UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-33808

SYMETRA FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**20-0978027**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004
(Address of principal executive offices, including zip code)

(425) 256-8000
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	x	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No x

As of November 2, 2015, the Registrant had 116,154,402 common voting shares outstanding, with a par value of $0.01 per share.

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Unless the context otherwise requires, references in this quarterly report on Form 10-Q to "we," "our," "us" and "the Company" are to Symetra Financial Corporation together with its subsidiaries. References to "Symetra" refer to Symetra Financial Corporation on a stand-alone, non-consolidated basis.

Forward-Looking Statements

This Quarterly Report on Form 10-Q, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of current or historical facts, included or referenced in this report that address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements. The words "may," "will," "believe," "intend," "plan," "expect," "anticipate," "project," "estimate," "predict," "potential" and similar expressions also are intended to identify forward-looking statements. These forward-looking statements may include, among others, statements with respect to the Company's:

- estimates or projections of revenues, net income (loss), net income (loss) per share, adjusted operating income (loss), adjusted operating income (loss) per share, market share or other financial forecasts, as well as statements describing factors and conditions that might affect those forecasts;
- trends in operations, financial performance and financial condition;
- financial and operating targets or plans;
- business and growth strategy, including prospective products, services and distribution partners, including statements about management’s intentions regarding those strategies;
- initiatives that are intended or expected to impact our financial condition, results of operations, and liquidity and capital resources; and
- expectation that the Merger will close late in the first quarter or early in the second quarter of 2016.

These statements are based on various assumptions and analyses made by the Company in light of information presently known to management, and considering management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate under the circumstances. Whether actual results and developments will conform to our expectations and predictions is subject to a number of risks, uncertainties and contingencies that could cause actual results to differ materially from expectations, or that could cause management to deviate from currently expected or intended courses of actions, including, among others:

- the failure to complete the Merger, which is subject to various closing conditions, including regulatory approvals;
- the failure to timely complete the Merger, which could adversely impact our stock price, business, financial condition, and results of operations;
- the pendency of the Merger and operating restrictions contained in the Merger Agreement, which could adversely affect our business and operations;
- stockholder litigation against Symetra, its directors and the Sumitomo Parties, which could delay or prevent the Merger and cause Symetra to incur significant costs and expenses;
- our debt ratings and the financial strength ratings of our insurance subsidiaries, which may be adversely affected by the transactions contemplated by the Merger Agreement;
- effects of fluctuations in interest rates, including a prolonged low interest rate environment or a rapidly rising interest rate environment, as well as management’s ability to anticipate and timely respond to any such fluctuations;
- general economic, market or business conditions, including economic downturns or other adverse conditions in the global and domestic capital and credit markets;
- effects of significant increases in corporate refinance activity, including bond prepayments;
- performance of our investment portfolio;
- continued availability of quality commercial mortgage loan investments and our continued capacity to invest in commercial mortgage loans;
- our ability to successfully execute on our strategies;
- accuracy and adequacy of our recorded reserves, including the actuarial and other assumptions upon which those reserves are established, adjusted and maintained;

- persistency of our inforce blocks of business;
- deviations from assumptions used in setting prices for insurance and annuity products, or establishing cash flow testing reserves;
- continued viability of certain products under various economic, regulatory and other conditions;
- market pricing and competitive trends related to insurance products and services;
- effects of implementation of the Patient Protection and Affordable Care Act (PPACA), including the direct effects upon our business, but also including the effects upon our competitors and our customers;
- changes in assumptions that affect the timing of amortization of our deferred policy acquisition costs and deferred sales inducements;
- financial strength or credit ratings changes, particularly ours but also of other companies in our industry sector;
- retention of our key personnel and distribution partners;
- availability and cost of capital and financing;
- adequacy and collectibility of reinsurance that we have purchased, as well as the continued availability and cost of reinsurance coverage;
- continued availability of tax credit investments, and the continuation of current tax treatment of such investments;
- changes in laws or regulations, or their interpretation, including those that could increase our business costs, reserve levels and required capital levels, or that could restrict the manner in which we do business;
- effects of the U.S. Department of Labor’s proposed rule expanding the circumstances in which a person is considered a fiduciary with respect to distribution of IRAs and employer-sponsored retirement plans, including the effects upon our distributors, competitors and customers;
- ability of subsidiaries to pay dividends to Symetra;
- our ability to implement effective risk management policies and procedures, including hedging strategies;
- our ability to maintain adequate telecommunications, information technology, or other operational systems, including during the transition of IT services to a combination of new service providers and internal management;
- our ability to prevent or timely detect and remediate any unauthorized access to or disclosure of customer information and other sensitive business data;
- initiation of regulatory investigations or litigation against us and the results of any regulatory proceedings;
- effects of changes in national monetary and fiscal policy;
- effects of implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd Frank Act); and
- the risks that are described in Part II, Item 1A — "Risk Factors" in this report; and Part I, Item 1A — "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014.

Consequently, all of the forward-looking statements made in this report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company or its business or operations. We assume no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.

PART I – Financial Information

Item 1. ***Condensed Financial Statements***

CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

	As of September 30, 2015	As of December 31, 2014
	(Unaudited)	
ASSETS		
Investments:		
Available-for-sale securities:		
Fixed maturities, at fair value (amortized cost: **$25,498.7** and $23,646.5, respectively)	**$ 26,786.7**	$ 25,379.4
Marketable equity securities, at fair value (cost: **$84.8** and $112.9, respectively)	**86.7**	120.5
Trading securities:		
Marketable equity securities, at fair value (cost: **$484.8** and $453.4, respectively)	**525.0**	532.0
Mortgage loans, net	**4,581.0**	4,130.1
Policy loans	**59.6**	61.9
Investments in limited partnerships (includes **$51.5** and $71.5 at fair value, respectively)	**264.4**	309.9
Other invested assets (includes **$101.4** and $95.8 at fair value, respectively)	**105.8**	100.5
Total investments	**32,409.2**	30,634.3
Cash and cash equivalents	**182.7**	158.8
Accrued investment income	**324.7**	304.9
Reinsurance recoverables	**340.7**	328.7
Deferred policy acquisition costs	**552.0**	395.1
Receivables and other assets	**267.6**	230.1
Separate account assets	**885.9**	949.8
Total assets	**$ 34,962.8**	$ 33,001.7
LIABILITIES AND STOCKHOLDERS' EQUITY		
Funds held under deposit contracts	**$ 28,744.4**	$ 26,602.6
Future policy benefits	**429.2**	415.9
Policy and contract claims	**168.6**	141.8
Other policyholders' funds	**149.8**	115.7
Notes payable	**697.5**	697.2
Deferred income tax liabilities, net	**230.7**	396.7
Other liabilities	**530.6**	321.4
Separate account liabilities	**885.9**	949.8
Total liabilities	**31,836.7**	29,641.1
Commitments and contingencies *(Note 10)*		
Preferred stock, $0.01 par value; 10,000,000 shares authorized; none issued	**—**	—
Common stock, $0.01 par value; 750,000,000 shares authorized; **125,207,705** issued and **116,154,402** outstanding as of September 30, 2015; 124,850,754 issued and 115,797,451 outstanding as of December 31, 2014	**1.2**	1.2
Additional paid-in capital	**1,476.7**	1,469.5
Treasury stock, at cost; **9,053,303** shares as of both September 30, 2015 and December 31, 2014	**(134.6)**	(134.6)
Retained earnings	**1,026.3**	1,033.9
Accumulated other comprehensive income, net of taxes	**756.5**	990.6
Total stockholders' equity	**3,126.1**	3,360.6
Total liabilities and stockholders' equity	**$ 34,962.8**	$ 33,001.7

See accompanying notes.

CONSOLIDATED STATEMENTS OF INCOME
(In millions, except share and per share data)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	**2014**	**2015**	**2014**
Revenues:				
Premiums	**$ 180.2**	$ 159.6	**$ 539.3**	$ 468.1
Net investment income	**339.9**	318.5	**994.3**	961.9
Policy fees, contract charges, and other	**57.5**	45.7	**163.5**	140.4
Net realized gains (losses):				
Total other-than-temporary impairment losses on securities	**(18.9)**	(1.6)	**(31.7)**	(4.1)
Less: portion recognized in other comprehensive income (loss)	**7.2**	—	**9.4**	—
Net impairment losses on securities recognized in earnings	**(11.7)**	(1.6)	**(22.3)**	(4.1)
Other net realized gains (losses)	**(44.7)**	(13.2)	**(68.9)**	35.3
Net realized gains (losses)	**(56.4)**	(14.8)	**(91.2)**	31.2
Total revenues	**521.2**	509.0	**1,605.9**	1,601.6
Benefits and expenses:				
Policyholder benefits and claims	**142.9**	113.9	**423.2**	325.2
Interest credited	**242.4**	237.2	**720.5**	707.7
Other underwriting and operating expenses	**103.5**	92.8	**302.7**	273.3
Interest expense	**11.3**	10.2	**33.5**	26.7
Amortization of deferred policy acquisition costs	**19.4**	17.6	**63.7**	54.1
Total benefits and expenses	**519.5**	471.7	**1,543.6**	1,387.0
Income from operations before income taxes	**1.7**	37.3	**62.3**	214.6
Provision (benefit) for income taxes:				
Current	**(1.4)**	10.8	**12.6**	38.3
Deferred	**(16.5)**	(9.5)	**(39.9)**	(10.5)
Total provision (benefit) for income taxes	**(17.9)**	1.3	**(27.3)**	27.8
Net income	**$ 19.6**	$ 36.0	**$ 89.6**	$ 186.8
Net income per common share:				
Basic	**$ 0.17**	$ 0.31	**$ 0.77**	$ 1.60
Diluted	**$ 0.17**	$ 0.31	**$ 0.77**	$ 1.60
Weighted-average number of common shares outstanding:				
Basic	**116,144,672**	115,904,205	**116,057,903**	116,436,077
Diluted	**116,310,349**	115,906,535	**116,113,128**	116,439,608
Cash dividends declared per common share	**$ 0.61**	$ 0.10	**$ 0.83**	$ 0.30

See accompanying notes.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	**2014**	**2015**	**2014**
Net income	**$ 19.6**	$ 36.0	**$ 89.6**	$ 186.8
Other comprehensive income (loss), net of taxes and reclassification adjustments:				
Changes in unrealized gains (losses) on available-for-sale securities (net of taxes of **$(12.6),** $(67.1), **$(162.1)** and $179.2)	**(23.6)**	(124.3)	**(301.1)**	332.9
Other-than-temporary impairments on fixed maturities not related to credit losses (net of taxes of **$(2.5),** $0.0, **$(3.3)** and $0.0)	**(4.7)**	—	**(6.1)**	—
Impact of net unrealized (gains) losses on deferred policy acquisition costs and deferred sales inducements (net of taxes of **$3.5,** $15.8, **$23.0** and $(13.0))	**6.7**	29.4	**42.7**	(24.1)
Impact of cash flow hedges (net of taxes of **$14.1,** $8.3, **$16.3** and $4.7)	**26.4**	15.4	**30.4**	8.7
Other comprehensive income (loss)	**4.8**	(79.5)	**(234.1)**	317.5
Total comprehensive income (loss)	**$ 24.4**	$ (43.5)	**$ (144.5)**	$ 504.3

See accompanying notes.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balances as of January 1, 2014	$ 1.2	$ 1,464.6	$ (93.4)	$ 975.9	$ 593.6	$ 2,941.9
Net income	—	—	—	186.8	—	186.8
Other comprehensive income (loss)	—	—	—	—	317.5	317.5
Stock-based compensation	—	5.3	—	—	—	5.3
Shares repurchased	—	—	(41.2)	—	—	(41.2)
Dividends declared	—	—	—	(35.0)	—	(35.0)
Balances as of September 30, 2014	$ 1.2	$ 1,469.9	$ (134.6)	$ 1,127.7	$ 911.1	$ 3,375.3
Balances as of January 1, 2015	**$ 1.2**	**$ 1,469.5**	**$ (134.6)**	**$ 1,033.9**	**$ 990.6**	**$ 3,360.6**
Net income	**—**	**—**	**—**	**89.6**	**—**	**89.6**
Other comprehensive income (loss)	**—**	**—**	**—**	**—**	**(234.1)**	**(234.1)**
Stock-based compensation	**—**	**7.2**	**—**	**—**	**—**	**7.2**
Dividends declared	**—**	**—**	**—**	**(97.2)**	**—**	**(97.2)**
Balances as of September 30, 2015	**$ 1.2**	**$ 1,476.7**	**$ (134.6)**	**$ 1,026.3**	**$ 756.5**	**$ 3,126.1**

See accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	For the Nine Months Ended September 30, 2015	2014
Cash flows from operating activities		
Net income	**$ 89.6**	$ 186.8
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized (gains) losses	**91.2**	(31.2)
Accretion and amortization of invested assets, net	**87.9**	71.0
Accrued interest on fixed maturities	**(7.9)**	(8.9)
Amortization and depreciation	**19.1**	18.7
Deferred income tax provision (benefit)	**(39.9)**	(10.5)
Interest credited on deposit contracts	**720.5**	707.7
Mortality and expense charges and administrative fees	**(118.7)**	(101.1)
Changes in:		
Accrued investment income	**(19.8)**	(11.2)
Deferred policy acquisition costs, net	**(108.9)**	(70.1)
Future policy benefits	**13.3**	10.3
Policy and contract claims	**26.8**	(3.3)
Current income taxes	**(14.7)**	(36.9)
Other assets and liabilities	**15.7**	3.4
Other, net	**(1.1)**	(10.9)
Total adjustments	**663.5**	527.0
Net cash provided by (used in) operating activities	**753.1**	713.8
Cash flows from investing activities		
Purchases of:		
Fixed maturities and marketable equity securities	**(5,162.3)**	(4,296.5)
Other invested assets and investments in limited partnerships	**(86.3)**	(100.0)
Issuances of mortgage loans	**(714.0)**	(582.1)
Maturities, calls, paydowns, and other repayments	**1,449.3**	1,201.5
Sales of:		
Fixed maturities and marketable equity securities	**1,979.7**	1,776.3
Other invested assets and investments in limited partnerships	**51.5**	41.7
Repayments of mortgage loans	**263.5**	203.1
Other, net	**(20.4)**	23.8
Net cash provided by (used in) investing activities	**(2,239.0)**	(1,732.2)
Cash flows from financing activities		
Policyholder account balances:		
Deposits	**3,136.5**	2,360.9
Withdrawals	**(1,534.5)**	(1,470.8)
Net proceeds from issuance of debt	**—**	246.0
Cash dividends paid on common stock	**(96.4)**	(35.0)
Shares repurchased	**—**	(41.2)
Other, net	**4.2**	(8.3)
Net cash provided by (used in) financing activities	**1,509.8**	1,051.6
Net increase (decrease) in cash and cash equivalents	**23.9**	33.2
Cash and cash equivalents at beginning of period	**158.8**	76.0
Cash and cash equivalents at end of period	**$ 182.7**	$ 109.2
Supplemental disclosures of cash flow information		
Non-cash transactions during the period:		
Fixed maturities exchanges	**$ 90.0**	$ 87.3
Investments in limited partnerships and capital obligations incurred	**15.7**	5.9

See accompanying notes.

1. Description of Business

Symetra Financial Corporation is a Delaware corporation that, through its subsidiaries, 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, benefits consultants, and independent agents and advisors in all 50 states and the District of Columbia. The Company's principal products include fixed, fixed indexed and variable deferred annuities, single premium immediate annuities, medical stop-loss insurance, limited benefit medical insurance, group life and disability income (DI) insurance, individual life insurance and institutional life insurance including bank-owned life insurance (BOLI) and variable corporate owned life insurance (COLI). The Company also services its block of structured settlement annuities.

The accompanying interim condensed financial statements include, on a consolidated basis, the accounts of Symetra Financial Corporation and its subsidiaries, which are wholly-owned and collectively referred to as "Symetra" or "the Company."

Proposed Sumitomo Merger

On August 11, 2015, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Sumitomo Life Insurance Company, a mutual company (*sougo kaisha*) organized under the laws of Japan (“Sumitomo”) and SLIC Financial Corporation, a Delaware corporation and wholly-owned subsidiary of Sumitomo ("Merger Sub" and, together with Sumitomo, the "Sumitomo Parties"), which provides for the merger of Merger Sub with and into the Company (the “Merger”), with the Company surviving the Merger as a wholly-owned subsidiary of Sumitomo.

The Company’s Board of Directors unanimously (1) determined that the Merger and the other transactions contemplated by the Merger Agreement are fair to, advisable and in the best interests of the Company and its stockholders, (2) approved the execution, delivery and performance of the Merger Agreement by the Company and the consummation of the Merger and the other transactions contemplated by the Merger Agreement, (3) resolved to recommend the approval and adoption of the Merger Agreement and the transactions contemplated by the Merger Agreement by the stockholders of the Company and (4) adopted and declared advisable the Merger Agreement. The Board of Directors received an opinion as to the fairness of the Merger consideration to be received by the stockholders of the Company from its financial advisor, Morgan Stanley & Co. LLC.

If the proposed Merger is completed, at the effective time of the Merger (the “Effective Time”), each share of the Company’s common stock, par value $0.01 per share ("Common Stock"), issued and outstanding immediately prior to the Effective Time (other than shares of Common Stock owned by the Company or Sumitomo or their respective direct or indirect wholly-owned subsidiaries and shares of Common Stock with respect to which appraisal rights have been properly exercised in accordance with Delaware law) will be converted into the right to receive $32.00 in cash, without interest, less any applicable withholding taxes (the "per share merger consideration"). Stock options, shares of restricted stock and performance unit awards issued under the Symetra Financial Corporation Equity Plan (Symetra's "Equity Plan") will be paid out as described below under “Treatment of Incentive Compensation Awards.”

The Merger Agreement was adopted by the affirmative vote of the holders of a majority of all outstanding shares of Common Stock at a Special Meeting of Stockholders held on November 5, 2015. In addition, on September 28, 2015, the Company and Sumitomo received notice of early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. Completion of the Merger remains subject to various closing conditions, however, including but not limited to, (1) the receipt of certain specified approvals of governmental authorities, including approvals of the Financial Services Agency of Japan, the Iowa Insurance Division, the New York State Department of Financial Services and the Financial Industry Regulatory Authority, and the expiration or termination of all waiting periods required by applicable law with respect to such approvals, in each case, without the imposition of a burdensome condition, and (2) the absence of any laws, temporary restraining orders, preliminary or permanent injunctions or other orders, judgments, decisions, opinions or decrees issued by a court or other governmental authority of competent jurisdiction and remaining in effect, having the effect of making the Merger illegal or otherwise prohibiting consummation of the Merger. Each party’s obligation to consummate the Merger also is subject to certain additional conditions that include the accuracy of the other party’s representations and warranties contained in the Merger Agreement (subject to certain materiality qualifiers) and the other party’s compliance, in all material respects, with its covenants and agreements contained in the Merger Agreement. The Merger Agreement does not contain a financing condition.

The Merger Agreement contains representations and warranties customary for transactions of this type. The Merger Agreement also contains covenants and agreements customary for transactions of this type, including, among others, the Company's agreement to conduct its business in the ordinary course during the period between the execution of the Merger Agreement and the Effective Time and not to engage in certain kinds of transactions during this period. In addition, subject to certain limitations, either party may terminate the Merger Agreement if the Merger is not consummated by May 11, 2016, which date will be automatically extended until August 11, 2016 in the event of delays in obtaining regulatory approvals.

Treatment of Incentive Compensation Awards

Stock Options. At the Effective Time, without any further action on the part of any holder thereof, each option to purchase shares of Common Stock granted under Symetra's Equity Plan (each, a "stock option") that is outstanding and unexercised immediately prior to the Effective Time and that has an exercise price per share of Common Stock underlying such stock option that is less than the per share merger consideration (each such stock option, an "in-the-money stock option"), whether or not vested, will be cancelled and converted into the right to receive an amount in cash, without interest, less any applicable withholding taxes, determined by multiplying (i) the excess of the per share merger consideration over the per share exercise price of such in-the-money stock option by (ii) the number of shares of Common Stock subject to such in-the-money stock option. At the Effective Time, each stock option that is outstanding and unexercised immediately prior to the Effective Time and that has a per share exercise price that is equal to or greater than the per share merger consideration, whether or not vested, will be cancelled and the holder of such stock option will not be entitled to receive any payment in exchange for such cancellation.

Restricted Stock Awards. At the Effective Time, each award of shares of Common Stock granted under Symetra's Equity Plan that remains subject to vesting conditions (each such award, a "restricted stock award") and that is outstanding immediately prior to the Effective Time will be cancelled and converted into the right to receive an amount in cash, without interest, less any applicable withholding taxes, determined by multiplying (i) the per share merger consideration by (ii) the number of shares of Common Stock subject to such restricted stock award.

Performance Unit Awards. At the Effective Time, each performance unit award granted under Symetra's Equity Plan that is outstanding immediately prior to the Effective Time, whether or not vested (each, a "performance unit award"), will be cancelled and converted into the right to receive an amount in cash, less any applicable withholding taxes, calculated by determining the amount that would have been paid with respect to such performance unit award for the subject award's full performance period, based on annualized performance for the subject award through the period ended on the December 31 immediately preceding the Effective Time as if such annualized performance was achieved over the full subject award period (based on the conditions set for payment of such performance unit award for the subject award period).

2. Summary of Significant Accounting Policies

The interim condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP), including the rules and regulations of the Securities and Exchange Commission (SEC). The preparation of financial statements in conformity with GAAP requires the Company to make estimates and assumptions that may affect the amounts reported in the interim condensed consolidated financial statements and accompanying notes. These interim condensed consolidated financial statements are unaudited and in management's opinion include all adjustments, consisting of normal recurring adjustments and accruals, necessary for a fair presentation. All significant intercompany transactions and balances have been eliminated. Certain reclassifications have been made to prior year financial information to conform to the current period presentation.

The provision (benefit) for income taxes on the consolidated statements of income reflects the Company's estimated effective tax rate for the year. The difference between this rate and the U.S. federal income tax rate of 35% was primarily due to benefits from the Company's tax credit investments.

These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014. Financial results for the three and nine months ended September 30, 2015 are not necessarily indicative of the results that may be expected for the twelve months ending December 31, 2015.

Accounting Pronouncements

Standard	Description	Date of adoption / effective date	Effect on the financial statements or other significant matters
Accounting Pronouncements Newly Adopted			
Update No. 2014-01, *Investments (Topic 323) – Equity Method and Joint Ventures: Accounting for Investments in Qualified Affordable Housing Projects*	This standard provides companies with the option to elect the proportional method of amortization for qualified affordable housing investments if certain criteria are met. Under this method, a company would amortize the cost of its investment in proportion to the tax credits and other tax benefits received. Amortization would be presented as a component of income tax expense. The standard does not apply to other types of tax credit investments.	January 1, 2015	The Company adopted the standard but did not elect the proportional method of amortization for its qualified affordable housing investments. The Company has included the required disclosures about such investments in Note 4.
Accounting Pronouncements Not Yet Adopted			
Update No. 2015-05, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*	This standard provides companies with guidance on how to account for a cloud computing arrangement including a software license. Under the standard, if a cloud computing arrangement includes a software license, a company should account for the fees associated with the software license consistent with the acquisition of other software licenses. If the cloud computing arrangement does not include a software license, it should be accounted for as a service contract.	January 1, 2016. Companies may adopt the standard prospectively or retrospectively, and early adoption is permitted.	The Company is currently evaluating the impact of the standard on its consolidated financial statements and its plans for adoption.
Update No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*	This standard amends disclosure requirements for companies that use the practical expedient to measure the fair value of certain investments using the net asset value per share. Under the standard, companies are no longer required to categorize fair value measurements for these investments in the fair value hierarchy.	January 1, 2016. Companies must adopt this presentation retrospectively, and early adoption is permitted.	Upon adoption, the Company will apply the new disclosure requirements to its investments in limited partnerships that are valued using the practical expedient.
Update No. 2015-09, *Financial Services - Insurance (Topic 944): Disclosures about Short-Duration Contracts*	This standard amends disclosure requirements for the liability for unpaid claims and claim adjustment expenses on short-duration contracts for insurance entities. Under the standard, companies must include certain additional quantitative and qualitative information about these liabilities in its financial statements.	January 1, 2016 for annual disclosures; January 1, 2017 for interim disclosures. Companies must present information retrospectively, and early adoption is permitted.	Upon adoption, the Company will apply the new disclosure requirements to its short duration contracts, which are primarily related to employment-based benefit products.

3. Earnings Per Share

Basic earnings per share represents the amount of earnings for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share represents the amount of earnings for the period available to each share of common stock outstanding during the reporting period, adjusted for the potential issuance of common stock if dilutive.

Participating securities, which include restricted stock issued to the Company's employees, are those for which the instrument holders are entitled to receive any dividends declared on the common stock concurrently with the holders of outstanding shares of common stock, on a one-to-one basis. Participating securities are included in basic and diluted earnings per share, based on the application of the two-class method, for the portion of the period for which the securities were outstanding.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

For both the three and nine months ended September 30, 2015, the Company's 2,650,000 stock options were dilutive, based on application of the treasury stock method, and included in the computation of diluted earnings per share. For the three and nine months ended September 30, 2014, these stock options were excluded from the computation of diluted earnings per share because they were anti-dilutive.

The following table presents information relating to the Company's calculations of basic and diluted earnings per share:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Numerator:				
Net income	**$ 19.6**	$ 36.0	**$ 89.6**	$ 186.8
Denominator:				
Weighted-average common shares outstanding — basic	**116,144,672**	115,904,205	**116,057,903**	116,436,077
Add: dilutive effect of certain equity instruments	**165,677**	2,330	**55,225**	3,531
Weighted-average common shares outstanding — diluted	**116,310,349**	115,906,535	**116,113,128**	116,439,608
Net income per common share:				
Basic	**$ 0.17**	$ 0.31	**$ 0.77**	$ 1.60
Diluted	**$ 0.17**	$ 0.31	**$ 0.77**	$ 1.60

4. Investments

The following tables summarize the Company's available-for-sale fixed maturities and marketable equity securities:

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
As of September 30, 2015				
Fixed maturities:				
U.S. government and agencies	**$ 532.9**	**$ 10.2**	**$ —**	**$ 543.1**
State and political subdivisions	**830.9**	**44.5**	**(0.6)**	**874.8**
Corporate securities	**19,283.1**	**1,194.9**	**(209.4)**	**20,268.6**
Residential mortgage-backed securities	**2,589.0**	**168.7**	**(4.5)**	**2,753.2**
Commercial mortgage-backed securities	**1,171.1**	**54.8**	**(2.4)**	**1,223.5**
Collateralized loan obligations	**526.7**	**—**	**(7.1)**	**519.6**
Other debt obligations	**565.0**	**39.4**	**(0.5)**	**603.9**
Total fixed maturities	**25,498.7**	**1,512.5**	**(224.5)**	**26,786.7**
Marketable equity securities, available-for-sale	**84.8**	**5.8**	**(3.9)**	**86.7**
Total	**$ 25,583.5**	**$ 1,518.3**	**$ (228.4)**	**$ 26,873.4**

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
As of December 31, 2014				
Fixed maturities:				
U.S. government and agencies	$ 404.8	$ 6.1	$ (1.0)	$ 409.9
State and political subdivisions	789.7	40.1	(0.6)	829.2
Corporate securities	17,768.7	1,511.5	(87.7)	19,192.5
Residential mortgage-backed securities	2,772.0	155.9	(6.5)	2,921.4
Commercial mortgage-backed securities	1,262.6	73.0	(1.7)	1,333.9
Other debt obligations	648.7	44.5	(0.7)	692.5
Total fixed maturities	23,646.5	1,831.1	(98.2)	25,379.4
Marketable equity securities, available-for-sale	112.9	8.6	(1.0)	120.5
Total	$ 23,759.4	$ 1,839.7	$ (99.2)	$ 25,499.9

The following tables summarize gross unrealized losses and fair values of the Company's available-for-sale investments. The tables are aggregated by investment category and present separately those securities that have been in a continuous unrealized loss position for less than twelve months and for twelve months or more.

	Less Than 12 Months			12 Months or More		
	Fair Value	Gross Unrealized Losses	# of Securities	Fair Value	Gross Unrealized Losses	# of Securities
As of September 30, 2015						
Fixed maturities:						
U.S. government and agencies	**$ 4.0**	**$ —**	**3**	**$ —**	**$ —**	**—**
State and political subdivisions	**47.1**	**(0.5)**	**7**	**5.5**	**(0.1)**	**2**
Corporate securities	**4,351.7**	**(140.8)**	**430**	**477.1**	**(68.6)**	**86**
Residential mortgage-backed securities	**99.9**	**(1.4)**	**23**	**117.4**	**(3.1)**	**23**
Commercial mortgage-backed securities	**84.6**	**(1.0)**	**7**	**18.6**	**(1.4)**	**5**
Collateralized loan obligations	**424.7**	**(7.1)**	**39**	**—**	**—**	**—**
Other debt obligations	**84.5**	**(0.5)**	**5**	**0.3**	**—**	**2**
Total fixed maturities	**5,096.5**	**(151.3)**	**514**	**618.9**	**(73.2)**	**118**
Marketable equity securities, available-for-sale	**26.7**	**(2.8)**	**22**	**4.3**	**(1.1)**	**5**
Total	**$ 5,123.2**	**$ (154.1)**	**536**	**$ 623.2**	**$ (74.3)**	**123**

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	Less Than 12 Months			12 Months or More		
	Fair Value	Gross Unrealized Losses	# of Securities	Fair Value	Gross Unrealized Losses	# of Securities
As of December 31, 2014						
Fixed maturities:						
U.S. government and agencies	$ 38.4	$ (0.2)	7	$ 59.9	$ (0.8)	2
State and political subdivisions	9.3	(0.1)	3	39.3	(0.5)	12
Corporate securities	1,348.8	(44.0)	235	1,064.0	(43.7)	75
Residential mortgage-backed securities	191.5	(1.1)	15	241.0	(5.4)	40
Commercial mortgage-backed securities	54.9	(0.2)	4	52.8	(1.5)	8
Other debt obligations	81.7	(0.2)	10	29.9	(0.5)	3
Total fixed maturities	1,724.6	(45.8)	274	1,486.9	(52.4)	140
Marketable equity securities, available-for-sale	14.9	(0.7)	11	3.3	(0.3)	7
Total	$ 1,739.5	$ (46.5)	285	$ 1,490.2	$ (52.7)	147

Based on National Association of Insurance Commissioners (NAIC) ratings as of September 30, 2015 and December 31, 2014, the Company held below-investment-grade fixed maturities with fair values of $1,095.5 and $1,126.6, respectively, and amortized costs of $1,119.4 and $1,111.9, respectively. These holdings amounted to 4.1% and 4.4% of the Company's investments in fixed maturities at fair value as of both September 30, 2015 and December 31, 2014, respectively.

The following table summarizes the amortized cost and fair value of fixed maturities as of September 30, 2015, by contractual years to maturity. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalties.

	Amortized Cost	Fair Value
One year or less	**$ 586.8**	**$ 594.1**
Over one year through five years	**6,150.6**	**6,531.8**
Over five years through ten years	**9,932.5**	**10,123.8**
Over ten years	**4,063.1**	**4,527.3**
Residential mortgage-backed securities	**2,589.0**	**2,753.2**
Commercial mortgage-backed securities	**1,171.1**	**1,223.5**
Collateralized loan obligations	**526.7**	**519.6**
Other asset-backed securities	**478.9**	**513.4**
Total fixed maturities	**$ 25,498.7**	**$ 26,786.7**

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following table summarizes the Company's net investment income:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Fixed maturities	**$ 297.9**	$ 278.8	**$ 861.2**	$ 837.8
Marketable equity securities	**4.3**	3.9	**13.1**	12.9
Mortgage loans	**62.6**	54.5	**181.1**	156.1
Policy loans	**0.9**	0.9	**2.5**	2.6
Investments in limited partnerships (1)	**(17.3)**	(12.6)	**(40.0)**	(25.9)
Other	**0.9**	1.1	**3.3**	3.3
Total investment income	**349.3**	326.6	**1,021.2**	986.8
Investment expenses	**(9.4)**	(8.1)	**(26.9)**	(24.9)
Net investment income	**$ 339.9**	$ 318.5	**$ 994.3**	$ 961.9

(1) This includes net gains (losses) on changes in the fair value of investments held as of period end for which the Company has elected the fair value option, totaling **$(5.6)** and $(4.5) for the three months ended September 30, 2015 and 2014, respectively, and **$(13.1)** and $(4.8) for the nine months ended September 30, 2015 and 2014, respectively.

The following table summarizes the Company's net realized gains (losses):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Fixed maturities:				
Gross gains on sales	**$ 2.2**	$ 1.5	**$ 10.1**	$ 21.0
Gross losses on sales	**(3.5)**	(3.3)	**(18.2)**	(5.7)
Net impairment losses recognized in earnings	**(11.7)**	(1.6)	**(22.3)**	(4.1)
Other (1)	**(5.0)**	1.4	**(7.5)**	(1.0)
Total fixed maturities	**(18.0)**	(2.0)	**(37.9)**	10.2
Marketable equity securities, trading (2)	**(22.8)**	(12.0)	**(27.0)**	29.3
Investments in limited partnerships (3)	**(11.2)**	(4.5)	**(23.8)**	(11.3)
Other (4)	**(10.1)**	6.6	**(8.5)**	5.7
Deferred policy acquisition costs and deferred sales inducement adjustment	**5.7**	(2.9)	**6.0**	(2.7)
Net realized gains (losses)	**$ (56.4)**	$ (14.8)	**$ (91.2)**	$ 31.2

(1) This includes net gains (losses) on calls and redemptions, and changes in the fair value of the Company's convertible securities.
(2) This includes net gains (losses) on changes in the fair value of trading securities held as of period end totaling **$(24.1)** and $(16.3) for the three months ended September 30, 2015 and 2014, respectively, and **$(36.6)** and $19.4 for the nine months ended September 30, 2015 and 2014, respectively.
(3) This reflects impairments related to tax credit investments and, for the three and nine months ended September 30, 2015, includes a **$0.0** and a $(3.9) impairment of an alternative investment.
(4) This includes net gains (losses) on derivatives not designated for hedge accounting and other instruments, including an embedded derivative related to the Company's fixed indexed annuity (FIA) product.

Other-Than-Temporary Impairments (OTTI)

The Company's review of available-for-sale investment securities for OTTI includes both quantitative and qualitative criteria. Quantitative criteria include the length of time and amount that each security is in an unrealized loss position (i.e., is underwater) and, for fixed maturities, whether expected future cash flows indicate that a credit loss exists.

While all securities are monitored for impairment, the Company's experience indicates that, under normal market conditions, securities for which the cost or amortized cost exceeds fair value by less than 20% do not typically represent a significant risk of impairment and, often, fair values recover over time as the factors that caused the declines improve. If the estimated fair value has declined and remained below cost or amortized cost by 20% or more for at least six months, the Company further analyzes the decrease in fair value to determine whether it is an other-than-temporary decline. To make this determination for each security, the Company considers, among other factors:

- Extent and duration of the decline in fair value below cost or amortized cost;
- Financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations, earnings potential or compliance with terms and covenants of the security;
- Changes in the financial condition of the security's underlying collateral;
- Any downgrades of the security by a rating agency;
- Nonpayment of scheduled interest, or the reduction or elimination of dividends;
- Other indications that a credit loss has occurred; and
- For fixed maturities, the Company's intent to sell or whether it is more likely than not the Company will be required to sell the fixed maturity prior to recovery of its amortized cost, considering any regulatory developments, prepayment or call notifications and the Company's liquidity needs.

For fixed maturities, the Company concludes that an OTTI has occurred if a security is underwater and there is an intent or requirement to sell the security or if the present value of expected cash flows is less than the amortized cost of the security (i.e., a credit loss exists). Where a credit loss exists, the Company isolates the portion of the total unrealized loss related to the credit loss, which is recognized in realized gains (losses) on the consolidated statements of income, and the remainder of the unrealized loss is recorded as a non-credit OTTI through other comprehensive income. If there is an intent or requirement to sell the security, the entire unrealized loss is recognized in realized gains (losses).

To determine the amount of a credit loss, the Company calculates the recovery value by discounting its estimate of future cash flows from the security. The discount rate is the original effective yield for corporate securities or current effective yield for mortgage-backed and other structured securities.

Determination of Credit-Related OTTI on Corporate Securities

To determine the recovery value for a corporate security, the Company performs an analysis including, but not limited to, the following:

- Expected cash flows of the issuer;
- Fundamentals of the industry in which the issuer operates;
- Fundamentals of the issuer to determine what the Company would recover if the issuer were to file for bankruptcy or restructure its debt outside of bankruptcy;
- Expectations regarding defaults and recovery rates;
- Changes to the rating of the security by a rating agency;
- Third-party guarantees; and
- Additional available market information.

Determination of Credit-Related OTTI on Structured Securities

To determine the recovery value for a structured security, including residential mortgage-, commercial mortgage- and other asset-backed securities, the Company performs an analysis including, but not limited to, the following:

- Expected cash flows from the security;
- Creditworthiness;
- Delinquency, debt-service coverage, and loan-to-value ratios on the underlying collateral;
- Underlying collateral values, vintage year and level of subordination;
- Geographic concentrations; and
- Susceptibility to prepayment and anti-selection due to changes in the interest rate environment.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following table presents the severity and duration of the gross unrealized losses on the Company's underwater available-for-sale fixed maturities, after the recognition of OTTI:

	As of September 30, 2015			As of December 31, 2014		
	Fair Value	Gross Unrealized Losses	# of Securities	Fair Value	Gross Unrealized Losses	# of Securities
Fixed maturities						
Underwater by 20% or more:						
Less than 6 consecutive months	**$ 82.9**	**$ (37.8)**	**44**	$ 38.5	$ (17.3)	33
6 consecutive months or more	**9.4**	**(7.8)**	**7**	4.5	(2.8)	8
Total underwater by 20% or more	**92.3**	**(45.6)**	**51**	43.0	(20.1)	41
All other underwater fixed maturities	**5,623.1**	**(178.9)**	**558**	3,168.5	(78.1)	373
Total underwater fixed maturities	**$ 5,715.4**	**$ (224.5)**	**609**	$ 3,211.5	$ (98.2)	414

The Company reviewed its available-for-sale fixed maturities with unrealized losses as of September 30, 2015 in accordance with its impairment policy and determined, after the recognition of OTTI, that the remaining declines in fair value were temporary. The Company did not intend to sell its underwater securities, and it was not more likely than not that the Company will be required to sell the securities before recovery of cost or amortized cost, which may be maturity. This conclusion is supported by the Company's spread analyses, cash flow modeling and expected continuation of contractually required principal and interest payments.

As of September 30, 2015 and December 31, 2014, there were $2.2 and $0.2, respectively, of gross unrealized losses related to available-for-sale marketable equity securities with a total fair value of $5.9 and $0.7, respectively, that were underwater by 20% or more. As of September 30, 2015 and December 31, 2014, the Company has evaluated the near-term prospects of its available-for-sale equity securities with unrealized losses in relation to the severity and duration of the impairment. Based on that evaluation, the Company concluded that it had the ability and intent to hold these investments until a recovery of fair value.

Changes in the amount of credit-related OTTI recognized in net income where the portion related to other factors was recognized in other comprehensive income (OCI) were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Balance, beginning of period	**$ 17.7**	$ 22.2	**$ 20.1**	$ 23.1
Increases recognized in the current period:				
For which an OTTI was not previously recognized	**2.3**	0.1	**3.2**	0.1
For which an OTTI was previously recognized	**2.0**	0.2	**3.7**	1.5
Decreases attributable to:				
Securities sold or paid down during the period	**(1.7)**	(0.7)	**(6.7)**	(2.7)
Previously recognized credit losses on securities impaired during the period due to a change in intent to sell (1)	**(1.1)**	—	**(1.1)**	(0.2)
Balance, end of period	**$ 19.2**	$ 21.8	**$ 19.2**	$ 21.8

(1) Represents circumstances where the Company determined in the period that it intended to sell the security prior to recovery of its amortized cost.

Investments in Limited Partnerships — Affordable Housing Project Investments

The Company invests in limited partnerships that are established to fund low-income housing and other qualifying purposes, where the primary return on investment is in the form of income tax credits. These are collectively referred to as "tax credit investments," and the majority of the Company's investments in such partnerships relate to affordable housing project investments. As of September 30, 2015 and December 31, 2014, the Company's tax credit investments had carrying values of $212.9 and $238.4, respectively, of which $203.0 and $228.7 related to affordable housing project investments, respectively.

The Company's tax credit investments are primarily accounted for under the equity method and recorded at amortized cost. These investments are amortized based on the expected performance of the underlying partnership, with amortization recorded as a reduction to net investment income. When the carrying value of an investment exceeds the total amount of remaining tax benefits, the Company records an impairment loss, which is included in other net realized gains (losses). Although these investments decrease income on a pre-tax basis, the partnerships provide tax benefits that decrease the Company's income tax expense.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following table sets forth the impact of affordable housing project investments on net income. These amounts do not include the impacts of the Company's holdings in other types of tax credit investments.

	For the Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	**2014**	**2015**	**2014**
Amortization	**$ (10.6)**	$ (7.6)	**$ (24.5)**	$ (19.7)
Realized losses	**(8.8)**	(2.9)	**(13.4)**	(5.2)
Tax benefit from amortization and realized losses	**6.8**	3.7	**13.3**	8.7
Tax credits	**17.0**	12.8	**39.6**	36.6
Impact to net income	**$ 4.4**	$ 6.0	**$ 15.0**	$ 20.4

5. Mortgage Loans

The Company originates and manages a portfolio of mortgage loans which are secured by first-mortgage liens on income-producing commercial real estate, primarily in the retail, industrial and office building sectors. Loans are underwritten based on loan-to-value (LTV) ratios and debt-service coverage ratios (DSCR), as well as detailed market, property and borrower analyses. The Company's mortgage loan portfolio is considered a single portfolio segment and class of financing receivables, which is consistent with how the Company assesses and monitors the risk and performance of the portfolio. A large majority of these loans have personal guarantees, and all mortgaged properties are inspected annually.

The Company's mortgage loan portfolio is diversified by geographic region, loan size and scheduled maturity. As of September 30, 2015, the three states with the largest concentrations of the Company's commercial mortgage loans were California, primarily the Los Angeles area, Texas and Washington. Loans in these states comprised 28.5%, 11.4% and 7.9% of the total portfolio, respectively.

Allowance for Mortgage Loans

The allowance for losses on mortgage loans provides for the risk of credit loss inherent in the lending process. The allowance includes a portfolio reserve for probable losses incurred but not specifically identified and, as needed, specific reserves for impaired loans. The allowance for losses on mortgage loans is evaluated at each reporting period and adjustments are recorded when appropriate. To assist in its evaluation of the allowance for loan losses, the Company utilizes the following credit quality indicators to categorize its loans as lower, medium or higher risk:

- *Lower Risk Loans* – Loans with an LTV ratio of less than 65%, and a DSCR of greater than 1.50.
- *Medium Risk Loans* – Loans that have an LTV ratio of less than 65% but a DSCR below 1.50, or loans with an LTV ratio between 65% and 80% and a DSCR of greater than 1.50.
- *Higher Risk Loans* – Loans with an LTV ratio greater than 80%, or loans which have an LTV ratio between 65% and 80% and a DSCR of less than 1.50.

Loans are specifically evaluated for impairment if the Company considers it probable that amounts due according to the terms of the loan agreement will not be collected, or the loan is modified in a troubled debt restructuring. The Company establishes specific reserves for these loans when the fair value is less than the carrying value.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following table sets forth the Company's mortgage loans by risk category:

	As of September 30, 2015		As of December 31, 2014	
	Carrying Value	% of Total	Carrying Value	% of Total
Lower risk	$ 2,938.0	64.1%	$ 2,567.0	62.1%
Medium risk	1,055.6	23.0	994.2	24.1
Higher risk	590.6	12.9	571.3	13.8
Credit quality indicator total	4,584.2	100.0%	4,132.5	100.0%
Loans specifically evaluated for impairment (1)	0.9		2.0	
Other (2)	(4.1)		(4.4)	
Total	$ 4,581.0		$ 4,130.1	

(1) As of September 30, 2015 and December 31, 2014, reserve amounts of $**0.2** were held for loans specifically evaluated for impairment.
(2) Includes the allowance for loan losses and deferred fees and costs.

In developing the portfolio reserve for incurred but not specifically identified losses, the Company evaluates loans by risk category and considers past loan experience, commercial real estate market conditions, and third-party data for expected losses on loans with similar LTV ratios and DSCRs. Each loan's LTV ratio and DSCR is updated annually, primarily during the third quarter. In developing its provision for specifically identified loans, a market valuation on the collateral is performed to determine if a reserve is necessary.

As of September 30, 2015 and December 31, 2014, the balance of the Company's allowance for mortgage loan losses was $8.1. For the three and nine months ended September 30, 2015 and 2014, no additional provisions or charge-offs were recorded.

Non-performing loans, defined generally as those in default, close to being in default or more than 90 days past due, are placed on non-accrual status. As of September 30, 2015, no loans were considered non-performing. As of December 31, 2014, one loan with an outstanding balance of $1.5 was considered non-performing.

6. Derivative Instruments

The following table sets forth the fair value of the Company's derivative instruments, including embedded derivatives that primarily relate to the Company's FIA products. In the consolidated balance sheets, derivative contracts in an asset position are included in other invested assets, derivative contracts in a liability position are included in other liabilities, and embedded derivative liabilities are included in funds held under deposit contracts.

	As of September 30, 2015			As of December 31, 2014		
		Fair Value			Fair Value	
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Derivatives designated as hedges:						
Cash flow hedges:						
Interest rate swaps	$ 252.5	$ 9.9	$ —	$ 158.5	$ 5.4	$ —
Foreign currency swaps	679.8	47.3	0.7	638.6	14.9	10.2
Total derivatives designated as hedges	$ 932.3	$ 57.2	$ 0.7	$ 797.1	$ 20.3	$ 10.2
Derivatives not designated as hedges:						
Equity index options	$ 3,337.7	$ 38.0	$ —	$ 2,055.9	$ 71.0	$ 0.1
Interest rate swaps	195.6	4.0	—	—	—	—
Foreign currency forwards	10.2	0.1	—	18.3	0.1	—
Embedded derivatives	—	—	320.2	—	—	230.1
Other derivatives	14.2	—	0.5	25.3	0.2	0.4
Total derivatives not designated as hedges	3,557.7	42.1	320.7	2,099.5	71.3	230.6
Total derivatives	$ 4,490.0	$ 99.3	$ 321.4	$ 2,896.6	$ 91.6	$ 240.8

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

Collateral Arrangements and Offsetting of Financial Instruments

The Company's derivative contracts are typically governed by an International Swaps and Derivatives Association (ISDA) Master Agreement, except for foreign currency forwards which do not require an ISDA. For each ISDA, the Company and the counterparty have also entered into a credit support annex (CSA) to reduce the risk of counterparty default in derivative transactions by requiring the posting of cash collateral or other financial assets. The CSA requires either party to post collateral when net exposures from all derivative contracts between the parties exceed pre-determined contractual thresholds, which vary by counterparty. The amount of net exposure is the difference between the derivative contract's fair value and the fair value of the collateral held for such agreements with each counterparty. Collateral amounts required to be posted or received are determined daily based on the net exposure with each counterparty under a master netting agreement. The Company is also required to post initial and variation margin on certain centrally cleared instruments and, as a result, may have collateral posted related to derivatives in an asset position. The Company does not offset recognized collateral amounts pledged or received against the fair value amounts recognized for derivative contracts.

In the consolidated balance sheets, the Company recognizes cash collateral received in cash and cash equivalents, and the obligation to return cash collateral in other liabilities. Non-cash collateral received is not recognized in the consolidated balance sheets. In the event of default, the counterparty relinquishes claim to the assets pledged as collateral, and the Company recognizes the collateral as its own asset recorded at fair value, or, in the case of cash collateral, derecognizes its obligation to return collateral.

The following tables present the potential effect of netting arrangements by counterparty on the Company's consolidated balance sheets:

	As of September 30, 2015			
		Gross Amount of Collateral (Received) Posted		
	Fair Value Presented in the Balance Sheets	Financial Instruments	Cash Collateral	Net Amount
Counterparty:				
Assets:				
A	$ 10.5	$ —	$ (10.1)	$ 0.4
B (1)	26.3	9.5	(22.6)	13.2
C	11.6	—	(11.2)	0.4
D	7.1	—	(7.1)	—
F	15.0	—	(10.5)	4.5
Other	28.8	—	(18.7)	10.1
Total derivative assets	$ 99.3	$ 9.5	$ (80.2)	$ 28.6

(1) Amounts include financial instrument collateral of **$9.5** posted by the Company to comply with regulatory requirements on certain centrally cleared instruments.

	As of September 30, 2015			
		Gross Amount of Collateral Received (Posted)		
	Fair Value Presented in the Balance Sheets	Financial Instruments	Cash Collateral	Net Amount
Counterparty:				
Liabilities:				
A	$ 0.1	$ —	$ —	$ 0.1
B	0.3	—	(0.2)	0.1
E	0.2	—	—	0.2
Other	0.6	—	—	0.6
Total derivative liabilities (1)	$ 1.2	$ —	$ (0.2)	$ 1.0

(1) Excludes embedded derivatives of **$320.2** which have no counterparty.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	As of December 31, 2014			
		Gross Amount of Collateral (Received) Posted		
Counterparty:	Fair Value Presented in the Balance Sheets	Financial Instruments	Cash Collateral	Net Amount
Assets:				
A	$ 12.0	$ —	$ (12.0)	$ —
B (1)	20.2	1.9	(13.9)	8.2
C	12.0	—	(12.0)	—
D	14.9	—	(14.9)	—
F	24.0	—	(24.0)	—
Other	8.5	—	(6.7)	1.8
Total derivative assets	$ 91.6	$ 1.9	$ (83.5)	$ 10.0

(1) Amounts include financial instrument collateral of $1.9 posted by the Company to comply with regulatory requirements on certain centrally cleared instruments.

	As of December 31, 2014			
		Gross Amount of Collateral Received (Posted)		
Counterparty:	Fair Value Presented in the Balance Sheets	Financial Instruments	Cash Collateral	Net Amount
Liabilities:				
A	$ 1.2	$ —	$ —	$ 1.2
B	6.7	—	(0.1)	6.6
E	2.4	—	—	2.4
Other	0.4	—	—	0.4
Total derivative liabilities (1)	$ 10.7	$ —	$ (0.1)	$ 10.6

(1) Excludes embedded derivatives of $230.1 which have no counterparty.

Derivatives Designated as Hedges

The following table presents the amount of gain (loss) recognized in OCI on derivatives qualifying and designated as cash flow hedges:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Interest rate swaps	**$ 6.2**	$ (0.5)	**$ 7.5**	$ 1.5
Foreign currency swaps	**36.9**	25.8	**45.9**	14.0
Total	**$ 43.1**	$ 25.3	**$ 53.4**	$ 15.5

See Note 9 for amounts reclassified out of accumulated other comprehensive income (AOCI) into net income for the three and nine months ended September 30, 2015 and 2014. The Company expects to reclassify net gains of $8.8 from AOCI into net income in the next 12 months, which includes both discontinued hedges and periodic settlements of active hedges. Actual amounts may vary from this estimate as a result of market conditions.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

As of September 30, 2015, the maximum term over which the Company is hedging its exposure to the variability in future cash flows is approximately fifteen years. For the three and nine months ended September 30, 2015 and 2014, no material hedge ineffectiveness was recorded.

Derivatives Not Designated as Hedges

The following table shows the effect of derivatives not designated as hedges in the consolidated statements of income, which is recorded in net realized gains (losses):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Equity index options	**$ (44.8)**	$ 2.5	**$ (43.1)**	$ 17.6
Foreign currency forwards	**—**	0.4	**0.2**	0.3
Embedded derivatives	**30.7**	2.3	**28.1**	(16.4)
Other derivatives	**3.2**	1.5	**2.0**	1.8
Total	**$ (10.9)**	$ 6.7	**$ (12.8)**	$ 3.3

7. Fair Value of Financial Instruments

The Company determines the fair value of its financial instruments based on the fair value hierarchy, which favors the use of observable inputs over the use of unobservable inputs when measuring fair value. The Company has categorized its financial instruments into the three-level hierarchy, which gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The level assigned to a fair value measurement is based on the lowest-level input that is significant to the measurement. The fair value measurements for the Company's financial instruments are categorized as follows:

- *Level 1* — Unadjusted quoted prices in active markets for identical instruments. This category primarily consists of exchange-traded marketable equity securities and mutual fund investments.
- *Level 2* — Quoted prices for similar instruments in active markets and model-derived valuations whose inputs are observable. This category includes those financial instruments that are valued using industry-standard pricing methodologies or models. All significant inputs are observable or derived from observable information in the marketplace. Financial instruments in this category primarily include corporate fixed maturities and mortgage-backed securities.
- *Level 3* — Fair value estimates whose significant inputs are unobservable. This includes financial instruments for which fair value is estimated based on industry-standard pricing methodologies and internally developed models utilizing significant inputs not based on or corroborated by readily available market information. In limited circumstances, this may also utilize estimates based on non-binding broker quotes. This category primarily consists of funds held under deposit contracts and mortgage loans.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following tables present the fair value of the Company's financial instruments classified by the valuation hierarchy described above. The financial instruments are separated between those measured at fair value on a recurring basis and those not carried at fair value, but for which disclosure of fair value is required.

	As of September 30, 2015				
	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis:					
Financial assets:					
Fixed maturities, available-for-sale:					
U.S. government and agencies	$ 543.1	$ 543.1	$ —	$ 543.1	$ —
State and political subdivisions	874.8	874.8	—	874.8	—
Corporate securities	20,268.6	20,268.6	—	20,089.8	178.8
Residential mortgage-backed securities	2,753.2	2,753.2	—	2,753.2	—
Commercial mortgage-backed securities	1,223.5	1,223.5	—	1,222.2	1.3
Collateralized loan obligations	519.6	519.6	—	418.2	101.4
Other debt obligations	603.9	603.9	—	560.1	43.8
Total fixed maturities, available-for-sale	26,786.7	26,786.7	—	26,461.4	325.3
Marketable equity securities, available-for-sale	86.7	86.7	53.8	27.0	5.9
Marketable equity securities, trading	525.0	525.0	524.8	—	0.2
Investments in limited partnerships, alternative investments	51.5	51.5	—	20.6	30.9
Other invested assets:					
Equity index options	38.0	38.0	—	34.4	3.6
Other	63.4	63.4	0.6	61.2	1.6
Total other invested assets	101.4	101.4	0.6	95.6	5.2
Total investments carried at fair value	27,551.3	27,551.3	579.2	26,604.6	367.5
Separate account assets	885.9	885.9	885.9	—	—
Total assets at fair value	$ 28,437.2	$ 28,437.2	$ 1,465.1	$ 26,604.6	$ 367.5
Financial liabilities:					
Embedded derivatives	$ 320.2	$ 320.2	$ —	$ —	$ 320.2
Foreign currency swaps	0.6	0.6	—	0.6	—
Total liabilities at fair value	$ 320.8	$ 320.8	$ —	$ 0.6	$ 320.2
Subject to fair value disclosure requirements:					
Financial assets:					
Mortgage loans	$ 4,581.0	$ 4,816.0	$ —	$ —	$ 4,816.0
Investments in limited partnerships, tax credit investments	212.9	200.9	—	200.9	—
Cash and cash equivalents	182.7	182.7	182.7	—	—
Financial liabilities:					
Funds held under deposit contracts (1):					
Deferred annuities	$ 15,617.2	$ 15,899.6	$ —	$ —	$ 15,899.6
Income annuities	6,495.9	7,899.0	—	—	7,899.0
Notes payable:					
Capital Efficient Notes (CENts)	$ 149.9	$ 153.4	$ —	$ 153.4	$ —
Senior notes	547.6	560.5	—	560.5	—

(1) The carrying value of this balance excludes **$6,631.3** of liabilities related to insurance contracts and embedded derivatives.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	As of December 31, 2014				
	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
Measured at fair value on a recurring basis:					
Financial assets:					
Fixed maturities, available-for-sale:					
U.S. government and agencies	$ 409.9	$ 409.9	$ —	$ 409.9	$ —
State and political subdivisions	829.2	829.2	—	829.2	—
Corporate securities	19,192.5	19,192.5	—	19,120.9	71.6
Residential mortgage-backed securities	2,921.4	2,921.4	—	2,921.4	—
Commercial mortgage-backed securities	1,333.9	1,333.9	—	1,331.4	2.5
Other debt obligations	692.5	692.5	—	620.8	71.7
Total fixed maturities, available-for-sale	25,379.4	25,379.4	—	25,233.6	145.8
Marketable equity securities, available-for-sale	120.5	120.5	62.8	57.7	—
Marketable equity securities, trading	532.0	532.0	531.6	—	0.4
Investments in limited partnerships, alternative investments	71.5	71.5	—	—	71.5
Other invested assets:					
Equity index options	71.0	71.0	—	68.6	2.4
Other	24.8	24.8	0.6	20.7	3.5
Total other invested assets	95.8	95.8	0.6	89.3	5.9
Total investments carried at fair value	26,199.2	26,199.2	595.0	25,380.6	223.6
Separate account assets	949.8	949.8	949.8	—	—
Total assets at fair value	$ 27,149.0	$ 27,149.0	$ 1,544.8	$ 25,380.6	$ 223.6
Financial liabilities:					
Embedded derivatives	$ 230.1	$ 230.1	$ —	$ —	$ 230.1
Foreign currency swaps	10.2	10.2	—	10.2	—
Total liabilities at fair value	$ 240.3	$ 240.3	$ —	$ 10.2	$ 230.1
Subject to fair value disclosure requirements:					
Financial assets:					
Mortgage loans	$ 4,130.1	$ 4,375.8	$ —	$ —	$ 4,375.8
Investments in limited partnerships, tax credit investments	238.4	226.6	—	226.6	—
Cash and cash equivalents	158.8	158.8	158.8	—	—
Financial liabilities:					
Funds held under deposit contracts (1):					
Deferred annuities	$ 13,686.8	$ 14,004.2	$ —	$ —	$ 14,004.2
Income annuities	6,527.1	8,452.5	—	—	8,452.5
Notes payable:					
Capital Efficient Notes (CENts)	$ 149.9	$ 155.6	$ —	$ 155.6	$ —
Senior notes	547.3	569.6	—	569.6	—

(1) The carrying value of this balance excludes $6,388.7 of liabilities related to insurance contracts and embedded derivatives.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

Financial Instruments Measured at Fair Value on a Recurring Basis

Fixed Maturities

The vast majority of the Company's fixed maturities have been classified as Level 2 measurements. To make this assessment, the Company determines whether the market for a security is active and if significant pricing inputs are observable. The Company predominantly utilizes third-party independent pricing services to assist management in determining the fair value of its fixed maturity securities. As of September 30, 2015 and December 31, 2014, respectively, pricing services provided prices for 95.0% and 96.0% of the Company's fixed maturities.

As of September 30, 2015, the Company had $1,172.3, or 4.4%, of its fixed maturities invested in private placement securities. The use of significant observable inputs in determining the fair value of the Company's investments in private placement securities resulted in the classification of $1,042.5, or 88.9%, as Level 2 measurements as of September 30, 2015. As of December 31, 2014, the Company had $929.0, or 3.7%, of its fixed maturities invested in private placement securities, of which $870.7, or 93.7%, were classified as Level 2 measurements.

Corporate Securities

The majority of corporate securities classified as Level 2 measurements are priced by independent pricing services utilizing evaluated pricing models. Because many corporate securities do not trade on a daily basis, evaluated pricing models apply available information through processes such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing to prepare valuations. The significant inputs for security evaluations include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and other reference data, including market research publications.

The following table presents additional information about the composition of the Level 2 corporate securities:

	As of September 30, 2015			As of December 31, 2014		
	Amount	% of Total	# of Securities	Amount	% of Total	# of Securities
Significant security sectors:						
Industrial	**$ 3,913.9**	**19.5%**	**247**	$ 3,468.3	18.1%	226
Consumer discretionary	**2,694.7**	**13.4**	**217**	2,409.3	12.6	199
Consumer staples	**2,645.0**	**13.1**	**156**	2,855.1	14.9	162
Health care	**2,477.2**	**12.3**	**147**	2,175.4	11.4	122
Utilities	**2,164.2**	**10.8**	**160**	2,119.1	11.1	154
Financial	**2,079.5**	**10.4**	**159**	2,032.2	10.6	162
Weighted-average coupon rate	**5.07%**			5.30%		
Weighted-average remaining years to contractual maturity	**9.0**			9.1		

As of September 30, 2015 and December 31, 2014, $952.3, or 4.7%, and $770.6, or 4.0%, respectively, of Level 2 corporate securities were privately placed. These securities were valued using a matrix pricing approach. The significant inputs to the measurement are the base credit spread, treasury yield and expected future cash flows of the security, which are all observable inputs. The base spread is determined based on trades of similar publicly-traded securities, and the expected future cash flows are based on the contractual terms of the security. This approach also incorporates an illiquidity spread, determined based on premiums demanded by investors for privately placed securities. The illiquidity spread is an unobservable input, which ranges from 0 to 60 basis points and is based on the credit quality of the security. The illiquidity spread does not significantly impact the resulting valuation and thus management does not believe it prohibits Level 2 classification.

Residential Mortgage-backed Securities

The Company's residential mortgage-backed securities (RMBS) classified as Level 2 measurements are priced by pricing services that utilize evaluated pricing models. Because many RMBS do not trade on a daily basis, evaluated pricing models apply available information through processes such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing to prepare evaluations. The significant observable inputs for security evaluations include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and other reference data, including market research publications. In addition, the pricing services use models and processes to develop prepayment and interest rate scenarios. The pricing services monitor market indicators, industry and economic events, and their models take into account market convention.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

Agency securities comprised 87.7% and 87.9% of the Company's Level 2 RMBS as of September 30, 2015 and December 31, 2014, respectively. These securities were primarily fixed-rate, with a weighted-average coupon rate of 3.98% and 4.18% as of September 30, 2015 and December 31, 2014, respectively.

The following table presents additional information about the composition of the Level 2 non-agency RMBS securities:

	As of September 30, 2015		As of December 31, 2014	
	Fair Value	% of Total	Fair Value	% of Total
Highest rating agency rating:				
AAA	**$ 175.3**	**51.8%**	$ 159.6	45.1%
AA through BBB	**47.6**	**14.1**	56.1	15.9
BB & below	**115.2**	**34.1**	138.1	39.0
Total non-agency RMBS	**$ 338.1**	**100.0%**	$ 353.8	100.0%
Non-agency RMBS with super senior subordination	**$ 242.1**	**71.6%**	$ 240.4	67.9%

As of September 30, 2015 and December 31, 2014, the Company's non-agency Level 2 RMBS had a weighted-average credit enhancement of 10.6% and 9.0%, respectively. As of September 30, 2015 and December 31, 2014, $237.8 and $232.3, or 70.3% and 65.7%, respectively, of the Company's non-agency Level 2 RMBS were originated prior to 2004, or subsequent to 2008. The underlying collateral in these years is considered to be of higher quality due to more stringent underwriting standards.

Commercial Mortgage-backed Securities

The Company's commercial mortgage-backed securities (CMBS) classified as Level 2 measurements are priced by pricing services that utilize evaluated pricing models. Because many CMBS do not trade on a daily basis, evaluated pricing models apply available information through processes, such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing to prepare evaluations. The significant observable inputs for security evaluations include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, new issues, monthly payment information and other reference data, including market research publications.

The Company's Level 2 CMBS securities were primarily non-agency securities, which comprised 91.6% and 87.8% of Level 2 CMBS as of September 30, 2015 and December 31, 2014, respectively. The non-agency Level 2 CMBS had an estimated weighted-average credit enhancement of 32.3% and 32.8% as of September 30, 2015 and December 31, 2014, respectively, and 89.1% and 96.8% were in the most senior tranche as of September 30, 2015 and December 31, 2014, respectively. The weighted-average coupon rate on these securities was 4.56% and 4.65% as of September 30, 2015 and December 31, 2014, respectively.

The following table presents additional information about the composition of the underlying collateral of Level 2 non-agency CMBS securities:

	As of September 30, 2015	As of December 31, 2014
	% of Total	% of Total
Significant underlying collateral locations:		
New York	**27.3%**	24.5%
California	**10.8**	10.7
Florida	**7.3**	7.8
Texas	**6.8**	7.1
Significant underlying collateral property types:		
Office buildings	**35.9%**	33.4%
Retail shopping centers	**28.9**	29.8

Marketable Equity Securities

Marketable equity securities are investments in common stock (mainly in publicly traded companies), exchange-traded funds (ETFs), and certain nonredeemable preferred stocks. When the fair values of the Company's marketable equity securities are based on quoted market prices in active markets for identical assets, they are classified as Level 1 measurements. The fair values of nonredeemable preferred stocks are determined by pricing services utilizing evaluated pricing models and are classified as a Level 2 measurement. These valuations are created based on benchmark curves using industry standard inputs and exchange prices of underlying securities and common stock of the same issuer.

Investments in Limited Partnerships

Investments in limited partnerships recorded at fair value relate to the Company's alternative investments, primarily private equity and hedge funds. The Company utilizes the fair value option for these investments, regardless of ownership percentage, to standardize the related accounting and reporting. The fair value is determined using the practical expedient based on the Company's proportionate interest in the underlying partnership or fund's net asset values (NAV). The Company's ability to redeem or otherwise liquidate these investments varies by partnership. If the partnership terms generally allow for redemption or liquidation within one year, the investment is classified as a Level 2 measurement. Otherwise, the investment is classified as a Level 3 measurement.

Equity Index Options

Equity index options consist primarily of Standard & Poor's 500 Index® (S&P 500) options. The fair values of these index options were determined using option pricing models. Significant inputs include index implied volatilities, index dividend yields, index prices, a risk-free rate, option term and option strike price. As these inputs are observable, most equity index options are classified as a Level 2 measurement.

Separate Accounts

Separate account assets are primarily invested in mutual funds with published NAVs, which are classified as a Level 1 measurement.

Embedded Derivatives

Embedded derivatives relate to the Company's FIA product, which credits interest to the policyholder's account balance based on increases in selected indices, primarily the S&P 500. The fair value of the embedded derivative reflects the excess of the projected benefits based on the indexed fund value over the projected benefits based on the guaranteed fund value. The excess benefits are projected using best estimates for surrenders, mortality and indexed fund interest, and discounted at a risk-free rate plus a spread for nonperformance and policyholder behavior risk. Because the estimates utilize significant unobservable inputs, the Company classifies the embedded derivatives as a Level 3 measurement.

Foreign Currency Swaps

Foreign currency swaps are valued using an income approach. These swaps are priced utilizing a discounted cash flow model. The significant inputs include the projected cash flows, currency spot rates, swap yield curve and cross currency basis curve. As these inputs are observable, the foreign currency swaps are classified as a Level 2 measurement.

Other Financial Instruments Subject to Fair Value Disclosure Requirements

Cash and cash equivalents consist of demand bank deposits and short-term highly liquid investments with original maturities of three months or less at the time of purchase. These are classified as a Level 1 measurement.

The fair value of the Company's mortgage loans are measured by discounting the projected future cash flows using the current rate at which the loans would be made to borrowers with similar credit ratings and for the same maturities. Because these estimates utilize significant unobservable inputs, mortgage loans are classified as a Level 3 measurement.

The fair value of the Company's investments in limited partnerships associated with tax credit investments are estimated based on the discounted cash flows over the remaining life of the tax credits, using the original internal rate of return for each investment. As these inputs are considered observable, investments in limited partnerships related to tax credit investments are classified as a Level 2 measurement.

The fair values of funds held under deposit contracts related to investment-type contracts are estimated based on the present value of the discounted cash flows. Cash flows were projected using best estimates for lapses, mortality and expenses, and discounted at a risk-free rate plus a spread for nonperformance and policyholder behavior risk. Because these estimates utilize significant unobservable inputs, the Company classifies funds held under deposit contracts as a Level 3 measurement.

The fair value of the Company's notes payable are determined by an independent pricing service utilizing evaluated pricing models, consistent with how fair value was determined for the majority of its corporate securities. The use of observable inputs resulted in the classification of notes payable as a Level 2 measurement.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

Rollforward of Financial Instruments Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs (Level 3)

The following table presents additional information about financial instruments measured at fair value on a recurring basis and for which the Company has utilized significant unobservable inputs (Level 3) to determine fair value for the three and nine months ended September 30, 2015:

						Unrealized Gains (Losses) Included in:			
	Balance as of July 1, 2015	Purchases and Issues(1)	Sales and Settlements(1)	Transfers In and/or (Out) of Level 3(2)	Other(3)	Net Income(4)	Other Comprehensive Income (Loss)	Realized Gains (Losses)(4)	Balance as of September 30, 2015
Financial Assets:									
Fixed maturities, available-for-sale:									
Corporate securities	$ 141.1	$ 119.8	$ —	$ (70.0)	$ (7.4)	$ —	$ (4.9)	$ 0.2	$ 178.8
Commercial mortgage-backed securities	2.1	—	—	(0.5)	(0.3)	—	—	—	1.3
Collateralized loan obligations	159.8	101.4	—	(159.8)	—	—	—	—	101.4
Other debt obligations	45.7	—	—	—	(2.2)	—	0.3	—	43.8
Total fixed maturities, available-for-sale	348.7	221.2	—	(230.3)	(9.9)	—	(4.6)	0.2	325.3
Marketable equity securities, available-for-sale	5.9	—	—	—	—	—	—	—	5.9
Marketable equity securities, trading	0.2	—	—	0.5	—	(0.5)	—	—	0.2
Investments in limited partnerships	34.1	0.7	—	—	(0.6)	(3.9)	—	0.6	30.9
Other invested assets:									
Equity index options	2.7	2.7	—	—	—	(1.6)	—	(0.2)	3.6
Other	1.6	0.7	—	—	(0.3)	—	—	(0.4)	1.6
Total other invested assets	4.3	3.4	—	—	(0.3)	(1.6)	—	(0.6)	5.2
Total Level 3 assets	$ 393.2	$ 225.3	$ —	$ (229.8)	$ (10.8)	$ (6.0)	$ (4.6)	$ 0.2	$ 367.5
Financial Liabilities:									
Embedded derivatives	296.3	56.7	(2.1)	—	—	(30.7)	—	—	320.2
Total Level 3 liabilities	$ 296.3	$ 56.7	$ (2.1)	$ —	$ —	$ (30.7)	$ —	$ —	$ 320.2

						Unrealized Gains (Losses) Included in:			
	Balance as of January 1, 2015	Purchases and Issues(1)	Sales and Settlements(1)	Transfers In and/or (Out) of Level 3(2)	Other(3)	Net Income(4)	Other Comprehensive Income (Loss)	Realized Gains (Losses)(4)	Balance as of September 30, 2015
Financial Assets:									
Fixed maturities, available-for-sale:									
Corporate securities	$ 71.6	$ 162.8	$ —	$ (41.4)	$ (7.1)	$ —	$ (7.3)	$ 0.2	$ 178.8
Commercial mortgage-backed securities	2.5	—	—	(0.8)	(0.4)	—	—	—	1.3
Collateralized loan obligations	—	101.4	—	—	—	—	—	—	101.4
Other debt obligations	71.7	—	—	(24.5)	(2.4)	—	(1.0)	—	43.8
Total fixed maturities, available-for-sale	145.8	264.2	—	(66.7)	(9.9)	—	(8.3)	0.2	325.3
Marketable equity securities, available-for-sale	—	—	—	6.0	—	—	(0.1)	—	5.9
Marketable equity securities, trading	0.4	—	(0.3)	—	—	—	—	0.1	0.2
Investments in limited partnerships	71.5	2.5	—	(28.5)	(2.5)	(9.6)	—	(2.5)	30.9
Other invested assets:									
Equity index options	2.4	4.4	—	—	—	(2.8)	—	(0.4)	3.6
Other	3.5	1.9	—	—	(5.4)	3.1	—	(1.5)	1.6
Total other invested assets	5.9	6.3	—	—	(5.4)	0.3	—	(1.9)	5.2
Total Level 3 assets	$ 223.6	$ 273.0	$ (0.3)	$ (89.2)	$ (17.8)	$ (9.3)	$ (8.4)	$ (4.1)	$ 367.5
Financial Liabilities:									
Embedded derivatives	$ 230.1	$ 123.0	$ (4.8)	$ —	$ —	$ (28.1)	$ —	$ —	$ 320.2
Total Level 3 liabilities	$ 230.1	$ 123.0	$ (4.8)	$ —	$ —	$ (28.1)	$ —	$ —	$ 320.2

(1) Issues and settlements are related to the Company's embedded derivative liabilities.
(2) Transfers into and/or out of Level 3 are reported at the value as of the beginning of the period in which the transfer occurs. Gross transfers into Level 3 were **$0.5** and **$6.1** for the three and nine months ended September 30, 2015, respectively. Gross transfers out of Level 3 were **$230.3** and **$95.3** for the three and nine months ended September 30, 2015, of which **$230.3** and **$66.7**, respectively, related to fixed maturities for which observable inputs became available.
(3) Other is comprised of transactions such as pay downs, calls, amortization and redemptions.

(4) Realized and unrealized gains and losses for investments in limited partnerships, excluding impairments, are included in net investment income. All other realized and unrealized gains and losses recognized in net income, including impairments of investments in limited partnerships, are included in net realized gains (losses). Amounts shown for financial liabilities are (gains) losses in net income.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following table presents additional information about financial instruments measured at fair value on a recurring basis and for which the Company has utilized significant unobservable inputs (Level 3) to determine fair value for the three and nine months ended September 30, 2014:

						Unrealized Gains (Losses) Included in:			
	Balance as of July 1, 2014	Purchases and Issues(1)	Sales and Settlements(1)	Transfers In and/or (Out) of Level 3(2)	Other(3)	Net Income(4)	Other Comprehensive Income (Loss)	Realized Gains (Losses)(4)	Balance as of September 30, 2014
Financial Assets:									
Fixed maturities, available-for-sale:									
Corporate securities	$ 157.3	$ 46.0	$ —	$ (89.1)	$ 3.8	$ —	$ 5.0	$ —	$ 123.0
Residential mortgage-backed securities	50.5	—	(0.1)	(50.3)	(0.1)	—	—	—	—
Commercial mortgage-backed securities	4.8	—	—	—	(0.2)	—	—	—	4.6
Other debt obligations	63.8	—	—	25.8	(0.3)	—	(0.5)	—	88.8
Total fixed maturities, available-for-sale	276.4	46.0	(0.1)	(113.6)	3.2	—	4.5	—	216.4
Marketable equity securities, trading	0.3	—	—	—	—	—	—	—	0.3
Investments in limited partnerships	42.0	25.8	—	—	—	(4.3)	—	(0.2)	63.3
Other invested assets:									
Equity index options	2.6	0.7	—	—	(0.1)	(0.9)	—	(0.2)	2.1
Other	3.5	0.3	—	—	(0.1)	0.1	—	(0.2)	3.6
Total other invested assets	6.1	1.0	—	—	(0.2)	(0.8)	—	(0.4)	5.7
Total Level 3 assets	$ 324.8	$ 72.8	$ (0.1)	$ (113.6)	$ 3.0	$ (5.1)	$ 4.5	$ (0.6)	$ 285.7
Financial Liabilities:									
Embedded derivatives	157.9	28.2	(0.3)	—	—	(2.3)	—	—	183.5
Total Level 3 liabilities	$ 157.9	$ 28.2	$ (0.3)	$ —	$ —	$ (2.3)	$ —	$ —	$ 183.5

						Unrealized Gains (Losses) Included in:			
	Balance as of January 1, 2014	Purchases and Issues(1)	Sales and Settlements(1)	Transfers In and/or (Out) of Level 3(2)	Other(3)	Net Income(4)	Other Comprehensive Income	Realized Gains (Losses)(4)	Balance as of September 30, 2014
Financial Assets:									
Fixed maturities, available-for-sale:									
U.S. government and agencies	$ 17.4	$ —	$ —	$ (17.4)	$ —	$ —	$ —	$ —	$ —
Corporate securities	28.0	46.0	—	39.0	0.6	—	9.4	—	123.0
Residential mortgage-backed securities	0.2	—	(0.1)	—	(0.2)	—	0.1	—	—
Commercial mortgage-backed securities	5.8	—	—	—	(1.2)	—	—	—	4.6
Other debt obligations	128.8	—	—	(39.3)	(2.1)	—	1.4	—	88.8
Total fixed maturities, available-for-sale	180.2	46.0	(0.1)	(17.7)	(2.9)	—	10.9	—	216.4
Marketable equity securities, trading	0.3	—	—	—	—	—	—	—	0.3
Investments in limited partnerships	31.2	37.7	—	—	(0.9)	(4.7)	—	—	63.3
Other invested assets:									
Equity index options	38.8	1.0	—	(36.7)	(0.4)	(0.5)	—	(0.1)	2.1
Other	3.2	1.4	—	—	(1.0)	0.3	—	(0.3)	3.6
Total other invested assets	42.0	2.4	—	(36.7)	(1.4)	(0.2)	—	(0.4)	5.7
Total Level 3 assets	$ 253.7	$ 86.1	$ (0.1)	$ (54.4)	$ (5.2)	$ (4.9)	$ 10.9	$ (0.4)	$ 285.7
Financial Liabilities:									
Embedded derivatives	92.1	75.5	(0.5)	—	—	16.4	—	—	183.5
Total Level 3 liabilities	$ 92.1	$ 75.5	$ (0.5)	$ —	$ —	$ 16.4	$ —	$ —	$ 183.5

(1) Issues and settlements are related to the Company's embedded derivative liabilities.
(2) Transfers into and/or out of Level 3 are reported at the value as of the beginning of the period in which the transfer occurs. Gross transfers into Level 3 were $25.8 and $66.4 for the three and nine months ended September 30, 2014, respectively. Gross transfers out of Level 3 were $139.4 and $120.8 for the three and nine months ended September 30, 2014, of which $139.4 and $84.1, respectively, related to fixed maturities for which observable inputs became available. Additionally, transfers out for the nine months ended September 30, 2014 included a change in valuation methodology for equity index options during the first quarter of 2014 to a method that uses significant observable inputs. Such securities are now classified as Level 2.
(3) Other is comprised of transactions such as pay downs, calls, amortization and redemptions.
(4) Realized and unrealized gains and losses for investments in limited partnerships are included in net investment income. All other realized and unrealized gains and losses recognized in net income are included in net realized gains (losses). Amounts shown for financial liabilities are (gains) losses in net income.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

8. Deferred Policy Acquisition Costs (DAC) and Deferred Sales Inducements (DSI)

The following table provides a reconciliation of the beginning and ending balance for DAC:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Unamortized balance at beginning of period	**$ 572.2**	$ 464.2	**$ 513.9**	$ 419.9
Deferral of acquisition costs	**69.8**	43.5	**172.6**	124.2
Adjustments for realized (gains) losses	**5.3**	(3.0)	**5.1**	(2.9)
Amortization — excluding unlocking	**(20.6)**	(16.3)	**(62.1)**	(47.7)
Amortization — impact of unlocking (1)	**1.2**	(1.3)	**(1.6)**	(6.4)
Unamortized balance at end of period	**627.9**	487.1	**627.9**	487.1
Accumulated effect of net unrealized gains	**(75.9)**	(122.2)	**(75.9)**	(122.2)
Balance at end of period	**$ 552.0**	$ 364.9	**$ 552.0**	$ 364.9

(1) Includes the impact of assumption and experience unlocking related to quarterly investment prepayment activity as well as the Company's annual unlocking process, which takes place during the third quarter of each year.

The following table provides a reconciliation of the beginning and ending balance for DSI, which is included in receivables and other assets in the consolidated balance sheets. DSI amortization is included in interest credited in the consolidated statements of income.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Unamortized balance at beginning of period	**$ 126.3**	$ 146.5	**$ 136.7**	$ 154.8
Capitalizations	**5.1**	7.2	**16.9**	24.4
Adjustments for realized (gains) losses	**0.3**	0.2	**0.8**	0.3
Amortization — excluding unlocking	**(10.5)**	(10.0)	**(31.5)**	(31.1)
Amortization — impact of unlocking (1)	**1.2**	0.1	**(0.5)**	(4.4)
Unamortized balance at end of period	**122.4**	144.0	**122.4**	144.0
Accumulated effect of net unrealized gains	**(54.9)**	(85.4)	**(54.9)**	(85.4)
Balance at end of period	**$ 67.5**	$ 58.6	**$ 67.5**	$ 58.6

(1) Includes the impact of assumption and experience unlocking related to quarterly investment prepayment activity as well as the Company's annual unlocking process, which takes place during the third quarter of each year.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

9. Stockholders' Equity

The following table summarizes the components of AOCI and the adjustments to OCI for amounts reclassified from AOCI into net income for the three and nine months ended September 30, 2015:

	Net Unrealized Gains (Losses) on Available-for-sale Securities	OTTI on Fixed Maturities not related to Credit Losses (2)	Adjustment for DAC and DSI	Net Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Income
Balance as of July 1, 2015	$ 851.5	$ (13.7)	$ (95.4)	$ 9.3	$ 751.7
Other comprehensive income (loss) before reclassifications, net of taxes (1)	(36.0)	(4.7)	10.4	28.0	(2.3)
Reclassifications recorded in:					
Net investment income:					
Interest rate swaps	—	—	—	(1.1)	(1.1)
Foreign currency swaps	—	—	—	(1.5)	(1.5)
Net realized investment (gains) losses	16.4	2.8	(5.7)	—	13.5
Total provision (benefit) for income taxes	(5.8)	(1.0)	2.0	1.0	(3.8)
Total reclassifications from AOCI, net of taxes	10.6	1.8	(3.7)	(1.6)	7.1
Other comprehensive income (loss) after reclassifications	(25.4)	(2.9)	6.7	26.4	4.8
Balance as of September 30, 2015	$ 826.1	$ (16.6)	$ (88.7)	$ 35.7	$ 756.5

	Net Unrealized Gains (Losses) on Available-for-sale Securities	OTTI on Fixed Maturities not related to Credit Losses (2)	Adjustment for DAC and DSI	Net Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Income
Balance as of January 1, 2015	$ 1,130.2	$ (13.5)	$ (131.4)	$ 5.3	$ 990.6
Other comprehensive income (loss) before reclassifications, net of taxes (1)	(326.6)	(6.1)	46.6	34.8	(251.3)
Reclassifications recorded in:					
Net investment income:					
Interest rate swaps	—	—	—	(2.8)	(2.8)
Foreign currency swaps	—	—	—	(3.9)	(3.9)
Net realized (gains) losses	34.7	4.6	(6.0)	—	33.3
Total provision (benefit) for income taxes	(12.2)	(1.6)	2.1	2.3	(9.4)
Total reclassifications from AOCI, net of taxes	22.5	3.0	(3.9)	(4.4)	17.2
Other comprehensive income (loss) after reclassifications	(304.1)	(3.1)	42.7	30.4	(234.1)
Balance as of September 30, 2015	$ 826.1	$ (16.6)	$ (88.7)	$ 35.7	$ 756.5

(1) Other comprehensive income (loss) before reclassifications is net of taxes of **$(19.4), $(2.5), $5.5, $15.1 and $(1.3)**, respectively, for the three months ended months ended September 30, 2015, and net of taxes of **$(175.9), $(3.3), $25.1, $18.6 and $(135.5)**, respectively, for the nine months ended September 30, 2015.
(2) Reclassification adjustments of OTTI on fixed maturities not related to credit losses are included in changes in unrealized gains and losses on available-for-sale securities within the consolidated statements of comprehensive income (loss).

The following table summarizes the components of AOCI and the adjustments to OCI for amounts reclassified from AOCI into net income for the three and nine months ended September 30, 2014:

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	Net Unrealized Gains (Losses) on Available-for-sale Securities	OTTI on Fixed Maturities not related to Credit Losses (2)	Adjustment for DAC and DSI	Net Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Income
Balance as of July 1, 2014	$ 1,194.0	$ (13.2)	$ (166.6)	$ (23.6)	$ 990.6
Other comprehensive income (loss) before reclassifications, net of taxes (1)	(130.2)	—	27.5	16.4	(86.3)
Reclassifications recorded in:					
Net investment income:					
Interest rate swaps	—	—	—	(0.6)	(0.6)
Foreign currency swaps	—	—	—	(1.0)	(1.0)
Net realized investment (gains) losses	8.2	0.5	2.9	—	11.6
Total provision (benefit) for income taxes	(2.7)	(0.1)	(1.0)	0.6	(3.2)
Total reclassifications from AOCI, net of taxes	5.5	0.4	1.9	(1.0)	6.8
Other comprehensive income (loss) after reclassifications	(124.7)	0.4	29.4	15.4	(79.5)
Balance as of September 30, 2014	$ 1,069.3	$ (12.8)	$ (137.2)	$ (8.2)	$ 911.1

	Net Unrealized Gains (Losses) on Available-for-sale Securities	OTTI on Fixed Maturities not related to Credit Losses (2)	Adjustment for DAC and DSI	Net Gains (Losses) on Cash Flow Hedges	Accumulated Other Comprehensive Income
Balance as of January 1, 2014	$ 737.8	$ (14.2)	$ (113.1)	$ (16.9)	$ 593.6
Other comprehensive income (loss) before reclassifications, net of taxes (1)	338.3	—	(25.9)	10.1	322.5
Reclassifications recorded in:					
Net investment income:					
Interest rate swaps	—	—	—	(1.7)	(1.7)
Foreign currency swaps	—	—	—	(0.4)	(0.4)
Net realized (gains) losses	(10.5)	2.1	2.7	—	(5.7)
Total provision (benefit) for income taxes	3.7	(0.7)	(0.9)	0.7	2.8
Total reclassifications from AOCI, net of taxes	(6.8)	1.4	1.8	(1.4)	(5.0)
Other comprehensive income (loss) after reclassifications	331.5	1.4	(24.1)	8.7	317.5
Balance as of September 30, 2014	$ 1,069.3	$ (12.8)	$ (137.2)	$ (8.2)	$ 911.1

(1) Other comprehensive income (loss) before reclassifications is net of taxes of $(69.9), $0.0, $14.8, $8.9 and $(46.2), respectively, for the three months ended September 30, 2014, and net of taxes of $182.2, $0.0, $(13.9), $5.4 and $173.7, respectively, for the nine months ended September 30, 2014.

(2) Reclassification adjustments of OTTI on fixed maturities not related to credit losses are included in changes in unrealized gains and losses on available-for-sale securities within the consolidated statements of comprehensive income (loss).

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

Common Stock Outstanding

The following table provides a reconciliation of changes in outstanding shares of common stock:

	Common Shares
Balance as of January 1, 2014	117,730,757
Common stock issued	1,790
Restricted stock issued, net	195,346
Employee stock purchase plan shares issued	110,287
Common stock repurchased (1)	(2,240,729)
Balance as of December 31, 2014	115,797,451
Balance as of January 1, 2015	**115,797,451**
Common stock issued	**624**
Restricted stock issued, net	**268,555**
Employee stock purchase plan shares issued	**88,112**
Common stock repurchased (1)	**(340)**
Balance as of September 30, 2015	**116,154,402**

(1) Represents shares of common stock repurchased pursuant to the Company's stock repurchase program that began in 2013, which are held in treasury, as well as shares repurchased and subsequently retired to satisfy employee income tax withholding pursuant to the Company's Equity Plan.

10. Commitments and Contingencies

Litigation

Because of the nature of its business, the Company is subject to legal actions filed or threatened in the ordinary course of its business operations. The Company establishes liabilities for litigation and regulatory actions when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. For matters where a loss is believed to be reasonably possible, but not probable, no liability is established. For such matters, the Company may provide an estimate of the possible loss or range of loss or a statement that such an estimate cannot be made. The Company reviews relevant information with respect to litigation and regulatory matters on a quarterly and annual basis and updates its established liabilities, disclosures and estimates of reasonably possible losses or range of loss based on such reviews.

Although the Company cannot predict the outcome of any litigation or regulatory action, the Company does not believe that any such matters will have an impact on its financial condition or results of operations that differs materially from the Company's established liabilities. Given the inherent difficulty in predicting the outcome of such matters, however, it is possible that an adverse outcome in certain such matters could be material to the Company's financial condition or results of operations for any particular reporting period.

Other Commitments and Contingencies

As of September 30, 2015, the Company had no material changes to its other commitments or contingencies since December 31, 2014.

11. Segment Information

The Company offers a broad range of products and services that include retirement, group health and employee benefits and life insurance products. These operations are managed separately as three divisions, consisting of four business segments based on product groupings, and a fifth reportable segment consisting primarily of unallocated corporate items and surplus investment income. The five segments are Benefits, Deferred Annuities, Income Annuities, Individual Life and Other.

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

The following tables present selected financial information by segment and reconcile segment pre-tax adjusted operating income (loss) to amounts reported in the consolidated statements of income:

	For the Three Months Ended September 30, 2015					
	Benefits	**Deferred Annuities**	**Income Annuities**	**Individual Life**	**Other**	**Total**
Operating revenues:						
Premiums	**$ 171.9**	**$ —**	**$ —**	**$ 8.3**	**$ —**	**$ 180.2**
Net investment income	**6.2**	**172.2**	**95.5**	**73.5**	**(7.5)**	**339.9**
Policy fees, contract charges, and other	**3.6**	**5.4**	**0.1**	**47.9**	**0.5**	**57.5**
Certain realized gains (losses)	**—**	**(0.2)**	**—**	**—**	**—**	**(0.2)**
Total operating revenues	**181.7**	**177.4**	**95.6**	**129.7**	**(7.0)**	**577.4**
Benefits and expenses:						
Policyholder benefits and claims	**109.4**	**(0.1)**	**—**	**33.6**	**—**	**142.9**
Interest credited	**—**	**93.7**	**84.2**	**64.8**	**(0.3)**	**242.4**
Other underwriting and operating expenses	**46.8**	**25.6**	**5.0**	**21.7**	**4.4**	**103.5**
Interest expense	**—**	**—**	**—**	**0.1**	**11.2**	**11.3**
Amortization of DAC	**0.5**	**15.1**	**1.5**	**2.3**	**—**	**19.4**
Total benefits and expenses	**156.7**	**134.3**	**90.7**	**122.5**	**15.3**	**519.5**
Segment pre-tax adjusted operating income (loss)	**$ 25.0**	**$ 43.1**	**$ 4.9**	**$ 7.2**	**$ (22.3)**	**$ 57.9**
Operating revenues	**$ 181.7**	**$ 177.4**	**$ 95.6**	**$ 129.7**	**$ (7.0)**	**$ 577.4**
Add: Excluded realized gains (losses)	**—**	**(12.0)**	**(27.1)**	**(2.2)**	**(14.9)**	**(56.2)**
Total revenues	**181.7**	**165.4**	**68.5**	**127.5**	**(21.9)**	**521.2**
Total benefits and expenses	**156.7**	**134.3**	**90.7**	**122.5**	**15.3**	**519.5**
Income (loss) from operations before income taxes	**$ 25.0**	**$ 31.1**	**$ (22.2)**	**$ 5.0**	**$ (37.2)**	**$ 1.7**

	For the Three Months Ended September 30, 2014					
	Benefits	**Deferred Annuities**	**Income Annuities**	**Individual Life**	**Other**	**Total**
Operating revenues:						
Premiums	$ 150.9	$ —	$ —	$ 8.7	$ —	$ 159.6
Net investment income	5.4	152.0	93.4	69.6	(1.9)	318.5
Policy fees, contract charges, and other	3.7	5.6	0.4	35.6	0.4	45.7
Certain realized gains (losses)	—	(0.1)	—	—	—	(0.1)
Total operating revenues	160.0	157.5	93.8	113.9	(1.5)	523.7
Benefits and expenses:						
Policyholder benefits and claims	94.7	—	—	19.2	—	113.9
Interest credited	—	87.6	85.3	64.6	(0.3)	237.2
Other underwriting and operating expenses	44.6	23.6	5.1	18.8	0.7	92.8
Interest expense	—	—	—	—	10.2	10.2
Amortization of DAC	0.1	15.6	1.3	0.6	—	17.6
Total benefits and expenses	139.4	126.8	91.7	103.2	10.6	471.7
Segment pre-tax adjusted operating income (loss)	$ 20.6	$ 30.7	$ 2.1	$ 10.7	$ (12.1)	$ 52.0
Operating revenues	$ 160.0	$ 157.5	$ 93.8	$ 113.9	$ (1.5)	$ 523.7
Add: Excluded realized gains (losses)	—	(1.9)	(8.8)	(0.1)	(3.9)	(14.7)
Total revenues	160.0	155.6	85.0	113.8	(5.4)	509.0
Total benefits and expenses	139.4	126.8	91.7	103.2	10.6	471.7
Income (loss) from operations before income taxes	$ 20.6	$ 28.8	$ (6.7)	$ 10.6	$ (16.0)	$ 37.3

(All amounts in millions, except share, per share and percentage data, unless otherwise stated)

	For the Nine Months Ended September 30, 2015					
	Benefits	Deferred Annuities	Income Annuities	Individual Life	Other	Total
Operating revenues:						
Premiums	$ 514.3	$ —	$ —	$ 25.0	$ —	$ 539.3
Net investment income	17.1	488.3	282.0	217.3	(10.4)	994.3
Policy fees, contract charges, and other	12.9	16.4	0.6	132.1	1.5	163.5
Certain realized gains (losses)	—	(0.7)	—	—	—	(0.7)
Total operating revenues	544.3	504.0	282.6	374.4	(8.9)	1,696.4
Benefits and expenses:						
Policyholder benefits and claims	336.6	0.3	—	86.3	—	423.2
Interest credited	—	275.7	254.6	191.3	(1.1)	720.5
Other underwriting and operating expenses	143.6	74.5	14.8	64.0	5.8	302.7
Interest expense	—	—	—	0.4	33.1	33.5
Amortization of DAC	1.3	51.5	4.6	6.3	—	63.7
Total benefits and expenses	481.5	402.0	274.0	348.3	37.8	1,543.6
Segment pre-tax adjusted operating income (loss)	$ 62.8	$ 102.0	$ 8.6	$ 26.1	$ (46.7)	$ 152.8
Operating revenues	$ 544.3	$ 504.0	$ 282.6	$ 374.4	$ (8.9)	$ 1,696.4
Add: Excluded realized gains (losses)	—	(22.7)	(36.3)	(3.3)	(28.2)	(90.5)
Total revenues	544.3	481.3	246.3	371.1	(37.1)	1,605.9
Total benefits and expenses	481.5	402.0	274.0	348.3	37.8	1,543.6
Income (loss) from operations before income taxes	$ 62.8	$ 79.3	$ (27.7)	$ 22.8	$ (74.9)	$ 62.3
As of September 30, 2015:						
Total assets	$ 166.3	$ 17,995.6	$ 7,298.3	$ 7,055.2	$ 2,447.4	$ 34,962.8

	For the Nine Months Ended September 30, 2014					
	Benefits	Deferred Annuities	Income Annuities	Individual Life	Other	Total
Operating revenues:						
Premiums	$ 442.2	$ —	$ —	$ 25.9	$ —	$ 468.1
Net investment income	15.6	447.9	286.2	210.6	1.6	961.9
Policy fees, contract charges, and other	11.9	17.4	0.8	108.9	1.4	140.4
Certain realized gains (losses)	—	—	—	—	—	—
Total operating revenues	469.7	465.3	287.0	345.4	3.0	1,570.4
Benefits and expenses:						
Policyholder benefits and claims	269.2	0.2	—	55.8	—	325.2
Interest credited	—	262.0	253.2	193.7	(1.2)	707.7
Other underwriting and operating expenses	131.8	67.6	15.4	56.2	2.3	273.3
Interest expense	—	—	—	—	26.7	26.7
Amortization of DAC	0.4	47.2	3.4	3.1	—	54.1
Total benefits and expenses	401.4	377.0	272.0	308.8	27.8	1,387.0
Segment pre-tax adjusted operating income (loss)	$ 68.3	$ 88.3	$ 15.0	$ 36.6	$ (24.8)	$ 183.4
Operating revenues	$ 469.7	$ 465.3	$ 287.0	$ 345.4	$ 3.0	$ 1,570.4
Add: Excluded realized gains (losses)	—	(3.1)	37.1	2.9	(5.7)	31.2
Total revenues	469.7	462.2	324.1	348.3	(2.7)	1,601.6
Total benefits and expenses	401.4	377.0	272.0	308.8	27.8	1,387.0
Income (loss) from operations before income taxes	$ 68.3	$ 85.2	$ 52.1	$ 39.5	$ (30.5)	$ 214.6
As of September 30, 2014:						
Total assets	$ 164.7	$ 15,547.0	$ 7,479.5	$ 6,716.9	$ 2,726.4	$ 32,634.5

12. Subsequent Events

On October 16, 2015, the Company entered into a term loan credit agreement. The Company may borrow up to $300.0 of unsecured term loans on a single delayed-draw basis on or before April 1, 2016. The Company will use the proceeds of the term loans to settle its $300.0 Senior Notes that are scheduled to mature on April 1, 2016. The term loans will bear interest at a variable annual rate based on LIBOR or an alternate base rate plus an applicable margin and are scheduled to mature two years after the borrowing date, which maturity may be extended subject to certain conditions in the credit agreement.

On November 5, 2015, the Company declared a dividend of $0.11 per common share, or approximately $12.8 in total, to stockholders of record as of November 19, 2015. The dividend will be paid on or about December 4, 2015.

The Company held a Special Meeting of Stockholders on November 5, 2015. At the meeting, the Company's stockholders voted upon and approved a proposal to adopt the Merger Agreement and approved certain related matters.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

This discussion contains forward-looking statements that involve risk and uncertainties. Our actual results may differ materially from those discussed in or implied by any of the forward-looking statements as a result of various factors, including but not limited to those listed above under "Forward-Looking Statements" and the factors described in Item 1A – "Risk Factors" in our 2014 Annual Report on Form 10-K, filed with the SEC on February 26, 2015 (2014 10-K), and in Part II of this report. You should read the following discussion in conjunction with Item 1 – "Condensed Financial Statements" included in this Form 10-Q and our 2014 10-K, as well as our current reports on Form 8-K and other publicly available information. Our fiscal year ends on December 31.

Management considers certain non-GAAP financial measures to be useful to investors in evaluating our financial performance and condition. These measures have been reconciled to their most comparable GAAP financial measures. For a definition and further discussion of these non-GAAP measures, see Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations – Use of non-GAAP Financial Measures" in our 2014 10-K.

All amounts, except share and per share data, are in millions unless otherwise stated.

Overview

We are a financial services company in the life insurance industry providing employee benefits, annuities and life insurance products and services through a national network of benefits consultants, financial institutions, broker-dealers, and independent agents and advisers.

Our Operations

We manage our business through three divisions composed of four business segments:

Benefits Division

- *Benefits.* We offer medical stop-loss, limited benefit medical and group life and disability income (DI) insurance products and services to employers, unions, and public agencies.

Retirement Division

- *Deferred Annuities.* We offer fixed deferred annuities, including fixed indexed annuities (FIA), and variable deferred annuities to consumers who want to accumulate tax-deferred assets for retirement.
- *Income Annuities.* We offer single premium immediate annuities (SPIAs) to customers seeking a reliable source of retirement income or protection against outliving their assets during retirement. We also service our block of structured settlement policies and offer funding services options to existing structured settlement clients.

Individual Life Division

- *Individual Life.* We offer individual life insurance products, such as universal life (UL) and term insurance. We also offer institutional products, including bank-owned life insurance (BOLI) and variable corporate-owned life insurance (COLI).

In addition, we have a fifth segment, referred to as the Other segment, which includes our operations that are not directly related to the operating segments. This includes small, non-insurance businesses that are managed outside our divisions; investment income related to unallocated surplus, certain alternative investments and tax credit investments; unallocated corporate expenses; interest expense on debt; and inter-segment elimination entries.

See Note 11 to the accompanying unaudited interim condensed consolidated financial statements for the financial results of our segments. Our segments and operations are further described in Item 1 – "Business" of our 2014 10-K.

Executive Summary

Net income for the three months ended September 30, 2015 decreased to $19.6, from $36.0 in the same period in 2014. After-tax realized losses totaled $36.5, a $27.0 increase over the third quarter 2014.

However, strong sales and solid core operating metrics continued in the third quarter of 2015. As a result, pre-tax adjusted operating income for the quarter compared favorably to the prior year. This was primarily due to:

- premium growth in Benefits with a loss ratio that was favorable to our target range,
- an increase in the Deferred Annuities account values, which drove continued growth in investment margin,
- higher earnings contributions from an increase in Universal Life account values, and
- a significant increase in prepayment income, net of amortization, over the third quarter 2014.

Net income also reflects a tax benefit for the quarter, compared with tax expense in the prior year. For further discussion of results and each segment's earnings drivers for the period, refer to — "Results of Operations."

Recent Developments - Proposed Sumitomo Merger

On August 11, 2015, Symetra entered into an Agreement and Plan of Merger (the "Merger Agreement") with Sumitomo Life Insurance Company, a mutual company (*sougo kaisha*) organized under the laws of Japan ("Sumitomo") and SLIC Financial Corporation, a Delaware corporation and wholly-owned subsidiary of Sumitomo ("Merger Sub" and, together with Sumitomo, the "Sumitomo Parties"), which provides for the merger of Merger Sub with and into Symetra (the "Merger"), with Symetra surviving the Merger as a wholly-owned subsidiary of Sumitomo.

If the proposed Merger is completed, at the effective time of the Merger (the "Effective Time"), each share of the Company's common stock, par value $0.01 per share ("Common Stock"), issued and outstanding immediately prior to the Effective Time (other than certain excluded shares) will be converted into the right to receive $32.00 in cash, without interest, less any applicable withholding taxes (the "per share merger consideration").

The Merger Agreement was adopted by the affirmative vote of the holders of a majority of all outstanding shares of Common Stock at a Special Meeting of Stockholders held on November 5, 2015. In addition, on September 28, 2015, the Company and Sumitomo received notice of early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. Completion of the Merger remains subject to various closing conditions, including, but not limited to, (1) the receipt of certain specified approvals of governmental authorities, including approvals of the Financial Services Agency of Japan ("JFSA"), the Iowa Insurance Division, the New York State Department of Financial Services and the Financial Industry Regulatory Authority ("FINRA"), and the expiration or termination of all waiting periods required by applicable law with respect to such approvals, in each case without the imposition of a burdensome condition, and (2) the absence of any laws, temporary restraining orders, preliminary or permanent injunctions or other orders, judgments, decisions, opinions or decrees issued by a court or other governmental authority of competent jurisdiction and remaining in effect, having the effect of making the Merger illegal or otherwise prohibiting consummation of the Merger. Each party's obligation to consummate the Merger also is subject to certain additional conditions that include the accuracy of the other party's representations and warranties contained in the Merger Agreement (subject to certain materiality qualifiers) and the other party's compliance with its covenants and agreements contained in the Merger Agreement in all material respects. The Merger Agreement does not contain a financing condition.

The Merger Agreement contains representations and warranties customary for transactions of this type. The Merger Agreement also contains covenants and agreements customary for transactions of this type, including, among others, Symetra's agreement to conduct its business in the ordinary course during the period between the execution of the Merger Agreement and the Effective Time and not to engage in certain kinds of transactions during this period. In addition, subject to certain limitations, either party may terminate the Merger Agreement if the Merger is not consummated by May 11, 2016, which date will be automatically extended until August 11, 2016 in the event of delays in obtaining regulatory approvals.

We filed a definitive proxy statement with the SEC on September 30, 2015, which contained detailed information about the Merger Agreement and background information regarding the transaction. The information contained herein is not intended to be complete, and for additional information regarding the Merger and related matters, including the treatment of incentive compensation awards, please refer to our Current Report on Form 8-K filed August 11, 2015, and Note 1 to the accompanying unaudited interim condensed consolidated financial statements.

Risk and Uncertainties

Our results and ability to execute on our strategies are influenced by a range of economic and other factors, which are described in Item 7 — "Management's Discussion and Analysis of Financial Condition and Results of Operations — Business

Strategy" in our 2014 10-K as well as risks that have emerged in 2015 and are discussed in this report. These include, but are not limited to, the following risks and uncertainties related to the proposed Merger, which could affect our future results:

- the Merger is subject to various closing conditions, including regulatory approvals;
- failure to timely complete the Merger could adversely impact our stock price, business, financial condition, and results of operations;
- the pendency of the Merger and operating restrictions contained in the Merger Agreement could adversely affect our business and operations;
- stockholder litigation against the Company, our directors and/or the Sumitomo Parties could delay or prevent the Merger and cause us to incur significant costs and expenses; and
- our debt ratings and the financial strength ratings of our insurance subsidiaries may be adversely affected by the transactions contemplated by the Merger Agreement.

In addition, in April 2015 the Department of Labor (DOL) published a proposed change to regulations that would affect those who provide investment advice to those who purchase qualified retirement products, such as individual retirement arrangements (IRAs), and small employer retirement plans. This proposal could have an impact on our distributors, which could negatively impact sales levels, or cause us to develop new products or change our sales practices and arrangements to support compliance with new regulations.

For further discussion of the risks related to the proposed Merger and the DOL proposal, refer to Part II, Item 1A — "Risk Factors" in this report.

Business Strategy

We remain focused on increasing adjusted operating income and cash flows and improving our operating return on average equity (ROAE) over time. Our strategies are outlined in our 2014 10-K, in Item 1 — "Business – Our Business" and Item 7 — "Management's Discussion and Analysis of Financial Condition and Results of Operations — Business Strategy."

Recent developments in the strategies we have outlined include the following:

- *Benefits Division:* We are well-positioned to exceed our goal of $650.0 in total premiums in the Benefits division this year. Strong relationships with key national brokers allowed us to grow our medical stop-loss business while maintaining our pricing discipline. We expect to see a year-over-year increase in our group life and DI business as well.
- *Retirement Division:* Record-setting sales topped $1.2 billion for the division during the third quarter of 2015. This reflected traction with our newer FIA products, launched late in the first quarter, and continued expansion and increased penetration of our bank and broker-dealer distribution network. Sales of our FIA products have exceeded $1.7 billion in the first three quarters of this year, with total division sales topping $2.9 billion. We expect Retirement division sales to meet our goal of more than $3.0 billion in sales for the year.
- *Individual Life Division:* Record Individual sales of $17.6 in the third quarter of 2015 were driven by greater penetration of our guaranteed UL products within our national brokerage general agency (BGA) distribution relationships. Individual sales were $45.8 for the first three quarters of the year, and we are on-track to meet our sales goal of more than $50.0 this year.
- *Capital Management:* On October 16, 2015, the Company entered into a term loan credit agreement. The Company may borrow up to $300.0 of unsecured term loans on a single delayed-draw basis on or before April 1, 2016. The Company will use the proceeds of the term loans to settle its $300.0 Senior Notes that are scheduled to mature on April 1, 2016. The term loans will bear interest at a variable annual rate based on LIBOR or an alternative base rate plus an applicable margin and are scheduled to mature two years after the borrowing date, although maturity may be extended subject to certain conditions in the credit agreement.

Our success may be affected by the factors discussed in Item 1A — "Risk Factors" in our 2014 10-K and in Part II of this report, and other factors as discussed herein.

Results of Operations

This discussion should be read in conjunction with our unaudited interim condensed consolidated financial statements and the related condensed notes. The results of operations and selected operating metrics for our five segments (Benefits, Deferred Annuities, Income Annuities, Individual Life and Other) for the three and nine months ended September 30, 2015 and 2014 are discussed in their respective sections.

The following table sets forth pre-tax adjusted operating income, by segment:

	For the Three Months Ended September 30,		Variance (%)	For the Nine Months Ended September 30,		Variance (%)
	2015	2014	2015 vs. 2014	2015	2014	2015 vs. 2014
Segment pre-tax adjusted operating income (loss):						
Benefits	$ 25.0	$ 20.6	21.4 %	$ 62.8	$ 68.3	(8.1)%
Deferred Annuities	43.1	30.7	40.4	102.0	88.3	15.5
Income Annuities	4.9	2.1	*	8.6	15.0	(42.7)
Individual Life	7.2	10.7	(32.7)	26.1	36.6	(28.7)
Other	(22.3)	(12.1)	84.3	(46.7)	(24.8)	(88.3)
Pre-tax adjusted operating income (1)	$ 57.9	$ 52.0	11.3 %	$ 152.8	$ 183.4	(16.7)%
Add: Excluded realized gains (losses)	(56.2)	(14.7)	*	(90.5)	31.2	*
Income from operations before incomes taxes	$ 1.7	$ 37.3	(95.4)%	$ 62.3	$ 214.6	(71.0)%
Total provision (benefit) for income taxes	$ (17.9)	$ 1.3	*	$ (27.3)	$ 27.8	*
Net income	$ 19.6	$ 36.0	(45.6)%	$ 89.6	$ 186.8	(52.0)%
Effective Tax Rate	*	3.5%		(43.8)%	13.0%	

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.
(1) Represents a non-GAAP measure. For further discussion, see - "Use of non-GAAP Financial Measures."

The following table sets forth detail of our other underwriting and operating expenses, which are allocated among the segments:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Salaries, incentive compensation, and other employee costs	$ 54.1	$ 48.1	$ 159.5	$ 137.3
Rent and occupancy costs	4.3	4.4	12.7	13.6
Professional services and software licensing	18.9	14.4	47.2	43.7
Other	8.3	9.5	27.7	27.8
Total operating expenses	85.6	76.4	247.1	222.4
Commissions and premium-based taxes and fees	87.7	59.9	228.2	175.1
DAC deferrals	(69.8)	(43.5)	(172.6)	(124.2)
Other underwriting and operating expenses	$ 103.5	$ 92.8	$ 302.7	$ 273.3

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Net income decreased $16.4 as a result of a $41.6 increase in pre-tax net realized losses compared to the third quarter of 2014. This was partially offset by a $5.9 increase in pre-tax adjusted operating income and an income tax benefit of $17.9 versus a provision of $1.3 a year ago. The benefit from income taxes was a result of lower pre-tax income and our tax credit investments. Most net realized gains (losses), which are further discussed in – "Investments," are excluded from pre-tax adjusted operating income.

Third quarter 2015 pre-tax adjusted operating income increased compared to prior year. Operating income grew in our Benefits, Deferred Annuities and Income Annuities segments, partially offset by a decline in our Individual Life segment, as well as higher losses in our Other segment. Segment results, discussed individually in the sections below, include net prepayment-related income of $18.4, which consists of $23.0 of investment income from investment prepayments, less $4.6 of related deferred acquisition cost (DAC) and deferred sales inducement (DSI) amortization. For the three months ended September 30, 2014, prepayment-related income, net of related amortization, contributed $5.1 to pre-tax adjusted operating income.

Each year in the third quarter, we perform a comprehensive review of actuarial assumptions used for estimates of future gross profits underlying the amortization of DAC, DSI and certain reserves. Among other factors, these actuarial assumptions include future investment yields, interest spreads, mortality, expense and lapse assumptions. Changes to our actuarial expectations of future assumptions result in adjustments ("unlocking"). We may also implement actuarial modeling true-ups and other refinements as part of the unlocking process. For third quarter 2015, unlocking adjustments increased earnings by $3.8, compared with a $1.1 charge in the same period of last year. More information regarding the unlocking adjustments can be found in our Deferred Annuities and Individual Life segment discussions below.

Our other underwriting and operating expenses, net of DAC deferrals, increased $10.7. This reflects higher commissions and sales-related expenses in our Deferred Annuities and Individual Life segments resulting from stronger sales, and expenses to support growth across the Company, including investments in new distribution, customer service teams to support larger blocks of in-force business, and information technology initiatives. In addition, we incurred $3.8 of Merger-related expenses in the third quarter of 2015.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Net income declined $97.2 year-over-year due to pre-tax net realized losses in the current year compared with gains in the prior year, and lower pre-tax adjusted operating income. The declines were lessened by an income tax benefit for the nine months ended September 30, 2015.

We recorded net realized losses of $91.2 in the first nine months of 2015, compared with gains of $31.2 in the prior year period, resulting in a $122.4 year-over-year reduction. Most net realized gains (losses), which are further discussed in – "Investments," are excluded from pre-tax adjusted operating income. Pre-tax adjusted operating income for our segments, discussed individually in the sections below, declined $30.6 from the same period last year. Included in our results is a $29.4 increase in other underwriting and operating expenses to support growth across the Company, as discussed above.

Segment results included net prepayment-related income of $33.5, which consisted of $42.6 of income from investment prepayments, less $9.1 of related DAC and DSI amortization. For the nine months ended September 30, 2014, prepayment-related income, net of related amortization, contributed $14.7 to pre-tax adjusted operating income. We also experienced net losses of $13.1 related to our alternative investments, which are included in net investment income, during the first three quarters of 2015, compared to net losses of $4.8 in the first three quarters of 2014.

We recorded an income tax benefit of $27.3 for the nine months ended September 30, 2015, compared with a $27.8 provision in the prior year period, resulting in a $55.1 year-over-year decrease. This change reflects lower pretax income and the impact of our tax credit investments.

Segment Operating Results

Benefits

The following table sets forth the results of operations relating to our Benefits segment:

	For the Three Months Ended September 30, 2015	For the Three Months Ended September 30, 2014	Variance (%) 2015 vs. 2014	For the Nine Months Ended September 30, 2015	For the Nine Months Ended September 30, 2014	Variance (%) 2015 vs. 2014
Operating revenues:						
Premiums	$ 171.9	$ 150.9	13.9 %	$ 514.3	$ 442.2	16.3 %
Net investment income	6.2	5.4	14.8	17.1	15.6	9.6
Policy fees, contract charges, and other	3.6	3.7	(2.7)	12.9	11.9	8.4
Total operating revenues	181.7	160.0	13.6	544.3	469.7	15.9
Benefits and expenses:						
Policyholder benefits and claims	109.4	94.7	15.5	336.6	269.2	25.0
Other underwriting and operating expenses	46.8	44.6	4.9	143.6	131.8	9.0
Amortization of deferred policy acquisition costs	0.5	0.1	*	1.3	0.4	*
Total benefits and expenses	156.7	139.4	12.4	481.5	401.4	20.0
Segment pre-tax adjusted operating income	$ 25.0	$ 20.6	21.4 %	$ 62.8	$ 68.3	(8.1)%

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.

The following table sets forth selected operating metrics relating to our Benefits segment:

	For the Three Months Ended September 30, 2015	For the Three Months Ended September 30, 2014	For the Nine Months Ended September 30, 2015	For the Nine Months Ended September 30, 2014
Loss ratio (1)	63.7%	62.7%	65.5%	60.9%
Expense ratio (2)	26.5	29.4	27.1	29.7
Combined ratio (3)	90.2%	92.1%	92.6%	90.6%
Medical stop-loss – loss ratio (4)	62.1%	63.6%	64.8%	60.1%
Total sales (5)	$ 37.5	$ 34.8	$ 193.7	$ 132.8

(1) Loss ratio represents policyholder benefits and claims incurred divided by premiums earned.
(2) Expense ratio is equal to other underwriting and operating expenses of our insurance operations divided by premiums earned.
(3) Combined ratio is equal to the sum of the loss ratio and the expense ratio.
(4) Medical stop-loss — loss ratio represents medical stop-loss policyholder benefits and claims incurred divided by medical stop-loss premiums earned.
(5) Total sales represents annualized first-year premiums net of first year policy lapses.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income increased $4.4 and our loss ratio, though up from the same period in the prior year, was favorable to the target range. Growth in our medical stop-loss business drove increases in premium revenues, along with related benefits and operating expenses. The loss ratio was 63.7% for the three months ended September 30, 2015, compared to 62.7% for the same period in 2014.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Premiums increased $21.0 due to growth in our medical stop-loss and group life and DI businesses. We posted strong medical stop-loss sales in the first quarter of 2015.

Benefits and Expenses

Policyholder benefits and claims increased $14.7, primarily a result of premium growth.

Other underwriting and operating expenses increased $2.2, primarily due to increased employee-related expenses and commissions supporting higher sales activity and division growth. However, our expense ratio, which measures operating expenses as a percentage of premiums, improved compared to the third quarter of 2014.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income decreased $5.5. Growth in our medical stop-loss and group life and DI businesses was more than offset by the loss ratio returning to the target range. The loss ratio was 65.5% for the nine months ended September 30, 2015, compared to 60.9% for the same period in 2014. The very favorable 2014 loss ratio reflected better-than-expected performance of medical stop-loss business written in January 2013.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Premiums increased $72.1 due to growth in our medical stop-loss and group life and DI businesses. Medical stop-loss premiums benefited from strong sales in the first quarter of 2015.

Benefits and Expenses

Policyholder benefits and claims increased $67.4, driven by premium growth in this division and the higher loss ratio. The loss ratio in the first nine months of 2014 reflected the release of estimated claim reserves related to better than expected performance of business written in January 2013. The loss ratio for the nine months ended September 30, 2015 is within our target range.

Other underwriting and operating expenses increased $11.8, primarily due to increased employee-related expenses and commissions driven by growth in our business, although the expense ratio improved from the same period of 2014.

Sales

Sales for the nine months ended September 30, 2015 totaled $193.7, up from sales of $132.8 for the same period in 2014, driven by growth in our medical stop-loss and group life and DI lines of business. Medical stop-loss sales in the first quarter of 2015 benefited from strong relationships with national brokers and sales initiatives and drove year-to-date sales growth.

Deferred Annuities

The following table sets forth the results of operations relating to our Deferred Annuities segment:

	For the Three Months Ended September 30,		Variance (%)	For the Nine Months Ended September 30,		Variance (%)
	2015	2014	2015 vs. 2014	2015	2014	2015 vs. 2014
Operating revenues:						
Net investment income	$ 172.2	$ 152.0	13.3 %	$ 488.3	$ 447.9	9.0 %
Policy fees, contract charges, and other	5.4	5.6	(3.6)	16.4	17.4	(5.7)
Certain realized gains (losses)	(0.2)	(0.1)	(100.0)	(0.7)	—	*
Total operating revenues	177.4	157.5	12.6	504.0	465.3	8.3
Benefits and expenses:						
Policyholder benefits and claims	(0.1)	—	*	0.3	0.2	50.0
Interest credited	93.7	87.6	7.0	275.7	262.0	5.2
Other underwriting and operating expenses	25.6	23.6	8.5	74.5	67.6	10.2
Amortization of deferred policy acquisition costs	15.1	15.6	(3.2)	51.5	47.2	9.1
Total benefits and expenses	134.3	126.8	5.9	402.0	377.0	6.6
Segment pre-tax adjusted operating income	$ 43.1	$ 30.7	40.4 %	$ 102.0	$ 88.3	15.5 %

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.

The following table sets forth selected operating metrics relating to our Deferred Annuities segment:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Fixed account values, excluding FIA – General account	$ 11,403.8	$ 11,074.0	$ 11,403.8	$ 11,074.0
Interest spread (1)	2.08%	1.91%	1.92%	1.91%
Base earned yield	4.18	4.43	4.24	4.47
Base credited yield	2.59	2.70	2.59	2.73
Base interest spread (2)	1.59%	1.73%	1.65%	1.74%
Fixed account values, FIA – General account	$ 5,007.7	$ 2,907.2	$ 5,007.7	$ 2,907.2
FIA interest spread (3)	1.33%	1.26%	1.38%	1.22%
FIA base earned yield	3.38	3.43	3.42	3.34
FIA base credited rate	2.11	2.14	2.09	2.10
FIA base interest spread (4)	1.27%	1.29%	1.33%	1.24%
Variable account values – Separate account	$ 690.8	$ 805.3	$ 690.8	$ 805.3
Total sales (5)	1,139.5	759.3	2,729.0	2,037.1

Credited rates in all spread metrics reflect interest that is credited on a daily basis, and therefore quarters with more / fewer days of interest reduce / increase interest spreads and base interest spreads.

(1) Interest spread excludes FIA and is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets. The credited rate is the approximate rate credited on policyholder fixed account values. Interest credited is subject to contractual terms, including minimum guarantees.

(2) Base interest spread excludes FIA and is the interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to results that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums net of related deferred sales inducement amortization, and the mortgage-backed security (MBS) prepayment speed adjustment.

(3) FIA interest spread is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets, excluding derivative assets. The credited rate represents amounts recorded in interest credited related to FIA contracts.

(4) FIA base interest spread is the FIA interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to results that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums and the MBS prepayment speed adjustment and the impact of reserve adjustments on interest credited. Prior period FIA interest spread, base earned yield, and base interest spread have been restated to exclude from invested assets the cash collateral held on behalf of derivative counterparties.

(5) Total sales represent deposits for new policies net of first year policy lapses and/or surrenders.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income was $43.1 for the three months ended September 30, 2015, up $12.4 from the same period in 2014. This was primarily driven by income contributions from growth in FIA account values, favorable unlocking adjustments and higher investment prepayment-related income. Higher FIA account values added $4.8 to earnings from interest margin, net of DAC amortization. Partially offsetting these factors were lower interest spreads on our traditional deferred annuity business and increased operating expenses supporting business growth.

Each year in the third quarter, we perform a comprehensive review of actuarial assumptions used for estimates of future gross profits underlying the amortization of DAC, DSI assets and certain reserves. Changes to our actuarial expectations of future assumptions result in unlocking adjustments. For third quarter 2015, the unlocking adjustments increased earnings by $9.2, compared with $0.2 in the same period of last year. The third quarter 2015 unlocking resulted in recording favorable adjustments of $5.6 in amortization of DAC, and $3.6 in interest credited. The 2015 unlocking adjustments were primarily driven by favorable persistency and changes in the timing of expected lapses.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income increased $20.2, driven by an increase in invested assets due to higher account values and higher investment income from prepayment-related activity. Prepayment income was $12.9 in the third quarter of 2015, compared with $5.5 in the third quarter of 2014. These increases were partially offset by lower yields on invested assets.

The decline in investment yields was driven by earned rates on recent purchases of fixed maturities and originations of commercial mortgage loans, including the reinvestment of proceeds from investment prepayments. Earned rates on these securities were below our overall portfolio yields, as a result of the current low interest rate environment.

Benefits and Expenses

Growth in account values drove the increase in interest credited, partially offset by the favorable impact from unlocking. Amortization of DAC was down slightly due to the favorable impact from unlocking, which more than offset the increased amortization resulting from growth in account values and higher investment prepayments.

Other underwriting and operating expenses increased $2.0 mainly due to an increase in employee-related expenses to support business growth.

Sales

Sales increased to $1,139.5 for the three months ended September 30, 2015 up from $759.3 for the same period in 2014. We achieved strong growth through sales of new FIA products, as well as continued expansion and increased penetration of our bank and broker-dealer distribution network for both FIA and traditional deferred annuities.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income was $102.0 for the nine months ended September 30, 2015, an increase of $13.7 from the same period in 2014. This was primarily driven by income contributions from growth in FIA account values, favorable unlocking adjustments (discussed above) and higher investment prepayment-related income. Higher FIA account values added $13.0 to earnings from interest margin, net of DAC amortization. Partially offsetting these factors were lower interest spreads on our traditional deferred annuity business and increased operating expenses supporting business growth.

The mix of our Deferred Annuities business has shifted towards products that are less capital intensive, including FIA with market valuation adjustment features and traditional fixed annuities without guaranteed return of premium. As a result, our target margins can be met with lower base interest spreads.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income increased $40.4, driven by an increase in invested assets due to higher account values. Also contributing to the increase was higher prepayment related income, which increased to $24.0 for the nine months ended September 30, 2015, compared with $19.0 for the same period in 2014. This increase was partially offset by lower yields on invested assets, as earned rates on recent purchases of fixed maturities and originations of commercial mortgage loans have been below our overall portfolio yields.

Benefits and Expenses

Interest credited increased $13.7 and amortization of DAC increased $4.3, both driven by growth in account values, which were partially offset by the favorable impact from unlocking.

Other underwriting and operating expenses increased $6.9 mainly due to an increase in employee-related expenses to support business growth.

Sales

Sales increased to $2,729.0 for the nine months ended September 30, 2015 compared to $2,037.1 for the same period in 2014, reflecting the strength of our distribution network of financial institutions and broker-dealers. This was aided by sales of new FIA products, linked to two new indices, launched during the first quarter of 2015.

Income Annuities

The following table sets forth the results of operations relating to our Income Annuities segment:

	For the Three Months Ended September 30,		Variance (%)	For the Nine Months Ended September 30,		Variance (%)
	2015	2014	2015 vs. 2014	2015	2014	2015 vs. 2014
Operating revenues:						
Net investment income	$ 95.5	$ 93.4	2.2 %	$ 282.0	$ 286.2	(1.5)%
Policy fees, contract charges, and other	0.1	0.4	(75.0)	0.6	0.8	(25.0)
Total operating revenues	95.6	93.8	1.9	282.6	287.0	(1.5)
Benefits and expenses:						
Interest credited	84.2	85.3	(1.3)	254.6	253.2	0.6
Other underwriting and operating expenses	5.0	5.1	(2.0)	14.8	15.4	(3.9)
Amortization of deferred policy acquisition costs	1.5	1.3	15.4	4.6	3.4	35.3
Total benefits and expenses	90.7	91.7	(1.1)	274.0	272.0	0.7
Segment pre-tax adjusted operating income	$ 4.9	$ 2.1	*	$ 8.6	$ 15.0	(42.7)%

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.

The following table sets forth selected operating metrics relating to our Income Annuities segment:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Reserves (1)	$ 6,450.7	$ 6,494.8	$ 6,450.7	$ 6,494.8
Interest spread (2)	0.62%	0.46%	0.49%	0.48%
Base earned yield	5.83	5.89	5.87	5.89
Base credited yield	5.33	5.36	5.36	5.43
Base interest spread (3)	0.50%	0.53%	0.51%	0.46%
Mortality gains (losses) (4)	$ 0.7	$ 0.2	$ 1.4	$ 6.3
Total sales (5)	73.6	62.3	212.9	238.8

(1) Reserves represent the present value of future income annuity benefits and assumed expenses, discounted by the assumed interest rate. This metric represents the amount of our in-force book of business.
(2) Interest spread is the difference between the net investment yield and the credited rate to policyholders. The net investment yield is the approximate yield on invested assets, excluding equities, in the general account attributed to the segment. The credited rate is the approximate rate credited on policyholder reserves.
(3) Base interest spread is the interest spread adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to yields that are not indicative of the underlying trends. This is primarily the impact of asset prepayments, such as bond make-whole premiums, the MBS prepayment speed adjustment, and income on alternative investments.
(4) Mortality gains (losses) represent the difference between actual and expected reserves released on our life contingent annuities.
(5) Total sales represent deposits for new policies net of first year policy lapses and/or surrenders.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income increased $2.8, primarily due to higher investment prepayment-related income and a slight increase in mortality gains. Mortality gains were $0.7 for the three months ended September 30, 2015, compared with gains of $0.2 for the same period in 2014.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income increased $2.1 mostly due to higher prepayment income.

Benefits and Expenses

Interest credited decreased $1.1 as a result of lower crediting rates on policies written in recent years and a reduction in reserves.

Sales

Sales were $73.6 in the third quarter of 2015, compared to $62.3 in 2014. The increase was primarily the result of increased marketing efforts which drove higher sales of single-premium immediate annuities in the bank and brokerage general agency distribution channels. Although sales increased compared to prior year, they continue to be impacted by a competitive market in the low interest rate environment.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income decreased $6.4, primarily the result of lower mortality gains and lower net investment income. Mortality gains were $1.4 for the nine months ended September 30, 2015, compared to gains of $6.3 for the same period in 2014.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income decreased $4.2. This was driven by higher losses on alternative investments purchased in the third quarter of 2014 as well as higher allocations of investments to equity securities. We experienced $5.5 mark-to-market losses on alternative investments for the nine months ended September 30, 2015, compared with losses of $1.9 for the same period in 2014. These decreases were partially offset by $2.7 higher prepayment-related income.

Benefits and Expenses

Interest credited increased $1.4 as a result of lower mortality gains, partially offset by lower crediting rates on policies written in recent years and a reduction in reserves.

Sales

Sales decreased to $212.9 in 2015, compared to $238.8 in 2014, reflecting the competitive market in a low interest rate environment.

Individual Life

The following table sets forth the results of operations relating to our Individual Life segment:

	For the Three Months Ended September 30,		Variance (%)	For the Nine Months Ended September 30,		Variance (%)
	2015	2014	2015 vs. 2014	2015	2014	2015 vs. 2014
Operating revenues:						
Premiums	$ 8.3	$ 8.7	(4.6)%	$ 25.0	$ 25.9	(3.5)%
Net investment income	73.5	69.6	5.6	217.3	210.6	3.2
Policy fees, contract charges, and other	47.9	35.6	34.6	132.1	108.9	21.3
Total operating revenues	129.7	113.9	13.9	374.4	345.4	8.4
Benefits and expenses:						
Policyholder benefits and claims	33.6	19.2	75.0	86.3	55.8	54.7
Interest credited	64.8	64.6	0.3	191.3	193.7	(1.2)
Other underwriting and operating expenses	21.7	18.8	15.4	64.0	56.2	13.9
Interest expense	0.1	—	*	0.4	—	*
Amortization of deferred policy acquisition costs	2.3	0.6	*	6.3	3.1	*
Total benefits and expenses	122.5	103.2	18.7	348.3	308.8	12.8
Segment pre-tax adjusted operating income	$ 7.2	$ 10.7	(32.7)%	$ 26.1	$ 36.6	(28.7)%

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.

The following table sets forth selected operating metrics relating to our Individual Life segment:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Individual insurance:				
Individual claims (1)	$ 14.2	$ 14.3	$ 41.5	$ 41.7
Annualized mortality rate (2)	0.16%	0.16%	0.15%	0.16%
UL account values	$ 839.9	$ 753.4	$ 839.9	$ 753.4
Individual sales (3)	$ 17.6	$ 8.3	$ 45.8	$ 25.3
Institutional Markets:				
BOLI account values	$ 4,994.1	$ 4,868.1	$ 4,994.1	$ 4,868.1
BOLI ROA (4)	0.48%	0.96%	0.72%	1.01%
BOLI base ROA (5)	0.66	0.92	0.69	0.87
Decrease in BOLI PGAAP Reserve (6)	$ —	$ 1.7	$ —	$ 5.1
COLI sales (7)	$ 36.5	$ —	$ 57.6	$ —

(1) Individual claims represents incurred claims, net of reinsurance, on our term and universal life policies.
(2) Annualized mortality rate is defined as annualized individual claims divided by insurance in force which represents dollar face amounts of policies without adjustment for reinsurance.
(3) Individual sales represents annualized first year premiums for recurring premium products and 10% of new single premium deposits, net of first year policy lapses and/or surrenders.
(4) BOLI ROA is a measure of the gross margin on our BOLI book of business. This metric is calculated as the difference between our BOLI revenue earnings rate and our BOLI policy benefits rate. The revenue earnings rate is calculated as revenues divided by average invested assets. The policy benefits rate is calculated as total policy benefits divided by average account values. The policy benefits used in this metric do not include expenses.
(5) BOLI base ROA is BOLI ROA adjusted to exclude items that can vary significantly from period to period due to a number of factors and, therefore, may contribute to yields that are not indicative of the underlying trends. These are primarily the impact of asset prepayments, such as bond make-whole premiums, the MBS prepayment speed adjustment, and reserve adjustments.
(6) The BOLI PGAAP (purchase accounting) reserve was released as a decrease to policyholder benefits according to the pattern of profitability of the book of business of policies in force at the purchase accounting date, August 2, 2004. This reserve was released to $0 over a 10-year period ending August 2014. This represents the reduction of policyholder benefits expense related to the change in this reserve.
(7) Represents deposits for new policies.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income decreased $3.5, as higher earnings on our growing block of universal life (UL) business and higher prepayment related income were more than offset by unfavorable unlocking adjustments, a lower BOLI base return on assets and higher operating expenses in support of strong sales and growth.

Each year in the third quarter, we perform a comprehensive review of actuarial assumptions used for estimates of future gross profits underlying the amortization of DAC and certain reserves. Changes to our actuarial expectations of future assumptions result in unlocking adjustments. For third quarter 2015, the unlocking adjustments reduced earnings by $5.4, compared with $1.3 in the same period of last year. The third quarter 2015 unlocking adjustments resulted in unfavorable adjustments of $7.2 recorded in policyholder benefits and claims and $1.7 recorded in amortization of DAC, partially offset by a $3.5 favorable adjustment recorded in policy fees, contract charges and other revenues. The 2015 unlocking adjustments were primarily driven by modeling true-ups related to changes in our UL business mix and updated BOLI mortality assumptions.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income increased $3.9, driven by higher prepayment-related income. Prepayment income was $4.7 in the third quarter of 2015, compared with $0.9 in the third quarter of 2014. Excluding prepayment-related income, higher investment income from higher average invested assets was offset by lower overall yields.

Policy fees, contract charges and other increased $12.3 primarily due to cost of insurance (COI) charges and administrative fees on our growing guaranteed universal life business, as well as a favorable unlocking adjustment.

Benefits and Expenses

Benefit-related expenses (policyholder benefits and claims, and interest credited) increased $14.6, driven by higher reserves from growth in our guaranteed UL business and an unfavorable unlocking adjustment. Additionally, the third quarter of 2014 benefited from a $1.7 decrease in the BOLI PGAAP reserve related to our 2004 purchase accounting, which was released over a 10-year period ending in the third quarter of 2014. The impact of this reserve release was reflected in the BOLI ROA.

Other underwriting and operating expenses increased $2.9, mainly due to higher expenses in support of growth in the segment.

Sales

Sales of individual life products increased to $17.6 for the three months ended September 30, 2015, compared to $8.3 for the same period in 2014. Continued success in the BGA distribution network contributed to higher sales of our guaranteed UL products.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Segment pre-tax adjusted operating income decreased $10.5, driven by an increase in operating expenses in support of growth in the segment, a lower BOLI base ROA on assets and unfavorable unlocking adjustments (described above). These were partially offset by contributions from growth in our guaranteed UL business and higher prepayment-related income.

In addition to the drivers discussed above, we consider the following information useful in understanding our results.

Operating Revenues

Net investment income increased $6.7, driven by higher prepayment-related income. Prepayment income was $10.2 in the first nine months of 2015, compared with $4.1 in the same period in 2014. Excluding prepayment-related income, investment income was essentially unchanged from the same period in 2014 as the impact from higher average invested assets was offset by lower overall yields.

Policy fees, contract charges and other increased $23.2 primarily due to cost of insurance (COI) charges and administrative fees on our growing guaranteed universal life business. We also recorded a favorable unlocking adjustment in third quarter 2015.

Benefits and Expenses

Benefit-related expenses (policyholder benefits and claims, and interest credited) increased $28.1, driven by higher reserves on growth in our guaranteed UL business and an unfavorable unlocking adjustment. Additionally, the first nine months of 2014 benefited from a $5.1 decrease in the BOLI PGAAP reserve, which was reflected in the higher BOLI ROA for that period.

Other underwriting and operating expenses increased $7.8, mainly due to higher expenses in support of growth in the segment.

Sales

Sales of individual life products increased to $45.8 for the nine months ended September 30, 2015, compared to $25.3 for the same period in 2014, reflecting success in building relationships in the BGA distribution network for our guaranteed UL products.

Other

The following table sets forth the results of operations relating to our Other segment:

	For the Three Months Ended September 30,		Variance (%)	For the Nine Months Ended September 30,		Variance (%)
	2015	2014	2015 vs. 2014	2015	2014	2015 vs. 2014
Operating revenues:						
Net investment income	$ (7.5)	$ (1.9)	*	$ (10.4)	$ 1.6	*
Policy fees, contract charges, and other	0.5	0.4	25.0	1.5	1.4	7.1
Total operating revenues	(7.0)	(1.5)	*	(8.9)	3.0	*
Benefits and expenses:						
Interest credited	(0.3)	(0.3)	—	(1.1)	(1.2)	(8.3)
Other underwriting and operating expenses	4.4	0.7	*	5.8	2.3	*
Interest expense	11.2	10.2	9.8	33.1	26.7	24.0
Total benefits and expenses	15.3	10.6	44.3	37.8	27.8	36.0
Segment pre-tax adjusted operating loss	$ (22.3)	$ (12.1)	84.3%	$ (46.7)	$ (24.8)	88.3 %

* Represents percentage variances that are not meaningful or are explained through the discussion of other variances.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

Summary of Results

Our Other segment reported a pre-tax adjusted operating loss of $22.3 for the three months ended September 30, 2015, compared with a loss of $12.1 for the same period in 2014. This decline was primarily driven by lower net investment income, which reflected higher amortization of tax credit investments and mark-to-market losses on alternative investments. Additionally, operating expenses were higher due to $3.8 of Merger-related expenses, and interest expense increased $1.0 due to senior notes issued in the third quarter of 2014.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

Summary of Results

Our Other segment reported a pre-tax adjusted operating loss of $46.7 for the nine months ended September 30, 2015, compared with a loss of $24.8 for the same period in 2014. Lower net investment income reflected higher amortization of tax credit investments and mark-to-market losses on alternative investments. Interest expense increased $6.4 due to senior notes issued in the third quarter of 2014. Additionally, operating expenses were higher due to $3.9 of Merger-related expenses.

Investments

Our investment portfolio is intended to support the expected cash flows of our liabilities and produce stable returns over the long term. The composition of our portfolio reflects our asset management philosophy of protecting principal and receiving appropriate reward for risk. As of September 30, 2015, our investment portfolio consisted of high quality fixed maturities and commercial mortgage loans we originated, as well as a smaller allocation of high-yield fixed maturities, marketable equity securities, investments in limited partnerships (primarily tax credit investments and alternative investments, which include private equity and hedge funds) and other investments. Our equity investments primarily consist of common stock and exchange-traded funds (ETFs) and mainly support asset and liability matching strategies for long-duration insurance products in our Income Annuities segment. We believe that prudent levels of equity investments offer enhanced long-term, after-tax total returns.

The following table presents the composition of our investment portfolio:

	As of September 30, 2015		As of December 31, 2014	
	Amount	% of Total	Amount	% of Total
Types of Investments				
Fixed maturities, available-for-sale:				
Public	$ 25,614.4	79.0%	$ 24,450.4	79.8%
Private	1,172.3	3.7	929.0	3.0
Marketable equity securities, available-for-sale	86.7	0.3	120.5	0.4
Marketable equity securities, trading	525.0	1.6	532.0	1.8
Mortgage loans, net	4,581.0	14.1	4,130.1	13.5
Policy loans	59.6	0.2	61.9	0.2
Investments in limited partnerships (1):				
Alternative investments	51.5	0.1	71.5	0.2
Tax credit investments	212.9	0.7	238.4	0.8
Other invested assets (2)	105.8	0.3	100.5	0.3
Total	$ 32,409.2	100.0%	$ 30,634.3	100.0%

(1) Alternative investments are carried at fair value, and tax credit investments are carried at amortized cost.
(2) Primarily derivative instruments.

Invested assets increased $1,774.9 during the nine months ended September 30, 2015 primarily due to portfolio growth generated by sales in the Retirement Division. This was partially offset by a net decline in the fair value of corporate bonds driven by credit spreads widening for both the three and nine months ended September 30, 2015. As of September 30, 2015 and December 31, 2014, we had net unrealized gains of $1.29 billion and $1.73 billion, respectively, on our fixed maturity portfolio.

Investment Returns

Net Investment Income

Return on invested assets is an important element of our financial results. The following tables set forth the income yield and net investment income, excluding realized gains (losses), for each major investment category:

	For the Three Months Ended September 30, 2015		For the Three Months Ended September 30, 2014	
	Yield (1)	**Amount**	**Yield (1)**	**Amount**
Types of Investments				
Fixed maturities, available-for-sale	4.76 %	$ 297.9	4.78 %	$ 278.8
Marketable equity securities, available-for-sale	3.14	0.6	3.35	1.0
Marketable equity securities, trading	3.07	3.7	2.94	2.9
Mortgage loans, net	5.54	62.6	5.68	54.5
Policy loans	5.78	0.9	5.63	0.9
Investments in limited partnerships:				
Alternative investments	*	(5.6)	*	(4.5)
Tax credit investments (2)	*	(11.7)	*	(8.1)
Other income producing assets (3)	*	0.9	*	1.1
Gross investment income before investment expenses	4.54	349.3	4.59	326.6
Investment expenses	(0.12)	(9.4)	(0.11)	(8.1)
Net investment income	4.42 %	$ 339.9	4.48 %	$ 318.5

	For the Nine Months Ended September 30, 2015		For the Nine Months Ended September 30, 2014	
	Yield (1)	**Amount**	**Yield (1)**	**Amount**
Types of Investments				
Fixed maturities, available-for-sale	4.70 %	$ 861.2	4.87 %	$ 837.8
Marketable equity securities, available-for-sale	4.17	3.1	4.04	3.6
Marketable equity securities, trading	2.83	10.0	3.22	9.3
Mortgage loans, net	5.57	181.1	5.62	156.1
Policy loans	5.57	2.5	5.58	2.6
Investments in limited partnerships:				
Alternative investments	*	(13.1)	*	(4.8)
Tax credit investments (2)	*	(26.9)	*	(21.1)
Other income producing assets (3)	*	3.3	*	3.3
Gross investment income before investment expenses	4.54	1,021.2	4.72	986.8
Investment expenses	(0.12)	(26.9)	(0.12)	(24.9)
Net investment income	4.42 %	$ 994.3	4.60 %	$ 961.9

* Represents yield that is not meaningful.

(1) Yields are determined based on monthly averages calculated using beginning and end-of-period balances. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for all other asset types are based on carrying values.

(2) The negative impact from the tax credit investments is offset by U.S. federal income tax benefits. The total impact to net income was $3.3 and $6.0 for the three months ended September 30, 2015 and 2014, respectively. The total impact to net income was $18.0 and $21.0 for the nine months ended September 30, 2015 and 2014, respectively. For further discussion, see "- Investments in Limited Partnerships - Tax Credit Investments."

(3) Other income producing assets includes other invested assets and cash and cash equivalents.

Three and Nine Months Ended September 30, 2015 Compared to the Three and Nine Months Ended September 30, 2014

For the three months ended September 30, 2015, net investment income increased $21.4 compared to the same period in 2014. For the nine months ended September 30, 2015, net investment income increased $32.4 compared to the same period in 2014. For both periods, the increases were driven by income on higher average invested assets and higher prepayment activity, partially offset by overall lower portfolio yields.

Excluding the impact of prepayments, which are discussed below, yields on our investment portfolio for the three months ended September 30, 2015 were 4.12%, which decreased from 4.38% in 2014 and for the nine months ended September 30, 2015 were 4.24%, which decreased from 4.47% in 2014. These reductions are a result of earned rates on new purchases, which are significantly below overall portfolio yields. We have experienced significant growth in the volume of new investment purchases on cash inflows from strong sales and the proceeds from prepayment activity, pay-downs, and maturities of invested assets. The interest rates on new investment purchases associated with these cash flows are putting downward pressure on our overall portfolio yield.

Prepayment-related income, which includes make-whole payments and consent fees on early calls or tenders of fixed maturities, prepayment speed adjustments on structured securities, and prepayment fees on our commercial mortgage loans, remained higher than historical levels. The following table presents the impact from prepayment-related activities:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Impact to net investment income	$ 23.0	$ 7.1	$ 42.6	$ 26.3
Impact to yield	0.30%	0.10%	0.18%	0.13%

In an attempt to mitigate the impact of low interest rates, we have pursued strategies that generally provide more attractive yields while retaining an appropriate risk profile. This includes a continued focus on our underwriting of commercial mortgage loans and increasing our investments in high-quality private placement and foreign corporate fixed maturities. Additionally, during the second quarter of 2015, we began investing in a modest amount of collateralized loan obligations and continued to do so through the third quarter of 2015. For further information about these investments, see "—Fixed Maturity Securities" and "—Mortgage Loans."

Net Realized Gains (Losses)

The following table sets forth the detail of our net realized gains (losses) before taxes:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Gross realized gains on sales of fixed maturities	$ 2.2	$ 1.5	$ 10.1	$ 21.0
Gross realized losses on sales of fixed maturities	(3.5)	(3.3)	(18.2)	(5.7)
Impairments:				
Total credit-related	(4.3)	(0.3)	(6.9)	(1.6)
Intent to sell	(7.4)	(1.3)	(15.4)	(2.5)
Total impairments on securities	(11.7)	(1.6)	(22.3)	(4.1)
Net gains (losses) on trading securities	(22.8)	(12.0)	(27.0)	29.4
Net realized gains (losses) related to FIA:				
Certain realized gains (losses) (1)	(0.2)	(0.1)	(0.7)	—
Fair value changes — embedded derivative and related options (2)	(13.8)	4.9	(13.9)	1.2
Net gains (losses) on investments in limited partnerships (3)	(11.2)	(4.5)	(23.8)	(11.3)
Other net gains (losses) (4):				
Other gross gains	13.4	15.4	26.9	31.1
Other gross losses	(8.8)	(15.1)	(22.3)	(30.4)
Net realized gains (losses)	$ (56.4)	$ (14.8)	$ (91.2)	$ 31.2

(1) Represents the changes in fair value of index options purchased to economically hedge our block of FIA business sold during the late 1990s (the old block), which has an account value of $34.5 as of September 30, 2015. This change in fair value is included in pre-tax adjusted operating income for our Deferred Annuities segment.
(2) Represents the changes in fair value of embedded derivative liabilities associated with our FIA products sold in 2011 and beyond, netted with changes in fair value of index options purchased to economically hedge this business.
(3) This includes impairments related to alternative investments and tax credit investments.
(4) This primarily consists of gains (losses) on calls and redemptions, changes in fair value of convertible bonds, the impact of net realized gains (losses) on DAC and DSI, and changes in fair value of derivatives not related to FIA.

Three Months Ended September 30, 2015 Compared to the Three Months Ended September 30, 2014

For the three months ended September 30, 2015, our portfolio produced higher net realized losses, compared to the same period in 2014. The decrease reflects net realized losses related to FIA compared with gains in the third quarter of 2014, increased net losses on mark-to-market equities, and higher impairments on fixed maturities and limited partnership investments.

Nine Months Ended September 30, 2015 Compared to the Nine Months Ended September 30, 2014

For the nine months ended September 30, 2015, our portfolio produced net realized losses, compared with gains for the same period in 2014. This was driven by net losses on mark-to-market equities compared with net gains in the prior period as well as higher impairments.

For further discussion of the performance of our equity portfolio, see "— Return on Equity Investments."

Impairments of Available-for-Sale Securities

We regularly monitor our investments for indicators of impairment. When evaluating a security for possible impairment, we consider several factors, which are described in more detail in Note 4 to the accompanying unaudited interim condensed consolidated financial statements. Impairments for the three and nine months ended September 30, 2015 increased from the same periods in 2014 by $10.1 and $18.2, respectively. These increases were primarily driven by write downs on high yield securities, including those we intend to sell which were mainly securities concentrated in the energy sector.

For those issuers for which we recorded a credit-related impairment during the nine months ended September 30, 2015, we had remaining holdings with an amortized cost of $19.3 and fair value of $12.1. Based on our analysis, including cash flow analysis where appropriate, we believe the amortized cost of these securities is recoverable.

As of September 30, 2015, our gross unrealized losses on fixed maturities, after the recognition of other-than-temporary impairments, increased $126.3 from December 31, 2014. This increase was primarily due to credit spreads widening. As of September 30, 2015 and December 31, 2014, 29.3% and 22.8%, respectively, of the gross unrealized losses were related to securities due after ten years and our mortgage backed securities. The fair value of these securities fluctuates more significantly with changes in interest rates and credit spreads, and we believe they will recover over time.

Refer to Note 4 to the accompanying unaudited interim condensed consolidated financial statements for a table summarizing the amortized cost and fair value of fixed maturities by contractual years to maturity as of September 30, 2015.

Fixed Maturity Securities

Fixed maturities represented approximately 82.7% and 82.8% of invested assets as of September 30, 2015 and December 31, 2014, respectively. The majority of our fixed maturities are invested in highly marketable or publicly traded securities. We invest in a small amount of privately placed fixed maturities to enhance the overall value of the portfolio and obtain higher yields than can ordinarily be obtained with comparable securities in public markets. As of September 30, 2015 and December 31, 2014, privately placed fixed maturities represented 4.4% and 3.7%, respectively, of our total fixed maturity portfolio at fair value.

Fixed Maturity Securities Credit Quality

The Securities Valuation Office (SVO) of the National Association of Insurance Commissioners (NAIC) evaluates the investments of insurers for regulatory reporting purposes and assigns fixed maturities to one of the six categories called "NAIC Designations." NAIC designations of "1" or "2" include fixed maturities considered investment grade, which generally include securities rated BBB- or higher by Standard & Poor’s (S&P). NAIC designations of "3" through "6" are referred to as below investment grade, which generally include securities rated BB+ or lower by S&P. In recent years, the SVO adopted a modeling approach to determine the NAIC designation for non-agency commercial and residential mortgage-backed securities. As a result, the NAIC designation for such securities may not correspond to the S&P designations.

The following table presents our fixed maturities by NAIC designation and S&P equivalent credit ratings, as well as the percentage of total fixed maturities, based upon fair value that each designation comprises:

	As of September 30, 2015			As of December 31, 2014		
	Amortized Cost	Fair Value	% of Total Fair Value	Amortized Cost	Fair Value	% of Total Fair Value
NAIC: S&P Equivalent:						
1 AAA, AA, A	$ 14,187.3	$ 15,104.1	56.4%	$ 13,407.9	$ 14,491.2	57.1%
2 BBB	10,192.0	10,587.1	39.5	9,126.7	9,761.6	38.5
Total investment grade	24,379.3	25,691.2	95.9	22,534.6	24,252.8	95.6
3 BB	599.6	602.8	2.3	541.2	561.5	2.2
4 B	430.2	422.9	1.6	490.2	492.3	1.9
5 CCC & lower	83.0	66.0	0.2	74.6	66.9	0.3
6 In or near default	6.6	3.8	—	5.9	5.9	—
Total below investment grade	1,119.4	1,095.5	4.1	1,111.9	1,126.6	4.4
Total	$ 25,498.7	$ 26,786.7	100.0%	$ 23,646.5	$ 25,379.4	100.0%

As of September 30, 2015, our NAIC 5 and 6 designated securities had gross unrealized losses of $20.7. Our analysis of these securities, including management's estimates of future cash flows, where appropriate, supports the recoverability of amortized cost.

Fixed Maturity Securities and Unrealized Gains and Losses by Security Sector

The following tables set forth the fair value of our fixed maturities by sector, as well as the associated gross unrealized gains and losses and the percentage of total fixed maturities that each sector comprises as of the dates indicated:

	As of September 30, 2015				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	% of Total Fair Value
Security Sector					
Corporate securities:					
Consumer discretionary	$ 2,639.0	$ 112.6	$ (31.7)	$ 2,719.9	10.2%
Consumer staples	2,486.2	185.8	(12.0)	2,660.0	9.9
Energy	1,460.2	70.2	(51.4)	1,479.0	5.5
Financial	2,055.0	133.2	(23.6)	2,164.6	8.1
Health care	2,382.4	112.2	(17.3)	2,477.3	9.2
Industrial	3,692.1	260.0	(20.2)	3,931.9	14.7
Information technology	474.9	21.6	(4.7)	491.8	1.8
Materials	1,416.6	74.5	(18.6)	1,472.5	5.5
Telecommunication services	667.7	35.5	(13.8)	689.4	2.6
Utilities	2,009.0	189.3	(16.1)	2,182.2	8.1
Total corporate securities	19,283.1	1,194.9	(209.4)	20,268.6	75.6
U.S. government and agencies	532.9	10.2	—	543.1	2.0
State and political subdivisions	830.9	44.5	(0.6)	874.8	3.3
Residential mortgage-backed securities:					
Agency	2,264.0	155.6	(4.5)	2,415.1	9.0
Non-agency:					
Prime	276.3	9.6	—	285.9	1.1
Alt-A	48.7	3.5	—	52.2	0.2
Total residential mortgage-backed securities	2,589.0	168.7	(4.5)	2,753.2	10.3
Commercial mortgage-backed securities:					
Agency	96.0	8.0	—	104.0	0.4
Non-agency	1,075.1	46.8	(2.4)	1,119.5	4.2
Total commercial mortgage-backed securities	1,171.1	54.8	(2.4)	1,223.5	4.6
Collateralized loan obligations	526.7	—	(7.1)	519.6	1.9
Other debt obligations	565.0	39.4	(0.5)	603.9	2.3
Total	$ 25,498.7	$ 1,512.5	$ (224.5)	$ 26,786.7	100.0%

	As of December 31, 2014				
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	% of Total Fair Value
Security Sector					
Corporate securities:					
Consumer discretionary	$ 2,279.5	$ 137.4	$ (7.6)	$ 2,409.3	9.5%
Consumer staples	2,636.4	232.2	(7.1)	2,861.5	11.3
Energy	1,286.3	90.0	(27.5)	1,348.8	5.3
Financial	1,888.7	168.9	(15.4)	2,042.2	8.1
Health care	2,084.9	134.2	(9.0)	2,210.1	8.7
Industrial	3,160.1	313.5	(5.3)	3,468.3	13.7
Information technology	509.9	32.3	(2.2)	540.0	2.1
Materials	1,270.3	90.0	(6.9)	1,353.4	5.3
Telecommunication services	747.0	73.9	(1.6)	819.3	3.2
Utilities	1,905.6	239.1	(5.1)	2,139.6	8.4
Total corporate securities	17,768.7	1,511.5	(87.7)	19,192.5	75.6
U.S. government and agencies	404.8	6.1	(1.0)	409.9	1.6
State and political subdivisions	789.7	40.1	(0.6)	829.2	3.3
Residential mortgage-backed securities:					
Agency	2,430.7	143.0	(6.1)	2,567.6	10.1
Non-agency:					
Prime	282.4	9.6	(0.4)	291.6	1.2
Alt-A	58.9	3.3	—	62.2	0.2
Total residential mortgage-backed securities	2,772.0	155.9	(6.5)	2,921.4	11.5
Commercial mortgage-backed securities:					
Agency	156.8	8.9	(0.3)	165.4	0.7
Non-agency	1,105.8	64.1	(1.4)	1,168.5	4.6
Total commercial mortgage-backed securities	1,262.6	73.0	(1.7)	1,333.9	5.3
Other debt obligations	648.7	44.5	(0.7)	692.5	2.7
Total	$ 23,646.5	$ 1,831.1	$ (98.2)	$ 25,379.4	100.0%

Our fixed maturities holdings are diversified by industry and issuer. As of September 30, 2015 and December 31, 2014, the fair value of our ten largest issuers of corporate securities holdings was $1,535.8 and $1,435.5, or 7.6% and 7.5%, respectively, of total corporate securities. The fair value of our largest exposure to a single issuer of corporate securities was $166.9 and $152.5, or 0.8% of total corporate securities, as of both September 30, 2015 and December 31, 2014, respectively. Of these holdings, $134.7 and $123.3, respectively, were rated investment grade. The remainder was rated below investment grade, with NAIC ratings of 3 or 4.

Our investments in U.S. government and agency securities are generally purchases of U.S. treasury bonds as part of our cash management and asset-liability matching strategies to obtain higher yields and match liability durations from incoming cash flows until investments with adequate spreads are found. Our holdings of these securities will fluctuate from quarter to quarter based on sales volume and timing of cash deployment. In addition, these holdings may fluctuate to support collateral needs for our derivatives program.

As of September 30, 2015 and December 31, 2014, the fair value of our state and political subdivision securities included $837.0 and $793.1 of municipal revenue bonds and $37.8 and $36.1 of municipal general obligation bonds, respectively. We have municipal holdings of $6.0 and $5.6 in Illinois as of September 30, 2015 and December 31, 2014, respectively, and no exposure to municipal holdings in Michigan or Puerto Rico.

Exposure to Foreign Fixed Maturities

As part of our strategy to improve portfolio yields, we invest in high-quality foreign corporate securities. The majority of these holdings are denominated in U.S. dollars, and we utilize foreign currency swaps and forwards to hedge our exposure to those denominated in foreign currencies. As of September 30, 2015 and December 31, 2014, we held $705.9 and $725.1, respectively, of fixed maturities denominated in a foreign currency and reported in U.S. dollars based on period-end exchange rates.

The following tables summarize our exposure to foreign fixed maturity holdings by sovereign debt, financial industry and other corporate debt exposures. The country designation is based on the issuer's country of incorporation.

	As of September 30, 2015					
	Sovereign Debt	Financial Industry	Other Corporate	Total Fair Value	% of Exposure	Amortized Cost
United Kingdom	$ —	$ 123.9	$ 729.1	$ 853.0	18.6%	$ 833.0
Netherlands	—	23.9	630.3	654.2	14.2	632.6
Luxembourg	—	15.9	390.1	406.0	8.8	403.1
France	—	21.8	245.2	267.0	5.8	257.8
Switzerland	—	130.5	—	130.5	2.8	123.0
Other European countries	0.3	—	230.1	230.4	5.0	228.0
Total European holdings	$ 0.3	$ 316.0	$ 2,224.8	$ 2,541.1	55.2%	$ 2,477.5
Canada	14.8	—	843.5	858.3	18.7	827.0
Cayman Islands	75.3	484.2	51.4	610.9	13.3	613.0
Australia	—	1.7	254.2	255.9	5.6	249.8
Other foreign countries	—	9.6	316.6	326.2	7.2	332.3
Total foreign holdings	$ 90.4	$ 811.5	$ 3,690.5	$ 4,592.4	100.0%	$ 4,499.6

	As of December 31, 2014					
	Sovereign Debt	Financial Industry	Other Corporate	Total Fair Value	% of Exposure	Amortized Cost
United Kingdom	$ —	$ 99.0	$ 752.9	$ 851.9	21.3%	$ 814.5
Netherlands	—	4.8	599.8	604.6	15.1	571.2
Luxembourg	—	17.2	293.5	310.7	7.8	297.7
France	—	20.4	273.1	293.5	7.3	280.1
Switzerland	—	111.4	—	111.4	2.8	103.1
Other European countries	0.4	—	229.7	230.1	5.7	221.0
Total European holdings	$ 0.4	$ 252.8	$ 2,149.0	$ 2,402.2	60.0%	$ 2,287.6
Canada	15.1	—	869.7	884.8	22.1	826.0
Mexico	—	1.7	272.2	273.9	6.8	269.3
Australia	—	17.3	228.2	245.5	6.1	233.0
Other foreign countries	79.4	38.9	83.2	201.5	5.0	201.1
Total foreign holdings	$ 94.9	$ 310.7	$ 3,602.3	$ 4,007.9	100.0%	$ 3,817.0

As of September 30, 2015 and December 31, 2014, the fair value of our exposure to foreign fixed maturities was 17.1% and 15.8% of our total fixed maturities portfolio, respectively. Our gross unrealized losses on these securities increased to $37.9 as of September 30, 2015, compared to $21.8 as of December 31, 2014, primarily due to wider credit spreads. The fair value of our total exposure to Ireland, Italy, Portugal, and Spain was $73.6 and $77.6 as of September 30, 2015 and December 31, 2014, respectively. We have no exposure to issuers in Greece, Russia or Ukraine.

The fair value of our ten largest foreign security holdings by issuer was $1,087.8, or 4.1% of the fixed maturities portfolio as of September 30, 2015, and $1,087.3, or 4.3%, as of December 31, 2014. All of the holdings of our ten largest foreign issuers were investment grade with NAIC ratings of 2 or higher. The securities we held from our largest single foreign issuer, a Netherlands company, had the highest NAIC rating of 1 and a fair value of $141.4 or 0.5% of the portfolio as of September 30, 2015. For the period ended December 31, 2014, the securities we held from our largest single foreign issuer, a Canadian company, had an NAIC rating of 1 and a fair value of $124.9 or 0.5% of the portfolio.

Mortgage-Backed Securities

Our fixed maturities portfolio included $3.98 billion of residential and commercial mortgage-backed securities at fair value as of September 30, 2015, of which 63.3% were agency securities. Additionally, 25.1% of our mortgage-backed securities are AAA-rated non-agency securities in the most senior tranche of the structure type.

Non-agency mortgage-backed securities issued in the 2006 through 2008 vintage years were generally the most affected by the financial crisis, due to weaker underwriting standards and an issuance date closest to the market peak in real estate prices. As of September 30, 2015, our non-agency mortgage-backed securities with vintage years 2006 through 2008, which are primarily commercial mortgage-backed securities, had an amortized cost of $506.2 and a fair value of $482.8.

Our mortgage-backed securities may have prepayment options. Accounting standards require us to make estimates regarding prepayments when recognizing interest income on these securities. Prepayments that vary from our estimates in amount or timing cause fluctuations in our yields due to an acceleration or deceleration of unamortized premiums or discounts associated with the securities in our portfolio. These adjustments, which relate primarily to residential mortgage-backed securities (RMBS), are recorded in net investment income in our results of operations and can create volatility between periods.

Residential Mortgage-Backed Securities (RMBS)

We classify our investments in RMBS as agency, prime, Alt-A, and subprime. Agency RMBS are guaranteed or otherwise supported by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association. Prime RMBS have underlying loans to customers with good quality credit profiles, and subprime RMBS have underlying loans to customers with a greater risk of default. Alt-A RMBS have overall credit quality between prime and subprime, based on a review of their underlying mortgage loans and factors such as credit scores and financial ratios. The Company had no exposure to subprime loans as of September 30, 2015 or December 31, 2014.

As of September 30, 2015, our Alt-A portfolio was collateralized with 97.1% fixed rate mortgages and 2.9% hybrid adjustable rate mortgages (ARMs) with no exposure to option ARMs. Generally, fixed rate mortgages have had better credit performance than ARMs, with lower delinquencies and defaults on the underlying collateral.

The following table sets forth the total fair value, and amortized cost of our non-agency RMBS by year of origination (vintage) and credit quality, based on the highest rating by Moody's, S&P, or Fitch. There were two securities with a total amortized cost and fair value of $12.2 and $12.3, respectively, which were rated below investment grade by either Moody's, S&P or Fitch, while at least one other agency rated the securities as investment grade.

	As of September 30, 2015			
	Highest Rating Agency Rating			
	Investment Grade	Below Investment Grade	Total	Total as of December 31, 2014
Vintage:				
2009-2015	$ 172.1	$ —	$ 172.1	$ 156.3
2006-2008	—	46.4	46.4	58.4
2005 and prior	44.8	61.7	106.5	126.6
Total amortized cost	$ 216.9	$ 108.1	$ 325.0	$ 341.3
Net unrealized gains (losses)	6.0	7.1	13.1	12.5
Total fair value	$ 222.9	$ 115.2	$ 338.1	$ 353.8

As of September 30, 2015 and December 31, 2014, 71.6% and 67.9%, respectively, of the fair value of our non-agency RMBS had super senior subordination. The super senior class has priority over all principal and interest cash flows and will not experience any loss of principal until lower levels are written down to zero. Therefore, the majority of our RMBS investments have less exposure to defaults and delinquencies in the underlying collateral than if we held the more subordinated classes.

The following table provides additional information on our RMBS prepayment exposure, by type and vintage:

	As of September 30, 2015					
	Amortized Cost	Unrealized Gains/ (Losses)	Fair Value	Gross Discount	Gross Premium	Average Mortgage Loan Rate
Agency:						
CMO:						
2009-2015	$ 1,488.7	$ 87.6	$ 1,576.3	$ 35.9	$ (15.7)	4.1%
2006-2008	1.6	0.2	1.8	0.1	—	5.6
2005 and prior	321.3	46.9	368.2	8.9	(1.9)	6.2
Total Agency CMO	$ 1,811.6	$ 134.7	$ 1,946.3	$ 44.9	$ (17.6)	4.5%
Passthrough:						
2009-2015	$ 407.8	$ 11.4	$ 419.2	$ 1.6	$ (11.3)	4.2%
2006-2008	20.3	2.2	22.5	0.1	(0.3)	6.3
2005 and prior	24.3	2.8	27.1	0.5	(0.2)	5.8
Total Agency Passthrough	452.4	16.4	468.8	2.2	(11.8)	4.4
Total Agency RMBS	$ 2,264.0	$ 151.1	$ 2,415.1	$ 47.1	$ (29.4)	4.4%
Non-Agency:						
2009-2015	$ 172.1	$ 3.2	$ 175.3	$ 1.7	$ (1.0)	4.0%
2006-2008	46.4	4.1	50.5	8.2	(0.2)	5.2
2005 and prior	106.5	5.8	112.3	5.2	—	5.5
Total Non-Agency RMBS	325.0	13.1	338.1	15.1	(1.2)	4.7
Total RMBS	$ 2,589.0	$ 164.2	$ 2,753.2	$ 62.2	$ (30.6)	4.8%

Commercial Mortgage-Backed Securities (CMBS)

The following table sets forth the total fair value, and amortized cost of our non-agency CMBS by credit quality and vintage.

	As of September 30, 2015			
	Highest Rating Agency Rating			
	Investment Grade	Below Investment Grade	Total	Total as of December 31, 2014
Vintage:				
2009-2015	$ 527.7	$ 24.8	$ 552.5	$ 492.5
2006-2008	447.7	12.1	459.8	493.7
2005 and prior	62.8	—	62.8	119.6
Total amortized cost	$ 1,038.2	$ 36.9	$ 1,075.1	$ 1,105.8
Net unrealized gains (losses)	44.9	(0.5)	44.4	62.7
Total fair value	$ 1,083.1	$ 36.4	$ 1,119.5	$ 1,168.5

As of September 30, 2015, our CMBS portfolio was highly concentrated in the most senior tranches, with 99.8% of our AAA-rated securities in the most senior tranche, based on amortized cost. The senior class has priority over the mezzanine and junior classes to all principal and interest cash flows and will not experience any loss of principal until both the entire mezzanine and junior tranches are written down to zero. As of September 30, 2015, our CMBS had a total gross unamortized discount and premium of $7.5 and $9.1, respectively.

The weighted-average credit enhancement of our CMBS portfolio was 32.3% as of September 30, 2015. We believe this additional credit enhancement is significant, especially in the event of a deep real estate downturn during which losses would be expected to increase substantially.

Mortgage Loans

Our mortgage loan department originates commercial mortgages and manages our existing commercial mortgage loan portfolio. We specialize in originating loans of $1.0 to $5.0, which are secured by first-mortgage liens on income-producing commercial real estate. All loans are underwritten consistently to our standards based on loan-to-value (LTV) ratios and debt service coverage ratios (DSCR). LTV ratios and DSCRs are based on income and detailed market, property and borrower analyses using our long-term experience in commercial mortgage lending. A large majority of our loans have personal guarantees and all loans are inspected and evaluated annually. We diversify our mortgage loans by geographic region, loan size and scheduled maturity.

The following table presents selected information about the composition of our mortgage loan portfolio:

	As of September 30, 2015	As of December 31, 2014
Average loan balance	$ 2.4	$ 2.5
Largest loan balance	16.0	15.3
Weighted average LTV ratio	52.0%	53.4%
Weighted average DSCR	1.85	1.82

As of September 30, 2015 and December 31, 2014, 72.5% and 72.4%, respectively, of our mortgage loans had an outstanding balance under $5.0.

We continue to increase our investments in mortgage loans, as this strategy has resulted in increased net investment yields when compared to fixed maturity investments. For the three and nine months ended September 30, 2015, we originated loans at a spread over U.S. Treasuries of approximately 230bps, compared with 235bps for the year ended December 31, 2014. Spreads remain tight, primarily due to increased competition for loans that meet our size, duration and underwriting standards. Additionally, U.S. Treasury rates remained low, which has led to a decline in our overall mortgage loan portfolio yield.

We believe a disciplined increase in commercial mortgage loan investments will help maintain the overall quality of our investment portfolio and obtain appropriate yields to match our policyholder liabilities. We originated $243.0 and $714.0 of mortgage loans during the three and nine months ended September 30, 2015, respectively, and expect to increase our originations during the remainder of 2015.

We believe we have maintained our disciplined underwriting approach as we have increased our mortgage loan portfolio. The following table presents information about our mortgage loan originations, based on period end values:

	For the Nine Months Ended September 30, 2015	For the Year Ended December 31, 2014
Weighted average LTV ratio of loans originated	51.7%	52.5%
Maximum LTV ratio of loans originated	72.7	73.4
Weighted average DSCR of loans originated	1.86	1.88
Minimum DSCR of loans originated	1.01	1.01

The following sections provide more information on the composition of our mortgage loan portfolio. On our consolidated balance sheets, mortgage loans are reported net of an allowance for losses, deferred loan origination costs, and unearned mortgage loan fees; however, the following tables exclude these items.

Credit Quality

We use the LTV ratio and DSCR as our primary metrics to assess mortgage loan quality. These factors are also considered in the evaluation of our allowance for mortgage loan losses. For more information and further discussion of the allowance for mortgage loan losses, see Note 5 to our unaudited interim condensed consolidated financial statements.

The LTV ratio compares the outstanding principal of the loan to the estimated fair value of the underlying property collateralizing the loan. In the year of funding, LTV ratios are calculated using independent appraisals performed by Member of the Appraisal Institute (MAI) designated appraisers. Subsequent to the year of funding, LTV ratios are updated annually using internal valuations based on property income and estimated market capitalization rates. Property income estimates are typically updated during the third quarter of each year. Market capitalization rates are updated during the first quarter based on geographic region, property type and economic climate. LTV ratios greater than 100% indicate that the loan amount is greater than the collateral value. A smaller LTV ratio generally indicates a higher quality loan.

The following table sets forth the LTV ratios for our mortgage loan portfolio:

	As of September 30, 2015		As of December 31, 2014	
	Carrying Value	% of Total	Carrying Value	% of Total
Loan-to-Value Ratio:				
< or = 50%	$ 2,003.0	43.7%	$ 1,597.9	38.7%
51% - 60%	1,318.5	28.7	1,284.6	31.1
61% - 70%	978.6	21.3	948.1	22.9
71% - 75%	182.5	4.0	163.7	4.0
76% - 80%	45.5	1.0	55.8	1.3
81% - 100%	48.8	1.1	76.5	1.8
> 100%	8.2	0.2	7.9	0.2
Total	$ 4,585.1	100.0%	$ 4,134.5	100.0%

The following table sets forth the carrying value and weighted-average LTV ratios for our mortgage loan portfolio by year of origination:

	As of September 30, 2015			As of December 31, 2014		
	Carrying Value	% of Total Value	Weighted Average LTV	Carrying Value	% of Total Value	Weighted Average LTV
Origination Year:						
2015	$ 729.2	15.9%	51.7%			
2014	910.5	19.8	56.3	$ 935.5	22.6%	52.5%
2013	678.9	14.8	53.3	701.8	17.0	56.6
2012	699.4	15.3	51.5	749.5	18.1	54.7
2011	732.6	16.0	51.9	792.4	19.2	55.6
2010	390.5	8.5	48.0	434.0	10.5	49.3
2009 and prior	444.0	9.7	45.9	521.3	12.6	49.2
Total	$ 4,585.1	100.0%	52.0%	$ 4,134.5	100.0%	53.4%

The DSCR compares the amount of rental income a property is generating to the amount of the mortgage payments due on the property. A higher DSCR generally indicates a higher quality loan. DSCRs are calculated using the most current annual operating history for the collateral, which are typically updated during the third quarter. The following table sets forth the DSCRs for our mortgage loan portfolio:

	As of September 30, 2015		As of December 31, 2014	
	Carrying Value	% of Total	Carrying Value	% of Total
Debt Service Coverage Ratio:				
> or = 1.60	$ 2,755.7	60.1%	$ 2,418.5	58.5%
1.40 - 1.59	851.0	18.5	832.5	20.1
1.20 - 1.39	595.6	13.0	501.1	12.1
1.00 - 1.19	251.6	5.5	278.2	6.7
0.85 - 0.99	55.3	1.2	31.6	0.8
< 0.85	75.9	1.7	72.6	1.8
Total	$ 4,585.1	100.0%	$ 4,134.5	100.0%

As of September 30, 2015, loans with an aggregate carrying value of $131.2 had a DSCR of less than 1.00. The average outstanding principal balance of these loans was $1.9 with a weighted average LTV of 73.0%.

Composition of Mortgage Loans

The following table sets forth our investments in mortgage loans by state:

	As of September 30, 2015		As of December 31, 2014	
	Carrying Value	% of Total	Carrying Value	% of Total
State:				
California	$ 1,305.4	28.5%	$ 1,202.6	29.1%
Texas	521.3	11.4	447.2	10.8
Washington	360.8	7.9	345.8	8.4
Illinois	187.7	4.1	158.2	3.8
Florida	184.7	4.0	165.9	4.0
Ohio	179.1	3.9	168.8	4.1
Nevada	166.2	3.6	146.5	3.5
Arizona	156.7	3.4	129.6	3.1
New York	145.6	3.2	123.0	3.0
Oregon	135.5	3.0	134.5	3.3
Other	1,242.1	27.0	1,112.4	26.9
Total	$ 4,585.1	100.0%	$ 4,134.5	100.0%

The following table sets forth our investments in mortgage loans by property type:

	As of September 30, 2015		As of December 31, 2014	
	Carrying Value	% of Total	Carrying Value	% of Total
Property Type:				
Shopping centers and retail	$ 2,305.2	50.3%	$ 2,074.5	50.2%
Office buildings	1,004.4	21.9	929.9	22.5
Industrial	736.8	16.1	695.0	16.8
Multi-family	296.6	6.5	230.0	5.6
Other	242.1	5.2	205.1	4.9
Total	$ 4,585.1	100.0%	$ 4,134.5	100.0%

The shopping centers and retail portfolio is diversified among several sub-categories including anchored shopping centers, restaurants, and car care centers.

Maturity Date of Mortgage Loans

The following table sets forth our investments in mortgage loans by contractual maturity date:

	As of September 30, 2015	
	Carrying Value	% of Total
Years to Maturity:		
Due in one year or less	$ 35.7	0.8%
Due after one year through five years	513.0	11.2
Due after five years through ten years	1,680.0	36.6
Due after ten years	2,356.4	51.4
Total	$ 4,585.1	100.0%

Prior to their contractual maturity, some of our mortgage loans have one or more specified rate resetting windows during which the loan typically can be prepaid without a fee. During these windows, we expect that a portion of these loans will either be reset or refinanced at market terms, given the current interest rate environment. These loan features are considered in our asset-liability management, and we align our expected mortgage loan cash inflows and duration with the amount and timing of liability cash outflows.

Additionally, our loan terms usually allow borrowers to prepay their mortgage loan prior to the stated maturity or outside specified rate resetting windows. Prepayments are driven by factors specific to the activities of our borrowers as well as the interest rate environment. However, the majority of our mortgage loans contain yield maintenance prepayment provisions that we believe mitigate such prepayments. For the three months ended September 30, 2015 and 2014, we received principal related to prepayments totaling $33.4 and $25.5, respectively, which generated prepayment-related investment income of $4.1 and $2.1, respectively. For the nine months ended September 30, 2015 and 2014, we received principal related to prepayments totaling $111.5 and $72.4, respectively, which generated prepayment-related investment income of $11.6 and $4.1, respectively.

Investments in Limited Partnerships — Tax Credit Investments

We invest in limited partnership interests related to tax credit investments. Although these investments decrease our net investment income on a pre-tax basis, they provide us with significant tax benefits, which decrease our effective tax rate. Refer to Note 4 to the accompanying unaudited interim condensed consolidated financial statements for further discussion.

The following table sets forth the impact of these investments on net income:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Amortization, net of taxes	$ (7.6)	$ (5.2)	$ (17.5)	$ (13.7)
Realized losses, net of taxes	(7.3)	(3.0)	(12.9)	(7.3)
Tax credits	18.2	14.2	48.4	42.0
Impact to net income	$ 3.3	$ 6.0	$ 18.0	$ 21.0

The majority of our investments in limited partnerships relate to affordable housing. The tax credits from these partnerships are generally delivered in the first 10 years of the investment, with the largest portions provided in the middle years. We amortize these investments over the period during which partnership losses are expected to be recognized. The amortization schedule for each investment is updated periodically as new information related to the amount and timing of losses is received. Other tax credit investments generally provide tax benefits during the first year of the investment. The following table provides the future estimated impact of current holdings on net income:

	Impact to Net Income
Remainder of 2015	$ 13.2
2016	18.3
2017	12.3
2018	12.6
2019 and beyond	10.1
Estimated impact to net income	$ 66.5

Liquidity and Capital Resources

Symetra conducts its operations through its operating subsidiaries, and its liquidity requirements primarily have been and will continue to be met by funds from such subsidiaries. Dividends from its subsidiaries are Symetra’s principal source of cash to pay dividends to stockholders and meet its obligations, including payments of principal and interest on notes payable. Payments of dividends from its insurance subsidiaries are subject to restrictions under state insurance regulations.

We actively manage our liquidity in light of changing market, economic and business conditions, and we believe that our liquidity levels are more than adequate to cover our exposures, as evidenced in the discussion below.

Liquid Assets

Symetra’s insurance company subsidiaries have investment strategies intended to provide adequate funds to pay benefits without forced sales of investments. Products having liabilities with longer durations, such as certain life insurance policies and structured settlement annuities, are matched with investments having similar estimated lives such as long-term fixed maturities, commercial mortgage loans and marketable equity securities. Shorter-term liabilities are matched with shorter-term fixed maturities. In addition, Symetra's insurance company subsidiaries hold sufficient levels of highly liquid, high quality assets to fund anticipated operating expenses, surrenders and withdrawals. As of September 30, 2015, Symetra's primary life insurance subsidiary, Symetra Life Insurance Company, had an estimated risk-based capital ratio of approximately 432%. We believe this provides adequate capital levels for growth of our business.

We define liquid assets to include cash, cash equivalents, short-term investments, publicly traded fixed maturities and equity securities. As of September 30, 2015 and December 31, 2014, Symetra's insurance company subsidiaries had liquid assets of $26.1 billion and $24.9 billion, respectively, and Symetra had liquid assets of $294.7 and $316.8, respectively. The portion of our total liquid assets consisting of cash and cash equivalents and short-term investments was $183.3 and $159.4 as of September 30, 2015 and December 31, 2014, respectively.

As of September 30, 2015, we had the ability to borrow, on an unsecured basis, a principal amount of $400.0 under a revolving line of credit arrangement with an expansion feature providing access to up to $100.0, for a total maximum principal amount of $500.0. On October 6, 2015, we and the lenders entered into an amendment to the credit arrangement in which the lenders agreed, subject to certain conditions, to waive any default or event of default as a result of the consummation of the Merger. Additionally, on October 16, 2015, the Company entered into a term loan credit agreement under which it may borrow up to $300.0 of unsecured term loans on a single delayed-draw basis on or before April 1, 2016. The Company will use the proceeds of the term loans to settle its $300.0 Senior Notes that are scheduled to mature on April 1, 2016. The term loans will bear interest at a variable annual rate based on LIBOR or an alternate base rate plus an applicable margin and are scheduled to mature two years after the borrowing date, which maturity may be extended subject to certain conditions in the credit agreement.

Liquidity Requirements

The liquidity requirements of Symetra's insurance company subsidiaries principally relate to the liabilities associated with their insurance and investment products, operating costs and expenses, the payment of dividends to the holding company, and the payment of income taxes. Liabilities associated with insurance and investment products include the payment of benefits, as well as cash payments made in connection with policy and contract surrenders and withdrawals, and policy loans. Historically, Symetra's insurance company subsidiaries have used cash flows from operations, cash flows from invested assets and sales of investment securities to fund their liquidity requirements.

In managing the liquidity of our insurance operations, we consider the risk of policyholder and contract holder withdrawals of funds earlier than assumed when selecting assets to support these contractual obligations. We use surrender charges, market value adjustments (MVAs), and other contract provisions to mitigate the extent, timing and profitability impact of such withdrawals. While certain policy lapses and surrenders occur in the normal course of business, the current low interest rate environment generally has resulted in lower than expected lapses of our fixed annuities, as policyholders have limited alternatives to seek a higher return on their funds. If interest rates rise significantly, we will likely experience an increase in lapses.

Our asset-liability management process takes into account the expected cash flows on investments and expected policyholder payments as well as the specific nature and risk profile of the liabilities. Considering the size and liquidity profile of our investment portfolio, we believe that we have appropriately mitigated the risk of policyholder behavior varying from our projections. We also consider attributes of the various categories of liquid assets, for example, type of asset and credit quality, in evaluating the adequacy of our insurance operations’ liquidity under a variety of stress scenarios. We believe that the liquidity profile of our assets is sufficient to satisfy our liquidity requirements, including under foreseeable stress scenarios.

The table below sets forth liquidity characteristics of our general account policyholder liabilities, composed of annuity reserves, deposit liabilities and policy and contract claim liabilities, net of reinsurance recoverables:

	As of September 30, 2015		As of December 31, 2014	
	Amount	% of Total	Amount	% of Total
Illiquid: cannot be surrendered				
Structured settlements & other single premium immediate annuities (1)	$ 6,495.8	22.4%	$ 6,527.2	24.3%
Somewhat Liquid: can be surrendered with adjustments or charges of 3% or more				
Deferred Annuities:				
Surrender charges of 5% or higher	6,742.5	23.2	5,920.3	22.0
Surrender charges of 3 to 5%	397.4	1.3	1,207.8	4.5
MVA and surrender charges of 5% or higher (2)	4,494.6	15.5	2,991.2	11.1
5 year payout provision or MVA (3)	284.7	1.0	292.3	1.1
BOLI (4)	5,096.2	17.5	5,001.5	18.6
Universal life	349.6	1.2	324.3	1.2
Total somewhat liquid	17,365.0	59.7%	15,737.4	58.5%
Liquid: can be surrendered with no adjustment or charges of less than 3%				
Deferred Annuities:				
No surrender charges (5)	3,315.1	11.5	3,038.0	11.3
Surrender charges less than 3%	1,041.0	3.6	836.1	3.1
Universal life	510.8	1.8	463.5	1.7
Total liquid	4,866.9	16.7%	4,337.6	16.1%
Other				
Other (net of reinsurance) (6)	335.1	1.2	305.1	1.1
Total (7)	$ 29,062.8	100.0%	$ 26,907.3	100.0%

The liabilities presented above have been aggregated based on contractual surrender charge schedules without adjustment for free partial withdrawals and guaranteed return of premium provisions, if applicable. The following footnotes may also be useful in evaluating the withdrawal characteristics of our liabilities:

(1) The benefits are specified in the contracts as fixed amounts, primarily to be paid over the next several decades. Certain single premium immediate annuity contracts contain a liquidity feature that permits contract owners to receive a lump sum payment once every 36 months within the life expectancy period in exchange for lower future annuity payments. The withdrawals are based on prevailing market rates which limits our exposure to liquidity and interest rate risk.
(2) The MVA adjusts the value of the contract at surrender based on current interest rates, subject to a guaranteed minimum account value specified in the contract.
(3) The MVA adjusts the value of the contract at surrender based on current interest rates, subject to a guaranteed minimum account value specified in the contract. In a liquidity crisis situation, we could invoke the five-year payout provision so that the contract value with interest is paid out ratably over five years.
(4) The biggest deterrent to surrender is the taxation on the gain within these contracts, which includes a 10% non-deductible penalty tax. Banks can exchange certain of these contracts with other carriers, tax-free. However, a significant portion of this business does not qualify for this tax-free treatment due to the employment status of the original covered employees and charges may be applicable.
(5) Given the current interest rate environment, we do not expect significant changes in the persistency of this business.
(6) Other represents the sum of the following: (a) our term life insurance policyholder liabilities, net of reinsurance recoverables. There is no surrender value related to these contracts; (b) incurred but not reported claim liabilities mainly related to our medical stop-loss business. The precise timing and amount of payment is unknown; and (c) reported claim liabilities for BOLI, term life insurance, medical stop-loss and group life policies.
(7) Represents the sum of funds held under deposit contracts, future policy benefits and policy and contract claims in the consolidated balance sheets, excluding other policyholder related liabilities and reinsurance recoverables of $279.4 and $253.0 as of September 30, 2015 and December 31, 2014, respectively.

Stockholder Distributions

Symetra declared and paid dividends of $0.11 per common share in each quarter of the first three quarters of 2015, as well as a special dividend of $0.50 in the third quarter, for a total payout of $96.4.

In 2013, Symetra's board of directors authorized a stock repurchase program for up to 16,000,000 shares, of which 9,053,303 shares were repurchased through 2014. During the nine months ended September 30, 2015, no shares were repurchased.

Cash Flows

The following table sets forth a summary of our consolidated cash flows for the periods indicated:

	For the Nine Months Ended September 30,	
	2015	2014
Net cash flows provided by (used in) operating activities	$ 753.1	$ 713.8
Net cash flows provided by (used in) investing activities	(2,239.0)	(1,732.2)
Net cash flows provided by (used in) financing activities	1,509.8	1,051.6

Operating Activities

Cash flows from our operating activities are primarily driven by the amount and timing of cash received from income on our investments, including dividends and interest, and premiums on our group insurance and term life insurance products, as well as the amount and timing of cash disbursed for our payment of policyholder benefits and claims, underwriting and operating expenses and income taxes.

Net cash provided by operating activities for the nine months ended September 30, 2015 increased $39.3 over the same period in 2014. This increase was primarily the result of profitable growth in our medical stop-loss and group life and DI businesses and timing differences in the settlement of federal income tax liabilities.

Investing Activities

Cash flows from our investing activities are primarily driven by the amount and timing of cash received from maturities and calls of fixed maturity securities, sales of investments and maturities of mortgage loans, as well as the amount and timing of cash disbursed for purchases of investments and funding of mortgage loan originations. Generally, the amount and timing of our purchases of investments correlate to sales of annuity and life insurance policies, which are classified as cash inflows from financing activities. The amount and timing of cash inflows from investments generally correlate to amounts needed to fund policyholder obligations.

Net cash used in investing activities for the nine months ended September 30, 2015 increased $506.8 over the same period in 2014. This increase was primarily due to higher outflows related to purchases of fixed maturity securities, net of sales and maturities as a result of strong FIA sales.

Financing Activities

Cash flows from our financing activities are primarily driven by the amount and timing of cash received from deposits into certain life insurance and annuity policies and proceeds from the issuance of debt, as well as the amount and timing of cash disbursed to fund withdrawals from certain life insurance and annuity policies, dividend distributions to our common stockholders, and stock repurchase activity.

Net cash provided by financing activities for the nine months ended September 30, 2015 increased $458.2 over the same period in 2014, primarily driven by increased policyholder deposits on higher sales of FIA. These were partially offset by a decrease related to net proceeds from debt issued in the third quarter of 2014 and an increase in dividends paid on our common stock, primarily driven by a special dividend paid during the third quarter of 2015.

Ratings

Various Nationally Recognized Statistical Rating Organizations (“rating organizations”) continually review the financial performance and condition of most insurers and provide financial strength ratings as indicators of an insurer’s ability to meet policyholder and contract holder obligations. These ratings are important to maintaining public confidence in an insurer’s products, its ability to market its products and its competitive position.

As of September 30, 2015, Symetra Financial Corporation (SFC) and two of its life insurance company subsidiaries, Symetra Life Insurance Company (SLIC) and First Symetra National Life Insurance Company of New York (FSNLNY) had the following ratings from the major rating organizations:

	A.M. Best	S&P	Moody’s	Fitch
Financial Strength Ratings				
SLIC	A (Excellent)	A (Strong)	A3 (Low Risk)	A+ (High Quality)
FSNLNY	A (Excellent)	A (Strong)	NR*	A+ (High Quality)
Issuer Credit/Default Ratings				
SFC	bbb+ (Good)	BBB (Adequate)	Baa3 (Moderate Risk)	A- (High Quality)
SLIC	a+ (Excellent)	A (Strong)	NR*	NR*
FSNLNY	a+ (Excellent)	A (Strong)	NR*	NR*

* "NR" indicates not rated

Our ratings are subject to review and change by the rating organizations at any time and without notice. A downgrade or other negative action by a rating organization with respect to the financial strength ratings of our insurance subsidiaries could adversely affect sales, relationships with distributors, the level of policy surrenders and withdrawals, competitive position in the marketplace, and the cost or availability of reinsurance. With the announcement of the proposed Merger, each rating organization has undertaken a review of our insurance company subsidiaries’ financial strength ratings in light of the proposed Merger.

The rating organizations may take various actions, positive or negative, and their actions may not be known until the proposed Merger closes. Rating organizations also publish credit ratings for the issuers of debt securities, including the Company. Credit ratings are indicators of a debt issuer’s ability to meet the terms of debt obligations in a timely manner. These ratings are important in the debt issuer’s overall ability to access credit markets and other types of liquidity. Ratings are not recommendations to buy our securities or products. A downgrade or other negative action by a ratings organization with respect to our credit rating could limit our access to capital markets, increase the cost of issuing debt, and a downgrade of sufficient magnitude, combined with other negative factors, could require us to post collateral. As is the case with the financial strength ratings of our insurance subsidiaries, the rating organizations have undertaken a review of our debt ratings in light of the proposed Merger.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to adopt accounting policies and make estimates and assumptions that affect amounts reported and disclosed in the unaudited interim condensed consolidated financial statements. In applying the Company's accounting policies, management makes subjective and complex judgments about matters that are inherently uncertain in the development of estimates and assumptions used to determine amounts reported in the financial statements. Many of these policies, estimates and related judgments are common in the insurance and financial services industries; others are specific to the Company's businesses and operations. For all of these policies, we caution that future events rarely develop exactly as forecasted, and our best estimates may require adjustment.

The following accounting policies are those we consider to be particularly critical to understanding our condensed financial statements because their application places the most significant demands on our ability to judge the effect of inherently uncertain matters on our financial results:

- The valuation of financial instruments;
- The balance, recoverability and amortization of DAC and DSI; and
- Insurance reserves, including future policy benefits and policy and contract claims.

There have been no material changes to the critical accounting estimates listed above, which are described in Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates" and the notes to the audited consolidated financial statements included in our 2014 10-K.

New Accounting Standards

For a discussion of newly adopted and recently issued but not yet adopted accounting pronouncements, see Note 2 to the accompanying unaudited interim condensed consolidated financial statements.

Sources of Revenues and Expenses

Our primary sources of revenues from our insurance operations are premiums, net investment income and policy fees and contract charges. We also generate net realized gains (losses), primarily on sales or impairment of our investments, and changes in fair value on our equity trading portfolio and derivative financial instruments. Our primary sources of expenses from our insurance operations are policyholder benefits and claims, interest credited to policyholder reserves and account balances, DAC amortization and general business and operating expenses, net of DAC deferrals.

Business segments generally maintain their own portfolios of invested assets, which are managed in accordance with specific guidelines. The net investment income and realized gains (losses) are reported in the segment in which they occur. We also allocate surplus net investment income to each segment using a risk-based capital formula. The unallocated portion of net investment income is reported in the Other segment. Investment expenses, which are recorded as a reduction of investment income, are allocated to each segment based on its portfolio of invested assets. We allocate shared service operating expenses to each segment using multiple factors, including employee headcount and time study results.

For a full description of each source of revenue and expense, see Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations — Sources of Revenues and Expenses" in our 2014 10-K.

Use of non-GAAP Financial Measures

Certain tables and related disclosures in this report include non-GAAP financial measures. We believe these measures provide useful information to investors in evaluating our financial performance or condition. The non-GAAP financial measures discussed below are not substitutes for their most directly comparable GAAP measures and should be read together with such measures. The adjustments made to derive these non-GAAP measures are important to understanding our overall results of operations and financial position and, if evaluated without proper context, these non-GAAP measures possess material limitations. These measures may be calculated differently from similarly titled measures of different companies.

For a full description of each non-GAAP measure, see Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations – Use of non-GAAP Financial Measures" in our 2014 10-K.

The following table presents a reconciliation of each of these non-GAAP financial measures to their most directly comparable GAAP financial measures:

	As of September 30, 2015	As of December 31, 2014
Total stockholders' equity	$ 3,126.1	$ 3,360.6
Less: accumulated other comprehensive income (AOCI)	756.5	990.6
Adjusted book value*	2,369.6	2,370.0
Book value per common share (1)	$ 26.91	$ 29.02
Adjusted book value per common share (2)*	$ 20.40	$ 20.47

	For the Twelve Months Ended	
	September 30, 2015	December 31, 2014
Net income (3)	$ 157.2	$ 254.4
Less: excluded realized gains (losses)	(51.9)	27.2
Adjusted operating income (4)*	$ 209.1	$ 227.2
Return on stockholders' equity, or ROE	4.7%	7.8%
Average stockholders' equity (5)	$ 3,316.6	$ 3,260.3
Operating return on average equity, or ROAE (6)*	8.7%	9.5%
Average adjusted book value (7)*	$ 2,404.0	$ 2,402.3

* Represents a non-GAAP measure.

(1) Book value per common share is calculated as stockholders' equity divided by common shares outstanding totaling 116,154,402 and 115,797,451 as of September 30, 2015 and December 31, 2014, respectively.

(2) Adjusted book value per common share is calculated as adjusted book value divided by common shares outstanding totaling 116,154,402 and 115,797,451 as of September 30, 2015 and December 31, 2014, respectively.

(3) Net income for the most recent twelve months is used in the calculation of ROE. For the twelve months ended September 30, 2015, this consisted of quarterly net income of $19.6, $31.2, $38.8 and $67.6.

(4) Adjusted operating income for the most recent twelve months is used in the calculation of operating ROAE. For the twelve months ended September 30, 2015, this consisted of quarterly adjusted operating income of $56.1, $49.6, $42.7 and $60.7. Adjusted operating income consists of net income, excluding after-tax net realized gains (losses) that are not reflective of the performance of the Company's insurance operations. For the twelve months ended September 30, 2015, the net quarterly reconciling amounts to arrive at net income were $(36.5), $(18.4), $(3.9) and $6.9.

(5) Ending stockholders' equity balances for the most recent five quarters are used in the calculation of ROE. As of September 30, 2015, stockholders' equity for the most recent five quarters was $3,126.1, $3,170.2, $3,550.7, $3,360.6 and $3,375.3. As of December 31, 2014, stockholders' equity for the most recent five quarters was $3,360.6, $3,375.3, $3,428.6, $3,195.3, and $2,941.9.

(6) Operating ROAE (return on average equity) is calculated based on adjusted operating income divided by average adjusted book value.

(7) Ending adjusted book values for the most recent five quarters are used in the calculation of operating ROAE. Adjusted book value consists of stockholders' equity, less AOCI. As of September 30, 2015, adjusted book value for the most recent five quarters was $2,369.6, $2,418.5, $2,397.9, $2,370.0 and $2,464.2. AOCI for the most recent five quarters was $756.5, $751.7, $1,152.8, $990.6 and $911.1. As of December 31, 2014, adjusted book value of the most recent five quarters was $2,370.0, $2,464.2, $2,438.0, $2,391.0 and $2,348.3. AOCI for the most recent five quarters was $990.6, $911.1, $990.6, $804.3 and $593.6.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

Market risk is the risk of change in the value of financial instruments as a result of absolute or relative changes in interest rates, foreign currency exchange rates, or equity or commodity prices. To varying degrees, the investment management activities supporting all of our products and services generate market risks. There have been no material changes in the nature of our market risk exposures from December 31, 2014, a description of which may be found in Part II, Item 7A – "Quantitative and Qualitative Disclosures about Market Risk" in our 2014 10-K. See Item 1A – "Risk Factors" of Part I in our 2014 10-K for a discussion of how changes to our operations or economic conditions may materially adversely affect our business and results of operations.

Item 4. *Controls and Procedures*

Disclosure Controls and Procedures

We carried out an evaluation required by the Securities Exchange Act of 1934 (the 1934 Act), under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a–15(e) of the 1934 Act, as of September 30, 2015. Based on this evaluation our principal executive officer and principal financial officer concluded that, as of September 30, 2015, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the 1934 Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

Limitations on Controls

Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives as specified above. Management does not expect, however, that our disclosure controls and procedures will prevent or detect all errors or fraud. Any control system, no matter how well designed and operated, is based on certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – Other Information

Item 1. *Legal Proceedings*

On August 20, 2015, Shiva Y. Stein, a purported stockholder of Symetra ("Plaintiff"), filed a class action complaint (the "complaint") against Symetra, each of the members of the Board of Directors and each of the Sumitomo Parties (together, the "defendants") in the Superior Court of Washington, King County (the "Washington Court"), purportedly on behalf of certain stockholders of Symetra. The complaint alleges that the members of the Board of Directors breached their fiduciary duties in connection with their approval of the Merger Agreement. It further challenges the decision of the Board of Directors to adopt a forum selection bylaw designating the state and federal courts in the State of Delaware for the resolution of intracorporate disputes. Finally, the complaint alleges that the Sumitomo Parties aided and abetted the alleged breaches of fiduciary duties. Plaintiff asks the Washington Court to (i) declare that the lawsuit can be maintained as a class action, (ii) declare that the Merger is unfair, unjust and inequitable to Plaintiff and the other members of Plaintiff's class, (iii) enjoin the defendants from taking any steps necessary to accomplish the Merger at an inequitable and unfair price, (iv) in the event that the Merger occurs, rescind the Merger or award rescissory damages, (v) direct the defendants to account for the damages sustained, (vi) award Plaintiff costs and fees relating to the lawsuit and (vii) grant such other and further relief as the Washington Court may deem just and proper. On October 16, 2015, Plaintiff filed an amended complaint, which added a claim to the complaint that the members of the Board of Directors breached their fiduciary duty of disclosure by filing a materially deficient preliminary proxy statement and added an additional request of relief to enjoin the defendants from soliciting stockholder votes on the Merger until such alleged material deficiencies are remedied, and a motion for preliminary injunction, which sought to enjoin the Special Meeting of Stockholders from taking place. Symetra and the Board of Directors believe these claims are without merit and have been filed in an improper forum, in violation of Symetra's forum selection bylaw.

On October 28, 2015, counsel for the Company, the Board of Directors and the Sumitomo Parties entered into a memorandum of understanding (the "MOU") with counsel for Plaintiff, pursuant to which the Company agreed to make certain disclosures concerning the Merger. In accordance with the terms of the MOU, the Plaintiff agreed to stay the proceeding in the Washington Court and to withdraw its request for a preliminary injunction. In addition, the MOU contemplates that, subject to the completion of confirmatory discovery by Plaintiff's counsel, the parties will enter into a stipulation of settlement. The stipulation of settlement contemplated by the parties will be subject to customary conditions, including court approval following notice to Symetra stockholders. In the event that the parties enter into a stipulation of settlement, a hearing will take place at which the Washington Court will consider the fairness, reasonableness and adequacy of the settlement. If the settlement is finally approved by the Washington Court, it will resolve and release all claims that were or could have been brought in any actions challenging any aspect of the Merger, the Merger Agreement and any disclosure made in connection therewith, pursuant to terms that will be disclosed to Symetra stockholders prior to the Washington Court's final approval of the settlement. In connection with the settlement, subject to the ultimate determination of the Washington Court, Plaintiff's counsel may receive an award of fees in an amount not to exceed $275,000 and be reimbursed for expenses of up to $15,000. This payment will not affect the amount of the consideration to be received by any Company stockholder in the Merger. There can be no assurance that the parties will ultimately enter into a stipulation of settlement, or that the Washington Court will approve the settlement even if the parties were to enter into such stipulation. The MOU may be rendered null and void, if, among other reasons, (i) the Washington Court fails to enter a final order and judgment approving the settlement, or (ii) the Merger Agreement is terminated by the parties thereto or the Merger is not consummated for any reason.

The defendants in the action each have denied, and continue to deny, all of the allegations of wrongful or actionable conduct asserted in the complaint, and the Board of Directors vigorously maintains that it diligently and scrupulously complied with its fiduciary duties, that the definitive proxy statement was complete and accurate in all material respects and that no further disclosure was required under applicable law. The defendants entered into the MOU and the contemplated settlement solely to eliminate the cost, burden, distraction and expense of having to defend the litigation further.

We are regularly also a party to litigation, arbitration proceedings and governmental examinations in the ordinary course of our business. While we cannot predict the outcome of any pending or future litigation or examination, we do not believe that any pending matter, individually or in the aggregate, will have a material adverse effect on our business. Disclosure concerning material legal proceedings can be found in Note 10 to the accompanying unaudited interim condensed consolidated financial statements under the caption "Litigation," which is incorporated here by this reference.

Item 1A. *Risk Factors*

In addition to the other information set forth in this report, consideration should be given to the factors discussed in Part I, Item 1A — "Risk Factors" in our 2014 10-K. If any of those factors were to occur, they could materially and adversely affect our business, financial condition or future results and could cause actual results to differ materially from those expressed in forward-looking statements in this report. Other than the addition to our existing risk factor set forth below, and the new risk factors related to the proposed Sumitomo Merger also set forth below, there have been no material changes to the risk factors set forth in our 2014 10-K as of September 30, 2015.

Our industry is highly regulated and changes in regulations affecting our businesses may reduce our profitability and limit our growth.

In April 2015, the Department of Labor (DOL) proposed regulations that would substantially expand what is considered fiduciary investment advice under the Employee Retirement Income Security Act of 1974, as amended (ERISA), and the Internal Revenue Code of 1986, as amended. The proposal impacts individuals and entities that currently offer investment advice to those who purchase qualified retirement products, such as IRAs, and small employer retirement plans, and expands the ERISA definition of "fiduciary" to include many insurance agents, broker/dealers, advisers, and others that are not currently subject to the fiduciary standard.

If adopted as proposed, the regulations could cause our distributors to alter current compensation arrangements, change sales practices, and expand the amount of information that they provide to retirement plan sponsors, participants and IRA holders. To remain competitive, we would likely consider changing the design of our annuity products and the amounts and methods of compensation we pay for distribution. This could significantly increase product development costs, or limit sales opportunities for our retirement products through our current distribution arrangements, which may have a material adverse effect on our sales levels, financial condition, results of operations, and cash flows.

The proposed regulations face significant opposition from the insurance industry and others, and it is uncertain whether they will be adopted in their current form, when they will be adopted, or if they will be adopted at all. Further, it is unclear what impact such regulations may ultimately have on our business. Management continues to monitor developments on this issue.

Risks Related to the Proposed Sumitomo Merger

The Merger is subject to various closing conditions, including regulatory approvals.

As described in Note 1 to the accompanying unaudited interim condensed consolidated financial statements, on August 11, 2015, the Company entered into the Merger Agreement pursuant to which it would become a wholly owned subsidiary of Sumitomo Life Insurance Company. The Merger Agreement was adopted by the affirmative vote of the holders of a majority of all outstanding shares of Common Stock at a Special Meeting of Stockholders held on November 5, 2015. In addition, on September 28, 2015, the Company and Sumitomo received notice of early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. Completion of the Merger remains subject to certain closing conditions, however, including, without limitation, the receipt of required regulatory approvals, including those of the JFSA, FINRA and domestic insurance regulators, the absence of legal impediments or a material adverse effect with respect to Symetra preventing the consummation of the Merger, as well as other conditions to closing as are customary in transactions such as the Merger. A number of the closing conditions are outside of our control and we cannot predict with certainty whether all of the required closing conditions will be satisfied or waived or if other uncertainties may arise. In addition, regulators could impose additional requirements or obligations as conditions for their approvals, which may be burdensome. Despite our best efforts, we may not be able to satisfy the various closing conditions to obtain the necessary approvals in a timely fashion or at all, in which case the Merger would be prevented or delayed.

Failure to timely complete the Merger could adversely impact our stock price, business, financial condition and results of operations.

There is no assurance that the conditions to the Merger will be satisfied in a timely manner, or that the Merger will occur. A failure to consummate the Merger on a timely basis or at all could result in negative publicity and cause the price of our Common Stock to decline, to the extent our current stock price reflects a market assumption that the Merger will occur. In addition, as a result of the announcement of the Merger Agreement, trading in our stock has increased substantially. If the Merger is not consummated, the investment goals of our stockholders may be materially different than those of our stockholders on a pre-Merger announcement basis. In addition, we will remain liable for significant transaction costs that will be payable even if the Merger is not competed and could also be required to pay a $95 million termination fee to Sumitomo in certain specific circumstances. For these and other reasons, failure to timely consummate the Merger could adversely impact our stock price and perceived acquisition value, business, financial condition and results of operations.

The pendency of the Merger and operating restrictions contained in the Merger Agreement could adversely affect our business and operations.

The proposed Merger and certain interim operating covenants that govern the conduct of our business during the pendency of the Merger (which, among other things, place certain restrictions on our ability to acquire other businesses, sell or transfer our assets and incur indebtedness) could cause disruptions to the Company’s business and business relationships, which could have an adverse impact on the Company’s results of operations, liquidity and financial condition and could result in our inability to respond effectively to competitive pressures, industry developments and future opportunities. For example, the attention of the Company's management may be directed to Merger related considerations, the Company's current and prospective employees may experience uncertainty about their future roles with the Company which may adversely affect our ability to retain and hire key personnel, and parties with which the Company has business relationships, including customers, potential customers and distributors, may experience uncertainty as to the future of such relationships and seek alternative relationships with third parties or seek to alter their present business relationships with us in a manner that negatively impacts the Company.

Stockholder litigation against the Company, our directors and/or the Sumitomo Parties could delay or prevent the Merger and cause us to incur significant costs and expenses.

Transactions such as the Merger are often subject to lawsuits by stockholders. To date, one class action complaint has been filed by a purported stockholder on behalf of certain stockholders of the Company. Such purported stockholder also filed a motion for preliminary injunction. The complaint sought injunctive relief, including enjoining defendants from soliciting stockholder votes on the Merger or consummating the Merger, a rescission of the Merger or an award of rescissory damages, an accounting by defendants for damages sustained, attorneys' and other fees and costs and such other relief as the court deems just and proper. The motion for preliminary injunction sought to enjoin the Special Meeting of Stockholders from taking place. . On October 28, 2015, counsel for the Company and the Board of Directors entered into the MOU with counsel for Plaintiff, pursuant to which the Company agreed to make certain disclosures concerning the Merger. In accordance with the terms of the MOU, the Plaintiff agreed to stay the proceeding in the Washington Court and to withdraw its request for a preliminary injunction. In addition, the MOU contemplates that, subject to the completion of confirmatory discovery by Plaintiff's counsel, the parties will enter into a stipulation of settlement. There can be no assurance that the parties will ultimately enter into a stipulation of settlement, or that the Washington Court will approve the settlement even if the parties were to enter into such stipulation. Additionally, there can be no assurance that no further lawsuits will be filed in connection with the Merger.

The closing of the Merger is subject to the satisfaction or waiver of the condition that no laws, temporary restraining orders, preliminary or permanent injunctions or other orders, judgments, decisions, opinions or decrees issued by a court or other governmental authority of competent jurisdiction and remaining in effect have the effect of making the Merger illegal or otherwise prohibit consummation of the Merger. If any lawsuits are successful in obtaining an injunction prohibiting the parties from completing the Merger on the agreed-upon terms, such an injunction may prevent the completion of the Merger in the expected time frame or altogether.

Our debt ratings and the financial strength ratings of our insurance subsidiaries may be adversely affected by the transactions contemplated by the Merger Agreement.

Following the announcement of the proposed Merger, the rating organizations have undertaken a review of our debt ratings and our insurance company subsidiaries' financial strength ratings. See Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Ratings, for additional information regarding the rating organizations and our ratings. Our ratings are subject to review and change by the rating organizations at any time and without notice. A downgrade or other negative action by a ratings organization with respect to the financial strength ratings of our insurance subsidiaries could adversely affect sales, relationships with distributors, the level of policy surrenders and withdrawals, competitive position in the marketplace, and the cost or availability of reinsurance. With the announcement of the proposed Merger, each rating organization has undertaken a review of our insurance company subsidiaries' financial strength ratings in light of the transaction.

The rating organizations may take various actions, positive or negative, and their actions may not be known until the Merger closes. Rating organizations also publish credit ratings for the issuers of debt securities, including the Company. Credit ratings are indicators of a debt issuer's ability to meet the terms of debt obligations in a timely manner. These ratings are important in the debt issuer's overall ability to access credit markets and other types of liquidity. Ratings are not recommendations to buy our securities or products. A downgrade or other negative action by a rating organization with respect to our credit rating could limit our access to capital markets, increase the cost of issuing debt, and a downgrade of sufficient magnitude, combined with other negative factors, could require us to post collateral. As is the case with the financial strength ratings of our insurance subsidiaries, the rating organizations have undertaken a review of our debt ratings in light of the proposed Merger.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Purchases of equity securities by the issuer and affiliated purchasers

There were no purchases of common stock made by or on behalf of the Company during the quarter ended September 30, 2015.

Item 6. *Exhibits*

			Incorporate By Reference			
Exhibit Number	Exhibit Title	Filed Herewith	Form	Form Exhibit Number	File Number	Filing Date
2.1	Agreement and Plan of Merger, dated as of August 11, 2015, by and among Sumitomo Life Insurance Company, SLIC Financial Corporation and Symetra Financial Corporation		8-K	2.1	001-33808	August 11, 2015
3.1	Amended Bylaws of Symetra Financial Corporation effective January 21, 2010, as amended August 10, 2015	X				
10.1	Credit Agreement, dated as of October 16, 2015, among Symetra Financial Corporation, the lenders party thereto and U.S. Bank National Association, as Administrative Agent		8-K	10.1	001-33808	October 16, 2015
10.2	First Amendment, dated as of October 6, 2015, to Credit Agreement, dated as of August 28, 2014, among Symetra Financial Corporation, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent	X				
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended	X				
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended	X				
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X				
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X				
101	The following materials from Symetra Financial Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statement of Income, (iii) the Consolidated Statements of Comprehensive Income (Loss), (iv) the Consolidated Statements of Changes in Stockholders' Equity, (v) the Consolidated Statement of Cash Flows and (vi) the Condensed Notes to the Consolidated Financial Statements.	X				

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SYMETRA FINANCIAL CORPORATION

Date: November 6, 2015	By:	/s/ Thomas M. Marra
		Name: Thomas M. Marra
		Title: President and Chief Executive Officer
Date: November 6, 2015	By:	/s/ Margaret A. Meister
		Name: Margaret A. Meister
		Title: Executive Vice President and Chief Financial Officer

Amendment
to the
Amended Bylaws
of
SYMETRA FINANCIAL CORPORATION
(hereinafter called the "Corporation")

Effective August 10, 2015

Article VI of the Amended Bylaws of the Corporation is hereby amended to add a new Section 5, as set forth below.

> Section 5. Forum for Adjudication of Disputes. Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, the sole and exclusive forum for (i) any ''internal corporate claims'' within the meaning of the General Corporation Law of the State of Delaware (''DGCL''), as well as (ii) (A) any derivative action, suit or proceeding brought on behalf of the Corporation; (B) any action, suit or proceeding asserting a claim for breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders; (C) any action, suit or proceeding asserting a claim arising pursuant to any provision of the DGCL, the Amended and Restated Certificate of Incorporation or these Bylaws; or (D) any action, suit or proceeding asserting a claim governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware, or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the Superior Court of the State of Delaware, or, if the Superior Court of the State of Delaware does not have jurisdiction, the United States District Court for the District of Delaware. Any person or entity purchasing or otherwise acquiring, or holding any interest in, shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Section 5 and to have consented to the personal jurisdiction of the state and federal courts located within the State of Delaware.

Amended bylaws
of
SYMETRA FINANCIAL CORPORATION
(hereinafter called the "Corporation")

Effective January 21, 2010

ARTICLE I

Meetings Of Stockholders

Section 1. Place of Meetings. Meetings of the stockholders shall be held at such place, either within or without the state of Delaware, as shall be designated from time to time by the Board of Directors or the chairman of the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings. The annual meetings of the stockholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which meetings the stockholders shall transact such business as may be properly brought before the meeting.

Section 3. Special Meetings. Unless otherwise prescribed by law or by the Amended and Restated Certificate of Incorporation, special meetings of the stockholders of the Corporation may be called at any time and for any purpose or purposes by affirmative vote of a majority of the entire Board of Directors or our President. Special meetings of the stockholders of the Corporation may not be called by any other person or persons or in any other manner. No conduct other than that specified in the notice for such meeting may take place at a special meeting.

Section 4. Notice of Meetings. Except as otherwise provided by applicable law or by the Amended and Restated Certificate of Incorporation, notice of each meeting of the stockholders, whether annual or special, shall be given not less than 10 days nor more than 60 days before the date of the meeting to each stockholder of record entitled to vote at the meeting. If mailed, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. Each such notice shall state the place, if any, date and hour of the meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Notice of any meeting of the stockholders shall not be required to be given to any stockholder who shall waive notice thereof as provided in Section 2 of Article V of these Bylaws. Notice of adjournment of a meeting of the stockholders need not be given if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at such meeting, unless the adjournment is for more than 30 days or, after adjournment, a new record date is fixed for the adjourned meeting.

Section 5. Quorum. Unless otherwise provided by law or by the Amended and Restated Certificate of Incorporation, the holders of a majority of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder entitled to vote at the meeting.

Section 6. Order of Business. (a) At every meeting of stockholders, the Chairman of the Board of Directors, or in such person's absence, the Chief Executive Officer and President, or in the absence of both of them, any Vice President, shall act as Chairman of the meeting. In the absence of the Chairman of the Board of Directors, the Chief Executive Officer and President and each Vice President, the Board of Directors, or if the Board of Directors fails to act, the stockholders may appoint any stockholder, director or officer of the Corporation to act as Chairman of any meeting. The Chairman of any meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting. The Secretary of the Corporation shall act as Secretary of the meeting, but in the absence of the Secretary, the Chairman of the meeting may appoint any person to act as Secretary of the meeting.

(b) (1) Except as otherwise provided in the Amended and Restated Certificate of Incorporation, nominations of persons for election to the Board of Directors and the proposal of business to be considered by the stockholders may be made at any annual meeting of the stockholders, only (i) pursuant to the Corporation's notice of meeting (or any supplement thereto), (ii) by or at the direction of the Board of Directors or (iii) by any stockholder who is a holder of record at the time of the giving of the notice provided for in this Section 6, who is entitled to vote at the meeting and who complies with the procedures set forth in this Section 6.

(2) Except as otherwise provided in the Amended and Restated Certificate of Incorporation, for nominations or business properly to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation and any such proposed business other than the nomination of persons for election to the Board of Directors must constitute a proper matter for stockholder action. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than 90 days nor more than 120 days prior to the anniversary date of the

immediately preceding annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days earlier or more than 60 days later than such anniversary date, notice by the stockholder to be timely must be so delivered or received not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.[1] In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. To be in proper written form, a stockholder's notice to the Secretary of the Corporation shall set forth in writing as to each matter the stockholder proposes to bring before the annual meeting: (i) as to each person whom the stockholder proposes to nominate for election or re-election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (ii) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the annual meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration) and the reasons for conducting such business at the annual meeting and in the event that such business includes a proposal to amend these bylaws, the language of the proposed amendment; (iii) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business or nomination and the name and address of the beneficial owner, if any, on whose behalf the nomination or proposal is being made; (iv) the class or series and number of shares of capital stock of the Corporation which are beneficially owned or owned of record by the stockholder and the beneficial owner; (v) any material interest of the stockholder in such business; (vi) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such annual meeting and intends to appear in person or by proxy at such meeting to propose such business; and (vii) if the stockholder intends to solicit proxies in support of such stockholder's proposal, a representation to that effect. The foregoing notice requirements shall be deemed satisfied by a stockholder if the stockholder has notified the Corporation of his or her intention to make a nomination or present a proposal at an annual meeting and such stockholder's nominee or proposal has been included in a proxy statement that has been prepared by management of the Corporation to solicit proxies for such annual meeting; provided, however, that if such stockholder does not appear or send a qualified representative to present such nominee or proposal at such annual meeting, the Corporation need not present such nominee or proposal for a vote at such meeting notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 6, to be considered a qualified representative of the stockholder, a person must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such

[1] Updated 10/01/2009 to remove reference to 2008 annual meeting.

stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of such writing or electronic transmission, at the meeting of stockholders. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(3) Notwithstanding anything in paragraph (b)(2) above to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting of the stockholders is increased and there is no public announcement naming all of the nominees for directors or specifying the size of the increased Board of Directors made by the Corporation at least 90 days prior to the first anniversary of the date of the immediately preceding annual meeting, a stockholder's notice required by this Section 6 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to or mailed to and received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.[2]

(c) Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder who is a holder of record at the time of the giving of notice provided for in this Section 6, who is entitled to vote at the meeting and who complies with the procedures set forth in this Section 6 (except as otherwise provided in the Amended and Restated Certificate of Incorporation). In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder may nominate a person or persons (as the case may be), for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder has given timely notice thereof in proper written form to the Secretary of the Corporation (except as otherwise provided in the Amended and Restated Certificate of Incorporation). To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not earlier than the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. To be in proper written form, such notice must meet the requirements of paragraph (b)(2) above.

(d) Except as otherwise provided in the Amended and Restated Certificate of Incorporation, only such persons who are nominated in accordance with this Section 6

[2] Updated 10/01/2009 to remove reference to 2008 annual meeting.

(including, for avoidance of doubt, pursuant to the fifth sentence of paragraph (b)(2) above) shall be eligible to serve as directors of the Corporation and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 6 (including, for avoidance of doubt, pursuant to the fifth sentence of paragraph (b)(2) above). The Chairman of a meeting shall refuse to permit any business to be brought before the meeting which fails to comply with the foregoing or if a stockholder solicits proxies in support of such stockholder's nominee or proposal without such stockholder having made the representation required by clause (vii) of paragraph (b)(2) above.

(e) Notwithstanding the foregoing provisions of this Section 6, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 6. Nothing in this Section 6 shall be deemed to affect any rights of stockholders to request inclusion of proposals or nominations in the Corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act.

Section 7. Voting. Unless otherwise required by law, the Amended and Restated Certificate of Incorporation or these bylaws, any question brought before any meeting of the stockholders shall be decided by the vote of the holders of a majority of the stock represented and voting on such question. Each stockholder represented at a meeting of the stockholders shall be entitled to cast one vote for each share of the capital stock entitled to vote thereat held by such stockholder. Such votes may be cast in person or by proxy.

Section 8. List of Stockholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to examination by any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, as required by law. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder of the Corporation who is present.

Section 9. Stock Ledger. The stock ledger of the Corporation shall constitute the list required by Section 8 and shall be the only evidence as to who are the stockholders entitled to examine the stock ledger or to vote in person or by proxy at any meeting of stockholders.

ARTICLE II

Directors

Section 1. Qualification and Election of Directors. Directors need not be stockholders or citizens or residents of the United States of America. Each of the directors shall hold office until his resignation or removal in the manner hereinafter provided.

Section 2. Resignations. Any director may resign at any time. Such resignation shall be made in writing, and shall take effect at the time specified therein, and if no time be specified, at the time of its receipt by the Chairman of the Board, if any, the President or the Secretary. The acceptance of a resignation shall not be necessary to make it effective.

Section 3. Removal. Directors may only be removed as provided in the Amended and Restated Certificate of Incorporation.

Section 4. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until their earlier resignation or removal.

Section 5. Number of Directors. The number of directors will be fixed from time to time solely pursuant to a resolution adopted by the Board of Directors.

Section 6. Chairman of the Board of Directors. The Board of Directors, in its discretion, may choose a Chairman of the Board of Directors and one or more Vice Chairmen (who must be directors). The Chairman of the Board of Directors, if one shall be appointed, shall preside at all meetings of the stockholders and of the Board of Directors. Except where by law the signature of the President is required, the Chairman of the Board of Directors shall possess the same power as the President to sign all contracts, certificates and other instruments of the Corporation which may be authorized by the Board of Directors. During the absence or disability of the President, the Chairman of the Board of Directors shall exercise all the powers and discharge all the duties of the President. The Chairman of the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these bylaws or by the Board of Directors.

Section 7. Vice Chairman. The Vice Chairman of the Board of Directors, if one shall be appointed, or the Vice Chairmen, if there shall be more than one, shall perform such duties and may exercise such other powers as from time to time may be assigned by these bylaws, the Board of Directors or the Chairman of the Board of Directors. In the absence or disability of the chairman of the Board of Directors, or if there be none, the Vice Chairman shall preside at meetings of the stockholders and the Board of Directors.

Section 8. Duties and Powers. The business of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Amended and Restated Certificate of Incorporation or by these bylaws, conferred upon or reserved to the stockholders.

Section 9. Meetings. The Board of Directors may hold meetings either within or without the state of Delaware.

Section 10. Quorum. Unless otherwise provided by law, the Amended and Restated Certificate of Incorporation or these bylaws, at all meetings of the Board of Directors, a majority of the entire Board of Directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 11. Actions of Board. If the Board of Directors submits any action for the transaction of business which results in an equal number of the directors at the meeting voting for and against the action and such action would be effective when taken by a majority vote, then in such case the Chairman of the Board of Directors shall be entitled to cast a tie breaking vote with respect to such action. Unless otherwise restricted by the Amended and Restated Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors, or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 12. Meeting by Means of Conference Telephone. Unless otherwise provided by law, the Amended and Restated Certificate of Incorporation or these bylaws, members of the Board of Directors of the Corporation may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications equipment that enables all persons participating in the meeting to hear each other, and participation in a meeting pursuant to this Section 12 shall constitute presence in person at such meeting.

Section 13. Committees. The Board of Directors may, by resolution passed by a majority of the whole board, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. Initially, the Corporation shall have the following committees of the Board of Directors: the audit committee, the nominating and corporate governance committee and the compensation committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not the member or members present constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Section 14. Compensation. The directors who are officers or employees of the Corporation or any of its subsidiaries shall serve on the Board of Directors without compensation or reimbursement of expenses. The compensation of any other director shall be in the form of a fixed fee and expenses of attendance set by resolution adopted by the Board of Directors. Nothing herein contained, however, shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

ARTICLE III

Officers

Section 1. General. The officers of the Corporation shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. The Board of Directors, in its discretion, may also choose one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers as it may deem proper. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Amended and Restated Certificate of Incorporation or these bylaws. The officers of the Corporation need not be stockholders of the Corporation nor, except in the case of the Chairman of the Board of Directors and any Vice Chairman, need such officers be directors of the Corporation.

Section 2. Election. The Board of Directors shall elect the officers of the Corporation who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors; and all officers of the Corporation shall hold office until their successors are chosen and qualified, or until their earlier resignation or removal. Any officer elected by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 3. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by any officer of the Corporation and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any Corporation or entity in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

Section 4. President. The President shall be the Chief Executive Officer of the Corporation and shall exercise general and active supervision over and management of the property, affairs and business of the Corporation and shall authorize other officers of the Corporation to exercise such powers as he, in his discretion, may deem to be in the best interests of the Corporation. The President shall preside at meetings of the stockholders and the Board of Directors in the absence or non-election of the Chairman of the Board of Directors. The President shall, in general, perform all duties incident to the office of President and shall have such other duties as the Board of Directors may from time to time prescribe.

Section 5. Vice President. The Vice President, or Vice Presidents, if any shall be appointed, shall have such duties as the Board of Directors, the President or these bylaws may from time to time prescribe.

Section 6. Treasurer. The Treasurer shall have the custody of the Corporation funds and securities and shall keep full and accurate account of receipts and disbursements in books belonging to the Corporation. He shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositaries as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, or the President, taking proper vouchers for such disbursements. He shall render to the President, the Board of Directors and each stockholder at the meetings of the Board of Directors or the stockholders, or whenever any of the foregoing may request it, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

Section 7. Secretary. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and directors and all other notices required by law or by these bylaws, and in case of his absence or refusal or neglect so to do, any such notice may be given by any person thereunto directed by the President, the directors or stockholders, upon whose request the meeting is called as provided in these bylaws. He shall record all the proceedings of the meetings of the Board of Directors, any committees thereof and the stockholders of the Corporation in a book to be kept for that purpose, and shall perform such other duties as may be assigned to him by the Board of Directors or the President. He shall have the custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board of Directors or the President, and attest the same.

Section 8. Assistant Treasurers and Assistant Secretaries. Assistant Treasurers and Assistant Secretaries, if any shall be appointed, shall have such powers and shall perform such duties as shall be assigned to them, respectively, by the Board of Directors or the President.

ARTICLE IV

Stock

Section 1. Form of Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate signed, in the name of the Corporation (i) by the Chairman or the Vice Chairman of the Board of Directors, or the President or a Vice President and (ii) by the Treasurer or an Assistant Treasurer, or the Secretary or an

Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation.

Section 2. Signatures. Where a certificate is countersigned by (i) a transfer agent other than the Corporation or its employee, or (ii) a registrar other than the Corporation or its employee, any other signature on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Transfers of stock shall be made on the books of the Corporation only by the person named in the certificate or by his attorney lawfully constituted in writing and upon the surrender of the certificate therefor, which shall be canceled before a new certificate shall be issued.

Section 5. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend, or to express consent to corporate action in writing without a meeting, or in order to make a determination of stockholders for any other proper purposes, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 days nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the next day preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 6. Beneficial Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

ARTICLE V

Notices

Section 1. Notices. Whenever written notice is required by law, the Amended and Restated Certificate of Incorporation or these bylaws, to be given to any director or stockholder, such notice may be given by mail, addressed to such director or stockholder, at his address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by telegram, telex or cable or otherwise as permitted by law.

Section 2. Waivers of Notice. Whenever notice is required to be given under any provision of the Amended and Restated Certificate of Incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Amended and Restated Certificate of Incorporation or these bylaws.

ARTICLE VI

General Provisions

Section 1. Dividends. Subject to the provisions of the Amended and Restated Certificate of Incorporation, if any, dividends upon the capital stock of the Corporation may be declared by the Board of Directors at any meeting, and may be paid in cash or in property. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be the calendar year, or such other period as may be adopted by resolution of the Board of Directors.

Section 4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "corporate seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE VII

Indemnification

Section 1. Power to Indemnify in Actions, Suits or Proceedings. The Corporation shall indemnify to the fullest extent permitted by, and in the manner permissible under, the laws of the State of Delaware any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding. Expenses incurred by a director or officer in defending or investigating the defense of a threatened or pending action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized by the laws of the state of Delaware.

Section 2. Indemnification by a Court. Any director or officer may apply to any court of competent jurisdiction in the state of Delaware for indemnification to the extent otherwise permissible under the laws of the state of Delaware. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because it is permitted by the laws of the state of Delaware. The fact that the Corporation has not previously authorized indemnification for such director or officer shall not be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 2 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 3. Nonexclusivity of Indemnification and Advancement of Expenses. The foregoing rights of indemnification shall not be deemed exclusive of any other right to which any director may be entitled apart from the provisions of this Article VII.

Section 4. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power or the obligation to indemnify him against such liability under the provisions of this Article VII.

Section 5. Certain Definitions. For purposes of this Article VII, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VII with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VII, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries.

Section 6. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. Limitation on Indemnification. Notwithstanding anything contained in this Article VII to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 2 of this Article VII), the Corporation shall not be obligated to indemnify any director, officer, employee or agent in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

ARTICLE VIII

Amendments

The Board of Directors shall have the power to adopt, amend or repeal bylaws. Bylaws adopted by the Board of Directors may be repealed or changed, and new bylaws made, by the stockholders.

Execution Version

FIRST AMENDMENT

FIRST AMENDMENT (this "Amendment") dated as of October 6, 2015 to the Credit Agreement dated as of August 28, 2014 (as amended, amended and restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement"; the Credit Agreement as amended pursuant to this Amendment being referred to herein as the "Amended Credit Agreement") among SYMETRA FINANCIAL CORPORATION (the "Borrower"), the several banks and other financial institutions or entities from time to time parties thereto, as lenders (the "Lenders"), JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and the other agents parties thereto.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Lenders have agreed to make, and have made, certain loans and other extensions of credit to the Borrower;

WHEREAS, the Borrower is party to that certain Agreement and Plan of Merger dated as of August 11, 2015 (the "Merger Agreement"), by and among Sumitomo Life Insurance Company, a mutual company (*sougo kaisha*) organized under the laws of Japan, SLIC Financial Corporation, a Delaware corporation, and the Borrower;

WHEREAS, the Borrower has requested that the Credit Agreement be amended and waived as set forth herein;

WHEREAS, the Required Lenders are willing to agree to such amendments and waivers, in each case on the terms set forth herein;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto agree as follows:

Section 1. Defined Terms; References. Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Amended Credit Agreement; provided that the terms "Required Lenders" and "Default" shall each have the respective meaning assigned to such term in the Credit Agreement.

Section 2. Amendments to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended as of the Amendment Effective Date (as defined below) as follows:

(a) by inserting the following immediately before the period at the end of the first sentence of the defined term "Change of Control":

nor (iii) appointed by the Permitted Holders.

(b) by deleting the defined term "Permitted Holders" in its entirety and substituting in lieu thereof the following:

"Permitted Holders" means (a) prior to the consummation of the Merger, collectively, Berkshire Hathaway and White Mountains and (b) from and after consummation of the Merger, Sumitomo Life Insurance Company.

(c) by inserting the following defined terms in the appropriate alphabetical order:

"Merger" means the merger of SLIC Financial Corporation, a Delaware corporation, with and into the Borrower pursuant to that certain Agreement and Plan of Merger dated as of August 11, 2015, by and among Sumitomo Life Insurance Company, SLIC Financial Corporation, a Delaware corporation, and the Borrower.

"Sumitomo Life Insurance Company" means Sumitomo Life Insurance Company, a mutual company (*sougo kaisha*) organized under the laws of Japan, together with its Affiliates.

Section 3. Waiver. The Required Lenders hereby waive any Default or Event of Default arising under clause (e) of Article VII of the Credit Agreement as a result of the consummation of the Merger (as defined in the Merger Agreement) and the other transactions contemplated by the Merger Agreement, in each case in accordance with the terms of the Merger Agreement; provided that the Merger is consummated no later than May 11, 2016 (the "End Date"); provided further that if on the End Date any of the conditions precedent to the closing of the Merger (the "Closing") set forth in Section 8.01(b) or Section 8.01(c) of the Merger Agreement has not been satisfied but all other conditions precedent to the Closing have been satisfied (or in the case of conditions that by their terms are to be satisfied at the Closing, are capable of being satisfied on such date), then the End Date will automatically be extended to August 11, 2016.

Section 4. Representations of Borrower. The Borrower represents and warrants that (a) the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects (or, in the case of any representation and warranty qualified by materiality, in all respects) on and as of the Amendment Effective Date (as defined below), except in the case of any such representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall be so true and correct in all material respects on and as of such earlier date and (b) no Default has occurred and is continuing on or after giving effect to the Amendment Effective Date.

Section 5. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by electronic mail shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 6. Effectiveness. This Amendment shall become effective on the date (the "Amendment Effective Date") when the following conditions shall be satisfied:

(a) the Administrative Agent shall have received this Amendment duly executed by the Borrower and the Required Lenders;

(b) the representations and warranties of the Borrower set forth in the Credit Agreement shall be true and correct in all material respects (or, in the case of any representation and warranty qualified by materiality, in all respects) on and as of the Amendment Effective Date, except in the case of any such representation or warranty that expressly relates to an earlier date, in which case such representation or warranty shall be so true and correct in all material respects on and as of such earlier date;

(c) no Default shall have occurred and be continuing on the Amendment Effective Date immediately after giving effect to this Amendment; and

(d) the Administrative Agent shall have received payment of all expenses incurred by the Administrative Agent in connection with the preparation, negotiation and execution of this Amendment for which invoices have been presented to the Borrower (including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent).

Section 7. Reference To and Effect Upon the Credit Agreement.

(a) Except as expressly amended or waived hereby, the provisions of the Credit Agreement, as amended or waived, as applicable, are and shall remain in full force and effect. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Credit Documents, except as otherwise provided for herein.

(b) On and after the Amendment Effective Date, each reference in the Amended Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import, and each reference to the "Credit Agreement" in any other Credit Document shall be deemed a reference to the Amended Credit Agreement. This Amendment shall constitute a Credit Document for all purposes of the Amended Credit Agreement and all of the other Credit Documents.

Section 8. Governing Law; Waiver of Jury Trial. This Amendment shall be governed by, and construed and interpreted in accordance with, the law of the State of New York. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

Section 9. Expenses. The Borrower agrees to pay or reimburse the Administrative Agent for all of its out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

SYMETRA FINANCIAL CORPORATION,
as Borrower

By: Margaret A. Meister
Name: Margaret A. Meister
Title: Executive Vice President and Chief Financial Officer

JPMORGAN CHASE BANK, N.A., as
Administrative Agent and as a Lender

By: Danielle D Babine

Name: Danielle. D. Babine

Title: Vice President

[Signature page to First Amendment]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: Gloria M. Nemechek

Name: Gloria M. Nemechek

Title: Senior Vice President

U.S. Bank National Association, as a Lender

By:
Name: Ginger K. So

Title: Senior Vice President

[Signature page to First Amendment]

BMO Harris Bank N.A., as a Lender

By: [signature]
Name: Debra Basler

Title: Managing Director

[Signature page to First Amendment]

SunTrust Bank, as a Lender

By: Paula Mueller
Name: Paula Mueller

Title: Director

[Signature page to First Amendment]

BARCLAYS BANK PLC, as a Lender

By: ______________________

Name: Luke Syme

Title: Assistant Vice President

The Northern Trust Company, as a Lender

By: ______________________________

Name: Joshua Metcalf

Title: 2VP

Goldman Sachs Bank USA, as a Lender

By: ____________________________

Name: Michelle Latzoni

Title: Authorized Signatory

[Signature page to First Amendment]

Associated Bank, National Association,
as a Lender

By: ______________________
Name: Edward J. Chidiac

Title: Senior Vice President

State Street Bank and Trust Company, as a Lender

By: Kimberly R Costa
Name: Kimberly R. Costa
Title: Vice President

Exhibit 31.1

CERTIFICATION

I, Thomas M. Marra, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Symetra Financial Corporation (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 6, 2015	By:	/s/ Thomas M. Marra
		Thomas M. Marra
		President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Margaret A. Meister, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Symetra Financial Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2015	By:	/s/ Margaret A. Meister
		Margaret A. Meister
		Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, Thomas M. Marra, Chief Executive Officer of Symetra Financial Corporation, certify that (i) the Form 10-Q for the quarter ended September 30, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in the Form 10-Q for the quarter ended September 30, 2015 fairly presents, in all material respects, the financial condition and results of operations of Symetra Financial Corporation.

Date: November 6, 2015	By:	/s/ Thomas M. Marra
		Thomas M. Marra **President and Chief Executive Officer**

Exhibit 32.2

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, Margaret A. Meister, Chief Financial Officer of Symetra Financial Corporation, certify that (i) the Form 10-Q for the quarter ended September 30, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in the Form 10-Q for the quarter ended September 30, 2015 fairly presents, in all material respects, the financial condition and results of operations of Symetra Financial Corporation.

Date: November 6, 2015	By:	/s/ Margaret A. Meister
		Margaret A. Meister **Executive Vice President and Chief Financial Officer**