurance Company. At such time, if any, that the Company demands payment of all or any portion of the variable funding note, the outstanding principal balance of the surplus note will increase in the same amount as the payment to the Company, and such principal amount will be immediately due and payable upon approval of the Iowa Insurance Division by the Company in accordance with the terms of the Surplus Note. The principal amount of the variable funding note will change based on the amount of reserves ceded to the Company. As of December 31, 2020, there were no borrowings under the Surplus Note.

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 wholly owned subsidiary of Symetra Life Insurance Company, which in turn 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:



MANAGEMENT AND CONTROL

SHAREHOLDERS

The annual meeting of the sole shareholder of the Company shall be held at 1:30 o’clock in the afternoon on the last business day of April of each year at such place within or without the state of Iowa or on such other day as may be specified in the notice of meeting or in a duly executed waiver thereof. The purpose of the annual meeting shall be to elect a Board of Directors and to transact such other business as may properly be brought before the meeting.

Special meetings of the Shareholder may be called by the President, the Board of Directors, or the Secretary of the Company, and shall be called by the Secretary upon the written request of the holders of not less than one-tenth (1/10th) of all the shares entitled to vote at the meeting, for any purpose. Special meetings shall be held at the principal place of business of the Company in Iowa, or at such other place either within or without the state of Iowa, and on such date and hour, as shall be fixed by the President, the Board of Directors, the Secretary of the Company, or by the Secretary upon written request of the holders of not less than one-tenth (1/10th) of all the shares entitled to vote at the meeting and stated in the notice of the meeting, or in a duly executed waiver thereof.

Notice of each meeting of the Shareholder, stating the place, day and hour thereof, shall be given by the Secretary not less than ten (10) nor more than sixty (60) days before the meeting to each Shareholder as of the Record Date. Notice of an annual meeting need not include a description of the purpose or purposes of the meeting. Notice of a special meeting shall include a description of the purpose or purposes for which the meeting is called. The Board may fix a record date for any meeting of the Shareholder which shall be not more than seventy (70) or less than ten (10) days prior to the date of the meeting.

Except as otherwise specifically required by law, the Articles of Incorporation, or these Bylaws, a majority of the shares entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the Shareholder.

The Shareholder shall be entitled to vote in person, by proxy executed in writing and signed by the Shareholder or the Shareholder's agent-in-fact, or by proxy transmitted to the Company by electronic transmission, including telephone or electronic mail.

#### BOARD OF DIRECTORS

The Bylaws provide that the number of individuals that shall constitute the Board of Directors shall be at least three (3) and not more than seven (7) and shall be determined by the Shareholder at each annual meeting, or by the Board of Directors. Each director shall be elected by the Shareholder at each annual meeting thereof and shall serve until the next annual meeting and until his or her successor is elected and qualified, or until his or her earlier resignation or removal.

Unless otherwise required by law, one third of the total number of directors, but in no event less than two (2), shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors except as these Bylaws shall otherwise require.

The directors may hold their meetings in such place or places, within and without the state of Iowa, as the Board of Directors may determine from time to time. The first meeting of each newly elected Board of Directors shall be known as the annual meeting thereof. No notice of any kind to either old or new directors for this annual meeting or any other regular meeting of the Board of Directors shall be necessary. Special meetings of the directors shall be held at the call of the President or of the Secretary or of any one director.

The directors serving as of December 31, 2020, were as follows:

<u>Name and Address</u>	<u>Principal Occupation</u>	<u>Term Expires</u>
Dena Ashlock Redmond, WA	Senior Vice President, Chief Risk Officer & Chief Actuary Symetra Life Insurance Company	2021
Tommie D. Brooks Kirkland, WA	Executive Vice President, Chief Financial Officer Symetra Life Insurance Company	2021

Kathryn L. Englund Issaquah, WA	Vice President and Assistant Controller Symetra Life Insurance Company	2021
Jon S. Stenberg Big Stone City, SD	Executive Vice President - Life Division Symetra Life Insurance Company	2021
Jacqueline M. Veneziani Seattle, WA	Senior Vice President, General Counsel & Secretary Symetra Life Insurance Company	2021

## COMMITTEES

The Board of Directors by resolution adopted by the affirmative vote of a majority of all of the directors then in office may create one or more committees, appoint members of the Board of Directors to serve on the committees and designate other members of the Board of Directors to serve as alternates. If the Company is required to have its own audit committee under the National Association of Insurance Commissioners' Audit Rule, the Board of Directors by the affirmative vote of a majority of all of the directors then in office may appoint members of the board of directors of the parent holding company, Symetra Financial, to serve on the audit committee.

Each committee shall have two (2) or more members who shall, unless otherwise provided by the Board of Directors, serve at the pleasure of the Board of Directors. A committee may be authorized to exercise the authority of the Board of Directors, except that a committee may not do any of the following: (a) authorize distributions unless in accordance with a formula or method, or within limits, prescribed by the Board of Directors; (b) approve or propose to shareholders action that the Iowa Business Corporation Act requires to be approved by shareholders; (c) fill vacancies on the Board of Directors of the Company or on any of its committees; provided, however, in the absence or disqualification of a member of a committee, the member or members present at a meeting and not disqualified from voting may unanimously appoint another director to act in place of the absent director; or (d) adopt, amend or repeal bylaws. Unless otherwise provided by the Board of Directors in creating the committee, a committee may employ counsel, accountants and other consultants to assist it in the exercise of its authority.

SFC's Board of Directors are primarily responsible for governance and oversight of the Company's executive management and business operations. The SFC Board of Directors consists of six members from Sumitomo Life, the Company's chief executive officer, and five independent members. The size and composition of SFC's Board of Directors is reviewed to ensure that its members provide a sufficient but manageable level of diversity of opinion, independence, range of experience, and expertise.

The SFC Board of Directors has four standing committees that assist it in discharging its duties including: Audit, Compensation, Finance, and Nominating & Governance.

The committees and their membership as of December 31, 2020, are as follows:

### Audit Committee

Sander M. Levy<sup>1</sup>, Chairperson  
Sally Jewell<sup>1</sup>  
Robert R. Lusardi<sup>1</sup>  
Muneo Sasagawa  
Robert Wolfe<sup>1</sup>

### Compensation Committee

Robert Wolfe<sup>1</sup>, Chairperson  
Takeshi Eimori  
Sally Jewell<sup>1</sup>  
Sander M. Levy<sup>1</sup>  
Robert R. Lusardi<sup>1</sup>  
Muneo Sasagawa  
Shin Umehara

### Finance Committee

Robert R. Lusardi<sup>1</sup>, Chairperson  
Kohei Hashimoto

### Nominating & Governance Committee

Sally Jewell<sup>1</sup>, Chairperson  
Takeshi Eimori

Sally Jewell<sup>1</sup>  
Sander M. Levy<sup>1</sup>  
Thomas Marra<sup>1</sup>  
Margaret Meister  
Tetsuya Sho  
Shin Umehara  
Robert Wolfe<sup>1</sup>

Sander M. Levy<sup>1</sup>  
Robert R. Lusardi<sup>1</sup>  
Tetsuya Sho  
Keisuke Uchiyama  
Robert Wolfe<sup>1</sup>

<sup>1</sup> Denotes independent board member

## OFFICERS

The officers of the Company shall consist of a President, a Treasurer, a Secretary, and any such other officers and assistant officers, without limitation, as the directors may elect or appoint at their annual meeting or from time to time thereafter. The President shall be elected annually by the Shareholder at the annual meeting of the Shareholder. The Secretary and Treasurer shall be elected annually by the directors at their annual meeting following the annual meeting of the Shareholder. Other officers may be chosen by the directors at such meeting or at any other time.

The principal officers serving at December 31, 2020 were as follows:

<u>Name</u>	<u>Title</u>
Tommie D. Brooks	President
Colleen M. Murphy	Senior Vice President, Treasurer
Julie M. Bodmer	Vice President, Secretary
Mark E. Hunt	Executive Vice President, Chief Investment Officer
Dena S. Ashlock	Senior Vice President, Chief Risk Officer & Chief Actuary
Jacqueline M. Veneziani	Senior Vice President, General Counsel
Kathryn L. Englund	Vice President, Assistant Controller

## CONFLICT OF INTEREST STATEMENTS

The Company has a formal Code of Business Conduct policy and has implemented policies and procedures for disclosure and reporting of conflicts of interest in compliance with the Code of Business Conduct policy. The Code of Business Conduct policy applies to all directors, officers, and employees. All covered persons are required to complete a Certificate of Acknowledgement, Compliance and Disclosure form. Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Symetra Financial Corporation Board of Directors or the Audit Committee.

## CORPORATE RECORDS

There were no amendments to the Company's Articles of Incorporation during the examination period. The Company's Bylaws were amended on August 16, 2016, to allow the Company to make distributions to its shareholder in cash or property, or in shares of the capital stock, subject to the provisions of the Articles of Incorporation and a require that the President be elected by the shareholders. All other officers are to be elected by the Company's Board of Directors.

The minutes from the meetings of the shareholders, the Board of Directors and the committees of the Board were reviewed for the examination period.

The Examination Report prepared by the Iowa Insurance Division, as of December 31, 2015, was accepted as presented at the Board meeting held July 30, 2017.

## RELATED PARTY AGREEMENTS

### Allocation of Payment of Federal Income Taxes Agreement

The Company entered into an Allocation of Payment of Federal Income Taxes Agreement with its affiliates under common ownership with Symetra Financial Corporation, whereby the parties elect to file a consolidated federal income tax return and allocate federal income tax payments. The method of allocation between the companies is subject to written agreement and is based upon separate return calculations, except that current credit for tax credits and net operating loss carryforwards are determined on the basis of the consolidated group.

### Investment Management Agreement

The Company entered into an Investment Management Agreement with its affiliate, Symetra Investment Management Company, a subsidiary of Symetra Financial Corporation. The agreement provides for investment advisory services related to the Company's invested assets.

### Services and Shared Expenses Agreement

The Company entered into a Services and Shared Expenses Agreement with its affiliates under common ownership with Symetra Financial Corporation, whereby the parties each agree to provide and receive from each other certain general services (related to sharing common management, personnel, and facilities) and to share the expenses thereof. These expenses include charges for rent, corporate overhead, data processing systems, payroll, benefits, and other miscellaneous charges and are included in investment and general insurance expenses in the summary of operations.

### Transaction Agreement

The Company is party to a Transaction Agreement by and among the Company, the Company's parent, Symetra Life Insurance Company, Cascadia, LLC, Hannover Life Reassurance Company of America (Bermuda), Ltd., and Hannover Life Reassurance Company of America. The Transaction Agreement was entered into in connection with the coinsurance funds withheld reinsurance agreement between the Company and Symetra Life Insurance Company, whereby Symetra Life Insurance Company cedes all net policy liabilities related to a block of universal life insurance policies with secondary guarantees issued on or before December 31, 2014. The Transaction Agreement specifies that the liabilities ceded under the coinsurance funds withheld agreement will be funded by funds withheld assets retained by Symetra Life Insurance Company, and a variable funding note issued by Cascadia, LLC. The Transaction Agreement provides for financing up to \$107.2 million of the Symetra Life Insurance Company's AXXX reserves related to the block of universal life insurance policies with secondary guarantees. The operation of the Company is governed by a Plan of Operation, as amended, on file with the Iowa Insurance Division.

## FIDELITY BONDS AND OTHER INSURANCE

The Company and its affiliates were protected by a financial institution bond that covers all employees. The coverage limits for a single loss of liability for insuring clauses were \$20,000,000 per loss with a \$3,000,000 deductible and a shared aggregate loss limit of \$40,000,000. The coverage met the NAIC's stated suggested minimum amount of coverage.

The other interests of the Company appear to be adequately protected through coverages afforded by policies in force with admitted insurers.



## EMPLOYEES' WELFARE

The Company has no employees.

## REINSURANCE

### ASSUMED

Effective October 1, 2014, the Company entered into a funds withheld reinsurance agreement with Symetra Life Insurance Company. Under the reinsurance agreement, Symetra Life Insurance Company ceded all net policy liabilities related to a block of universal life insurance policies with secondary guarantees issued on or before December 31, 2014. The related reinsurance reserve credit taken was \$248.5 million and the balance of funds withheld was \$191.6 million as of December 31, 2020.

### CEDED

The Company did not cede any business during the examination period.

## STATUTORY DEPOSIT FOR LEGAL RESERVE

The Company was not required to have securities on deposit with the Iowa Insurance Division.

## TERRITORY AND PLAN OF OPERATION

The Company is domiciled and licensed in the State of Iowa. The Company reinsures a block of universal life policies with secondary guarantees from its parent, Symetra Life Insurance Company.

## GROWTH OF COMPANY

The following information was obtained from the office copies of the annual statements.

<u>Year</u>	<u>Admitted Assets</u>	<u>Capital and Surplus</u>	<u>Premium and Annuity Income</u>	<u>Net Income</u>	<u>Investment Income</u>
2016	\$196,798,096	\$10,721,223	\$12,449,837	\$ 8,576,194	\$ 107,014
2017	210,031,139	10,307,338	12,197,141	1,544,492	132,714
2018	234,107,437	7,157,945	11,374,205	(958,977)	220,315
2019	259,178,439	13,336,667	10,815,398	1,319,290	487,277
2020	285,739,329	29,642,752	10,335,223	2,230,488	484,865

## ACCOUNTS AND RECORDS

Trial balances were prepared for all years of the examination period. Amounts from the general ledger accounts were reconciled and found to agree with balances reported on the filed annual statements for assets, liabilities, income, or disbursements.

During the course of the examination, no material aggregate surplus difference was identified from the amount reflected in the financial statements, as presented in the annual statement as of December 31, 2020.

## SUBSEQUENT EVENTS

### COVID-19 Pandemic

In March 2020, the World Health Organization declared Coronavirus disease (COVID-19) a pandemic. As of the date of this report, there is significant uncertainty as to the impact the pandemic will have on the economy, insurance industry and the Company. In addition, this uncertainty has contributed to extreme volatility in the financial markets. As such, the Iowa Insurance Division will continue to monitor COVID-19 developments.

FINANCIAL STATEMENTS  
AND COMMENTS THEREON

NOTE: Except as otherwise stated, the financial statements immediately following reflect only the transactions for the period ending December 31, 2020, and the assets and liabilities as of this date. Schedules may not add or tie precisely due to rounding.

STATEMENT OF ASSETS AND LIABILITIES

ASSETS

	<u>Ledger</u>	Not <u>Admitted</u>	<u>Admitted</u>
Bonds	\$ 11,388,185	\$ -	\$ 11,388,185
Cash and short-term investments	22,665,657	-	22,665,657
Investment income due and accrued	71,616	-	71,616
Uncollected premiums in course of collection	2,732,494	-	2,732,494
Reinsurance: Funds held by or deposited with reinsured companies	191,623,941	-	191,623,941
Current federal and foreign income tax recoverable and interest thereon	421,503	-	421,503
Net deferred tax asset	25,927	25,927	-
Aggregate write-ins for other than invested assets:			
Variable funding note	<u>56,835,933</u>	<u>-</u>	<u>56,835,933</u>
Total assets	<u>\$ 285,765,256</u>	<u>\$ 25,927</u>	<u>\$ 285,739,329</u>

LIABILITIES, SURPLUS AND OTHER FUNDS

Aggregate reserve for life contracts	\$ 248,459,874
Contract claims:	
Life	3,215,106
Other amounts payable on reinsurance	1,950,969
Interest maintenance reserve	752,202
Commissions and expense allowances payable on reinsurance assumed	141,499
Net deferred tax liability	1,479,651
Miscellaneous liabilities:	
Asset valuation reserve	54,111
Payable to parent, subsidiaries, and affiliates	<u>43,165</u>
 Total liabilities	 <u>\$ 256,096,577</u>
 Common Capital Stock	 \$ 2,500,000
Gross Paid-In and Contributed Surplus	41,500,000
Aggregate write-ins for special surplus funds	
Variable funding note	56,835,933
Unassigned funds (surplus)	<u>(71,193,181)</u>
 Capital and surplus	 <u>\$ 29,642,752</u>
 Total liabilities and surplus	 <u>\$ 285,739,329</u>

## SUMMARY OF OPERATIONS

Premiums and annuity considerations for life and accident and health contracts	\$ 10,335,223
Net investment income	484,865
Amortization of Interest Maintenance Reserve	(207)
Aggregate write-ins from miscellaneous income	<u>7,045,373</u>
Total	<u>\$ 17,865,254</u>
Death benefits	\$ 4,957,177
Surrender benefits and withdrawals for life contracts	1,359,422
Interest and adjustments on contract or deposit-type contract funds	1,854
Increase in aggregate reserves for life and accident and health contracts	<u>11,092,878</u>
Total	<u>\$ 17,411,331</u>
Commissions on premiums, annuity considerations, and deposit-type contract funds	541,983
General insurance expenses and fraternal expenses	163,463
Insurance taxes, licenses, and fees, excluding federal income taxes	<u>3,460</u>
Total	<u>\$ 18,120,237</u>
Net gain from operations before dividends to policyholders, refunds to members and before federal income taxes	\$ (254,983)
Dividends to policyholders and refunds to members	<u>-</u>
Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes	\$ (254,983)
Federal and foreign income taxes incurred	<u>(2,474,880)</u>
Net gain from operations after dividends to policyholders, refunds to members and Federal income taxes and before realized capital gains or (losses)	\$ 2,219,897
Net realized capital gains (losses)	<u>10,591</u>
Net income	<u>\$ 2,230,488</u>

## CAPITAL AND SURPLUS ACCOUNT

Capital and surplus, December 31, 2019	<u>\$ 13,336,667</u>
Net income	\$ 2,230,488
Change in net deferred income tax	(626,955)
Change in nonadmitted assets	141,891
Change in reserve on account of change in valuation basis, (increase) or decrease	(2,283,325)
Change in asset valuation reserve	(11,625)
Surplus adjustment:	
Paid in	17,000,000
Aggregate write-ins for gains and losses in surplus	<u>(144,389)</u>
Net change in capital and surplus for the year	<u>\$ 16,306,085</u>
Capital and surplus, December 31, 2020	<u>\$ 29,642,752</u>

## CASH FLOW STATEMENT

### Cash from Operations

Premiums collected net of reinsurance	\$ 10,147,809	
Net investment income	569,336	
Miscellaneous income	<u>(13,581,922)</u>	
Total		\$ (2,864,777)
Benefit and loss related payments	\$ 3,738,778	
Commissions, expenses paid and aggregate write-ins	671,772	
Federal income taxes paid (recovered)	<u>(1,945,607)</u>	
Total		\$ 2,464,943
Net cash from operations		\$ (5,329,720)

### Cash from Investments

Proceeds from investments sold, matured, or repaid:		
Bonds	<u>\$ 8,752,255</u>	
Total investment proceeds		\$ 8,752,255
Cost of investments acquired (long-term only):		
Bonds	<u>\$ 3,640,179</u>	
Total investments acquired		\$ 3,640,179
Net cash from investments		\$ 5,112,076

### Cash from Financing and Miscellaneous Sources

Capital and paid in surplus, less treasury stock	<u>\$17,000,000</u>	
Net cash from financing and miscellaneous sources		<u>\$17,000,000</u>

## RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Net change in cash, cash equivalents and short-term investments	\$16,782,356
Cash, cash equivalents and short-term investments:	
Beginning of year	<u>5,883,301</u>
End of period	<u>\$22,665,657</u>

## CONCLUSION

The cooperation and assistance extended by the officers and employees of the Company is hereby acknowledged.

In addition to the undersigned, Jan Moenck, CFE, Darin Benck, CFE, CPA, CIA, David Crandall, CFE, CPA, CIA, Alan Griffith, CFE, CPA, Daniel Judge, CFE, Edward Toy, Patricia Matson, FSA, MAAA, Andy Rarus, ASA, MAAA, and Gerald Stein, FSA, MAAA, of Risk & Regulatory Consulting, LLC, participated in the examination and preparation of this report.

Respectfully submitted,

/s/ Joshua J. Johnson  
Joshua J. Johnson, CFE  
Examiner in Charge  
Risk & Regulatory Consulting, LLC  
On behalf of the Iowa Insurance Division

/s/ Daniel Mathis  
Daniel Mathis, CFE  
Chief Examiner  
Iowa Insurance Division