Table of Contents

As filed with the Securities and Exchange Commission on October 16, 2007.

Registration No. 333-144162

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 5
to

Form S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SYMETRA FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**6311**	**20-0978027**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

777 108th Avenue NE, Suite 1200
Bellevue, WA 98004
(425) 256-8000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Randall H. Talbot
President and Chief Executive Officer
Symetra Financial Corporation
777 108th Avenue NE, Suite 1200
Bellevue, WA 98004
(425) 256-8000
(Name and address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

William J. Whelan III, Esq.
Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
(212) 474-1000

George C. Pagos, Esq.
Senior Vice President, General Counsel and Secretary
Symetra Financial Corporation
777 108th Avenue NE, Suite 1200
Bellevue, WA 98004
(425) 256-8000

Gary I. Horowitz, Esq.
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
(212) 455-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, $0.01 par value per share	$750,000,000	$23,025(3)

(1) Includes shares to be sold upon exercise of the underwriters' over-allotment option. See "Underwriting."

(2) Estimated solely for the purposes of calculating the registration fee pursuant to Rule 457(o) of Regulation C under the Securities Act of 1933, as amended.

(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

SUBJECT TO COMPLETION, DATED OCTOBER 16, 2007.

PRELIMINARY PROSPECTUS

Shares

SYMETRA FINANCIAL

Common Stock

This is Symetra Financial Corporation's initial public offering. The selling stockholders are selling all of the shares in the offering. We will not receive any of the proceeds from the sale of shares by the selling stockholders.

We expect the public offering price to be between $ and $ per share. Currently, no public market exists for the shares. We expect the shares to trade on the New York Stock Exchange under the symbol "SYA."

Investing in our common stock involves risks that are described in the "Risk Factors" section beginning on page 10 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds to selling stockholders	$	$

The underwriters may also purchase up to an additional shares of common stock from the selling stockholders at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus to cover overallotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2007.

Merrill Lynch & Co. **Goldman, Sachs & Co.** **JPMorgan** **Lehman Brothers**

The date of this prospectus is , 2007.

TABLE OF CONTENTS

You should rely only on the information contained in this prospectus or any free writing prospectus prepared by or on behalf of us. We have not authorized anyone to provide you with information that is different. We are not making an offer of our common stock in any state where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

"Symetra," "Symetra Financial" and their respective logos are our trademarks. Other service marks, trademarks and trade names referred to in this prospectus are the property of their respective owners.

Our insurance subsidiaries are domiciled in the states of Washington and New York. These states have enacted laws that require regulatory approval for the acquisition of "control" of insurance companies. Under these laws, there exists a presumption of "control" when an acquiring party acquires 10% or more of the voting securities of an insurance company or of a company which itself controls an insurance company. Therefore, any person acquiring 10% or more of our common stock would need the prior approval of the state insurance regulators of these states or a determination from such regulators that "control" has not been acquired.

Dealer Prospectus Delivery Obligation

Through and including , 2007 (the 25th day after the date of this prospectus), all dealers that effect transactions in our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to unsold allotments or subscriptions.

PROSPECTUS SUMMARY

The following is a summary of the information contained in this prospectus, and it may not contain all the information that is important to you. You should read the entire prospectus carefully, especially the "Risk Factors" section, the consolidated financial statements and the accompanying notes included in this prospectus.

Unless the context otherwise requires, references in this prospectus to "Symetra" refer to Symetra Financial Corporation on a stand-alone, non-consolidated basis. References to "we," "our," "us" and "the company" are to Symetra Financial Corporation together with its subsidiaries, including our predecessor operations.

A glossary of selected insurance terms and defined terms used throughout this prospectus can be found under "Glossary of Selected Insurance and Defined Terms" on page G-1.

Our Business

We are a life insurance company focused on profitable growth in select group health, retirement, life insurance and employee benefits markets. Our first day of operations as an independent company was August 2, 2004 when Symetra acquired a group of life insurance and investment companies from Safeco Corporation (the "Acquisition"). Our operations date back to 1957, and many of our agency and distribution relationships have been in place for decades. We are headquartered in Bellevue, Washington and employ over 1,300 people in 25 offices across the United States, serving over two million customers. As of June 30, 2007, we had total stockholders' equity of $1.2 billion, regulatory capital of $1.5 billion and total assets of $19.8 billion. Our operating return on average equity, or operating ROAE, was 13.2%, 13.0%, and 11.9%, for the twelve month periods ended June 30, 2007, December 31, 2006 and December 31, 2005, respectively. We define operating ROAE as net operating income, a non-GAAP financial measure, divided by average stockholders' equity excluding accumulated other comprehensive income. For a reconciliation of net operating income to net income, please see page 8.

We manage our business through the following five segments, four of which are operating:

- *Group.* We offer medical stop-loss insurance, limited medical benefit plans, group life insurance, accidental death and dismemberment insurance and disability insurance mainly to employer groups of 50 to 1,000 individuals. Our Group segment generated segment pre-tax income of $68.0 million during 2006 and $42.7 million during the six months ended June 30, 2007. As a result of our recent acquisition of Medical Risk Managers, Inc., we also offer managing general underwriting, or MGU, services.
- *Retirement Services.* We offer fixed and variable deferred annuities, including tax sheltered annuities, individual retirement accounts, or IRAs, and group annuities to qualified retirement plans, including Section 401(k) and 457 plans. We also provide record keeping services for qualified retirement plans invested in mutual funds. Our Retirement Services segment generated segment pre-tax income of $43.2 million during 2006 and $13.4 million during the six months ended June 30, 2007.
- *Income Annuities.* We offer single premium immediate annuities, or SPIAs, for customers seeking a reliable source of retirement income and structured settlement annuities to fund third-party personal injury settlements. Our Income Annuities segment generated segment pre-tax income of $62.6 million during 2006 and $52.5 million during the six months ended June 30, 2007.
- *Individual.* We offer a wide array of term, universal and variable life insurance as well as bank-owned life insurance, or BOLI. Our Individual segment generated segment pre-tax income of $62.6 million during 2006 and $28.6 million during the six months ended June 30, 2007.
- *Other.* This segment consists of unallocated corporate income, composed primarily of investment income on unallocated surplus, unallocated corporate expenses, interest expense on debt, the results of small, non-insurance businesses that are managed outside of our operating segments and inter-segment

elimination entries. Our Other segment generated segment pre-tax income of $7.6 million during 2006 and $5.8 million during the six months ended June 30, 2007.

We distribute our products nationally through an extensive and diversified independent distribution network. Our distributors include financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. We believe that our multi-channel distribution network allows us to access a broad share of the distributor and consumer markets for insurance and financial services products. For example, we currently distribute our annuity and life insurance products through approximately 17,000 independent agents, 22 major financial institutions and 1,200 independent employee benefits brokers. We have recently signed selling agreements with an additional 14 major financial institutions.

Market Environment and Opportunities

We believe we are well positioned to benefit from a number of demographic and market trends, including the following:

- *Growing demand for affordable health insurance.* According to the Kaiser Family Foundation, health insurance premiums in the U.S. increased 87% from 2000-2006, while the Consumer Price Index increased only 17% over the same period. As increases in health care costs continue to outpace inflation, the demand for affordable health insurance options has increased. We believe we can grow our business by providing employees with affordable access to health insurance through employer-sponsored limited benefit employee health plans and by offering group medical stop-loss insurance to medium and large businesses. We also believe that the trend toward reductions in employer-paid benefits and the uncertainty over the future of government benefit programs provide us with the opportunity to successfully offer other attractive employee benefits products.
- *Increasing retirement savings and income needs.* According to the U.S. Census Bureau, approximately 77 million Americans born between 1946 and 1964 are approaching retirement age. However, according to the Employee Benefit Research Institute, in 2006, 52% of workers over the age of 55 and their spouses had accumulated less than $50,000 in retirement savings and only 14% of workers report that a traditional pension plan will be their primary source of retirement income. These projected demographic trends, along with a shift in the burden for funding retirement needs from governments and employers to individuals, increase the need for retirement savings and income. We expect greater demand for additional sources of retirement savings, such as our annuities and other investment products that will help consumers supplement their social security benefits with reliable retirement income.
- *Expanding mass affluent market.* As of June 2006, the mass affluent market included 13.7 million households with investible assets between $250,000 and $1.0 million, representing 28% of total financial assets. We believe that the mass affluent population is growing and that it underutilizes various financial products, such as insurance to protect assets, annuities to provide adequate income to support a desired future lifestyle and wealth transfer products to ensure its legacy. We believe we are well positioned to reach consumers in this target market given our relationships with financial institutions and independent agents, which are often their primary sources of guidance and advice. As such, we expect increased demand for our life insurance, variable and fixed annuity and wealth transfer products.

Our Competitive Strengths

We leverage the following competitive strengths to capitalize on opportunities in our targeted markets:

- *Innovative and collaborative product development capabilities.* We design innovative products to meet the changing demands of the market. By working closely with our distributors, we are able to anticipate opportunities in the marketplace and rapidly address them. For example, we introduced Complete, an innovative variable life insurance policy designed for wealth transfer and centered on minimizing the inherent cost of insurance and thus maximizing the underlying account value. We also recently introduced our Focus variable annuity, which features low total cost to the contractholders, well-respected investment options and simplified product features.

- *High-quality distribution relationships.* We offer consumers access to our products through a national multi-channel network, including financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. By treating our distributors as clients and providing them with outstanding levels of service, we have cultivated strong relationships over decades and are able to avoid competing on price alone.
- *Leading group medical stop-loss insurance provider.* We believe we have been a leading provider of group medical stop-loss insurance since 1976. We have built a consistently profitable platform with high levels of customer service and disciplined underwriting practices. In the last 25 years, our group medical stop-loss insurance business has experienced only two calendar years of net losses.
- *Diverse businesses provide flexibility, earnings stability and capital efficiency.* We have an attractive and diverse mix of businesses that allows us to make profitability-driven decisions in each business across various market environments. We believe that this mix offers us a greater level of financial stability than many of our similarly-sized competitors across business and economic cycles. Our diverse business mix also allows us to reallocate our resources to product lines that generate the most attractive returns on capital invested while reducing our overall capital requirements.
- *Flexible information technology platform integrated with our distributors.* We have a flexible information technology platform that allows us to seamlessly integrate our products onto the operating platforms of our distributors, which we believe provides us with a competitive advantage in attracting new distributors. For example, our Express™ tool allows our distributors to capture all the necessary data to make products and services instantly available at the point of sale. We will continue to leverage our information technology platform to market our current and future product offerings.
- *Experienced management team with investor-aligned compensation.* We have a high-quality management team with an average of 25 years of insurance-industry experience, led by Randy Talbot who has been our chief executive officer since 1998. Mr. Talbot has spent a significant portion of his 30-year career in the insurance industry operating an insurance brokerage, providing him with the knowledge to intimately understand the needs of our distributors. We also have an experienced board of directors, consisting of industry professionals who have worked closely with us since the Acquisition to develop our strategies and operating philosophies. Our compensation structure aligns management's incentives with our stockholders through our long-term incentive plan that rewards long-term growth in tangible book value and in the intrinsic value of our business.

Our Growth Strategies

To maximize stockholder value, we pursue the following strategies:

- *Target large and growing markets.* We will continue to capitalize on favorable demographic trends, including the growing demand for affordable health insurance, increasing retirement savings and income needs and an expanding mass affluent market. We will continue to identify key opportunities within these markets and provide tailored solutions that address the evolving needs of these customers.
- *Broaden and deepen distribution relationships.* Our distribution strategy is to deliver multiple products through a single point of sale, thereby leveraging the cost of distribution. We utilize diverse distribution channels, including financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. We intend to deepen our long-standing distribution relationships while adding new large-scale and high quality distributors.
- *Be innovative in anticipating customer needs.* We will continue to work closely with our distributors to develop customer-responsive products that meet our stringent return requirements, address our target markets and can be delivered efficiently across our information technology platforms. We will also

continue to pursue non-traditional avenues of product development and be innovative in enhancing our product offering. For example, we recently began offering funding services to holders of our structured settlements to offer them an attractive financial alternative.

- *Effectively manage capital.* We intend to manage our capital prudently to maximize our profitability and long-term growth in stockholder value. Our capital management strategy is to maintain financial strength through conservative and disciplined risk management practices while deploying or returning excess capital as situations warrant. We will also maintain our conservative investment management philosophy, which includes holding a high quality investment portfolio and carefully matching our investment assets against the duration of our insurance product liabilities. For example, we have a portfolio of equities that supports the longest duration benefits in our Income Annuities segment. We have experienced strong performance on this equity portfolio.
- *Pursue complementary acquisitions.* We will continue to seek acquisition opportunities that fit strategically within our existing business lines, provide us with a larger distribution presence and meet our stringent return objectives. We believe we have ample financial capacity to remain a prudent acquirer while maintaining a conservative balance sheet.

Risks Related to Our Business, Our Industry and this Offering

Investing in shares of our common stock involves substantial risk. The factors that could adversely affect our results and performance are discussed under the heading “Risk Factors” immediately following this summary. Before you invest in our shares, you should carefully consider all of the information in this prospectus, including matters set forth under the heading “Risk Factors,” including:

- ***Exposure to interest rate fluctuations.*** Many of our insurance and investment products are sensitive to interest rate fluctuations. Generally, declines in interest rates would have an adverse effect on our financial condition, results of operations and cash flows.
- ***Reserve requirements.*** Our calculation of reserves for estimated future benefit payments are based upon estimates and assumptions with regard to our future experience. Future experience is subject to many uncertainties and we cannot predict the ultimate amounts we will pay for future benefits or the timing of the payments. If reserves are insufficient to cover actual benefits and payments, we could be required to increase our reserves, which could adversely affect our financial condition and results.
- ***Deviation from assumptions upon which pricing is established.*** The price and expected future profitability of our insurance and deferred annuity products are based in part upon expected patterns of premiums, expenses and benefits, using a number of assumptions, including those related to persistency, mortality and morbidity. Significant deviations from these assumptions could have an adverse affect on our financial condition, results of operations and cash flows.
- ***Amortization of deferred acquisition costs.*** Deferred acquisition costs, or DAC, represent certain costs which vary with, and are primarily related to, the sale and issuance of insurance policies and investment contracts and are deferred and amortized over the estimated policy and contract lives. Unfavorable experience with regard to expenses, investment returns, mortality, morbidity, withdrawals or lapses may increase the amortization of DAC, resulting in higher expenses and lower profitability.
- ***Potential downgrade in financial strength ratings.*** A downgrade in our financial strength ratings could have an adverse effect on our financial condition, results of operation, and cash flows in several ways, including reducing new sales of products; adversely affecting our relationship with sales agents; increasing the number of policy surrenders and withdrawals; requiring us to reduce prices and adversely impacting our ability to obtain reinsurance.
- ***Highly regulated industry.*** Our insurance businesses are subject to a wide variety of laws and regulations in various jurisdictions. Compliance with applicable laws and regulations is time consuming and personnel intensive, and changes in these laws and regulations may materially increase our direct and indirect compliance efforts and other expenses of doing business.

- ***Constraints related to holding company structure.*** As a holding company, we have no significant direct operations. Dividends and other permitted distributions from subsidiaries are expected to be our principal source of funds to meet ongoing cash requirements. These payments are limited by regulations in the jurisdictions in which our subsidiaries operate. If our subsidiaries are unable to pay dividends, we may have difficulty servicing our debt, paying dividends on our common stock and meeting our holding company expenses.

Financial Strength Ratings

As of September 30, 2007, the financial strength ratings of our primary life insurance subsidiaries were “A” (“Excellent,” the third highest of 15 ratings) with a stable outlook from A.M. Best Company, Inc., “A–” (“Strong,” the seventh highest of 21 ratings) with a positive outlook from Standard & Poor’s Rating Service, “A2” (“Good,” the sixth highest of 21 ratings) with a stable outlook from Moody’s Investors Service, Inc. and “A+” (“Strong,” the fifth highest of 24 ratings) with a stable outlook from Fitch, Inc. These financial strength ratings should not be relied on with respect to making an investment in our common stock.

Recent Transactions

On August 16, 2007, we entered into a $200.0 million senior unsecured revolving credit agreement with a syndicate of lending institutions, led by Bank of America, N.A. The credit facility has a five-year term, with varying interest rates and fees based on our credit rating. The revolving credit facility is available to provide support for working capital, capital expenditures and other general corporate purposes. This new credit facility replaced our prior $70.0 million revolving credit facility.

On October 10, 2007, we issued $150.0 million aggregate principal amount of Capital Efficient Notes due 2067 (the “CENts”). The CENts were purchased by a syndicate of initial purchasers, led by J.P. Morgan Securities Inc. and Lehman Brothers Inc., and may be resold to qualified institutional buyers in compliance with applicable securities laws. The CENts bear interest at a fixed annual rate of 8.30% to, but not including, October 15, 2017, and thereafter at a floating annual rate equal to three-month LIBOR plus 4.177%. The CENts have a scheduled maturity date of October 15, 2037, subject to certain limitations, with a final maturity date of October 15, 2067. We are using the net proceeds from the CENts to pay a special cash dividend to our stockholders on October 19, 2007.

The Selling Stockholders

Symetra was formed for the purpose of acquiring our principal subsidiaries from Safeco Corporation. Affiliates of White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc. led the investor group that formed Symetra to consummate the Acquisition. In addition to the affiliates of White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc., others from the original investor group may participate in this offering as selling stockholders. Upon consummation of this offering, affiliates of White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc. will continue to own % of our outstanding common stock.

Our Executive Offices

Symetra was incorporated in 2004 under the laws of Delaware. Our principal executive offices are located at 777 108th Ave NE, Suite 1200, Bellevue, WA 98004. Our telephone number is (425) 256-8000. Our internet address is www.symetra.com. **The information contained on or accessible from our website does not constitute a part of this prospectus and is not incorporated by reference herein.**

The Offering

Common stock offered by the selling stockholders	shares
Common stock to be outstanding after this offering	10,649,000 shares
Over-allotment option	The underwriters have an option to purchase a maximum of additional shares from the selling stockholders to cover over-allotments.
Use of proceeds	We will not receive any proceeds from this offering. See “Use of Proceeds.”
Listing	We have applied to list our common stock on the New York Stock Exchange, or NYSE, under the symbol “SYA.”
Dividend policy	We intend to pay quarterly dividends on our common shares. The declaration, payment and amount of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition and results of operations, liquidity requirements, market opportunities, capital requirements of our subsidiaries, legal requirements, regulatory constraints and other factors that our board of directors deems relevant. Dividends on our common shares will also be paid to holders of our outstanding warrants.
Risk factors	See “Risk Factors” for a discussion of factors you should consider before investing in our common stock.

All information in this prospectus, unless otherwise indicated or the context otherwise requires:

- assumes the common stock will be sold at $ per share (the midpoint of the price range set forth on the cover of this prospectus);
- assumes no exercise of the underwriters’ over-allotment option;
- excludes 900,000 shares of common stock reserved for issuance pursuant to awards granted under our Equity Plan, of which shares are subject to awards to be granted to employees under the IPO grant program on or about the date of this offering;
- excludes 100,000 shares of common stock reserved for issuance pursuant to our Employee Stock Purchase Plan;
- assumes no exercise of outstanding warrants to purchase 2,181,120 shares of common stock at an exercise price of $100 per share; and
- assumes a for stock dividend that will occur prior to the date of this offering.

Table of Contents

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA

The summary historical consolidated financial and other data, except for non-GAAP financial measures, as of June 30, 2007 and for the six months ended June 30, 2007 and 2006 have been derived from our unaudited interim historical consolidated financial statements and the related notes, which have been prepared on a basis consistent with our annual consolidated financial statements and are included in this prospectus. In the opinion of management such unaudited financial data, except for non-GAAP financial measures, reflects all historical and recurring adjustments necessary for a fair presentation of the results for these periods. The results of operations for the six months ended June 30, 2007 are not necessarily indicative of the results to be expected for the full year or any future period. The summary historical consolidated financial and other data, except for non-GAAP financial measures, as of and for the years ended December 31, 2006 and 2005, and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004 have been derived from our audited consolidated financial statements and the related notes that are included in this prospectus. The summary historical consolidated financial and other data, except for non-GAAP financial measures, as of December 31, 2004 have been derived from our audited consolidated financial statements and the related notes, which are not included in this prospectus.

We do not believe the predecessor financial results for the period from January 1, 2004 through August 1, 2004 are comparable to the results of our new independent company, primarily because during and after the Acquisition we experienced significant changes in our operating costs and also because of purchase accounting adjustments impacting net investment income, policyholder benefits and claims, interest credited, amortization of deferred policy acquisition costs, intangible assets and net realized investment gains (losses). Additionally, due to the short period from our inception as an independent company to the end of 2004, as well as the effect of transitional expense charges associated with the Acquisition, we do not consider our financial results for the period from August 2, 2004 through December 31, 2004 to be comparable to those for the years ended December 31, 2006 and 2005. This summary data should be read in conjunction with our historical consolidated financial statements and related notes included in this prospectus, as well as our "Selected Historical Consolidated Financial Data" and with "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Six Months Ended June 30,		Year Ended December 31,		Period from	Predecessor
					August 2 through December 31, 2004	January 1 through August 1, 2004
	2007	2006	2006	2005		
	(Unaudited)		(Dollars in millions, except per share data)			
Revenues:						
Premiums	$ 265.0	$ 269.2	$ 525.7	$ 575.5	$ 263.2	$ 357.9
Net investment income	490.9	490.5	984.9	994.0	411.1	693.7
Other revenues	32.7	29.7	56.1	58.6	27.1	43.9
Net realized investment gains (losses)	24.5	(0.5)	1.7	14.1	7.0	34.9
Total revenues	813.1	788.9	1,568.4	1,642.2	708.4	1,130.4
Benefits and Expenses:						
Policyholder benefits and claims	136.1	147.6	264.3	327.4	127.5	223.6
Interest credited	374.1	382.2	765.9	810.9	360.2	556.4
Other underwriting and operating expenses	141.2	129.8	260.5	273.2	123.3	182.3
Fair value of warrants issued to investors	—	—	—	—	101.5	—
Interest expense	9.3	9.8	19.1	12.4	3.5	—
Amortization of deferred policy acquisition costs	9.4	7.6	14.6	11.9	1.6	34.2
Intangible asset amortization	—	—	—	—	—	4.9
Total benefits and expenses	670.1	677.0	1,324.4	1,435.8	717.6	1,001.4

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2 through December 31, 2004	Predecessor: Period from January 1 through August 1, 2004
	(Unaudited)		(Dollars in millions, except per share data)			
Income (loss) from continuing operations before income taxes	143.0	111.9	244.0	206.4	(9.2)	129.0
Provisions for income taxes:						
Current	49.0	59.4	92.4	22.2	21.3	0.9
Deferred	(2.2)	(20.2)	(7.9)	39.7	10.7	30.5
Total provision for income taxes	46.8	39.2	84.5	61.9	32.0	31.4
Income (loss) from continuing operations	96.2	72.7	159.5	144.5	(41.2)	97.6
Income (loss) from discontinued operations (net of taxes)	—	—	—	1.0	(2.4)	2.3
Net income (loss)	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ (43.6)	$ 99.9
Net income per common share(1):						
Basic	$ 7.50	$ 5.66	$ 12.43	$ 11.34		
Diluted	$ 7.50	$ 5.66	$ 12.43	$ 11.34		
Weighted average common shares outstanding:						
Basic	12.8	12.8	12.8	12.8		
Diluted	12.8	12.8	12.8	12.8		
Non-GAAP Financial Measures(2):						
Net operating income (loss)	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ (46.0)	$ 75.5
Reconciliation to Net Income (Loss):						
Net income (loss)	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ (43.6)	$ 99.9
Less: Net realized investment gains (losses) (net of taxes)	15.9	(0.3)	1.1	9.2	4.6	22.7
Add:						
Net realized and unrealized investment gains (losses) on fixed indexed annuities (FIA) options (net of taxes)	0.7	(0.7)	1.4	(2.9)	1.3	(1.7)
Net realized and unrealized investment gains on equity securities (net of taxes)	6.3	6.2	12.3	8.5	0.9	—
Net operating income (loss)	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ (46.0)	$ 75.5

Consolidated Balance Sheet Data:	As of June 30, 2007 (Unaudited)	As of December 31, 2006	2005	2004
	(Dollars in millions, except per share data)			
Total investments	$16,695.0	$17,305.3	$18,332.8	$19,244.8
Total assets	19,845.8	20,114.6	20,980.1	22,182.0
Total debt	298.8	298.7	300.0	300.0
Separate account assets	1,268.5	1,233.9	1,188.8	1,228.4
Accumulated other comprehensive income (loss) (net of taxes) (AOCI)	(178.9)	(0.5)	136.6	312.9
Total stockholders' equity	$ 1,247.6	$ 1,327.3	$ 1,404.9	$ 1,435.8
Book value per common share:				
Basic(3)	$ 133.96	$ 124.69	$ 119.10	$ 105.45
Diluted(4)	$ 128.18	$ 120.49	$ 115.85	$ 104.52
U.S. Statutory Financial Information:				
Statutory capital and surplus	$ 1,304.6	$ 1,266.2	$ 1,260.1	$ 1,138.4
Asset valuation reserve (AVR)	177.4	158.4	140.9	107.6
Statutory capital and surplus and AVR	$ 1,482.0	$ 1,424.6	$ 1,401.0	$ 1,246.0

(1) Net income per common share (basic and diluted) assumes that all participating securities, including warrants, have been outstanding since the beginning of the period, using the two-class method.

(2) Management considers certain non-GAAP financial measures, including net operating income (loss), to be a useful supplement to comparable GAAP measures in evaluating our financial performance and condition. These measures have been reconciled to their most comparable GAAP financial measures. We believe that the non-GAAP presentation of net operating income is valuable because excluding certain realized capital gains and losses, many of which are driven by investment decisions and external economic developments unrelated to the insurance and underwriting aspects of the business, reveals trends that may be otherwise obscured. For a definition of these non-GAAP measures and other metrics used in our analysis, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Use of non-GAAP Financial Measures."

(3) Basic book value per common share is calculated based on total stockholders' equity less AOCI divided by common shares outstanding of 10,649,000.

(4) Diluted book value per common share is calculated based on total stockholders' equity less AOCI plus the proceeds from the assumed exercise of outstanding warrants, divided by common shares and shares subject to outstanding warrants of 12,830,120 in the aggregate.

RISK FACTORS

You should carefully consider the following risks and other information in this prospectus before deciding to invest in shares of our common stock. Any of the risks described below could materially adversely affect our business, financial condition, results of operations and cash flows. In this event, the trading price of our common stock could decline and you could lose part or all of your investment.

Risks Related to Our Business

Interest rate fluctuations could adversely affect our financial condition, results of operations and cash flows.

Certain of our insurance and investment products, such as fixed annuities and universal life insurance, are sensitive to interest rate fluctuations and expose us to the risk that falling interest rates will reduce the "spread," or the difference between the returns we earn on the investments that support our obligations under these products and the amounts that we must credit to policyholders and contractholders. This risk is exacerbated due to the existence of guaranteed minimum crediting rates established by regulatory authorities and restrictions on the timing and frequency with which we can adjust our crediting rates. Accordingly, falling interest rates could have an adverse effect on our financial condition, results of operations and cash flows.

Our interest rate spreads and gains related to these spreads vary by product as follows:

- The interest rate spread on our Retirement Services segment's fixed deferred annuity products was 1.70%, 1.76% and 1.58% for the six months ended June 30, 2007 and for the years ended December 31, 2006 and 2005, respectively, which yielded gains of $44.1 million, $102.3 million and $103.4 million, respectively.
- The interest rate spread on our Income Annuities segment's variable annuity products was 0.90%, 0.76% and 0.67% for the six months ended June 30, 2007 and for the years ended December 31, 2006 and 2005, respectively, which yielded gains of $39.0 million, $66.3 million and $59.6 million, respectively.
- The interest rate spread on our Individual segment's universal life insurance products was 1.20%, 1.31% and 0.66% for the six months ended June 30, 2007 and for the years ended December 31, 2006 and 2005, respectively, which yielded gains of $5.1 million, $10.8 million and $7.5 million, respectively.

During periods of rising interest rates, we may determine to offer higher crediting rates on new sales of interest-sensitive products and to increase crediting rates on existing in-force products, in each case in order to maintain or enhance product competitiveness. In addition, periods of rising interest rates may cause increased policy surrenders, withdrawals and requests for policy loans as policyholders and contractholders allocate their assets into higher yielding investments. Increases in crediting rates, as well as surrenders and withdrawals, could have an adverse effect on our financial condition, results of operations and cash flows.

We calculate reserves for long-term disability and life waiver of premium claims using net present value calculations based on the actual interest rates in effect at the time claims are funded, as well as our expectations for future interest rates. Waiver of premium refers to a provision in a life insurance policy pursuant to which an insured with total disability, which has lasted for a minimum specified period, continues to receive life insurance coverage but no longer has to pay premiums for the duration of the disability or for a stated period. During periods of declining interest rates, reserves for new claims are calculated using lower discount rates thereby increasing the net present value of those claims and the required reserves. Further, if actual interest rates used to establish reserves on open claims prove to be lower than our original expectations, we would be required to increase such reserves accordingly. As such, the increase in net present value calculations caused by declines in interest rates could have an adverse effect on our financial condition, results of operations and cash flows.

Our term life insurance products also expose us to the risk of interest rate fluctuations. The pricing and expected future profitability of these products are based in part on expected investment returns. Over time, term life insurance products generally produce positive cash flows as customers pay periodic premiums, which we invest as we receive them. Lower than expected interest rates may reduce our ability to achieve our targeted investment margins and may adversely affect our financial condition, results of operations and cash flows.

If our reserves for future policy benefits and claims are inadequate, we may be required to increase our reserve liabilities.

We calculate and maintain reserves for estimated future benefit payments to our policyholders and contractholders in accordance with U.S. GAAP and industry accounting practices. We release these reserves as those future obligations are extinguished. The reserves we establish necessarily reflect estimates and actuarial assumptions with regard to our future experience. These estimates and actuarial assumptions involve the exercise of significant judgment. Our future financial results depend upon the extent to which our actual future experience is consistent with the assumptions we have used in pricing our products and determining our reserves. Many factors can affect future experience, including economic, political and social conditions, inflation, healthcare costs and changes in doctrines of legal liability and damage awards in litigation. Therefore, we cannot predict the ultimate amounts we will pay for actual future benefits or the timing of those payments.

We regularly monitor our reserves. If we conclude that our reserves are insufficient to cover actual or expected policy and contract benefits and claims payments, we would be required to increase our reserves and incur income statement charges in the period in which we make the determination, which could adversely affect our financial condition and results of operations.

We may face unanticipated losses if there are significant deviations from our assumptions regarding the probabilities that our insurance policies or annuity contracts will remain in-force from one period to the next or if morbidity and mortality rates differ significantly from our pricing expectations.

The prices and expected future profitability of our insurance and deferred annuity products are based in part upon expected patterns of premiums, expenses and benefits, using a number of assumptions, including those related to persistency, mortality and morbidity. Persistency is the probability that a policy or contract will remain in-force from one period to the next. The effect of persistency on profitability varies for different products. For most of our life insurance, group life and health insurance and deferred annuity products, actual persistency that is lower than our assumptions could have an adverse impact on profitability, especially in the early years of a policy or contract primarily because we would be required to accelerate the amortization of expenses we deferred in connection with the acquisition of the policy or contract. In addition, we may need to sell investments at a loss to fund withdrawals. For some of our health insurance policies, actual persistency in later policy durations that is higher than our persistency assumptions could have a negative impact on profitability. If these policies remain in-force longer than we assumed, then we could be required to make greater benefit payments than we had anticipated when we priced these products.

In addition, we set prices for our insurance and certain annuity products based upon expected claims and payment patterns, using assumptions for, among other factors, morbidity rates and mortality rates of our policyholders and contractholders. The long-term profitability of these products depends upon how our actual experience compares with our pricing assumptions. For example, if morbidity rates are higher, or mortality rates are lower, than our pricing assumptions, we could be required to make greater payments under certain annuity contracts than we had projected.

Because our assumptions are inherently uncertain, reserves for future policy benefits and claims may prove to be inadequate if actual experience is different from our assumptions. Although certain of our products permit us to increase premiums during the life of the policy or contract, these increases may not be sufficient to maintain profitability. Moreover, many of our products either do not permit us to increase premiums or limit those increases during the life of the policy or contract. Therefore, significant deviations in experience from our assumptions regarding persistency and mortality and morbidity rates could have an adverse effect on our financial condition, results of operations and cash flows.

We may be required to accelerate the amortization of deferred acquisition costs, which would increase our expenses and reduce profitability.

Deferred acquisition costs, or DAC, represent certain costs which vary with and are primarily related to the sale and issuance of our insurance policies and investment contracts and are deferred and amortized over the estimated life of the related insurance policies and contracts. These costs include commissions in excess of ultimate renewal commissions and certain other sales incentives, solicitation and printing costs, sales material and other costs, such as underwriting and contract and policy issuance expenses. Under U.S. GAAP, DAC is amortized through operations over the lives of the underlying contracts in relation to the anticipated recognition of premiums or gross profits.

Our amortization of DAC generally depends upon anticipated profits from investments, surrender and other policy and contract charges, mortality, morbidity and maintenance and expense margins. Unfavorable experience with regard to expected expenses, investment returns, mortality, morbidity, withdrawals or lapses may cause us to increase the amortization of DAC, resulting in higher expenses and lower profitability.

We regularly review our DAC asset balance to determine if it is recoverable from future income. The portion of the DAC balance deemed to be unrecoverable, if any, is charged to expense in the period in which we make this determination. For example, if we determine that we are unable to recover DAC from profits over the life of a book of business of insurance policies or annuity contracts, or if withdrawals or surrender charges associated with early withdrawals do not fully offset the unamortized acquisition costs related to those policies or annuities, we would be required to recognize the additional DAC amortization as a current-period expense. In general, we limit our deferral of acquisition costs to costs assumed in our pricing assumptions. As of June 30, 2007 and December 31, 2006, we had $107.1 million and $88.2 million of DAC, respectively. Our amortization of DAC was $9.4 million during the six months ended June 30, 2007 and $14.6 million during the year ended December 31, 2006.

A downgrade or a potential downgrade in our financial strength ratings could result in a loss of business.

Financial strength ratings, which various ratings organizations publish as measures of an insurance company's ability to meet contractholder and policyholder obligations, are important to maintaining public confidence in our company and our products, the ability to market our products and our competitive position. As of September 30, 2007, our principal life insurance company subsidiary, Symetra Life Insurance Company, has financial strength ratings of "A" ("Excellent", third highest of 15 ratings) with a stable outlook from A.M. Best, "A−" ("Strong", seventh highest of 21 ratings) with a positive outlook from Standard & Poor's, or S&P, "A2" ("Good", sixth highest of 21 ratings) with a stable outlook from Moody's and "A+" ("Strong", fifth highest of 24 ratings) with a stable outlook from Fitch.

A downgrade in our financial strength ratings, or the announced potential for a downgrade, could have an adverse effect on our financial condition, results of operations and cash flows in several ways, including:

- reducing new sales of insurance products, annuities and other investment products;
- limiting our ability to offer structured settlement products;
- adversely affecting our relationships with independent sales intermediaries and our dedicated sales specialists;
- materially increasing the number or amount of policy surrenders and withdrawals by contractholders and policyholders;
- requiring us to reduce prices for many of our products and services to remain competitive; and
- adversely affecting our ability to obtain reinsurance or obtain reasonable pricing on reinsurance.

The occurrence of natural disasters, disease pandemics, terrorism or military actions could adversely affect our financial condition, results of operations and cash flows.

Our financial condition and results of operations are at risk of material adverse effects that could arise from catastrophic mortality and morbidity due to natural disasters, including floods, tornadoes, earthquakes and hurricanes, disease pandemics, terrorism and military actions. Such events could also lead to unexpected changes in persistency rates as policyholders and contractholders who are affected by the disaster may be unable to meet their contractual obligations, such as payment of premiums on our insurance policies or deposits into our investment products. The continued threat of terrorism and ongoing military actions may cause significant volatility in global financial markets, and a natural disaster or a disease pandemic could trigger an economic downturn in the areas directly or indirectly affected by the disaster. The effectiveness of external parties, including governmental and nongovernmental organizations, in combating the spread and severity of a disease pandemic could have a material impact on the losses experienced by us. Further, in our group insurance operations, a localized event that affects the workplace of one or more of our group insurance customers could cause a significant loss due to mortality or morbidity claims.

Our investment portfolio is subject to various risks that may diminish the value of our invested assets and reduce investment returns.

The performance of our investment portfolio depends in part upon the level of and changes in interest rates, the overall performance of the economy, the creditworthiness of the specific obligors included in our portfolio, equity prices, liquidity and other factors, some of which are beyond our control. Changes in these factors could materially affect our investment results in any period.

Interest rate risk

Changes in interest rates can negatively affect the performance of most of our investments. Interest rate volatility can reduce unrealized gains or create unrealized losses in our portfolios. Interest rates are highly sensitive to many factors, including governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. Fluctuations in interest rates affect our returns on, and the fair value of, our fixed maturity and short-term investments, which comprised $15.4 billion, or 92.5% of the fair value of our total invested assets as of June 30, 2007.

The fair value of the fixed maturity securities in our portfolio and the investment income from these securities fluctuate depending on general economic and market conditions. The fair value generally increases or decreases in an inverse relationship with fluctuations in interest rates, while net investment income realized by us from future investments in fixed maturity securities will generally increase or decrease in step with interest rates. In addition, actual net investment income or cash flows from investments that carry prepayment risk, such as mortgage-backed and certain other asset-backed securities, may differ from those anticipated at the time of investment as a result of interest rate fluctuations. In periods of declining interest rates, mortgage prepayments generally increase and mortgage-backed securities, commercial mortgage obligations and other bonds in our investment portfolio are more likely to be prepaid or redeemed as borrowers seek to borrow at lower interest rates, and we may be required to reinvest those funds in lower interest-bearing investments. As of June 30, 2007, mortgage-backed and other asset-backed securities represented $4.3 billion, or 25.5% of the fair value of our total invested assets.

Because substantially all of our fixed maturity securities are classified as available for sale, changes in the fair value of these securities as described above are reflected as a component of comprehensive income. However, U.S. GAAP does not permit similar mark-to-market treatment to the insurance liabilities that the fixed maturity securities support. Therefore, changes in the fair value of our fixed maturity securities caused by interest rate fluctuations are not offset in whole or in part by similar adjustments to the fair value of our insurance liabilities.

We employ asset/liability matching strategies to reduce the adverse effects of interest rate volatility and to ensure that cash flows are available to pay claims as they become due. Our asset/liability matching strategies include:

- asset/liability duration management;
- structuring our bond and commercial mortgage loan portfolios to limit the effects of prepayments; and
- consistent monitoring of, and making appropriate changes to, the pricing of our products.

However, because these strategies may fail to eliminate or reduce the adverse effects of interest rate volatility, significant fluctuations in the level of interest rates may have a material adverse effect on our financial condition, results of operations and cash flows.

Credit risk

From time to time, issuers of the fixed maturity securities that we own may default on principal and interest payments. Defaults by third parties in the payment or performance of their obligations could reduce our investment income and realized investment gains or result in realized investment losses. Further, the value of any particular fixed maturity security is subject to impairment based on the creditworthiness of a given issuer. As of June 30, 2007, we held $15.4 billion of fixed maturity securities, or 92.5% of the fair value of our total invested assets at that date. Our fixed maturity portfolio also includes below investment grade and non-rated securities, which comprised 4.1% and 4.5%, respectively, of the fair value of our total fixed maturity securities at June 30, 2007. These investments generally provide higher expected returns, but present greater risk and can be less liquid than investment grade securities. Further, the current trend of private equity buyouts could cause certain of our investment-grade fixed maturities to present more significant credit risk than when we first invested. A significant increase in defaults and impairments on our fixed maturity securities portfolio could materially adversely affect our financial condition, results of operations and cash flows.

Liquidity risk

Our investments in privately placed fixed maturities, mortgage loans, policy loans and limited partnership interests are relatively illiquid as compared to publicly-traded fixed maturities and equities. These asset classes represented approximately 10.1% of the carrying value of our total invested assets as of June 30, 2007. If we require significant amounts of cash on short notice in excess of our normal cash requirements, we may have difficulty selling these investments in a timely manner, be forced to sell them for less than we otherwise would have been able to realize, or both.

Downturns and volatility in equity markets could adversely affect the marketability of our products and our profitability.

Significant downturns and volatility in equity markets could have an adverse effect on our business in various ways. Market downturns and volatility may discourage purchases of separate account products, such as variable annuities and variable life insurance, which have returns linked to the performance of the equity markets and may cause some existing customers to withdraw cash values or reduce investments in those products.

Further, downturns and volatility in equity markets can have an adverse effect on the revenues and returns from our separate account products. Because these products depend on fees related primarily to the value of assets under management, a decline in the equity markets could reduce our revenues by reducing the value of the investment assets we manage.

We hold equity and equity-like investments in our Income Annuities and Other segments that represent 1.2% of the fair value of our general account investments as of June 30, 2007. Investments in common stock or equity-like securities generally provide higher expected total returns over the long term, but present greater risk to preservation of principal than do our fixed income investments.

We rely on reinsurance arrangements to help manage our business risks, and failure to perform by the counterparties to our reinsurance arrangements may expose us to risks we had sought to mitigate.

We utilize reinsurance to mitigate our risks in various circumstances. Reinsurance does not relieve us of our direct liability to our policyholders, even when the reinsurer is liable to us. Accordingly, we bear credit risk with respect to our reinsurers. The total reinsurance recoverable amount due from reinsurers was $249.1 million as of June 30, 2007 and $238.8 million as of December 31, 2006. Our reinsurers may be unable or unwilling to pay the reinsurance recoverable owed to us now or in the future or on a timely basis. A reinsurer's insolvency, inability or unwillingness to make payments under the terms of its reinsurance agreement with us could have an adverse effect on our financial condition, results of operations and cash flows.

Reinsurance may not be available, affordable or adequate to protect us against losses.

As part of our overall risk management strategy, we purchase reinsurance for certain risks underwritten by our various business segments. For example, we currently reinsure up to 85% of the mortality risk for new fully-underwritten individual term life insurance policies. We reinsure the mortality risk in excess of $0.5 million for most of the remainder of new individual life insurance policies. While reinsurance agreements generally bind the reinsurer for the life of the business reinsured at generally fixed pricing, market conditions beyond our control determine the availability and cost of the reinsurance protection for new business. In certain circumstances, the price of reinsurance for business already reinsured may also increase. Any decrease in the amount of reinsurance will increase our risk of loss and any increase in the cost of reinsurance will, absent a decrease in the amount of reinsurance, reduce our earnings. Accordingly, we may be forced to incur additional expenses for reinsurance or may not be able to obtain sufficient reinsurance on acceptable terms, which could adversely affect our ability to write future business or result in the assumption of more risk with respect to those policies we issue.

The availability and cost of these reinsurance arrangements are subject to market conditions that are beyond our control. As a result, in the future, we may not be able to enter into reinsurance arrangements on attractive terms, if at all.

We may be unable to attract and retain independent sales intermediaries and dedicated sales specialists.

We distribute our products through financial intermediaries, independent producers and dedicated sales specialists. We compete with other financial institutions to attract and retain commercial relationships in each of these channels, and our success in competing for sales through these sales intermediaries depends upon factors such as:

- the amount of sales commissions and fees we pay;
- the breadth of our product offerings;
- the strength of our brand;
- our perceived stability and our financial strength ratings;
- the marketing and services we provide to them; and
- the strength of the relationships we maintain with individuals at those firms.

Our competitors may be effective in providing incentives to existing and potential distribution partners to favor their products or to reduce sales of our products.

Our contracts with our distribution partners generally allow either party to terminate the relationship upon short notice. Our distribution partners do not make minimum purchase commitments, and our contracts do not prohibit our partners from offering products that compete with ours. Accordingly, our distribution partners may choose not to offer our products exclusively or at all, or may choose to exert insufficient resources and attention to selling our products.

Our future success is highly dependent on maintaining and growing both existing and new distribution relationships. We may have little or no contact with end customers of our products, thereby resulting in little to no brand awareness with end customers and making it more difficult to respond to evolving customer needs, thereby increasing our reliance on our distribution partners.

From time to time, due to competitive forces, we may experience unusually high attrition in particular sales channels for specific products. An inability to recruit productive independent sales intermediaries and dedicated sales specialists, or our inability to retain strong relationships with the individual agents at our independent sales intermediaries, could have an adverse effect on our financial condition, results of operations and cash flows.

General economic, financial market and political conditions may adversely affect our business.

Our business may be materially adversely affected from time to time by general economic, financial market and political conditions, most of which are beyond our control. These conditions include economic cycles such as:

- cyclical movements in the insurance industry;
- levels of unemployment;
- levels of consumer lending;
- levels of inflation; and
- movements of the financial markets.

Fluctuations in interest rates, monetary policy, demographics, and legislative and competitive factors also influence our performance. During periods of economic downturn:

- individuals and businesses may choose not to purchase our insurance products and other related products and services, may terminate existing policies or contracts or permit them to lapse, may choose to reduce the amount of coverage purchased or, in our group employer health insurance, may have fewer employees requiring insurance coverage due to rising unemployment levels;
- new disability insurance claims and claims on other specialized insurance products tend to rise;
- there is a higher loss ratio due to rising unemployment levels; and
- insureds tend to increase their utilization of health benefits if they anticipate unemployment or loss of benefits.

In addition, general inflationary pressures may affect medical costs, increasing the costs of paying claims.

Intense competition could adversely affect our ability to maintain or increase our market share and profitability.

Our businesses are subject to intense competition. We believe the principal competitive factors in the sale of our products are product features, price, commission structure, marketing and distribution arrangements, brand, reputation, financial strength ratings and service. Many other companies actively compete for sales in our retirement services, income annuity, individual and group markets, including other major insurers, banks, other financial institutions, mutual fund and money asset management firms and specialty providers.

In many of our product lines, we face competition from companies that have greater market share or breadth of distribution, offer a broader range of products, services or features, assume a greater level of risk, have lower profitability expectations or have higher financial strength ratings than we do. Many competitors offer similar products and use similar distribution channels. The substantial expansion of banks' and insurance companies' distribution capacities and expansion of product features in recent years have intensified pressure on margins and production levels and have increased the level of competition in many of our product lines.

Our risk management policies and procedures may not be effective or may leave us exposed to unidentified or unanticipated risk, which could negatively affect our business.

We are subject to substantial operational, legal and regulatory risks that require effective policies and procedures to record, verify and report on a large number of transactions and events. For instance, our distribution network consists of a large number of third party agents and requires the implementation and oversight of policies and procedures to ensure that we are not unduly subjected to reputational, financial or other risks. We must also monitor and accurately process large numbers of claims which, if not properly processed, could subject us to financial and regulatory risk. In addition, we regularly monitor changes in laws and regulations in order maintain our products and administrative procedures in compliance. We have developed policies and procedures to mitigate these and other risks, including establishing risk management teams to quantify risk exposures and make recommendations to our risk committee, and we have developed procedures to remediate compliance or other issues. Even so, these policies and procedures may not be fully effective to mitigate all of these risks. Many of our methods for managing these risks and exposures are based upon historical statistical models and observed market behavior. As such, our methods may not be able to predict all future exposures. These could be significantly greater than our historical measures have indicated. Other risk management methods depend upon the evaluation of information regarding markets and clients, or other matters that are publicly available or otherwise accessible to us. This information may not always be accurate, complete, up-to-date or properly evaluated.

The failure to maintain effective and efficient information systems could adversely affect our business.

Our business is dependent upon our ability to keep pace with technological advances. Our ability to keep our systems fully integrated with those of our clients is critical to the operation of our business. Our failure to update our systems to reflect technological advancements or to protect our systems may adversely affect our relationships and ability to do business with our clients.

In addition, our business depends significantly on effective information systems, and we have many different information systems for our various businesses. We have committed and will continue to commit significant resources to develop, maintain and enhance our existing information systems and develop new information systems in order to keep pace with continuing changes in information processing technology, evolving industry and regulatory standards and changing customer preferences. Our failure to maintain effective and efficient information systems could have a material adverse effect on our financial condition and results of operations. If we do not maintain adequate systems, we could experience adverse consequences, including:

- inadequate information on which to base pricing, underwriting and reserving decisions;
- the loss of existing customers;
- difficulty in attracting new customers;
- customer, provider and agent disputes;
- regulatory compliance problems, such as failure to meet prompt payment obligations;
- litigation exposure; or
- increases in administrative expenses.

If we are unable to maintain the availability of our systems and safeguard the security of our data, our ability to conduct business will likely be compromised, which may have a material adverse effect on our financial condition, results of operations and cash flows.

We use computer systems to store and retrieve, evaluate and use customer and company data and information. Additionally, our computer and information technology systems interface with and rely upon third-party systems. Our business is highly dependent on our ability, and the ability of our affiliates, to access these systems to perform necessary business functions. This includes providing insurance quotes, processing premium payments, providing customer support, filing and paying claims and making changes to existing policies. Systems outages or outright failures would compromise our ability to perform these functions in a timely manner. This could hurt our relationships with our business partners and customers and harm our ability to conduct business. In the event of a disaster such as a blackout, a computer virus, an industrial accident, a natural catastrophe, a terrorist attack or war, our systems may not be available to our employees, customers or business partners for an extended period of time. If our employees are able to report to work, yet our systems or our data are destroyed or disabled, they may be unable to perform their duties for an extended period of time. Our systems could also be subject to similar disruptions due to physical and electronic break-ins or other types of unauthorized tampering with our systems. This may interrupt our business operations and may have a material adverse effect on our financial condition, results of operations and cash flows.

Failure to protect our clients' confidential information and privacy could adversely affect our business.

A number of our businesses are subject to privacy regulations and to confidentiality obligations. For example, the collection and use of patient data in our Group segment is the subject of national and state legislation, including the Health Insurance Portability and Accountability Act of 1996, or HIPAA, and certain of the activities conducted by our businesses are subject to the privacy regulations of the Gramm-Leach-Bliley Act. We also have contractual obligations to protect certain confidential information we obtain from our existing vendors and clients. These obligations generally include protecting such confidential information in the same manner and to the same extent as we protect our own confidential information.

In addition, we must develop, implement and maintain a comprehensive written information security program with appropriate administrative, technical and physical safeguards to protect such confidential information. If we do not properly comply with privacy regulations and protect confidential information, we could experience adverse consequences, including regulatory sanctions, such as penalties, fines and loss of license, as well as loss of reputation and possible litigation.

Our business could be interrupted or compromised if we experience difficulties arising from outsourcing relationships.

We outsource certain technology and business functions to third parties, including a significant portion of our information technology function, and expect to continue to do so in the future. If we do not maintain an effective outsourcing strategy or third-party providers do not perform as contracted, we may experience operational difficulties, increased costs and a loss of business that could have a material adverse effect on our consolidated results of operations.

Our new credit facility subjects us to restrictive covenants that impose operating and financial restrictions on our operations and could limit our ability to grow our business.

We entered into a $200.0 million revolving credit facility on August 16, 2007. As of that date, we had no balance outstanding under this facility. In connection with this facility, we have made covenants that may impose significant operating and financial restrictions on us. These restrictions limit the incurrence of additional indebtedness by our subsidiaries, limit the ability of us and our subsidiaries to create liens, and impose certain other operating limitations. These restrictions could limit our ability to obtain future financing or take advantage of business opportunities. Furthermore, our credit facility requires us and our insurance subsidiaries to maintain specified financial ratios. Our ability to comply with these ratios may be affected by events beyond our control, including prevailing economic, financial and industry conditions. If we are unable to comply with the covenants and ratios in our new credit facility, we may be deemed in default under the facility, or we may be required to pay substantial fees or penalties to the lenders to obtain a waiver of any such default. Either development could have a material adverse effect on our business.

We may need additional capital in the future, which may not be available to us on favorable terms. Raising additional capital could dilute your ownership in the company and may cause the market price of our common shares to fall.

We may need to raise additional funds through public or private debt or equity financings in order to:

- fund liquidity needs;
- refinance our senior notes;
- satisfy letter of credit or guarantee bond requirements that may be imposed by our clients or by regulators;
- acquire new businesses or invest in existing businesses;
- expand our business into new regions; or
- otherwise respond to competitive pressures.

Any additional capital raised through the sale of equity will dilute your ownership percentage in our company and may decrease the market price of our common shares. Furthermore, the securities may have rights, preferences and privileges that are senior or otherwise superior to those of our common shares. Any additional financing we may need may not be available on terms favorable to us.

To be eligible for borrowing under our $200.0 million revolving credit facility, we must not be in default of any payment obligations, covenants or other requirements set forth in the facility, and the representations and warranties that we make under the facility must continue to be true in all material respects. Accordingly, it is possible that we may not meet these requirements in the future and may not be eligible to borrow under our credit facility.

In addition, we entered into a covenant in connection with our recent $150.0 million CENts offering that may limit our ability to undertake certain additional types of financing to repay or redeem the CENts.

Our recent offering of CENts, the proceeds of which we are using to pay a special cash dividend to stockholders, may affect our ability to obtain future financing on favorable terms.

On October 10, 2007, we issued $150.0 million aggregate principal amount of CENts. We are using the proceeds from the CENts to pay a special cash dividend to our stockholders on October 19, 2007. That offering may prevent us from obtaining future financing on favorable terms, such as favorable interest rates. The increased cost of obtaining additional financing may adversely affect our ability to fund future working capital and other general corporate requirements, make strategic acquisitions or carry out other aspects of our business plan. Furthermore, our increased debt due to our offering of CENts may adversely impact our cash flows or reduce our liquidity. In addition, in connection with that offering, we entered into a covenant that may limit our ability to undertake certain additional types of financing to repay or redeem the CENts.

Table of Contents

Risks Related to Our Industry

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

Our insurance businesses are heavily regulated and are subject to a wide variety of laws and regulations in various jurisdictions. State insurance laws regulate most aspects of our insurance businesses and our insurance subsidiaries are regulated by the insurance departments of the various states in which they are domiciled and licensed.

State laws in the United States grant insurance regulatory authorities broad administrative powers with respect to various aspects of our insurance businesses, including:

- licensing companies and agents to transact business;
- calculating the value of assets to determine compliance with statutory requirements;
- mandating certain insurance benefits;
- regulating certain premium rates;
- reviewing and approving policy forms;
- regulating unfair trade and claims practices, including the imposition of restrictions on marketing and sales practices, distribution arrangements and payment of inducements;
- establishing statutory capital and reserve requirements and solvency standards;
- fixing maximum interest rates on insurance policy loans and minimum rates for guaranteed crediting rates on life insurance policies and annuity contracts;
- requiring regular market conduct examinations;
- approving changes in control of insurance companies;
- restricting the payment of dividends and other transactions between affiliates; and
- regulating the types, amounts and valuation of investments.

State insurance regulators and the National Association of Insurance Commissioners, or NAIC, regularly re-examine existing laws and regulations applicable to insurance companies and their products. Changes in these laws and regulations or in interpretations thereof, are often made for the benefit of the consumer at the expense of the insurer and thus could have an adverse effect on our business.

Currently, the U.S. federal government does not regulate directly the business of insurance. However, federal legislation and administrative policies in several areas can significantly and adversely affect insurance companies. These areas include financial services regulation, securities regulation, pension regulation, privacy, tort reform legislation and taxation. In addition, various forms of direct federal regulation of insurance have been proposed. These proposals include the “National Insurance Act,” which would allow insurance companies to choose to be regulated by a federal regulator rather than by multiple state regulators and “The State Modernization and Regulatory Transparency Act,” which would maintain state-based regulation of insurance but would affect state regulation of certain aspects of the business of insurance including rates, agent and company licensing, and market conduct examinations. We cannot predict whether these or other proposals will be adopted, or what impact, if any, such proposals or, if enacted, such laws may have on our financial condition, results of operations and cash flows.

Many of our customers and independent sales intermediaries also operate in regulated environments. Changes in the regulations that affect their operations also may affect our business relationships with them and their ability to purchase or to distribute our products.

Compliance with applicable laws and regulations is time consuming and personnel-intensive, and changes in these laws and regulations may materially increase our direct and indirect compliance efforts and other expenses of doing business.

U.S. federal and state securities laws apply to investment products that are also securities, including variable annuities and variable life insurance policies. As a result, some of our subsidiaries and the policies and contracts they offer are subject to regulation under these federal and state securities laws. Our insurance subsidiaries' separate accounts are registered as investment companies under the Investment Company Act of 1940. Some subsidiaries are registered as broker-dealers under the Securities Exchange Act of 1934, as amended, or Exchange Act, and are members of, and subject to, regulation by the National Association of Securities Dealers, Inc. In addition, one of our subsidiaries also is registered as an investment adviser under the Investment Advisers Act of 1940.

Securities laws and regulations are primarily intended to ensure the integrity of the financial markets and to protect investors in the securities markets or investment advisory or brokerage clients. These laws and regulations generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of business for failure to comply with those laws and regulations.

Legal and regulatory investigations and actions are increasingly common in the insurance business and may result in financial losses and harm our reputation.

We face a significant risk of litigation and regulatory investigations and actions in the ordinary course of operating our businesses, including the risk of class action lawsuits. Our pending legal and regulatory actions include proceedings specific to us and others generally applicable to business practices in the industries in which we operate. In our insurance operations, we are or may become subject to class actions, individual suits and regulatory proceedings relating, among other things, to sales or underwriting practices, payment of contingent or other sales commissions, claims payments and procedures, payment of interest on claims, product design, disclosure, administration, additional premium charges for premiums paid on a periodic basis, denial or delay of benefits and breaches of fiduciary or other duties to customers. Plaintiffs in class action and other lawsuits against us may seek very large or indeterminate amounts, including punitive and treble damages, which may remain unknown for substantial periods of time.

For example, the mutual fund and insurance industry has been the focus of increased scrutiny and class action lawsuits related to "revenue sharing" practices by mutual funds with service providers and others in offering mutual fund investments in qualified retirement plans. The lawsuits allege that service providers were involved in self-dealing and prohibited transactions under the Employee Retirement Income Security Act, or ERISA. The outcome of these lawsuits is unknown. We have not been the subject of any inquiries or lawsuits regarding these practices.

We are also subject to various regulatory inquiries, such as information requests, subpoenas, market conduct exams and books and record examinations, from state and federal regulators and other authorities which may result in fines, recommendations for corrective action or other regulatory actions.

Current or future investigations and proceedings could have an adverse effect on our business. A substantial legal liability or a significant regulatory action against us could have an adverse effect on our business. Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant reputational harm, which could have an adverse effect on our business. Increased regulatory scrutiny and any resulting investigations or proceedings could result in new legal actions or precedents and industry-wide regulations or practices that could adversely affect our business.

Proposals for national health care reform could have a material adverse effect on the profitability or marketability of the health insurance products and services we sell.

In our Group segment, we sell group medical stop-loss insurance and limited benefit employee health plans to employer groups. Reform of the health care system is a topic of discussion at both the state and federal levels in the United States and by Presidential candidates from both major political parties. Proposals for change vary widely and range from reform of the existing employer-based system of insurance to a single-payer, public program. Several groups are urging consideration by Congress of a national health care plan. If any of these initiatives ultimately becomes effective, it could have a material effect on the profitability or marketability of the health insurance products and services we sell and on our financial condition, results of operations and cash flows.

Medical advances, such as genetic research and diagnostic imaging, and related legislation could adversely affect the financial performance of our life insurance and annuities businesses.

Genetic research includes procedures focused on identifying key genes that render an individual predisposed to specific diseases such as particular types of cancer and other diseases. Other medical advances, such as diagnostic imaging technologies, may be used to detect the early onset of diseases such as cancer and cardiovascular disease. We believe that if individuals learn through medical advances that they are predisposed to particular conditions that may reduce life longevity or require long-term care, they will be more likely to purchase our life insurance policies or not to permit existing polices to lapse. In contrast, if individuals learn that they lack the genetic predisposition to develop the conditions that reduce longevity, they will be less likely to purchase our life insurance products but more likely to purchase certain annuity products. In addition, such individuals that are existing policyholders will be more likely to permit their policies to lapse.

If we were to gain access to the same genetic or medical information as our prospective policyholders and contractholders, then we would be able to take this information into account in pricing our life insurance policies and annuity contracts. However, there are a number of regulatory proposals that would make genetic and other medical information confidential and unavailable to insurance companies. Legislation that would prohibit group health plans, health insurers and employers from making enrollment decisions or adjusting premiums on the basis of genetic testing information has been introduced in Congress as well as in certain state legislatures. If these regulatory proposals were enacted, prospective policyholders and contractholders would only disclose this information if they chose to do so voluntarily. These factors could lead us to reduce sales of products affected by these regulatory proposals and could result in a deterioration of the risk profile of our portfolio, which could lead to payments to our policyholders and contractholders that are higher than currently anticipated.

Medical advances also could lead to new forms of preventive care. Preventive care could extend the life and improve the overall health of individuals. If this were to occur, the duration of payments under certain of our annuity products likely would increase, thereby reducing net earnings in that business.

Changes in tax laws could make some of our products less attractive to consumers and as a result have an adverse effect on our business.

Changes in tax laws could make some of our products less attractive to consumers. For example, the Treasury Department and the Internal Revenue Service, or IRS, recently issued new final regulations relating to Section 403(b) plans that will impact the 403(b) marketplace, including tax sheltered annuities. While the impact of the new regulations is uncertain, it is likely that employers offering Section 403(b) plans will be required to change how their plans operate. Those changes may include re-evaluation of their plan investment offerings, including annuities currently offered by us in those plans.

Furthermore, the federal estate tax, which has undergone a gradual repeal since 2001 that will continue to be phased in through 2010, is scheduled to revert to pre-2001 law as of January 1, 2011. The repeal of and continuing uncertainty regarding the federal estate tax may adversely affect sales and surrenders of some of our estate planning products. In addition, from time to time, legislation is proposed to eliminate the tax deferred nature of certain non-qualified annuities.

Any such legislation or changes to existing legislation could have a material adverse effect on our financial condition and results of operations. We cannot predict whether any such legislation or changes will be enacted, what the specific terms will be or how, if at all, they would have an adverse effect on our business.

Failures elsewhere in the insurance industry could obligate us to pay assessments through guaranty associations.

When an insurance company becomes insolvent, guaranty associations in each of the 50 states levy assessments upon all companies licensed to write insurance in the relevant lines of business in that state, and use the proceeds to pay claims of policyholder residents of that state, up to the state-specific limit of coverage. The total amount of the assessment is based on the number of insured residents in each state, and each company's assessment is based on its proportionate share of premium volume in the relevant lines of business and could have an adverse effect on our results of operations. The failure of a large life, health or annuity insurer could trigger guaranty association assessments we would be obligated to pay.

Risks Relating to this Offering and Ownership of Our Common Stock

As a holding company, Symetra Financial Corporation depends on the ability of its subsidiaries to transfer funds to it to meet its obligations and pay dividends.

Symetra Financial Corporation is a holding company for its insurance and financial subsidiaries with no significant operations of its own. Its principal sources of cash to meet its obligations and to pay dividends consist of dividends from its subsidiaries and permitted payments under tax sharing agreements with its subsidiaries. State insurance regulatory authorities limit the payment of dividends by insurance subsidiaries. Based on our statutory results as of December 31, 2006, our insurance subsidiaries may pay dividends of up to $166.4 million to us through the end of fiscal 2007 without obtaining regulatory approval, of which our insurance subsidiaries have paid $66.4 million in dividends through September 30, 2007, and are eligible to pay up to an additional $100.0 million in dividends without obtaining regulatory approval through the remainder of 2007. In addition, competitive pressures generally require our insurance subsidiaries to maintain financial strength ratings, which are partly based on maintaining certain levels of capital. These restrictions and other regulatory requirements, such as minimum required risk-based capital ratios, affect the ability of our insurance subsidiaries to make dividend payments. Limits on the ability of the insurance subsidiaries to pay dividends could adversely affect our liquidity, including our ability to pay dividends to stockholders and service our debt.

There are a number of other factors that could affect our ability to pay dividends, including the following:

- lack of availability of cash to pay dividends due to changes in our operating cash flow, capital expenditure requirements, working capital requirements and other cash needs;
- unexpected or increased operating or other expenses or changes in the timing thereof;
- restrictions under Delaware law or other applicable law on the amount of dividends that we may pay;
- a decision by our board of directors to modify or revoke its policy to pay dividends; and
- the other risks described under "Risk Factors."

The failure to maintain or pay dividends could adversely affect the trading price of our shares.

There may not be an active, liquid trading market for our common stock.

Prior to this offering, there has been no public market for our common stock. We cannot predict the extent to which an active trading market with adequate liquidity will develop. If an active trading market does not develop, you may have difficulty selling any of our common stock that you purchase and the value of your shares may be impaired.

If securities or industry analysts do not publish research or reports about our business, if they change their recommendations regarding our stock adversely or if our operating results do not meet their expectations, our stock price could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us, our business or our industry. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover our company downgrade our stock or if our operating results do not meet their expectations, our stock price could decline.

As a public company, we will become subject to additional financial and other reporting and corporate governance requirements.

We have historically operated our business as a private company. After this offering, we will become obligated to file with the Securities and Exchange Commission, or SEC, annual and quarterly information and other reports that are specified in Section 13 of the Exchange Act. We will also be required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. We will also become subject to other reporting and corporate governance requirements, including the requirements of the NYSE and certain provisions of the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder, which will impose significant compliance obligations upon us. As a public company, we will be required to:

- prepare and distribute periodic public reports and other stockholder communications in compliance with our obligations under the federal securities laws and NYSE rules;
- create or expand the roles and duties of our board of directors and committees of the board;
- institute more comprehensive financial reporting and disclosure compliance functions;
- involve and retain to a greater degree outside counsel and accountants in the activities listed above;
- enhance our investor relations function;
- establish new internal policies, including those relating to disclosure controls and procedures; and
- comply with the Sarbanes-Oxley Act of 2002, in particular Section 404.

These changes will require a significant commitment of additional expense and other resources. We may not be successful in implementing these requirements and implementing them could adversely affect our business or operating results. In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our operating results on a timely and accurate basis could be impaired.

Significant stockholders may be able to influence the direction of our business.

Upon completion of this offering, our principal stockholders, affiliates of White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc., will continue to own approximately % of our outstanding shares of common stock. If they chose to act together on matters that are brought to stockholders for their vote, they would continue to have the collective ability to significantly influence all matters requiring stockholder approval, including the nomination and election of directors and the determination of the outcome of any corporate transaction or other matter submitted to our stockholders for approval, including amendments to our certificate of incorporation, potential mergers or acquisitions, asset sales and other significant corporate transactions. The interests of our principal stockholders may not coincide with the interests of the other holders of our common stock.

Our internal control over financial reporting does not currently meet the standards required by Section 404 of the Sarbanes-Oxley Act of 2002, and failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

As a privately-held company, we have not been required to maintain internal control over financial reporting in a manner that meets the standards of publicly-traded companies required by Section 404 of the Sarbanes-Oxley Act, standards that we will be required to meet in the course of preparing our financial statements as of and for the year ended December 31, 2008. We do not currently have comprehensive documentation of our internal controls, nor do we document or test our compliance with these controls on a periodic basis in accordance with Section 404 of the Sarbanes-Oxley Act. Furthermore, we have not tested our internal controls in accordance with Section 404 and, due to our lack of documentation, such a test would not be possible to perform at this time.

If, as a public company, we are not able to implement the requirements of Section 404 in a timely manner or with adequate compliance, our independent registered public accounting firm may not be able to attest to the adequacy of our internal control over financial reporting. If we are unable to maintain adequate internal control over financial reporting, we may be unable to report our financial information on a timely basis, may suffer adverse regulatory consequences or violations of applicable stock exchange listing rules and may breach the covenants under our revolving credit facilities and our senior notes. There could also be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in our financial statements is also likely to suffer if our independent registered public accounting firm reports a material weakness in our internal control over financial reporting.

In addition, we will incur incremental costs in order to improve our internal control over financial reporting and comply with Section 404, including increased auditing and legal fees and costs associated with hiring additional accounting and administrative staff.

Our stock price may fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.

The trading price of our common stock may be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- changes in interest rates;
- introduction of new services or announcements of significant contracts, acquisitions or capital commitments by us or our competitors;
- regulatory or political developments;
- issuance of new or changed securities analysts' reports or recommendations, or the announcement of any changes to our credit rating;
- additions or departures of key personnel;
- availability of capital;
- litigation and government investigations;
- legislative and regulatory developments;
- future sales of our common stock;
- investor perceptions of us and the life insurance industry; and
- economic conditions.

These and other factors may cause the market price of our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. Even factors that do not specifically relate to our company may materially reduce the market price of our common stock, regardless of our operating performance.

Future sales, or the perception of future sales, of a substantial amount of our common stock may depress the price of our common shares.

Future sales, or the perception of future sales, of a substantial number of shares of our common stock in the public market after this offering could have a material adverse effect on the prevailing market price of our common stock.

Upon completion of this offering, we will have 10,649,000 shares of common stock outstanding, or 12,830,120 shares if we give effect to the exercise of all outstanding warrants. All shares sold in this offering will be freely tradable without restriction under the Securities Act, except for any shares that may be held or acquired by affiliates of the company, as that term is defined in the Securities Act.

In connection with this offering, we, each of our executive officers and directors and the selling stockholders will have entered into lock-up agreements that prevent the sale of shares of our common stock for up to 180 days after the date of this prospectus, subject to an extension in certain circumstances described under “Underwriting.” Following the expiration of the lock-up period, the remaining shares outstanding held by current stockholders of the company will be available for sale pursuant to Rule 144, subject to compliance with the volume, manner of sale and other limitations under Rule 144 in the case of shares held by affiliates. Furthermore, certain stockholders will have the right, subject to certain conditions, to require us to register the sale of of their shares of our common stock under the Securities Act. By exercising their registration rights, and selling a large number of shares, our stockholders could cause the prevailing market price of our common stock to decline.

Anti-takeover provisions in our charter documents could delay or prevent a change of control of our company and may result in an entrenchment of management and diminish the value of our common stock.

Upon completion of this offering, our certificate of incorporation and bylaws will contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change of control of our company or changes in management that our stockholders might deem advantageous. Specific provisions in our certificate of incorporation will include:

- our ability to issue preferred stock with terms that the board of directors may determine, without stockholder approval;
- a classified board of directors;
- advance notice requirements for stockholder proposals and nominations;
- the absence of cumulative voting in the election of directors; and
- limitations on convening stockholder meetings.

These provisions in our certificate of incorporation and bylaws may frustrate attempts to effect a takeover transaction that is in the best interests of our minority stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging future takeover attempts.

Applicable insurance laws may make it difficult to effect a change of control of our company.

Before a person can acquire control of a U.S. insurance company, prior written approval must be obtained from the insurance commissioner of the state where the insurer is domiciled. Generally, state statutes provide that control over a domestic insurer is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, 10% or more of the voting securities of the domestic insurer. These statutes may frustrate or delay attempts to effect a takeover transaction that would benefit our stockholders.

FORWARD-LOOKING STATEMENTS

This prospectus contains "forward-looking" statements that are intended to enhance the reader's ability to assess our future financial and business performance. Forward-looking statements include, but are not limited to, statements that represent our beliefs concerning future operations, strategies, financial results or other developments, and contain words and phrases such as "may," "expects," "should," "believes," "anticipates," "estimates," "intends" or similar expressions. In addition, statements that refer to our future financial performance, anticipated growth and trends in our business and in our industry and other characterizations of future events or circumstances are forward-looking statements. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond our control or are subject to change, actual results could be materially different. The following uncertainties, among others, may have such an impact:

- changes in economic conditions, including changes in interest rates and the performance of financial markets, which may:
  - increase defaults on and impairments of our bond portfolio;
  - reduce sales of our variable and investment management products and the fees we receive on assets under management; and
  - increase the level of our guaranteed minimum death benefit and reserves.
- a change in our ratings by nationally recognized ratings organizations;
- changes in laws, regulations and taxes;
- competitive pressures on product pricing and services, including competition by other insurance companies and financial services companies;
- terrorist attacks and military and other actions;
- changes in lapse rates, morbidity, mortality or unemployment rates which differ significantly from our pricing expectations, including as a result of extremely rare, severe and widespread events, such as a possible global avian flu pandemic; and
- the relative success and timing of our business strategies.

Consequently, such forward-looking statements should be regarded solely as our current plans, estimates and beliefs with respect to, among other things, future events and financial performance. Except as required under the federal securities laws, we do not intend, and do not undertake, any obligation to update any forward-looking statements to reflect future events or circumstances after the date of such statements.

You should review carefully the section captioned "Risk Factors" in this prospectus for a more complete discussion of the risks of an investment in our common stock.

INDUSTRY AND MARKET DATA

This prospectus includes industry and government data and forecasts that we have prepared based, in part, upon industry and government data and forecasts obtained from industry and government publications and surveys. These sources include publications and data compiled by the Employee Benefit Research Institute, Kaiser Family Foundation, U.S. Census Bureau, U.S. Department of Health & Human Services Centers for Disease Control, Spectrem Group and Variable Annuity Research and Data Service. Third-party industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. Forecasts are particularly likely to be inaccurate, especially over long periods of time. While we are not aware of any misstatements regarding the industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors."

USE OF PROCEEDS

All of the shares of common stock offered by this prospectus are being sold by the selling stockholders. For information about the selling stockholders, see "Principal and Selling Stockholders." We will not receive any of the proceeds from the shares of common stock sold by the selling stockholders.

DIVIDEND POLICY

We intend to pay quarterly cash dividends on our common stock at an initial rate of approximately $ per share. The declaration, payment and amount of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition and results of operations, liquidity requirements, market opportunities, capital requirements of our subsidiaries, legal requirements, regulatory constraints and other factors as the board of directors deems relevant. Dividends on our common shares will also be paid to holders of our outstanding warrants.

On October 19, 2007, we will pay two dividends to our stockholders totaling $200.0 million in the aggregate, of which approximately $146.8 million will be funded with the proceeds from our offering of CENts in October 2007.

We are a holding company with no significant business operations of our own. All of our business operations are conducted through our subsidiaries. Dividends and loans from, and cash generated by, our subsidiaries will be our principal sources of cash to repay indebtedness, fund operations and pay dividends. Accordingly, our ability to pay dividends to our stockholders will depend on the earnings and distributions of funds from our subsidiaries. See "Risk Factors — As a holding company, Symetra Financial Corporation depends on the ability of its subsidiaries to transfer funds to it to meet its obligations and pay dividends."

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2007 on an actual basis and on an as adjusted basis after giving effect to:

- the offering of $150.0 million aggregate principal amount of CENts in October 2007; and
- the payment of two dividends to our stockholders totaling $200.0 million in the aggregate on October 19, 2007, of which approximately $146.8 million is being funded from the offering of the CENts.

You should read this table in conjunction with our consolidated financial statements and related notes and the information provided under the captions "Selected Historical Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

(In Millions)	As of June 30, 2007 Actual	As of June 30, 2007 As Adjusted
Cash and cash equivalents	$ 362.4	$ 309.2
Borrowings and other obligations:		
Revolving credit facilities(1)	$ —	$ —
Senior notes	298.8	298.8
CENts	—	149.8(2)
Total borrowings and other obligations	298.8	448.6
Stockholders' equity:		
Common stock, $0.01 par value; 15.0 million shares authorized, 10.6 million shares issued and outstanding	0.1	0.1
Additional paid-in capital	1,166.3	1,166.3
Total paid-in capital	1,166.4	1,166.4
Retained earnings	260.1	60.1
Accumulated other comprehensive income (loss), net of taxes	(178.9)	(178.9)
Total stockholders' equity	1,247.6	1,047.6
Total capitalization	$ 1,546.4	$ 1,496.2

(1) The revolving credit facilities collectively provide for borrowings of up to $120 million. As of September 30, 2007, we had no balance outstanding under our revolving credit facilities. On August 16, 2007, we entered into a new $200.0 million revolving credit facility. This facility replaced the $70 million revolving credit facility that was in place as of June 30, 2007, and, together with our two existing $25.0 million credit facilities, results in us having credit facilities for an aggregate of $250.0 million.

(2) The CENts were issued at a price of $149.8 million with an initial aggregate principal amount of $150.0 million.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The selected historical consolidated financial data, except for non-GAAP financial measures, as of June 30, 2007 and for the six months ended June 30, 2007 and 2006 have been derived from our unaudited interim historical consolidated financial statements, which have been prepared on a basis consistent with our annual consolidated financial statements, included in this prospectus. In the opinion of management, such unaudited financial data, except for non-GAAP financial measures, reflects all historical and recurring adjustments necessary for a fair presentation of the results for these periods. The results of operations for the six months ended June 30, 2007 are not necessarily indicative of the results to be expected for the full year or any future period. The selected historical consolidated financial data, except for non-GAAP financial measures, as of December 31, 2006 and 2005 and for the years ended December 31, 2006 and 2005, and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004 have been derived from our audited consolidated financial statements that are included elsewhere in this prospectus. The selected historical consolidated financial data, except for non-GAAP financial measures, presented below as of December 31, 2004 and as of and for the year ended December 31, 2003 have been derived from our audited consolidated financial statements that are not included in this prospectus. The unaudited selected historical consolidated financial data, except for non-GAAP financial measures, as of and for the year ended December 31, 2002 were derived from unaudited carve-outs of the acquired businesses from our predecessor's audited consolidated financial statements, which are not included in this prospectus.

We do not believe the predecessor financial results for the years ended December 31, 2003 and 2002 and for the period from January 1, 2004 through August 1, 2004 are comparable to the results of our new independent company. This lack of comparability is primarily due to significant changes in our operating costs and also because of purchase accounting adjustments impacting net investment income, policyholder benefits and claims, interest amortization of deferred acquisition costs, intangible assets and net realized investment gains (losses). Additionally, due to the short period from our inception as an independent company to the end of 2004, as well as the effect of transitional expense charges associated with the Acquisition, we do not consider our financial results for the period from August 2, 2004 through December 31, 2004 to be comparable to those for the years ended December 31, 2006 and 2005. This summary data should be read in conjunction with other information contained in this prospectus, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical consolidated financial statements and related notes included elsewhere in this prospectus.

	Six Months Ended June 30,		Year Ended December 31,		Period from	Predecessor		
					August 2 through December 31,	January 1 through August 1,	Year Ended December 31,	
	2007	2006	2006	2005	2004	2004	2003	2002
	(Unaudited)							(Unaudited)
	(In millions, except per share data)							
Consolidated Income Statement Data:								
Revenues:								
Premiums	$ 265.0	$ 269.2	$ 525.7	$ 575.5	$ 263.2	$ 357.9	$ 680.5	$ 599.6
Net investment income	490.9	490.5	984.9	994.0	411.1	693.7	1,210.6	1,205.3
Other revenues	32.7	29.7	56.1	58.6	27.1	43.9	63.9	62.1
Net realized investment gains (losses)	24.5	(0.5)	1.7	14.1	7.0	34.9	(9.6)	(152.3)
Total revenues	813.1	788.9	1,568.4	1,642.2	708.4	1,130.4	1,945.4	1,714.7
Benefits and Expenses:								
Policyholder benefits and claims	136.1	147.6	264.3	327.4	127.5	223.6	381.9	341.7
Interest credited	374.1	382.2	765.9	810.9	360.2	556.4	990.8	968.7

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2 through December 31, 2004	Predecessor: Period from January 1 through August 1, 2004	Predecessor: Year Ended December 31, 2003	Predecessor: Year Ended December 31, 2002
	(Unaudited)							(Unaudited)
	(In millions, except per share data)							
Other underwriting and operating expenses	141.2	129.8	260.5	273.2	123.3	182.3	324.9	267.5
Fair value of warrants issued to investors	—	—	—	—	101.5	—	—	—
Interest expense	9.3	9.8	19.1	12.4	3.5	—	—	—
Amortization of deferred policy acquisition costs	9.4	7.6	14.6	11.9	1.6	34.2	51.3	40.8
Intangible asset amortization	—	—	—	—	—	4.9	8.3	8.8
Total benefits and expenses	670.1	677.0	1,324.4	1,435.8	717.6	1,001.4	1,757.2	1,627.5
Income (loss) from continuing operations before income taxes	143.0	111.9	244.0	206.4	(9.2)	129.0	188.2	87.2
Provisions for income taxes:								
Current	49.0	59.4	92.4	22.2	21.3	0.9	42.1	58.8
Deferred	(2.2)	(20.2)	(7.9)	39.7	10.7	30.5	9.1	(30.3)
Total provision for income taxes	46.8	39.2	84.5	61.9	32.0	31.4	51.2	28.5
Income (loss) from continuing operations	96.2	72.7	159.5	144.5	(41.2)	97.6	137.0	58.7
Income (loss) from discontinued operations (net of taxes)	—	—	—	1.0	(2.4)	2.3	1.7	1.5
Net income (loss)	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ (43.6)	$ 99.9	$ 138.7	$ 60.2
Net income per common share:(1)								
Basic	$ 7.50	$ 5.66	$ 12.43	$ 11.34				
Diluted	$ 7.50	$ 5.66	$ 12.43	$ 11.34				
Weighted average common shares outstanding:								
Basic	12.8	12.8	12.8	12.8				
Diluted	12.8	12.8	12.8	12.8				

	Six Months Ended June 30, 2007 (Unaudited)	Six Months Ended June 30, 2006 (Unaudited)	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2 through December 31, 2004	Predecessor: Period from January 1 through August 1, 2004	Predecessor: Year Ended December 31, 2003	Predecessor: Year Ended December 31, 2002 (Unaudited)
	(In millions, except per share data)							
Non-GAAP Financial Measures(2):								
Net operating income (loss)	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ (46.0)	$ 75.5		
Reconciliation to Net Income (Loss):								
Net income (loss)	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ (43.6)	$ 99.9		
Less: Net realized investment gains (losses) (net of taxes)	15.9	(0.3)	1.1	9.2	4.6	22.7		
Add:								
Net realized and unrealized investment gains (losses) on FIA options (net of taxes)	0.7	(0.7)	1.4	(2.9)	1.3	(1.7)		
Net realized and unrealized investment gains on equity securities (net of taxes)	6.3	6.2	12.3	8.5	0.9	—		
Net operating income (loss)	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ (46.0)	$ 75.5		

	As of June 30, 2007 (Unaudited)	As of December 31, 2006	2005	2004	2003	2002 (Unaudited)
Consolidated Balance Sheet Data:						
Total investments	$ 16,695.0	$ 17,305.3	$ 18,332.8	$ 19,244.8	$ 19,197.6	$ 17,913.1
Total assets	19,845.8	20,114.6	20,980.1	22,182.0	22,512.0	21,393.6
Total debt	298.8	298.7	300.0	300.0	—	—
Separate account assets	1,268.5	1,233.9	1,188.8	1,228.4	1,137.4	899.2
Accumulated other comprehensive income (loss) (AOCI) (net of taxes)	(178.9)	(0.5)	136.6	312.9		
Total stockholders’ equity	1,247.6	1,327.3	1,404.9	1,435.8	2,566.7	2,244.7
Book value per common share:						
Basic(3)	$ 133.96	$ 124.69	$ 119.10	$ 105.45		
Diluted(4)	$ 128.18	$ 120.49	$ 115.85	$ 104.52		
U.S. Statutory Financial Information:						
Statutory capital and surplus	$ 1,304.6	$ 1,266.2	$ 1,260.1	$ 1,138.4	$ 1,059.6	$ 903.4
Asset valuation reserve (AVR)	177.4	158.4	140.9	107.6	71.5	39.5
Statutory capital and surplus and AVR	$ 1,482.0	$ 1,424.6	$ 1,401.0	$ 1,246.0	$ 1,131.1	$ 942.9

(1) Net income per common share (basic and diluted) assumes that all participating securities, including warrants, have been outstanding since the beginning of the period, using the two-class method.

(2) Management considers certain non-GAAP financial measures, including net operating income (loss), to be a useful supplement to comparable GAAP measures in evaluating our financial performance and condition. These unaudited measures have been reconciled to their most comparable GAAP financial measures. We believe that the non-GAAP presentation of net operating income is valuable because excluding certain realized capital gains and losses, many of which are driven by investment decisions and external economic developments unrelated to the insurance and underwriting aspects of the business reveals trends that may be otherwise obscured. For a definition of these non-GAAP measures and other metrics used in our analysis, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Use of non-GAAP Financial Measures.”

(3) Basic book value per common share is calculated based on total stockholders’ equity less AOCI divided by common shares outstanding of 10,649,000.

(4) Diluted book value per common share is calculated based on total stockholders’ equity less AOCI plus the proceeds from the assumed exercise of outstanding warrants, divided by common shares and shares subject to outstanding warrants of 12,830,120 in the aggregate.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the audited and unaudited historical financial statements and the accompanying notes included in this prospectus, as well as the discussion under "Selected Historical Consolidated Financial Data." This discussion contains forward-looking statements that involve risks 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 under "Risk Factors" and "Forward-Looking Statements." Our fiscal year ends on December 31 of each calendar year.

Management considers certain non-GAAP financial measures, including net operating income (loss) and segment pre-tax operating income, 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 of these non-GAAP measures and other metrics used in our analysis, see "— Use of non-GAAP Financial Measures."

Overview

We are a life insurance company focused on profitable growth in select group health, retirement, life insurance and employee benefits markets. Our first day of operations as an independent company was August 2, 2004 when Symetra acquired a group of life insurance and investment companies from Safeco Corporation (the "Acquisition"). Our operations date back to 1957, and many of our agency and distribution relationships have been in place for decades. We are headquartered in Bellevue, Washington and employ over 1,300 people in 25 offices across the United States, serving over two million customers. As of June 30, 2007, we had total stockholders' equity of $1.2 billion, regulatory capital of $1.5 billion and total assets of $19.8 billion. Our operating return on average equity, or operating ROAE, was 13.2%, 13.0%, and 11.9%, for the twelve month periods ended June 30, 2007, December 31, 2006 and December 31, 2005, respectively. We define operating ROAE as net operating income, a non-GAAP financial measure, divided by average stockholders' equity excluding accumulated other comprehensive income. For a reconciliation of net operating income to net income, please see page 43.

Our Operations

We conduct our business through five segments, four of which are operating:

- *Group.* We offer medical stop-loss insurance, limited medical benefit plans, group life insurance, accidental death and dismemberment insurance and disability insurance mainly to employer groups of 50 to 1,000 individuals. As a result of our recent acquisition of Medical Risk Managers, Inc., we also offer MGU services.
- *Retirement Services.* We offer fixed and variable deferred annuities, including tax sheltered annuities, IRAs, and group annuities to qualified retirement plans, including Section 401(k) and 457 plans. We also provide record keeping services for qualified retirement plans invested in mutual funds.
- *Income Annuities.* We offer SPIAs for customers seeking a reliable source of retirement income and structured settlement annuities to fund third-party personal injury settlements.
- *Individual.* We offer a wide array of term, universal and variable life insurance as well as BOLI.
- *Other.* This segment consists of unallocated corporate income, composed primarily of investment income on unallocated surplus, unallocated corporate expenses, interest expense on debt, the results of small, non-insurance businesses that are managed outside of our operating segments and inter-segment elimination entries.

Revenues and Expenses

We earn revenues and generate cash primarily from premiums earned on group life and health and individual insurance products, cost of insurance, or COI, charges primarily from our universal life and BOLI products, net investment income, net realized investment gains and other revenues. Other revenues include mortality and expense, surrender, and other administrative charges, revenues from our non-insurance businesses and revenues from fee arrangements with our reinsurance partners.

Each operating segment maintains its own portfolio of invested assets. The realized gains (losses) incurred are reported in the segment in which they occur. The unallocated portion of net investment income is reported in the Other segment.

Our primary expenses include interest credited, benefits and claims and general business and operating expenses, including commissions. We allocate corporate expenses to each of our operating segments using multiple factors which include headcount, allocated capital, account values and time study results.

Critical Accounting Policies and Estimates and Recently Issued Accounting Standards

The accounting policies discussed in this section are those that we consider to be particularly critical to an understanding of our 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. For all of these policies, we caution that future events rarely develop exactly as forecast, and our management's best estimates may require adjustment. For a discussion of recently adopted and not yet adopted accounting standards, see note 2, "Summary of Significant Accounting Policies," from the notes to our consolidated financial statements included in this prospectus.

Other-Than-Temporary Impairments

We analyze investments that meet our impairment criteria to determine whether the decline in value is other-than-temporary. The impairment review involves the finance investment management team, as well as the portfolio asset manager. To make this determination for each security, we consider both quantitative and qualitative criteria including:

- how long and by how much the fair value has been below cost or amortized cost;
- the financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations or earnings potential, or compliance with terms and covenants of the security;
- our intent and ability to keep the security long enough for it to recover its value;
- any downgrades of the security by a rating agency; and
- any reduction or elimination of dividends or nonpayment of scheduled interest payments.

Based on the analysis, we make a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, we record an impairment charge within net realized investment gains (losses) in our consolidated statements of operations in the period that we make the determination. Our impairment policy may result in an other-than-temporary impairment charge recorded for a security that has no credit default or credit issues if we do not have the intent or ability to hold an impaired security long enough to recover its value. This situation can exist as a result of certain portfolio management or cash management strategies. Accordingly, we categorize impairments as either credit related or other. If we determine that we are not likely to receive interest or principal amounts based upon the expectations of the security or due in accordance with the contractual terms of the security, the impairment is characterized as credit related. We may also characterize an impairment as credit related if substantially all of the decrease in security value is related to issuer credit spreads widening. The other-than-temporary impairments categorized as other are primarily related to securities that have declined in value and for which we are uncertain of our intent and ability to retain the investment for a period of time to allow recovery to book value.

Deferred Policy Acquisition Costs

We defer as assets certain costs, generally commissions, distribution costs and other underwriting costs, that vary with, and are primarily related to, the production of new and renewal business. We limit our deferral to acquisition expenses contained in our product pricing assumptions.

The following table summarizes our DAC balances by segment:

	As of June 30, 2007 (Unaudited)	As of December 31, 2006	As of December 31, 2005
		(Dollars In Millions)	
Group	3.3	4.0	5.3
Retirement Services	66.6	54.5	25.5
Income Annuities	8.7	6.8	4.3
Individual	28.5	22.9	13.9
Total	107.1	88.2	49.0

In our Group segment, the DAC amortization period for group medical stop-loss policies is one year as these policies are re-priced on an annual basis.

In our Retirement Services, Income Annuities and Individual segments, we amortize acquisition costs over the premium paying period or over the lives of the policies in proportion to the future estimated gross profits, or EGPs, of each of these product lines, as follows:

- *Retirement Services.* The DAC amortization period is typically 20 years for the deferred annuities, although most of the DAC amortization occurs within the first 10 years because the EGPs are highest during that period. It is common for deferred annuity policies to lapse after the surrender charge period expires.
- *Income Annuities.* The DAC amortization period for SPIAs, including structured settlement annuities, is the benefit payment period, which ranges from 5 to 100 years.
- *Individual.* The DAC amortization period related to universal life and variable life policies is typically 25 years and 20 years, respectively. DAC amortization related to our term life insurance policies is the premium paying period, which ranges from 10 to 30 years.

To determine the EGPs, we make assumptions as to lapse and withdrawal rates, expenses, interest margins, mortality experience, long term equity market return and investment performance.

Changes to assumptions can have a significant impact on DAC amortization. In the event actual experience differs from our assumptions or our future assumptions are revised, we adjust our EGPs, which could result in a significant increase in amortization expense. The following would generally cause an increase in DAC amortization expense: increases to lapse and withdrawal rates in the current period, increases to expected future lapse and withdrawal rates, increases to future expected expense levels, increases to interest margins in the current period, decreases to expected future interest margins and decreases to current or expected equity market returns. EGPs are adjusted quarterly to reflect actual experience to date or to change underlying key assumptions based on experience studies.

We regularly conduct DAC recoverability analyses. We compare the current DAC balance with the estimated present value of future profitability of the underlying business. The DAC balances are considered recoverable if the present value of future profits is greater than the current DAC balance.

In connection with our recoverability analyses, we perform sensitivity analyses on our two most significant DAC balances, which currently consist of our Retirement Services deferred annuity product and our Individual universal life product DAC balances, to capture the effect that certain key assumptions have on DAC balances. The sensitivity tests are performed independently, without consideration for any correlation among the key assumptions.

The following depicts the sensitivities for our deferred annuity and universal life DAC balances: If we changed our future lapse and withdrawal rate assumptions by a factor of 10%, the effect on the DAC balance is less than $0.5 million. If we changed our future expense assumptions by a factor of 10%, the effect on the DAC balance is less than $0.1 million.

The DAC balance on the date of our acquisition, August 2, 2004 was reset to zero in accordance with purchase accounting. See "— Our Historical Financial Information and Purchase Accounting." Because of this, since the Acquisition, quarterly updates to our DAC models to reflect actual experience have led to immaterial changes in the DAC asset and amortization, and the magnitude of the sensitivities is currently relatively small. We expect the DAC balance to grow as we continue to write new business, and as this occurs, we would expect the sensitivities to grow accordingly. In addition, depending on the amount and the type of new business written in the future we may determine that other of our assumptions may produce significant variations in our financial results.

Funds Held Under Deposit Contracts

Liabilities for fixed deferred annuity contracts, guaranteed investment contracts, and universal life policies, including BOLI, are computed as deposits net of withdrawals made by the policyholder, plus amounts credited based on contract specifications, less contract fees and charges assessed, plus any additional interest. The unamortized purchase accounting reserve is also included in this balance. See "— Our Historical Financial Information and Purchase Accounting."

For SPIAs, including structured settlements, liabilities are based on discounted amounts of estimated future benefits. Contingent future benefits are discounted with best-estimate mortality assumptions, which include provisions for longer life spans over time. The interest rate pattern used to calculate the reserves for SPIAs is set at issue for policies issued subsequent to the Acquisition or based upon prevailing market interest rates on August 2, 2004 for policies in existence on the Acquisition date. The interest rates within the pattern vary over time and start with interest rates that prevailed at contract issue or on the Acquisition date. As of June 30, 2007, the weighted average implied interest rate on the existing book of business is currently at 5.9% and will grade to an ultimate assumed level of 6.7% in approximately 20 years.

Future Policy Benefits

We compute liabilities for future policy benefits under traditional individual life and group life insurance policies on the level premium method, which uses a level premium assumption to fund reserves. We select the level of premiums at issuance so that the actuarial present value of future benefits equals the actuarial present value of future premiums. We set the interest, mortality and persistency assumptions in the year of issue and include provisions for adverse deviations. These liabilities are contingent upon the death of the insured while the policy is in force. We derive mortality assumptions from both company-specific and industry statistics. We discount future benefits at interest rates that vary by year of policy issue, are graded to the statutory valuation interest rate over time, and range from 4.0% to 6.0%. Assumptions are made at the time each policy is issued, and do not change over time unless the liability amount is determined to be inadequate to cover future policy benefits. The provisions for adverse deviations are intended to provide coverage for the risk that actual experience may be worse than locked-in best-estimate assumptions.

We periodically compare our actual experience with our estimates of actuarial liabilities for future policy benefits. To the extent that actual policy benefits differ from the reserves established for future policy benefits, such differences are recorded in the results of operations in the period in which the variances occur, which could result in a decrease in profits, or possibly losses. No revisions to assumptions within the Future Policy Benefits liabilities have been necessary and therefore we have not experienced any impact in our financial results due to changes in assumptions.

Policy and Contract Claims

Liabilities for policy and contract claims primarily represent liabilities for claims under group medical coverages and are established on the basis of reported losses. We also provide for claims incurred but not reported, or IBNR, based on expected loss ratios, claims paying completion patterns and historical experience. We continually review estimates for reported but unpaid claims and IBNR. Any necessary adjustments are reflected in current operating results. If expected loss ratios increase or expected claims paying completion patterns extend, the IBNR amount increases.

Use of non-GAAP Financial Measures

Certain tables in this prospectus include non-GAAP financial measures. We believe these measures to provide useful information to investors in evaluating our financial performance and condition. In the following paragraphs, we provide a definition of these non-GAAP measures.

Net operating income

Net operating income (loss) consists of net income (loss), less after-tax net realized investment gains (losses), plus after-tax net realized and unrealized investment gains (losses) on equity-related securities held in our Income Annuities segment and on our FIA hedges.

We believe that net operating income provides greater transparency than GAAP net income regarding the underlying performance of our insurance operations. As an example, we could produce a high level of net income in a given period, despite poor operating performance, if in that period we generate significant net realized gains from our investment portfolio. Realized gains (losses) on our investment portfolio (except for the realized gains (losses) on our Income Annuities' equity-related securities and on our FIA hedges, as discussed below) are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to the operating aspects of our business. By disclosing net operating income in addition to net income, we aim to provide investors with a view into the performance of our operations that might otherwise be masked by unrelated factors. We believe that it is useful for investors to evaluate both net income and net operating income.

Net operating income includes equity-related realized and unrealized investment gains (losses) in our Income Annuities business and realized and unrealized investment gains (losses) on our FIA hedges in our Retirement Services business. We include these items because they specifically reflect our management of certain of our insurance liabilities. For instance, each year we use the realized gains from our FIA hedges to fund the interest credited on our FIA product. Additionally, over the long-term we expect to produce investment returns in support of our long duration liabilities within Income Annuities by investing in equities. Since the investment performance from our FIA hedge program and equity investment program is reported in realized and unrealized gains (losses), we include these in our net operating income measure. See "Segment pre-tax operating income" on this page for further information regarding realized gains (losses) related to our Income Annuities and Retirement Services segments.

Our management and board of directors use net operating income to evaluate our operations, including assessing the effectiveness of operating and strategic decisions, management of insurance liabilities and financial planning. For instance, we use net operating income to help determine the renewal interest rates to credit to policyholders in Retirement Services. Because net operating income excludes the net realized investment gains (losses) described above, our management and board of directors also separately review net realized investment gains (losses) in connection with their review of our investment portfolio. Additionally, our management and board of directors examine our GAAP net income as part of their review of the overall financial results of the company.

Net income (loss) is the most directly comparable GAAP measure. Net operating income should not be considered a substitute for net income. A reconciliation of net operating income to net income is provided on page 43.

Segment pre-tax operating income

We use the non-GAAP financial measure segment pre-tax operating income as an important measure of our operating performance. We believe that this measure provides investors with a valuable measure of the performance of our ongoing businesses because it reveals trends that may be obscured by the effect of certain realized capital gains and losses. Some realized capital gains and losses are primarily driven by investment decisions and external economic developments for which the nature and timing are unrelated to the insurance and underwriting aspects of our business. Accordingly, segment pre-tax operating income excludes the effect of most realized gains and losses. For segment pre-tax operating income, segment pre-tax income is the most directly comparable GAAP measure. Segment pre-tax operating income should not be considered as a substitute for segment pre-tax income.

When evaluating our Retirement Services segment operating results, we consider the impact of our hedging program related to our FIA products. This program consists of buying S&P 500 Index call options. Although we use index options to hedge the equity return component of our FIA products, the options do not qualify as hedge instruments or for hedge accounting treatment. These assets are recorded at fair value as free-standing derivative assets with the mark-to-market gains or losses to record the options at fair value recognized in net realized investment gains (losses). The realized gain or loss on the options is also recorded in net investment realized gains (losses). Since the interest incurred on these FIA products is included as a component of interest credited in our statement of operations, we believe it is more meaningful to evaluate results inclusive of the results of the hedge program. Accordingly, segment pre-tax operating income in our Retirement Services segment excludes all realized investments gains (losses), except for realized and unrealized investment gains or (losses) from our options related to our FIA hedging program.

For our Income Annuities segment, we evaluate the results of operations including the impact of both realized and unrealized investment gains (losses) on our equity portfolio because we believe that equities are an effective investment to fund the long duration benefit payments in our structured settlements and SPIA policies. The majority of our investment returns on the equities in our Income Annuities investment portfolio are recorded in net realized investment gains (losses) on our statement of operations and through changes in unrealized gains (losses) as a component of other comprehensive income. Since the interest incurred on the long duration benefit payments is recorded as a component of interest credited, we believe it is more meaningful to evaluate the results inclusive of our equity investment program. Accordingly, segment pre-tax operating income in our Income Annuities segment excludes all realized investment gains (losses), except for realized and unrealized investment gains (losses) arising from our equity investment program held in this segment.

Our Historical Financial Information and Purchase Accounting

On August 2, 2004, we completed the Acquisition. The Acquisition was accounted for using the purchase method under the Financial Accounting Standards Board’s Statement of Financial Accounting Standards, or SFAS, No. 141, *Business Combinations.* We refer to this purchase method as purchase GAAP accounting, or PGAAP. Under SFAS No. 141, the purchase price is allocated to the estimated fair value of the tangible and identifiable assets acquired less liabilities assumed at the date of acquisition. In conjunction with PGAAP for the Acquisition, we were required to adjust our consolidated balance sheet to fair value. This resulted in the following:

- the book values of our invested assets were increased by $1.0 billion to reset the book value to fair value, based on the prevailing market rates on August 2, 2004. The prevailing market interest rates were relatively low at the time of the Acquisition, which resulted in a significant increase in the book value of our invested assets. We recorded a PGAAP adjustment representing the difference between book value and the fair value of our invested assets. The difference between the updated book value and the par value of our fixed maturities invested assets of $27.0 million is amortized against investment income over the expected life of the invested assets, resulting in a lower earned yield;
- our funds held under deposit contracts, which our invested assets support, were increased to reflect the lower market interest rates compared to interest rates originally used to determine policy pricing and reserving. As a result, our reserves related to fixed deferred annuities, structured settlements, immediate annuities and BOLI products were increased by $1.2 billion;
- our deferred policy acquisition costs, goodwill and intangible asset balances at August 2, 2004 were reset to zero. The PGAAP resulted in a $30.0 million intangible asset related to our discontinued

operations, which was received in cash in 2004. In our continuing operations, the purchase accounting resulted in minimal intangibles and no goodwill; and

- all other assets and liabilities were recorded at fair value on August 2, 2004.

The impact of PGAAP on operating performance for periods subsequent to the Acquisition resulted in a decrease to investment income and a decrease to policyholder benefits and interest credited. In our Retirement Services and Individual segments, a purchase accounting reserve, or PGAAP reserve, was established related to the fair value adjustment for our deferred annuities and BOLI policies. This PGAAP reserve is amortized as a reduction to policyholder benefits according to the pattern of profitability of the book of business of policies in force at the date of the Acquisition. This profitability is determined based on assumptions regarding the present value of estimated future gross profits related to the policies in force on August 2, 2004. In this estimation process, we made assumptions as to lapse rates, mortality rates, maintenance expenses, COI charges, credited interest rates, and investment performance. This pattern resulted in higher PGAAP reserve amortization in the years immediately following the Acquisition. Actual profits can vary from the estimates and can thereby result in increases or decreases to the PGAAP reserve amortization rate.

The PGAAP adjustment associated with our immediate annuity book of business was recorded in our income annuities reserve model by updating the mortality assumptions and the interest rate pattern used for discounting future benefit payments. This adjustment resulted in a decrease in interest credited in the years subsequent to the Acquisition.

As a result of the Acquisition and resulting PGAAP adjustments, the results of operations for periods prior to August 2, 2004 are not comparable to periods subsequent to that date. Our 2004 results discussed below represent the mathematical addition of the historical results for (i) the predecessor period from January 1, 2004 through August 1, 2004 and (ii) the successor period from August 2, 2004 through December 31, 2004. This approach is not consistent with U.S. GAAP and yields results that are not comparable on a period-to-period basis. However, we believe it is a meaningful way to compare our operating results for 2004 to our operating results for 2005 because it would not be meaningful to discuss the partial period from January 1, 2004 through August 1, 2004 (Predecessor) separately from the period from August 2, 2004 through December 31, 2004. The following table provides a summary of the combination of the audited consolidated statements of operations for the periods January 1, 2004 through August 1, 2004 and August 2, 2004 through December 31, 2004 to the Combined 2004 (non-GAAP), results:

	Predecessor Period From January 1, 2004 through August 1, 2004	Period From August 2, 2004 through December 31, 2004	Combined 2004 (non-GAAP)
		(Dollars in millions)	
Revenues:			
Premiums	$ 357.9	$ 263.2	$ 621.1
Net investment income	693.7	411.1	1,104.8
Other revenues	43.9	27.1	71.0
Net realized investment gains	34.9	7.0	41.9
Total revenues	1,130.4	708.4	1,838.8

	Predecessor Period From January 1, 2004 through August 1, 2004	Period From August 2, 2004 through December 31, 2004	Combined 2004 (non-GAAP)
		(Dollars in millions)	
Benefits and Expenses:			
Policyholder benefits and claims	223.6	127.5	351.1
Interest credited	556.4	360.2	916.6
Other underwriting and operating expenses	182.3	123.3	305.6
Fair value of warrants issued to investors	—	101.5	101.5
Interest expense	—	3.5	3.5
Amortization of deferred policy acquisition costs	34.2	1.6	35.8
Intangible asset amortization	4.9	—	4.9
Total benefits and expenses	1,001.4	717.6	1,719.0
Income (loss) from continuing operations before income taxes	129.0	(9.2)	119.8
Provisions for income taxes:			
Current	0.9	21.3	22.2
Deferred	30.5	10.7	41.2
Total provision for income taxes	31.4	32.0	63.4
Income (loss) from continuing operations	97.6	(41.2)	56.4
Income (loss) from discontinued operations (net of taxes)	2.3	(2.4)	(0.1)
Net income (loss)	$ 99.9	$ (43.6)	$ 56.3
Non-GAAP Financial Measures:			
Net operating income (loss)	$ 75.5	$ (46.0)	$ 29.5
Reconciliation to Net Income (Loss):			
Net income (loss)	$ 99.9	$ (43.6)	$ 56.3
Less: Net realized investment gains (net of taxes)	22.7	4.6	27.3
Add:			
Net realized and unrealized investment gains (losses) on FIA options (net of taxes)	(1.7)	1.3	(0.4)
Net realized and unrealized investment gains on equity securities (net of taxes)	—	0.9	0.9
Net operating income (loss)	$ 75.5	$ (46.0)	$ 29.5

The consolidated statements of operations for the Combined 2004 (non-GAAP) period include allocations of certain expenses from Safeco Corporation. Safeco Corporation and its affiliates provided us with personnel, property and facilities in carrying out certain of our corporate functions. These expenses included charges for corporate overhead, data processing systems, payroll and other miscellaneous charges. The allocations were made using relative percentages, as compared to Safeco Corporation's other businesses, of headcount or time studies or on a specifically identifiable basis such as actual usage, or other reasonable methods. Safeco Corporation charged us expenses of $25.2 million for the seven months ended August 1, 2004. Our comparable expenses as a separate, stand alone company have been lower than the amounts reflected in the Combined 2004 (non-GAAP) statement of operations.

In addition to our four operating segments and our Other segment, during the year ended December 31, 2005 and prior, our historical financial statements also include the results of Symetra Asset Management Company and the majority of the business of Symetra Services Corporation which are presented in our historical financial statements as discontinued operations. For more information, see note 15, "Discontinued Operations," in the notes to our consolidated financial statements included in this prospectus. These discontinued operations are not included in the discussions under "— Results of Operations" section due to their immateriality and lack of impact on future operating results.

The historical financial information included in this prospectus has been derived from our financial statements, which have been prepared as if Symetra had been in existence throughout all periods shown. The discussions that appear under "— Results of Operations" encompass our results of operations and financial condition for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP).

Results of Operations

Total Company

The following discussion should be read in conjunction with our audited consolidated financial statements and the related notes included elsewhere in this report. Set forth below is a summary of our consolidated financial results for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP):

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
	(Unaudited)				
	(Dollars in millions, except per share data)				
Revenues:					
Premiums	$ 265.0	$ 269.2	$ 525.7	$ 575.5	$ 621.1
Net investment income	490.9	490.5	984.9	994.0	1,104.8
Other revenues	32.7	29.7	56.1	58.6	71.0
Net realized investment gains (losses)	24.5	(0.5)	1.7	14.1	41.9
Total revenues	813.1	788.9	1,568.4	1,642.2	1,838.8
Benefits and Expenses:					
Policyholder benefits and claims	136.1	147.6	264.3	327.4	351.1
Interest credited	374.1	382.2	765.9	810.9	916.6
Other underwriting and operating expenses	141.2	129.8	260.5	273.2	305.6
Fair value of warrants issued to investors	—	—	—	—	101.5
Interest expense	9.3	9.8	19.1	12.4	3.5
Amortization of deferred policy acquisition costs	9.4	7.6	14.6	11.9	35.8
Intangible asset amortization	—	—	—	—	4.9
Total benefits and expenses	670.1	677.0	1,324.4	1,435.8	1,719.0
Income from continuing operations before income taxes	143.0	111.9	244.0	206.4	119.8
Provisions for income taxes					
Current	49.0	59.4	92.4	22.2	22.2
Deferred	(2.2)	(20.2)	(7.9)	39.7	41.2
Total provision for income taxes	46.8	39.2	84.5	61.9	63.4
Income from continuing operations	96.2	72.7	159.5	144.5	56.4
Income (loss) from discontinued operations (net of taxes)	—	—	—	1.0	(0.1)
Net income	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ 56.3
Net income per common share(1):					
Basic	$ 7.50	$ 5.66	$ 12.43	$ 11.34	
Diluted	$ 7.50	$ 5.66	$ 12.43	$ 11.34	

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions, except per share data)		
Weighted average common shares outstanding:					
Basic	12.8	12.8	12.8	12.8	
Diluted	12.8	12.8	12.8	12.8	
Non-GAAP Financial Measures:					
Net operating income	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ 29.5
Reconciliation to Net Income:					
Net income	$ 96.2	$ 72.7	$ 159.5	$ 145.5	$ 56.3
Less: Net realized investment gains (losses) (net of taxes)	15.9	(0.3)	1.1	9.2	27.3
Add:					
Net realized and unrealized investment gains (losses) on FIA options (net of taxes)	0.7	(0.7)	1.4	(2.9)	(0.4)
Net realized and unrealized investment gains on equity securities (net of taxes)	6.3	6.2	12.3	8.5	0.9
Net operating income	$ 87.3	$ 78.5	$ 172.1	$ 141.9	$ 29.5

(1) Net income per common share (basic and diluted) assumes that all participating securities including warrants have been outstanding since the beginning of the period, using the two-class method.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Summary of results. Net income increased $23.5 million, or 32.3%, to $96.2 million from $72.7 million. Net operating income increased $8.8 million, or 11.2%, to $87.3 million from $78.5 million. This increase was driven by a decrease in the loss ratio in our Group segment, primarily the medical stop-loss ratio which decreased to 55.8% from 69.8% as a result of lower paid claims. We also experienced an increase in the interest spread on reserves in our Income Annuities segment. This increase was offset by lower profitability in our Retirement Services segment due to a decrease in account value as withdrawals exceeded new deposits and decreased interest spread driven by a decrease in PGAAP reserve amortization, as more fully described in "— Policyholder benefits and claims."

Premiums. Premiums consist primarily of revenues from our group life and health and individual life insurance products, and COI charges on our universal life insurance and BOLI polices. Premiums decreased $4.2 million, or 1.6%, to $265.0 million from $269.2 million. Premiums decreased primarily due to lower premiums in our Group segment of $4.5 million.

Net investment income. Net investment income represents the income earned on our investments. Net investment income increased $0.4 million, or 0.1%, to $490.9 million from $490.5 million. Of this increase, $18.7 million was a result of a positive rate variance due to improved yields which increased to 5.62% from 5.41%. The increase in yield was primarily due to the reinvestment of funds in higher yielding securities, an increase in the yield on short-term investments, the receipt of prepayment consent fees and a reduction in investment advisory fee expense. This increase was offset by an $18.3 million decrease which was due to a decrease in average invested assets to $17.5 billion from $18.1 billion, primarily in our Retirement Services segment.

Net realized investment gains (losses). Net investment gains (losses) consist of realized gains and losses from the sale or impairment of our investments and unrealized and realized gains from our derivatives instruments, which provide an economic hedge on our FIA book of business. Net realized investment gains increased $25.0 million, to $24.5 million from $(0.5) million. For the six months ended June 30, 2007, gross realized gains were $44.4 million and gross realized losses were $19.9 million, including impairments of $4.9 million. For the six months ended June 30, 2006, gross realized gains were $28.5 million and gross realized losses were $29.0 million, including impairments of $13.7 million. The increase in gross realized gains was driven by gains related to a significant tender offer of certain fixed maturities in our investment portfolio.

Policyholder benefits and claims. Policyholder benefits and claims consist of benefits paid and reserve activity on group life and health and individual life products. In addition, we record, as a reduction of this expense, PGAAP reserve amortization related to our fixed deferred annuities and BOLI policies. The PGAAP reserve is amortized as a reduction to policyholder benefits according to our expected pattern of profitability of the book of business of policies in force on the Acquisition date. This pattern resulted in higher PGAAP reserve amortization in the years immediately following the Acquisition. Policyholder benefits and claims decreased $11.5 million, or 7.8%, to $136.1 million from $147.6 million. This decrease was primarily due to a $28.1 million reduction in our group medical stop-loss paid claims offset by a $7.0 million reduction in PGAAP reserve amortization, a $4.4 million increase in our Individual Segment's paid claims and a $3.0 million increase in reserves in our Individual segment.

Interest credited. Interest credited represents interest credited to policyholder reserves and contractholder general account balances. Interest credited decreased $8.1 million, or 2.1%, to $374.1 million from $382.2 million. Of this decrease, $7.1 million was the result of a decrease in fixed account values in our Retirement Services segment.

Other underwriting and operating expenses. Other underwriting and operating expenses represent non-deferrable costs related to the acquisition and ongoing maintenance of insurance and investment contracts, including commissions, policy issuance expenses and other general operating costs. Other underwriting and operating expenses increased $11.4 million, or 8.8%, to $141.2 million from $129.8 million. This increase was primarily due to a $6.0 million increase in employee payroll and related benefit expenses and a $1.1 million increase in incentive compensation. We also incurred $0.9 million of expenses related to our initial public offering of common stock.

Provision for income taxes. The provision for income taxes increased $7.6 million, to $46.8 million from $39.2 million, primarily due to the increase in pre-tax income from continuing operations. The effective tax rate decreased 2.3% to 32.7% from 35.0% due primarily to an increase in the tax sheltered affordable housing credits and a decrease in the adjustment for unrecognized tax benefits, offset by the effect of the increase in pre-tax income from continuing operations.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Summary of results. Net income increased by $14.0 million, or 9.6%, to $159.5 million from $145.5 million. Net operating income increased by $30.2 million, or 21.3%, to $172.1 million from $141.9 million, which was primarily due to a decrease in the loss ratio in our Group segment from 67.5% to 59.6% resulting from better underwriting experience. Our results also benefited from an increase in interest spreads on reserves in our Income Annuities segment and, in our Individual segment, improved mortality and an increase in our return on assets on our BOLI policies. This was offset by a decrease in segment pre-tax operating income in Retirement Services.

Premiums. Premiums decreased $49.8 million, or 8.7%, to $525.7 million from $575.5 million. Premiums in our Group segment decreased $51.0 million, primarily due to higher lapses in our medical stop-loss business and the termination of an assumed reinsurance relationship in 2004.

Net investment income. Net investment income decreased $9.1 million, or 0.9%, to $984.9 million from $994.0 million. Of this decrease, $36.1 million was the result of a decrease in the average invested assets to $18.0 billion from $18.7 billion, primarily in our Retirement Services segment. This decrease was partially offset by a positive rate variance of $27.0 million due to improved yields which increased to 5.48% from 5.33%. The increase in yield was primarily the result of portfolio rebalancing.

Net realized investment gains. Net realized investment gains decreased $12.4 million, or 87.9%, to $1.7 million from $14.1 million. For 2006, gross realized gains were $55.1 million and gross realized losses were $53.4 million, including impairments of $25.7 million. For 2005, gross realized gains were $75.5 million and gross realized losses were $61.3 million, including impairments of $7.7 million.

Policyholder benefits and claims. Policyholder benefits and claims decreased $63.1 million, or 19.3%, to $264.3 million from $327.4 million. This decrease was primarily driven by a $65.2 million decrease in our Group segment's medical stop-loss paid claims and a $7.1 million decrease in our Individual segment's claims and benefits, offset by a $9.2 million increase in our Retirement Services segment related to differences in the amount of PGAAP reserve amortization.

Interest credited. Interest credited decreased $45.0 million, or 5.5%, to $765.9 million from $810.9 million. The decrease was primarily due to a $25.3 million decrease in interest credited in our Retirement Services segment related to a decrease in fixed account values and a $20.7 million decrease in interest credited in our Income Annuities segment due to a decrease in reserves as benefit payments exceeded new deposits, mortality gains and funding services activities.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $12.7 million, or 4.6%, to $260.5 million from $273.2 million. This was primarily due to a $6.7 million decrease in operating expenses and a $7.0 million increase in DAC deferral. The decrease in operating expenses included $2.4 million related to information technology transition and $3.2 million related to distribution expense incurred in 2005.

Interest expense. Interest expense increased $6.7 million, or 54.0%, to $19.1 million from $12.4 million, due to an increase in our average interest rate of 6.0% in 2006 from the average interest rate of 4.1% in 2005. See "— Liquidity and Capital Resources" for further information.

Amortization of deferred policy acquisition costs. Amortization of DAC increased $2.7 million, or 22.7%, to $14.6 million from $11.9 million. This was related to an increase in the underlying DAC asset, which increased $39.2 million, or 80%, to $88.2 million from $49.0 million. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004 and has subsequently been growing as a result of sales. Our amortization expense is expected to increase as the underlying DAC asset increases.

Provision for income taxes. The provision for income taxes increased $22.6 million, to $84.5 million from $61.9 million, which reflects an increase of the effective tax rate to 34.6% from 30.0%. In 2005, the effective tax rate of 30.0% reflects a non-recurring tax benefit for the release of a valuation allowance related to the utilization of capital loss carryforwards. In addition, the effective tax rate in 2006 of 34.6% reflects an increase due to a true-up of the permanent tax benefits related to the 2005 federal tax return as filed.

Year Ended December 31, 2005 compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Summary of results. Net income increased by $89.2 million to $145.5 million from $56.3 million. Net operating income increased by $112.4 million to $141.9 million from $29.5 million. This was primarily related to the $101.5 million charge in 2004 to record the fair value of warrants issued to investors. Net operating income in 2005, benefiting from lower other underwriting and operating expenses as a result of not incurring corporate overhead expenses from Safeco and not incurring Acquisition related expenses. In addition, amortization of deferred policy acquisition costs decreased due to the Acquisition when DAC was reset to zero. These positive factors were partially offset by an increase in the loss ratio in our Group segment from 64.0% to 67.5%.

Premiums. Premiums decreased $45.6 million, or 7.3%, to $575.5 million from $621.1 million primarily due to decreased premiums in our Group segment which decreased $62.3 million as a result of higher lapses in our medical stop-loss business and the termination of an assumed reinsurance relationship in 2004. This was offset by an increase in our Individual segment premiums of $16.8 million due to a $14.1 million adjustment related to ceded term reinsurance.

Net investment income. Net investment income decreased $110.8 million, or 10.0%, to $994.0 million from $1,104.8 million. This was related to the Acquisition purchase accounting which resulted in an overall reduction in investment yields for periods subsequent to the Acquisition.

Other revenues. Other revenues decreased $12.4 million, or 17.5% to $58.6 million from $71.0 million. This was primarily due to a $4.0 million decrease in our Retirement Services segment fees related to our variable annuities. In addition, in 2004 our Individual segment recorded a $5.9 million favorable adjustment related to ceded term reinsurance expense allowances, which increased 2004 other revenue.

Net realized investment gains. Net realized investment gains decreased $27.8 million, or 66.3%, to $14.1 million from $41.9 million. For 2005, gross realized gains were $75.5 million and gross realized losses were $61.3 million, including impairments of $7.7 million. For 2004, gross realized gains were $110.7 million and gross realized losses were $68.8 million, including impairments of $10.4 million.

Policyholder benefits and claims. Policyholder benefits and claims decreased $23.7 million, or 6.8%, to $327.4 million from $351.1 million. This decrease was primarily due to a $24.5 million decrease in our Group segment's reserves, which corresponds with a related decrease in premium and a $10.0 million decrease, which relates to having a full year in the Retirement Services segment's PGAAP reserve amortization. This was offset by a $10.8 million increase in our Individual segment related to an increase in claims and an adjustment in reserves for a bonus interest feature on one of our UL products.

Interest credited. Interest credited decreased $105.7 million, or 11.5%, to $810.9 million from $916.6 million. This decrease was due to a $53.1 million decrease in interest credited in our Retirement Services segment related to a decrease in fixed account values, a $46.4 million decrease in interest credited in our Income Annuities segment related to PGAAP and a $6.2 million decrease in interest credited in our Individual segment related to BOLI claims experience, which impacts the credited interest rate.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $32.4 million, or 10.6%, to $273.2 million from $305.6 million. This was primarily due to a $17.8 million decrease in our Group segment's commission and premium tax expense, corresponding to our lower sales. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us for transition services for the remaining five months of 2004.

Fair value of warrants issued to investors. In connection with the Acquisition, on August 2, 2004, we issued warrant certificates to the two lead investors. The warrant holders have the option to purchase 2,181,120 shares of common stock at an exercise price of $100 per share. We recorded the $101.5 million estimated fair value of the warrants as a 2004 expense.

Interest expense. Interest expense increased $8.9 million, to $12.4 million from $3.5 million. This increase in interest expense was related to the Acquisition. Prior to August 2, 2004, we had no debt obligations. On August 2, 2004, we borrowed $300.0 million against a revolving credit facility to purchase the life and investment companies. The increase in interest expense reflects twelve months of interest expense in 2005 compared to five months in 2004.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs decreased $23.9 million, or 66.8%, to $11.9 million from $35.8 million. The deferred policy acquisition costs asset was reset to zero on August 2, 2004 in connection with the Acquisition resulting in lower DAC amortization in the subsequent periods. The 2004 expense includes $1.6 million of expense for the five-month period subsequent to the Acquisition.

Intangible asset amortization. Intangible asset amortization decreased $4.9 million, or 100%, to zero from $4.9 million as a result of intangible assets being reset to zero on the acquisition date.

Provision for income taxes. The provision for income taxes decreased $1.5 million, to $61.9 million from $63.4 million which reflects an effective tax rate decrease to 30.0% from 52.9%. The 2005 effective rate of 30.0% reflects a non-recurring tax benefit of the release of a tax valuation allowance related to the utilization of capital loss carryforward. The 2004 effective tax rate of 52.9% was significantly in excess of the statutory rate of 35.0% due to the GAAP expense associated with the issuance of the warrant certificates, of which the majority is not deductible for tax purposes. This increase in the 2004 effective rate was offset by the completion of an IRS audit cycle for tax years 1998 through 2001 and the related favorable adjustment of $8.7 million.

Group

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

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions)		
Revenues:					
Premiums	$ 195.0	$ 199.5	$ 387.3	$ 438.3	$ 500.6
Net investment income	8.8	9.0	18.0	19.3	22.4
Other revenues	6.3	5.5	10.2	11.8	14.0
Net realized investment gains (losses)	(0.1)	(0.1)	(0.1)	(0.1)	0.1
Total revenues	210.0	213.9	415.4	469.3	537.1
Benefits and Expenses:					
Policyholder benefits and claims	107.7	132.2	230.8	296.0	320.5
Other underwriting and operating expenses	55.1	53.4	105.7	115.3	133.1
Amortization of deferred policy acquisition costs	4.5	5.7	10.9	10.5	11.9
Intangible asset amortization	—	—	—	—	0.8
Total benefits and expenses	167.3	191.3	347.4	421.8	466.3
Segment pre-tax income	$ 42.7	$ 22.6	$ 68.0	$ 47.5	$ 70.8
Non-GAAP Financial Measures:					
Segment pre-tax operating income	$ 42.8	$ 22.7	$ 68.1	$ 47.6	$ 70.7
Reconciliation to segment pre-tax income:					
Segment pre-tax income	$ 42.7	$ 22.6	$ 68.0	$ 47.5	$ 70.8
Less: Net realized investment gains (losses)	(0.1)	(0.1)	(0.1)	(0.1)	0.1
Add:					
Net realized and unrealized investment gains on FIA options	—	—	—	—	—
Net realized and unrealized investment gains on equity securities	—	—	—	—	—
Segment pre-tax operating income	$ 42.8	$ 22.7	$ 68.1	$ 47.6	$ 70.7

The following table sets forth unaudited selected historical operating metrics relating to our Group segment for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP):

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
			(Dollars in millions)		
Group loss ratio(1)	55.2%	66.3%	59.6%	67.5%	64.0%
Expense ratio(2)	28.0%	27.2%	27.7%	26.4%	24.0%
Combined ratio(3)	83.2%	93.5%	87.3%	93.9%	88.0%
Medical stop-loss — loss ratio(4)	55.8%	69.8%	62.4%	69.4%	62.3%
Total sales(5)	$ 56.4	$ 48.6	$ 69.1	$ 81.9	$ 84.1

(1) Group loss ratio represents policyholder benefits and claims divided by premiums earned.

(2) Expense ratio is equal to other underwriting and operating expenses of our insurance operations and amortization of DAC 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 divided by medical stop-loss premiums earned.

(5) Total sales represents annualized first-year premiums for group life and health policies and represents earned premiums for our limited medical benefit policies.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Group summary of results. Our Group segment's pre-tax income increased $20.1 million, or 88.9%, to $42.7 million from $22.6 million. Segment pre-tax operating income increased $20.1 million, or 88.5%, to $42.8 million from $22.7 million. This increase was primarily due to lower paid claims, which was reflected in the reduction of our medical stop-loss loss ratio to 55.8% from 69.8%. In the first quarter of 2006, we experienced an increase in the number of individual paid claims in excess of $0.5 million that did not recur in 2007.

Premiums. Premiums decreased $4.5 million, or 2.3%, to $195.0 million from $199.5 million. Premiums decreased $1.9 million due to policy lapses in our medical stop-loss business exceeding sales and renewal premium rate increases and $1.8 million due to decreased sales of our limited medical benefits product.

Other revenues. Other revenues increased $0.8 million, or 14.5%, to $6.3 million from $5.5 million. Our newly acquired subsidiary, MRM, generated revenues of $1.5 million, partially offset by a decrease in revenues from our third party administrator as a result of lower production.

Policyholder benefits and claims. Policyholder benefits and claims decreased $24.5 million, or 18.5%, to $107.7 million from $132.2 million. Paid claims decreased $28.1 million, partially offset by a $5.3 million benefit reduction in 2006 due to the decrease in reserves related to a block of assumed medical stop loss policies in run-off. The decrease in paid claims is primarily related to strong underwriting results in 2007 and an unusual number, as well as the overall value, of paid claims in excess of $0.5 million in the first quarter of 2006 that did not recur in the first quarter of 2007. In first quarter 2007, we paid three claims over $0.5 million, totaling $2.2 million, compared to ten claims over $0.5 million, totaling $8.5 million, in the first quarter of 2006.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $1.7 million, or 3.2%, to $55.1 million from $53.4 million. This is primarily due to increases in direct expenses and allocated corporate expenses of $1.1 million and $1.2 million, respectively, and a $1.6 million reduction in DAC deferrals. This is partially offset by $2.8 million of decreased commissions, which is related to lower average commission costs on business written and due to the type of products sold.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs decreased $1.2 million, or 21.1%, to $4.5 million from $5.7 million. This decrease was related to a decrease in the underlying DAC asset, which decreased to $3.3 million from $4.9 million at June 30, 2006 due to a refinement in our methodology for measuring deferable expense in 2007 which decreased DAC deferrals.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Group summary of results. Our Group segment pre-tax income increased $20.5 million, or 43.2%, to $68.0 million from $47.5 million. Segment pre-tax operating income increased $20.5 million, or 43.1%, to $68.1 million from $47.6 million. This increase was primarily due to lower paid claims, which was reflected in the reduction of our loss ratio to 59.6% from 67.5%.

Premiums. Premiums decreased $51.0 million, or 11.6%, to $387.3 million from $438.3 million. Premiums decreased $32.6 million due to higher lapses in our medical stop-loss business and lower new sales due to disciplined pricing in an aggressive pricing environment and $15.2 million due to the termination of an assumed reinsurance relationship at the end of 2004. Group life premiums decreased $8.2 million because we entered into a reinsurance arrangement where we cede 50% of premium and risk. Over the long run we expect this reinsurance arrangement will enable us to become more competitive in group life insurance. Partially offsetting these decreases was a $5.0 million increase related to increased sales of our limited medical benefits product.

Policyholder benefits and claims. Policyholder benefits and claims decreased $65.2 million, or 22.0%, to $230.8 million from $296.0 million. The decrease in total benefits and claims was primarily related to a decrease in the book of business, as indicated by the $51.0 million decrease in premiums described above. In addition, the 2006 loss ratio decreased 7.9% from 2005 due to a decrease in paid claims of $69.7 million. The lower total loss ratio was driven by the 2006 favorable paid claims experience and the corresponding impact on assumptions within the reserve models.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $9.6 million, or 8.3%, to $105.7 million from $115.3 million in 2005. This decrease was due to a $7.0 million decrease in operating expenses, and a $5.0 million decrease in commission and premium tax expense, offset by decreased DAC deferrals, consistent with decreased premiums.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Group summary of results. Our Group segment pre-tax income decreased $23.3 million, or 32.9%, to $47.5 million from $70.8 million. Segment pre-tax operating income decreased $23.1 million, or 32.7%, to $47.6 million from $70.7 million. This decrease was primarily due to an increase in the loss ratio to 67.5% from 64.0%. During a period of aggressive industry pricing, we have maintained a disciplined underwriting and pricing strategy for targeted returns, which has resulted in a reduction in the size of our medical stop-loss premiums written and, correspondingly, policyholder benefits and claims.

Premiums. Premiums decreased $62.3 million, or 12.4%, to $438.3 million from $500.6 million. Premiums decreased $26.4 million due to higher lapses in our medical stop-loss business and lower new sales. We relinquished $26.7 million in premiums due to our decision to terminate an assumed reinsurance relationship in the fourth quarter of 2004 because we were not confident in the direction of underwriting and pricing at the ceding company. We also relinquished $14.8 million in premiums due to our decision to not renew a significant group life policy on December 31, 2004 because the employees were concentrated in a small geographic location, potentially exposing us to a significant claim in the event of a catastrophic event.

Policyholder benefits and claims. Policyholder benefits and claims decreased $24.5 million, or 7.6%, to $296.0 million from $320.5 million. The decrease in total claims was primarily related to a declining book of business, as indicated by the $62.3 million decrease in premiums described above. The total loss ratio increased from 64.0% to 67.5% due to higher paid claim experience of $3.7 million and the corresponding impact of assumptions within the reserve models. In addition, reserves were increased during 2004 mainly as a result of the integration to a single reserve methodology for acquired books of business and direct written medical-stop loss business.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $17.8 million, or 13.4%, to $115.3 million from $133.1 million. In 2005, commission and premium tax expenses were lower consistent with lower premiums. In addition, the 2004 results include higher corporate expense allocations from Safeco Corporation and the allocation of expenses related to the Acquisition. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us for transition services for the remaining five months of 2004.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs decreased $1.4 million, or 11.8%, to $10.5 million from $11.9 million. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004. Our 2004 amortization included seven months of DAC amortization prior to the Acquisition.

Retirement Services

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

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions)		
Revenues:					
Premiums	$ —	$ 0.1	$ 0.1	$ 0.1	$ 0.2
Net investment income	124.5	137.7	269.8	292.8	349.2
Other revenues	12.4	11.6	22.8	23.2	27.2
Net realized investment gains (losses)	(3.7)	(16.4)	(17.0)	(17.1)	6.5
Total revenues	133.2	133.0	275.7	299.0	383.1
Benefits and Expenses:					
Policyholder benefits and claims	(4.0)	(9.7)	(16.5)	(25.7)	(15.7)
Interest credited	84.3	91.4	186.2	211.5	264.6
Other underwriting and operating expenses	35.8	30.4	61.7	62.6	63.5
Amortization of deferred policy acquisition costs	3.7	0.5	1.1	0.1	16.5
Intangible asset amortization	—	—	—	—	0.8
Total benefits and expenses	119.8	112.6	232.5	248.5	329.7
Segment pre-tax income	$ 13.4	$ 20.4	$ 43.2	$ 50.5	$ 53.4
Non-GAAP Financial Measures:					
Segment pre-tax operating income	$ 18.1	$ 35.7	$ 62.4	$ 63.2	$ 46.3
Reconciliation to segment pre-tax income:					
Segment pre-tax income	$ 13.4	$ 20.4	$ 43.2	$ 50.5	$ 53.4
Less: Net realized investment gains (losses)	(3.7)	(16.4)	(17.0)	(17.1)	6.5
Add:					
Net realized and unrealized investment gains (losses) on FIA options	1.0	(1.1)	2.2	(4.4)	(0.6)
Net realized and unrealized investment gains on equity securities	—	—	—	—	—
Segment pre-tax operating income	$ 18.1	$ 35.7	$ 62.4	$ 63.2	$ 46.3

The following table sets forth unaudited selected historical operating metrics relating to our Retirement Services segment as of, or for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP):

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
			(Dollars in millions)		
Account values — Fixed annuities	$ 4,574.0	$ 5,226.8	$ 4,922.5	$ 5,580.8	$ 6,416.4
Account values — Variable annuities	1,142.8	1,057.9	1,115.5	1,074.5	1,114.8
PGAAP reserve balance	14.3	25.4	18.4	35.3	62.3
Interest spread on average account values(1)	1.70%	1.83%	1.76%	1.58%	1.59%
Total sales(2)	$ 248.7	$ 253.1	$ 573.2	$ 390.4	$ 326.6

(1) Interest spread is the difference between net investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the segment. The credited interest rate is the approximate rate credited on policyholder fixed account values within the segment. Interest credited is subject to contractual terms, including minimum guarantees. Interest spread tends to move gradually over time to reflect market interest rate movements and may reflect actions by management to respond to competitive pressures and profit targets.

(2) Total sales represent deposits for new policies.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Retirement Services summary of results. Our Retirement Services segment pre-tax income decreased $7.0 million, or 34.3%, to $13.4 million from $20.4 million. Segment pre-tax operating income decreased $17.6 million, or 49.3%, to $18.1 million from $35.7 million. Segment pre-tax operating income decreased due to a decline in account value as withdrawals exceeded new deposits, a decrease in interest spread on average account value driven by lower amortization of the PGAAP reserve, increased operating expenses and increased DAC amortization.

Net investment income. Net investment income decreased $13.2 million, or 9.6%, to $124.5 million from $137.7 million. Of this decrease, $17.9 million was a result of a decrease in the average invested assets to $4.9 billion from $5.6 billion. This decrease was partially offset by a positive rate variance of $4.7 million due to improved yields related to our investment portfolio rebalancing strategy, which increased to 5.12% from 4.92%.

Net realized investment gains (losses). Net realized investment losses decreased $12.7 million, or 77.4%, to $(3.7) million from $(16.4) million. For the six months ended June 30, 2007, gross realized gains were $5.9 million and gross realized losses were $9.6 million, including impairments of $2.5 million. For the six months ended June 30, 2006, gross realized gains were $2.0 million and gross realized losses were $18.4 million, including impairments of $10.7 million.

Policyholder benefits and claims. Policyholder benefits and claims increased $5.7 million, or 58.8%, to $(4.0) million from $(9.7) million. This increase was primarily driven by differences in the amount of PGAAP reserve amortization. The PGAAP reserve is amortized as a reduction to policyholder benefits according to our expected pattern of profitability of the book of business of policies in force at the time of the Acquisition. This pattern resulted in higher PGAAP reserve amortization in the years immediately following the Acquisition.

Interest credited. Interest credited decreased $7.1 million, or 7.8%, to $84.3 million from $91.4 million. This decrease is primarily due to a decrease in fixed account values as withdrawals exceeded deposits, but was partially offset by a $1.3 million increase in interest credited on our FIA products, which is a result of 6.0% year-to-date growth in the S&P 500 Index in 2007 compared to 1.8% year-to-date growth in the S&P 500 Index in 2006.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $5.4 million, or 17.8%, to $35.8 million from $30.4 million. This increase was primarily due to a $2.3 million increase in allocated corporate expenses, a $1.1 million increase in distribution expenses and a $0.9 million increase in commission expenses. The increase in allocated corporate expenses was due primarily to a $1.3 million increase in employee payroll and benefit expenses.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs increased $3.2 million to $3.7 million from $0.5 million. This increase was related to an increase in the underlying DAC asset, which increased to $66.6 million from $38.0 million at June 30, 2006. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004 and has subsequently been growing as a result of sales of our insurance products. Our amortization expense is expected to increase as the underlying DAC asset increases.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Retirement Services summary of results. Our Retirement Services segment pre-tax income decreased $7.3 million, or 14.5%, to $43.2 million from $50.5 million due to decreases in our fixed account values of 11.8%, offset by an increase in our interest spread on average account values. Segment pre-tax operating income decreased $0.8 million, or 1.3%, to $62.4 million from $63.2 million.

Net investment income. Net investment income decreased $23.0 million, or 7.9%, to $269.8 million from $292.8 million. Net investment income decreased $37.0 million primarily due to a decline in the average invested assets to $5.4 billion from $6.2 billion. This was partially offset by a positive rate variance of $14.0 million due to improved yields related to our investment portfolio rebalancing strategy, which increased to 4.97% from 4.71%.

Net realized investment (losses). Net realized investment losses decreased $0.1 million, or 0.6%, to $(17.0) million from $(17.1) million. In 2006, gross realized gains were $8.7 million, including $2.2 million related to FIA options and gross realized losses were $25.7 million, including impairments of $11.8 million. In 2005, gross realized gains were $25.5 million and gross realized losses were $42.6 million, including impairments of $6.6 million and $4.4 million related to the FIA options. In 2006, realized gains on FIA options increased $6.6 million, which offset the increase in interest credited on FIA contracts.

Policyholder benefits and claims. Policyholder benefits and claims increased $9.2 million, or 35.8%, to $(16.5) million from $(25.7) million. This was driven by a reduction in the benefit received from the differences in the amount of PGAAP reserve amortization.

Interest credited. Interest credited decreased $25.3 million, or 12.0%, to $186.2 million from $211.5 million. This decrease was primarily due to a decrease in contractholder account values, but offset by a $5.5 million increase in FIA interest credited.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs increased $1.0 million to $1.1 million from $0.1 million. This was related to an increase in the underlying DAC asset, which increased to $54.5 million from $25.5 million at December 31, 2005. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004 and has subsequently been growing as a result of sales of our insurance products. Our amortization expense is expected to increase as the underlying DAC asset increases.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Retirement Services summary of results. Our Retirement Services segment pre-tax income decreased $2.9 million, or 5.4%, to $50.5 million from $53.4 million. Segment pre-tax operating income increased $16.9 million, or 36.5% to $63.2 million from $46.3 million. This was primarily due to reduced DAC amortization.

Net investment income. Net investment income decreased $56.4 million, or 16.2%, to $292.8 million from $349.2 million. This decrease was related to the Acquisition purchase accounting, which resulted in an overall reduction in investment yields for periods subsequent to the purchase date. We subsequently implemented an investment portfolio rebalancing strategy, which improved investment yields.

Other revenues. Other revenues decreased $4.0 million, or 14.7%, to $23.2 million from $27.2 million. This decrease was primarily due to a $3.3 million decrease of mutual fund fees related to variable annuities resulting from the sale of mutual funds operation in 2004. Such fees were not received in 2005.

Net realized investment gains (losses). Net realized investment gains decreased $23.6 million to $(17.1) million from $6.5 million. The 2005 gross realized gains were $25.5 million and gross realized losses were $42.6 million, including impairments of $6.6 million. The 2004 realized gains were $50.8 million and gross realized losses were $44.2 million, including impairments of $5.0 million. In 2004, we repositioned the asset portfolio to more effectively match the duration of our liabilities. This activity generated realized gains that were not repeated in 2005.

Policyholder benefits and claims. Policyholder benefits and claims decreased $10.0 million, or 63.7%, to $(25.7) million from $(15.7) million. This was driven by an increase in the benefit received from the change in the PGAAP reserve. The 2004 PGAAP reserve reduction represented a five month period compared to twelve months in 2005.

Interest credited. Interest credited decreased $53.1 million, or 20.1%, to $211.5 million from $264.6 million. This decrease was primarily due to a decrease in contractholder account values.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $0.9 million, or 1.4%, to $62.6 million from $63.5 million. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us for transition services for the remaining five months of 2004.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs decreased $16.4 million, or 99.4%, to $0.1 million from $16.5 million. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004. Our 2004 amortization included seven months of DAC amortization prior to the Acquisition.

Income Annuities

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

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions)		
Revenues:					
Net investment income	$ 223.8	$ 217.7	$ 439.0	$ 441.4	$ 474.4
Other revenues	0.5	0.4	0.8	0.5	0.5
Net realized investment gains	24.2	15.4	16.8	17.4	9.5
Total revenues	248.5	233.5	456.6	459.3	484.4
Benefits and Expenses:					
Interest credited	183.8	187.0	371.8	392.5	438.9
Other underwriting and operating expenses	11.7	10.6	21.6	19.4	16.8
Amortization of deferred policy acquisition costs	0.5	0.3	0.6	0.3	—
Total benefits and expenses	196.0	197.9	394.0	412.2	455.7
Segment pre-tax income	$ 52.5	$ 35.6	$ 62.6	$ 47.1	$ 28.7
Non-GAAP Financial Measures:					
Segment pre-tax operating income	$ 38.0	$ 29.8	$ 64.7	$ 42.8	$ 20.5
Reconciliation to segment pre-tax income:					
Segment pre-tax income	$ 52.5	$ 35.6	$ 62.6	$ 47.1	$ 28.7
Less: Net realized investment gains	24.2	15.4	16.8	17.4	9.5
Add:					
Net realized and unrealized investment gains on FIA options	—	—	—	—	—
Net realized and unrealized investment gains on equity securities	9.7	9.6	18.9	13.1	1.3
Segment pre-tax operating income	$ 38.0	$ 29.8	$ 64.7	$ 42.8	$ 20.5

The following table sets forth unaudited selected historical operating metrics relating to our Income Annuities segment as of, or for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005, and Combined 2004 (non-GAAP):

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, Combined 2004 (non-GAAP)
			(Dollars in millions)		
Reserves(1)	$ 6,964.8	$ 7,097.9	$ 7,012.6	$ 7,176.0	$ 7,285.0
Interest spread on reserves(2)	0.90%	0.74%	0.76%	0.67%	0.16%
Mortality gains(3)	$ 1.8	$ 2.7	$ 6.3	$ 0.8	$ 3.8
Total sales(4)	63.0	45.8	96.6	93.1	76.0

(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 net investment yield earned and the credited interest rate on policyholder reserves. The investment yield is the approximate yield on invested assets in the general account attributed to the segment. This yield includes both realized and unrealized gains on our equity investments that back the policyholder reserves. The credited interest rate is the approximate rate credited on policyholder reserves within the segment and excludes the gains and losses from funding services and mortality.

(3) Mortality gains (losses) represents the difference between actual and expected reserves released on death of a life contingent annuity.

(4) Sales represent deposits for new policies.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Income Annuities summary of results. Our Income Annuities segment pre-tax income increased $16.9 million, or 47.5%, to $52.5 million from $35.6 million. Segment pre-tax operating income increased $8.2 million, or 27.5%, to $38.0 million from $29.8 million. Segment pre-tax operating income increased due to increased funding services activity and an increased interest spread on reserves driven by improved net investment yields primarily from equity instrument returns and returns on investments in limited partnerships. These increases were partially offset by a decrease in mortality gain of $0.9 million. The Income Annuities reserve covers payout commitments that extend well beyond 40 years. We invest in equities and equity-like investments to fund the longest part of this liability. The Income Annuities' equity portfolio outperformed the S&P 500 by 1.6% for the six months ended June 30, 2007.

Net investment income. Net investment income increased $6.1 million, or 2.8%, to $223.8 million from $217.7 million. Of this increase, $9.4 million related to improved yields in our hedge fund portfolio. This increase was partially offset by a $3.2 million decrease related to a decrease in average invested assets, which decreased to $7.2 billion from $7.3 billion.

Net realized investment gains (losses). Net investment gains increased $8.8 million, or 57.1%, to $24.2 million from $15.4 million. For the six months ended June 30, 2007, gross realized gains were $29.8 million and gross realized losses were $5.6 million, including impairments of $1.6 million. For the six months ended June 30, 2006, gross realized gains were $19.5 million and gross realized losses were $4.1 million, including impairments of $0.9 million. We had higher realized gains in 2007 primarily due to gains related to a significant tender offer related to certain fixed maturities in our investment portfolio.

Interest credited. Interest credited decreased $3.2 million, or 1.7%, to $183.8 million from $187.0 million. This decrease was due to a decrease in reserves as a result of benefit payments exceeding new deposits and funding services activity.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $1.1 million, or 10.4%, to $11.7 million from $10.6 million. This increase was mainly due to a $0.9 million increase in allocated corporate expenses, primarily related to increased employee payroll and benefit expenses.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Income Annuities summary of results. Our Income Annuities segment pre-tax income increased $15.5 million, or 32.9%, to $62.6 million from $47.1 million. This was due to an increase in mortality gains, increased interest spread on reserves from improved yields and funding services activity. Segment pre-tax operating income increased $21.9 million, or 51.2%, to $64.7 million from $42.8 million. This was due to the increase in segment pre-tax income and $5.8 million increase in net realized and unrealized investment gains on equity securities. Our total equity portfolio, mainly in Income Annuities, outperformed the S&P 500 by 10.3% and 26.0% for the years ended December 31, 2006 and 2005, respectively.

Net investment income. Net investment income decreased $2.4 million, or 0.5%, to $439.0 million from $441.4 million. Of this decrease, $6.3 million was related to a decrease in the average invested assets, which decreased to $7.2 billion at December 31, 2006 from $7.4 billion at December 31, 2005. This decrease was offset by a $3.9 million increase related to improved yields, which increased to 6.06% from 6.00%.

Net realized investment gains. Net realized investment gains decreased $0.6 million, or 3.4%, to $16.8 million from $17.4 million. In 2006, gross realized gains were $32.9 million and gross realized losses were $16.0 million, including impairments of $9.4 million. In 2005, gross realized gains were $27.0 million and gross realized losses were $9.6 million, including impairments of $0.3 million.

Interest credited. Interest credited decreased $20.7 million, or 5.3%, to $371.8 million from $392.5 million. This decrease was due to a decrease in reserves as a result of benefit payments exceeding new deposits, favorable mortality gains and funding services activity.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $2.2 million, or 11.3%, to $21.6 million from $19.4 million. The increase of $2.2 million was primarily due to the launching of our funding services operations in mid 2005.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs increased $0.3 million, or 100.0%, to $0.6 million from $0.3 million. This increase in amortization was related to an increase in the underlying DAC asset, which increased to $6.8 million from $4.3 million. Our DAC asset has been growing since the Acquisition as a result of sales of our insurance products. Our amortization expense was expected to increase as the underlying DAC asset increases.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Income Annuities summary of results. Our Income Annuities segment pre-tax income increased $18.4 million, or 64.1%, to $47.1 million from $28.7 million and segment pre-tax operating income increased $22.3 million, to $42.8 million from $20.5 million. The segment pre-tax operating income increased due to an increase in our interest spread on reserves and an $11.8 million increase in net realized and unrealized investment gains on equity securities. We gradually built up our equity portfolio over the course of 2005.

Net investment income. Net investment income decreased $33.0 million, or 7.0%, to $441.4 million from $474.4 million. This decrease was primarily related to the Acquisition purchase accounting, which resulted in an overall reduction in investment yields for periods subsequent to the Acquisition.

Net realized investment gains. Net realized investment gains increased $7.9 million, or 83.2%, to $17.4 million from $9.5 million. In 2005, gross realized gains were $27.0 million and gross realized losses were $9.6 million, including impairments of $0.3 million. In 2004, gross realized gains were $23.3 million and gross realized losses were $13.8 million, including impairments of $2.6 million.

Interest credited. Interest credited decreased $46.4 million, or 10.6%, to $392.5 million from $438.9 million. The credited rate inherent in the reserves was reduced as a result of purchase accounting.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $2.6 million, or 15.5%, to $19.4 million from $16.8 million. This increase was primarily due to increased professional services fees and costs of launching our funding services operations. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us for transition services for the remaining five months of 2004.

Individual

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

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions)		
Revenues:					
Premiums	$ 70.0	$ 69.6	$ 138.3	$ 137.1	$ 120.3
Net investment income	120.3	114.7	232.8	222.6	228.3
Other revenues	7.1	6.8	12.9	14.0	21.0
Net realized investment gains (losses)	0.1	(1.9)	(3.8)	1.3	8.0
Total revenues	197.5	189.2	380.2	375.0	377.6
Benefits and Expenses:					
Policyholder benefits and claims	32.4	25.1	50.0	57.1	46.3
Interest credited	106.4	103.9	208.2	206.9	213.1
Other underwriting and operating expenses	29.3	28.6	57.4	61.4	64.6
Amortization of deferred policy acquisition costs	0.8	1.0	2.0	1.0	7.4
Intangible asset amortization	—	—	—	—	1.7
Total benefits and expenses	168.9	158.6	317.6	326.4	333.1
Segment pre-tax income	$ 28.6	$ 30.6	$ 62.6	$ 48.6	$ 44.5
Non-GAAP Financial Measures:					
Segment pre-tax operating income	$ 28.5	$ 32.5	$ 66.4	$ 47.3	$ 36.5
Reconciliation to segment pre-tax income:					
Segment pre-tax income	$ 28.6	$ 30.6	$ 62.6	$ 48.6	$ 44.5
Less: Net realized investment gains (losses)	0.1	(1.9)	(3.8)	1.3	8.0
Add:					
Net realized and unrealized investment gains on FIA options	—	—	—	—	—
Net realized and unrealized investment gains on equity securities	—	—	—	—	—
Segment pre-tax operating income	$ 28.5	$ 32.5	$ 66.4	$ 47.3	$ 36.5

The following table sets forth unaudited selected historical operating metrics relating to our Individual segment as of, or for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP):

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
			(Dollars in millions)		
Insurance in force(1)	$ 52,180.7	$ 52,301.9	$ 52,295.3	$ 51,796.9	$ 50,499.3
Mortality ratio(2)	92.6%	81.6%	74.7%	79.4%	79.6%
BOLI account value(3)	$ 3,443.7	$ 3,287.6	$ 3,346.8	$ 3,224.6	$ 3,115.2
UL account value(3)	569.8	562.2	565.1	561.1	561.2
PGAAP reserve balance	69.3	85.4	77.1	94.5	115.0
BOLI ROA(4)	1.23%	1.14%	1.18%	0.97%	1.04%
UL interest spread(5)	1.20%	1.31%	1.31%	0.66%	1.51%
Total sales(6)	$ 4.7	$ 4.9	$ 9.3	$ 11.8	$ 14.8

(1) Insurance in force represents dollar face amounts of policies.

(2) Mortality ratio represents actual mortality experience as a percentage of benchmark. Benchmark is based on the 90-95 Society of Actuaries, or SOA, mortality table applied to current in force business. This ratio excludes BOLI mortality experience.

(3) Account Value — BOLI Accounts and universal life, or UL, represents Symetra's liability to the policyholder.

(4) The 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 total revenues net of allocated surplus investment income divided by average invested assets. The policy benefits rate is calculated as total policy benefits divided by average account value. The policy benefits used in this metric do not include expenses.

(5) Interest spread is the difference between net investment yield earned and the credited interest rate to policyholders. The investment yield is the approximate yield on invested assets in the general account attributed to the UL policies. The credited interest rate is the approximate rate credited on UL policyholder fixed account values. Interest credited to UL policyholders' account values is subject to contractual terms, including minimum guarantees. Interest credited tends to move gradually over time to reflect market interest rate movements and may reflect actions by management to respond to competitive pressures and profit targets.

(6) Total sales represent annualized first year premiums and deposits for new policies.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Individual Summary of Results. Our Individual segment pre-tax income decreased $2.0 million, or 6.5%, to $28.6 million from $30.6 million. Segment pre-tax operating income decreased $4.0 million, or 12.3%, to $28.5 million from $32.5 million. This decrease was primarily due to reserve increases and an increase in mortality in 2007 compared to 2006, partially offset by increased BOLI ROA and UL interest spreads on growing BOLI and UL account values and improved investment yields.

Net investment income. Net investment income increased $5.6 million, or 4.9%, to $120.3 million from $114.7 million. Of this increase, $3.4 million related to improved yields, which increased to 5.39% from 5.24%, and $2.3 million related to an increase in the average invested assets, which increased to $4.5 billion from $4.4 billion.

Net realized investment gains (losses). Net realized investment gains (losses) increased $2.0 million to $0.1 million from $(1.9) million. For the six months ended June 30, 2007, gross realized gains were

$1.2 million and gross realized losses were $1.1 million, including impairments of $0.1 million. For the six months ended June 30, 2006, gross realized gains were $1.4 million and gross realized losses were $3.3 million, including impairments of $1.3 million.

Policyholder benefits and claims. Policyholder benefits and claims increased $7.3 million, or 29.1%, to $32.4 million from $25.1 million. Claims increased $4.4 million mainly related to universal life and BOLI general account claims. Reserves increased $3.0 million due to changes in reserve assumptions and a refinement of our reserve methodology implemented in connection with an actuarial reserving software conversion and a reduction in the benefit received from PGAAP reserve amortization. These increases were offset by a reduction of our term life reserves due to a reduction in the block size.

Interest credited. Interest credited increased $2.5 million, or 2.4%, to $106.4 million from $103.9 million. This increase was primarily due to an increase in our BOLI account values, offset by decreased interest related to our BOLI separate account policies, for which policyholder interest credited is adjusted based on claims experience.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Individual summary of results. Our Individual segment pre-tax income increased $14.0 million, or 28.8%, to $62.6 million from $48.6 million. Segment pre-tax operating income increased $19.1 million, or 40.4%, to $66.4 million from $47.3 million. This increase was primarily the result of a higher return on our average BOLI account values, as evidenced by the increase in the BOLI ROA, and favorable mortality. In addition, our UL/VUL account values and interest spreads increased.

Net investment income. Net investment income increased $10.2 million, or 4.6%, to $232.8 million from $222.6 million in 2005. There was a $5.3 million increase related to improved yields which increased to 5.30% from 5.18%. In addition, there was a $4.8 million increase related to a higher average invested assets, which increased to $4.4 billion at December 31, 2006 from $4.3 billion at December 31, 2005.

Net realized investment gains (losses). Net realized investment gains (losses) decreased $5.1 million to $(3.8) million from $1.3 million. In 2006, gross realized gains were $2.1 million and gross realized losses were $5.9 million, including impairments of $2.9 million. In 2005, gross realized gains were $8.7 million and gross realized losses were $7.4 million, including impairments of $0.7 million.

Policyholder benefits and claims. Policyholder benefits and claims decreased $7.1 million, or 12.4%, to $50.0 million from $57.1 million. This decrease was due to favorable mortality experience in 2006 and non-recurring reserve adjustments in 2005 offset by lower PGAAP reserve amortization in 2006. The PGAAP reserve is amortized as a reduction to policyholder benefits according to our expected pattern of profitability of the policies in force at the date of the Acquisition. This pattern resulted in increased PGAAP reserve amortization in the years immediately following the Acquisition. In 2005, we experienced a reserve increase for a persistency bonus interest feature in one of our universal life contracts due to a refinement in our calculation methodology. In addition, we increased reserves on an old book of term policies to apply consistent reserve factors for all term policies.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $4.0 million, or 6.5%, to $57.4 million from $61.4 million. This decrease was due to a decrease in sales-related expenses including commissions and premium taxes.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Individual summary of results. Our Individual segment pre-tax income increased $4.1 million, or 9.2%, to $48.6 million from $44.5 million. Segment pre-tax operating income increased $10.8 million, or 29.6%, to $47.3 million from $36.5 million. This increase was primarily due to a $6.4 million reduction in DAC amortization and a $1.7 million reduction in intangible asset amortization. The increase was offset by a decrease in UL spreads.

Premiums. Premiums increased $16.8 million, or 14.0%, to $137.1 million from $120.3 million. Individual premiums increased primarily due to a $14.1 million adjustment in 2004 related to ceded term reinsurance, which resulted in a decrease in 2004 premiums and a $2.3 million increase in BOLI COI charges.

Net investment income. Net investment income decreased $5.7 million, or 2.5%, to $222.6 million from $228.3 million. This decrease was related to the Acquisition purchase accounting, which resulted in an overall reduction in investment yields for periods subsequent to the purchase date.

Other revenues. Other revenues decreased $7.0 million, or 33.3%, to $14.0 million from $21.0 million. This decrease was primarily due to a $5.9 million adjustment in 2004 related to ceded term reinsurance expense allowances, which resulted in an increase in 2004 other revenues.

Policyholder benefits and claims. Policyholder benefits and claims increased $10.8 million, or 23.3%, to $57.1 million from $46.3 million. This increase was primarily driven by an increase of $8.5 million in BOLI claims.

Interest credited. Interest credited decreased $6.2 million, or 2.9%, to $206.9 million from $213.1 million. This decrease was related to our BOLI separate account policies, for which policyholder interest credited is adjusted based on claims experience.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $3.2 million, or 5.0%, to $61.4 million from $64.6 million. This decrease was due to a decrease in sales-related expenses including commissions and premium taxes. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us for transition services for the remaining five months of 2004.

Amortization of deferred policy acquisition costs. Amortization of deferred policy acquisition costs decreased $6.4 million, or 86.5%, to $1.0 million from $7.4 million. In connection with the Acquisition, our DAC asset was reset to zero on August 2, 2004. Our 2004 amortization included seven months of DAC amortization prior to the Acquisition.

Other

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

	Six Months Ended June 30,		Year Ended December 31,		
	2007	2006	2006	2005	Combined 2004 (non-GAAP)
	(Unaudited)		(Dollars in millions)		
Revenues:					
Net investment income	$ 13.5	$ 11.4	$ 25.3	$ 17.9	$ 30.5
Other revenues	6.4	5.4	9.4	9.1	8.3
Net realized investment gains	4.0	2.5	5.8	12.6	17.8
Total revenues	23.9	19.3	40.5	39.6	56.6
Benefits and Expenses:					
Interest credited	(0.4)	(0.1)	(0.3)	—	—
Other underwriting and operating expenses	9.3	6.8	14.1	14.5	27.6
Fair value of warrants issued to investors	—	—	—	—	101.5
Interest expense	9.3	9.8	19.1	12.4	3.5
Amortization of deferred policy acquisition costs	(0.1)	0.1	—	—	—
Intangible asset amortization	—	—	—	—	1.6
Total benefits and expenses	18.1	16.6	32.9	26.9	134.2
Segment pre-tax income (loss)	$ 5.8	$ 2.7	$ 7.6	$ 12.7	$ (77.6)
Non-GAAP Financial Measures:					
Segment pre-tax operating income (loss)	$ 1.8	$ 0.2	$ 1.8	$ 0.1	$ (95.4)
Reconciliation to segment pre-tax income (loss):					
Segment pre-tax income (loss)	$ 5.8	$ 2.7	$ 7.6	$ 12.7	$ (77.6)
Less: Net realized investment gains	4.0	2.5	5.8	12.6	17.8
Add:					
Net realized and unrealized investment gains on FIA options	—	—	—	—	—
Net realized and unrealized investment gains on equity securities	—	—	—	—	—
Segment pre-tax operating income (loss)	$ 1.8	$ 0.2	$ 1.8	$ 0.1	$ (95.4)

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Other segment summary of results. Our Other segment pre-tax income increased $3.1 million, to $5.8 million from $2.7 million. Segment pre-tax operating income increased $1.6 million, to $1.8 million from $0.2 million. This increase was primarily due to an increase in unallocated investment income and an increase in revenues from our broker-dealer operations, partially offset by increased operating expenses due to our initial public offering process and increased amortization of information technology assets.

Net investment income. Net investment income is primarily non-allocated net investment income related to insurance surplus and corporate assets. Net investment income increased $2.1 million, or 18.4%, to $13.5 million from $11.4 million. This increase was related to a $0.1 billion increase in non-allocated average invested assets, to $0.6 billion at June 30, 2007 from $0.5 billion at June 30, 2006.

Other revenues. Other revenues increased $1.0 million, or 18.5%, to $6.4 million from $5.4 million, due to increased revenue from our broker-dealer operations.

Net realized investment gains. Net realized investment gains increased by $1.5 million, or 60.0%, to $4.0 million from $2.5 million. For the six months ending June 30, 2007, gross realized gains were $7.5 million and gross realized losses were $3.5 million, including impairments of $0.7 million. For the six months ending June 30, 2006, gross realized gains were $5.6 million and gross realized losses were $3.1 million, including impairments of $0.8 million.

Other underwriting and operating expenses. Other underwriting and operating expenses increased $2.5 million, or 36.8%, to $9.3 million from $6.8 million in 2006. This increase was primarily due to $0.9 million of additional operating expenses related to our initial public offering process and $0.9 million of increased amortization of information technology assets.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Other summary of results. Our Other segment pre-tax income decreased $5.1 million, or 40.2%, to $7.6 million from $12.7 million. Segment pre-tax operating income increased $1.7 million to $1.8 million from $0.1 million. This increase was primarily due to a $7.4 million increase in unallocated investment income, offset by an increase in interest expense of $6.7 million.

Net investment income. Net investment income increased $7.4 million, or 41.3%, to $25.3 million from $17.9 million. This increase was primarily due to a $151.4 million increase in the non-allocated average invested assets, which increased to $536.1 million from $384.7 million.

Net realized investment gains. Net realized gains decreased by $6.8 million, or 54.0% to $5.8 million from $12.6 million. For 2006, gross realized gains were $11.6 million and gross realized losses were $5.8 million, including impairments of $1.6 million. For 2005, gross realized gains were $14.2 million and gross realized losses were $1.6 million, including minimal impairments. In addition, in 2005 we recorded a $6.3 million gain as a result of a methodology refinement in the calculation of our mortgage loan allowance.

Year Ended December 31, 2005 compared to Year Ended December 31, 2004 (Combined Non-GAAP)

Other summary of results. Our Other segment pre-tax income increased $90.3 million to a gain of $12.7 million from a loss of $77.6 million. Segment pre-tax operating income increased $95.5 million to a gain of $0.1 million from a loss of $95.4 million. This increase was primarily due to our 2004 expense related to the issuance of warrants to investors for services provided in connection with the Acquisition.

Net investment income. Net investment income decreased $12.6 million, or 41.3%, to $17.9 million from $30.5 million. This decrease was related to the Acquisition purchase accounting, which resulted in an overall reduction in investment yields for periods subsequent to the purchase date.

Net realized investment gains. Net realized gains decreased $5.2 million, or 29.2%, to $12.6 million from $17.8 million. For 2005, gross realized gains were $14.2 million and gross realized losses were $1.6 million, including minimal impairments. For 2004, gross realized gains were $22.5 million and gross realized losses were $4.7 million. There were no impairments in 2004.

Other underwriting and operating expenses. Other underwriting and operating expenses decreased $13.1 million, or 47.5%, to $14.5 million from $27.6 million. The 2005 other underwriting and operating expenses reflected are not comparable to 2004 during which Safeco Corporation allocated us costs for the first seven months of 2004 and charged us under a transition services agreement for the remaining five months of 2004.

Fair value of warrants issued to investors. See "— Results of Operations — Total Company" for a discussion of this line item.

Investments

Our investment portfolio mix as of June 30, 2007 consisted in large part of high quality, fixed maturity securities, commercial mortgage loans and short-term securities, as well as a smaller allocation to marketable equity securities and other investments, such as investments in limited partnerships, which include hedge funds and private equity. Our management believes that prudent levels of investments in marketable equity securities and other investments within our investment portfolio are likely to enhance long term after-tax total returns without significantly increasing the risk profile of the portfolio.

The following table presents the composition of our investment portfolio as of June 30, 2007 and December 31, 2006 and 2005:

	As of June 30, 2007 (Unaudited)	As of December 31, 2006	As of December 31, 2005
		(Dollars in millions)	
Types of Investments			
Fixed maturities	$ 15,440.8	$ 16,049.9	$ 17,183.2
Marketable equity securities	209.9	201.7	162.3
Mortgage loans	789.6	794.3	776.9
Policy loans	77.8	79.2	80.5
Short-term investments	5.3	48.9	7.4
Investments in limited partnerships	159.8	112.6	93.4
Other invested assets(1)	11.8	18.7	29.1
Total	$ 16,695.0	$ 17,305.3	$ 18,332.8

(1) Includes investments such as embedded derivatives, notes receivable and options.

Investment Returns

Return on invested assets is an important element of our financial results. Significant fluctuations in the fixed income or equity markets could weaken our financial condition or results of operations. Additionally, changes in market interest rates may impact the period of time over which certain investments, such as mortgage-backed securities, are repaid and whether certain investments are called by the issuers. Such changes may in turn impact the yield on these investments and may also result in the re-investment of funds received from calls and prepayments at rates below the average portfolio yield.

Fluctuations in interest rates affect our return on, and the fair value of, fixed maturity investments. Other events beyond our control could also adversely impact the fair value of these investments. Specifically, a default of payment by an issuer could reduce our investment return.

Table of Contents

The following table summarizes our investment results:

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, Combined 2004 (Non-GAAP)
	(Unaudited)		(Dollars in millions)		
Net investment income	$ 490.9	$ 490.5	$ 984.9	$ 994.0	$ 1,104.8
Yield on average invested assets(1)	5.62%	5.41%	5.48%	5.33%	6.02%
Net realized investment gains (losses):					
Gross gains on sales	$ 37.5	$ 23.8	$ 47.6	$ 40.4	$ 80.4
Gross losses on sales	(9.9)	(9.4)	(19.9)	(28.2)	(46.6)
Impairments:					
Credit related	(0.7)	(8.1)	(8.9)	(6.3)	(3.5)
Other	(4.2)	(5.6)	(16.8)	(1.4)	(6.9)
Total impairments	(4.9)	(13.7)	(25.7)	(7.7)	(10.4)
Other net investment gains (losses)(2):					
Other gross gains	6.9	4.7	7.5	35.1	30.3
Other gross losses	(5.1)	(5.9)	(7.8)	(25.5)	(11.8)
Net realized gains (losses) before taxes	$ 24.5	$ (0.5)	$ 1.7	$ 14.1	$ 41.9

(1) Represents annualized net investment income (excluding income related to marketable equity securities available for sale) divided by the monthly weighted average invested assets at cost or amortized cost, as applicable, excluding marketable equity securities available for sale. Information presented is unaudited.

(2) Primarily consists of changes in fair value on derivatives instruments, the impact on DAC and gains (losses) on calls and redemptions.

Impairments during the six months ended June 30, 2007 were $4.9 million. The following table summarizes our five largest aggregate losses on sales and impairments by each issuer's industry for the six months ended June 30, 2007. No other issuer together with its affiliates had an aggregate loss on dispositions and impairments that was greater than 3.5% of total gross realized losses.

Issuer's Industry	Fair Value at Sale (Proceeds)	Loss on Sale	Impairment	June 30, 2007 Holdings	June 30, 2007 Net Unrealized Loss
			(Dollars in millions)		
Consumer staples	$ 9.5	$ (1.9)	$ —	$ 19.1	$ (0.3)
Consumer staples	—	—	(1.7)	52.9	(0.2)
Telecommunications	31.5	(1.5)	—	26.8	(0.1)
Utilities	29.2	(1.0)	—	12.1	(0.1)
U.S. Fed. Government	—	—	(0.7)	45.5	(0.7)
Totals	$ 70.2	$ (4.4)	$ (2.4)	$ 156.4	$ (1.4)

Impairments for the year ended December 31, 2006 were $25.7 million. The following table summarizes our five largest aggregate losses on sales and impairments by each issuer's industry for the year ended

December 31, 2006. No other issuer together with its affiliates had an aggregate loss on dispositions and impairments that was greater than 3.0% of total gross realized losses.

Industry	Fair Value at Sale (Proceeds)	Loss on Sale	Impairment	December 31, 2006 Holdings	December 31, 2006 Net Unrealized Gain (Loss)
			(Dollars in millions)		
Business services	$ 36.5	$ (2.2)	$ (8.1)	$ —	$ —
Paper products	—	—	(7.5)	17.6	1.8
Food retail	21.0	(1.4)	(1.7)	22.0	(0.8)
Electronics store	27.8	(1.0)	(0.8)	—	—
Wireless telecom	9.5	(0.0)	(1.8)	9.9	1.1
Totals	$ 94.8	$ (4.6)	$ (19.9)	$ 49.5	$ 2.1

Our equity investment portfolio is managed by Prospector Partners, LLC, or Prospector. Prospector, a registered investment adviser with approximately $3.6 billion in assets under management, oversees our portfolio of equity-like investments including publicly-traded common stocks, convertible securities and distressed debt. Prospector has a strong track record of investment performance on both an absolute and relative basis. Prospector has helped us to produce strong annual investment results, evidenced in part by the returns of our equity portfolio, which outperformed the total return of the benchmark S&P 500 Index for the six months ended June 30, 2007 by 2.0% and for years ended December 31, 2006 and 2005 by 10.3% and 26.0%, respectively. We believe that these equity and equity-like investments are ideal for funding certain long duration liabilities in our Income Annuities segment. See “Business — Investments — Overview” for further information regarding Prospector.

	Six Months Ended June 30, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005
Public equity	8.9%	26.1%	30.9%
S&P 500 Index (total return)	6.9%	15.8%	4.9%

Liquidity and Capital Resources

We conduct all our operations through our operating subsidiaries. Dividends from our subsidiaries and permitted payments under our tax sharing arrangements with our subsidiaries are Symetra’s principal sources of cash to pay stockholder dividends and meet Symetra’s obligations, including payments of principal and interest on notes payable.

Our primary uses of funds at our holding company level include payment of general operating expenses, payment of principal, interest and other expenses related to holding company debt and payment of dividends to our stockholders. We will pay two dividends to our stockholders totaling $200.0 million in the aggregate on October 19, 2007. After our initial public offering, we intend to pay quarterly cash dividends on our common stock, as described on page 28. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors.

Dividends and Regulatory Requirements

The payment of dividends and other distributions to us by our insurance subsidiaries is regulated by insurance laws and regulations. In general, dividends in excess of prescribed limits are deemed “extraordinary” and require insurance regulatory approval. Based on our statutory results as of December 31, 2006, our insurance subsidiaries may pay dividends of up to $166.4 million to us during fiscal 2007 without being required to obtain regulatory approval. During the six months ended June 30, 2007, we received $27.6 million in dividends from our subsidiaries, including $23.0 million from our insurance subsidiaries. During 2006, we received $122.5 million in dividends from our insurance subsidiaries. During 2005, we did not receive dividends from our insurance subsidiaries. For 2005 and the period from August 2, 2004 through December 31, 2004, we received $35.2 million and $20.0 million, respectively, from our discontinued operations and our non-insurance subsidiaries.

Liquidity Requirements and Sources of Liquidity

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

Our insurance subsidiaries maintain 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, mortgage loans, and marketable equity securities. Shorter-term liabilities are matched with fixed maturities that have short-and medium-term fixed maturities. In addition, our insurance subsidiaries hold highly liquid, high-quality, short-term investment securities and other liquid investment-grade fixed maturities to fund anticipated operating expenses, surrenders and withdrawals. As of June 30, 2007, our total cash and invested assets were $17.1 billion. As of December 31, 2006, our total cash and invested assets were $17.6 billion. Our fixed maturity portfolio included below investment grade securities that comprised 4.1% and 4.4% of the total fair value of our total fixed maturity securities as of June 30, 2007 and December 31, 2006, respectively. In addition, our fixed maturity portfolio included non-rated securities that comprised 4.5% and 3.9% of the total fair value of our fixed maturity securities as of these dates.

The short-term and long-term liquidity requirements are monitored regularly to match cash inflows with cash requirements. We review our short-term projected sources and uses of funds and the asset/liability matching, investment and cash flow assumptions underlying these projections. We periodically make adjustments to our investment policies to reflect changes in short-term and long-term cash needs and changing business and economic conditions.

A primary liquidity concern with respect to fixed deferred annuity and life insurance products is the risk of early withdrawal. Our insurance subsidiaries attempt to mitigate this risk by offering variable products whereby the investment risk is transferred to the policyholder, charging surrender fees at the time of withdrawal for certain products, applying a fair value adjustment to withdrawals for certain products in our general accounts, and monitoring and matching anticipated cash inflows and outflows. Policyholder charges such as surrender fees and fair value adjustments vary by product as follows:

- For group annuity products ($1.0 billion of reserves as of June 30, 2007), the surrender charge amounts and periods can vary significantly, depending on the terms of each contract and the compensation structure for the producer. Generally, surrender charge percentages for group products are less than individual products because we incur lower expenses at contract origination for group products. In addition, approximately 17% of the general account group annuity reserves are subject to a fair value adjustment at withdrawal.
- For individual annuity products ($3.5 billion of reserves as of June 30, 2007), the surrender charge is generally calculated as a percentage of the withdrawal amount and is assessed at declining rates generally during the first three to eight years after the initial deposit is made.
- Approximately 33% of the combined individual and group deferred annuities fund value is subject to surrender charges.
- Life insurance policies are less susceptible to withdrawal than annuity products because policyholders generally must undergo a new underwriting process and may incur a surrender fee in order to obtain a new insurance policy.

Capitalization

Our capital structure consists of notes payable and stockholders' equity. The following table summarizes our capital structure as of the following dates:

	June 30, 2007 (Unaudited)	December 31, 2006	December 31, 2005
		(Dollars in millions)	
Senior notes payable	$ 298.8	$ 298.7	$ 300.0
Stockholders' equity, excluding accumulated other comprehensive income (loss) or AOCI	1,426.5	1,327.8	1,268.3
AOCI	(178.9)	(0.5)	136.6
Total stockholders' equity	1,247.6	1,327.3	1,404.9
Total capital	$ 1,546.4	$ 1,626.0	$ 1,704.9
Debt to capital ratio, excluding AOCI	17.3%	18.4%	19.1%

Our capitalization decreased as of June 30, 2007 as compared to December 31, 2006. This decrease was due to a $79.7 million decrease in total stockholders' equity. Total stockholders' equity decreased primarily due to a $178.4 million decrease in accumulated other comprehensive income, which was primarily caused by an increase in unrealized losses in our fixed maturities portfolio. This decrease was partially offset by net income generated of $96.2 million.

Our capitalization decreased $78.9 million as of December 31, 2006 as compared with December 31, 2005. This decrease was due to a $77.6 million decrease in total stockholders' equity. Total stockholders' equity decreased due to a $137.1 million reduction in AOCI, which was primarily caused by unrealized losses in our fixed maturity portfolio and the payment of a $100.0 million dividend to stockholders. These decreases were partially offset by net income of $159.5 million.

Debt

The following table summarizes our debt instruments as of June 30, 2007:

Description	Maturity Date	Maximum Amount Available as of 6/30/2007	Maximum Amount Available as of 12/31/2006	Maximum Amount Available as of 12/31/2005	Amount Outstanding as of 6/30/2007	Amount Outstanding as of 12/31/2006	Amount Outstanding as of 12/31/2005
				(Dollars in millions)			
Senior notes payable	4/1/2016	$ 300.0	$ 300.0	$ —	$ 300.0	$ 300.0	$ —
Revolving credit facilities:							
Bank of America, N.A.(1)	6/14/2009	70.0	70.0	370.0	—	—	300.0
The Bank of New York:							
Holding company	n/a	25.0	25.0	25.0	—	—	—
Insurance subsidiary	n/a	25.0	25.0	25.0	—	—	—
Total notes payable and revolving credit facilities		$ 420.0	$ 420.0	$ 420.0	$ 300.0	$ 300.0	$ 300.0

(1) On August 16, 2007, we entered into a new $200.0 million revolving credit facility which replaced the $70 million credit facility in place as of June 30, 2007. See pages 68 and 131 for a description of this new facility.

Senior Notes Payable

On March 30, 2006, we issued $300.0 million of 6.125% senior notes due April 1, 2016, which were issued at a discount yielding $298.7 million. Proceeds from the notes were used to pay down the outstanding principal on a variable rate revolving line of credit. Interest on the notes is payable semiannually on April 1 and October 1 of each year.

For a description of the additional terms of the notes, see page 132.

Capital Efficient Notes

On October 10, 2007, we issued $150.0 million aggregate principal amount of CENts. We are using the proceeds from the CENts to pay a special cash dividend on October 19, 2007. The CENts bear interest at a fixed annual rate of 8.30% to, but not including, October 15, 2017, and thereafter at a floating annual rate equal to three-month LIBOR plus 4.177%. The CENts have a scheduled maturity date of October 15, 2037, subject to certain limitations, with a final maturity date of October 15, 2067.

In connection with the offering of the CENts, we entered into a covenant in favor of the holders of our $300.0 million principal amount senior notes, pursuant to which we may not repay or redeem the CENts prior to October 15, 2047 unless the redemption or repayment is financed from the offering of replacement capital securities, as specified in the CENts.

For a description of additional terms of the CENts, see page 132.

Revolving Credit Facilities

New Credit Facility. On August 16, 2007, we entered into a $200.0 million senior unsecured revolving credit agreement with a syndicate of lending institutions led by Bank of America, N.A. The credit facility matures on August 16, 2012, and loans under this facility bear interest at varying rates depending on our credit rating. This facility requires us to maintain specified financial ratios, and includes other customary restrictive and affirmative covenants. The revolving credit facility is available to provide support for working capital, capital expenditures and other general corporate purposes.

For a description of additional terms of this facility, see page 133.

Other Facilities. In addition, in 2005, we entered into two $25.0 million revolving credit facilities with The Bank of New York to support our overnight repurchase agreements program, which provides us with the liquidity to meet general funding requirements. We have not borrowed under these facilities since they were created.

Prior Facilities. In June 2004, we entered into a $370.0 million revolving credit facility with several lending institutions, led by Bank of America, N.A. In August 2004, we borrowed $300.0 million against this facility to help fund the purchase of our company from Safeco Corporation. In March 2006, in conjunction with the issuance of the notes described above, we repaid the $300.0 million outstanding under this facility and reduced the amount that could be borrowed from $370.0 million to $70.0 million. Since then, we have not borrowed any funds under this facility, and this facility has been replaced by the new $200.0 million credit facility described above.

Cash Flows

The following table sets forth a summary of our consolidated cash flows for the six months ended June 30, 2007 and 2006 and the years ended December 31, 2006, 2005 and Combined 2004 (non-GAAP). Our consolidated cash flows for the years ended December 31, 2005 and 2004 combine cash flows from discontinued operations with cash flows from continuing operations within each cash flow statement category of operating, investing and financing activities:

(Dollars in millions)	Six Months Ended June 30, (Unaudited) 2007	Six Months Ended June 30, (Unaudited) 2006	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, Combined 2004 (Non-GAAP)
Net cash flows from operating activities	$ 341.5	$ 423.0	$ 841.6	$ 866.2	$ 963.9
Net cash flows from investing activities	390.2	392.2	758.0	620.4	(1,178.1)
Net cash flows from financing activities	(622.5)	(707.9)	(1,457.3)	(1,527.9)	260.0

Operating Activities

Cash flows from our operating activities are primarily driven by the amounts and timing of cash received for premiums on our group medical stop-loss, group life and term life insurance products, income including dividends and interest on our general account investments, as well as the amounts and timing of cash disbursed for our payment of policyholder benefits and claims, underwriting and operating expenses and income taxes. The following discussion highlights key drivers in the level of cash flows generated from our operating activities:

- *Six months ended June 30, 2007 and 2006* — Net cash flows from operating activities for the six months ended June 30, 2007 were $341.5 million, an $81.5 million decrease over the same period in 2006. This decrease was primarily the result of the timing of certain cash settlements related to other assets and other liabilities.

- *Years ended December 31, 2006 and 2005* — Net cash flows from operating activities during the year ended December 31, 2006 were $841.6 million, a $24.6 million decrease from 2005, which for 2005 included net cash flows used in discontinued operations of $3.7 million. The decrease was primarily the result of the amounts and timing of certain cash settlements related to other assets and other liabilities and a decline in premiums received from our group medical stop-loss products, partially offset by a reduced level of cash disbursed to fund policyholder benefits and claims, primarily group medical stop-loss products, as well as decreased underwriting and operating expenses.

  Years ended December 31, 2005 and 2004 — Net cash flows from operating activities for the year ended December 31, 2005 were $866.2 million, a $97.7 million decrease from 2004, which included net cash flows used in discontinued operations of $3.7 million in 2005 and $3.0 million in 2004. The decrease was primarily the result of a decline in premiums received from our group medical stop-loss products, increased amounts of cash paid to settle policyholder benefits and claims and a reduced amount of cash arising from other receivables and other assets and liabilities, partially offset by a reduction in cash disbursed to fund underwriting and operating expenses.

Investing Activities

Cash flows from our investing activities are primarily driven by the amounts and timing of cash received from our sales of investments and from maturities and calls of fixed maturity securities, as well as the amounts and timing of cash disbursed for our purchases of investments. The following discussion highlights key drivers in the level of cash flows generated from our investing activities:

- Net cash flows from investing activities for the six months ended June 30, 2007 were $390.2 million, a $2.0 million decrease from the same period in 2006. Net cash outflows from the routine management of our investment portfolio increased $54.8 million and we paid $21.9 million to acquire MRM. These outflows were offset by a $44.9 million increase in cash from short-term investments and $21.7 million increase related to mortgage loan activity.

- *Years ended December 31, 2006 and 2005* — Net cash flows from investing activities during the year ended December 31, 2006 were $758.0 million, a $137.6 million increase from 2005, which for 2005 included net cash flows provided by discontinued operations of $29.6 million. The increase was primarily the result of a $543.5 million reduction of cash used in net purchases of investments and a $31.5 million reduction of cash used in purchases of property, equipment and leasehold improvements, partially offset by a $437.7 million decrease in proceeds from maturities and calls of fixed maturity investments.

- *Years ended December 31, 2005 and 2004* — Net cash flows from investing activities during the year ended December 31, 2005 were $620.4 million, a $1,798.5 million increase from 2004, which included net cash flows provided by discontinued operations of $29.6 million in 2005 and $22.4 million in 2004. The increase was primarily the result of consideration paid during 2004 of $1,349.9 million in conjunction with the acquisition of the life insurance and investment companies from Safeco Corporation, and a $1,000.3 million reduction of cash used in net purchases of investments, partially offset by a $487.5 million decrease in proceeds from maturities and calls of fixed maturity investments, a $34.6 million increase in cash used in purchases of property, equipment and leasehold improvements and our receipt in 2004 of $30.0 million related to our sale of our mutual funds business.

Financing Activities

Cash flows from our financing activities are primarily driven by the amounts and timing of cash received from deposits into certain life insurance and annuity policies and proceeds from our issuances of capital stock and debt, as well as the amounts and timing of cash disbursed to fund withdrawals from certain life insurance and annuity policies, repayments of debt and dividend distributions to our stockholders. The following discussion highlights key drivers in the level of cash flows generated from our financing activities:

- *Six months ended June 30, 2007 and 2006* — Net cash flows from financing activities for the six months ended June 30, 2007 were $(622.5) million, an $85.4 million increase over the same period in 2006. We incurred a net cash outflow from financing activities in both periods as policyholder withdrawals exceeded deposits; however, the increase in the interim 2007 period relative to the same period in 2006 was primarily the result of an increase in policyholder deposits and a reduction in policyholder withdrawals.
- *Years ended December 31, 2006 and 2005* — Net cash flows from financing activities during the year ended December 31, 2006 were $(1,457.3) million, a $70.6 million increase from 2005, which for 2005 included net cash flows used in discontinued operations of $29.2 million. The increase was primarily the result of a $170.1 million reduction in net policyholder withdrawals from certain life insurance and annuity policies, partially offset by our payment during 2006 of a $100.0 million dividend to our stockholders.
- *Years ended December 31, 2005 and 2004* — Net cash flows from financing activities during the year ended December 31, 2005 were $(1,527.9) million, a $1,787.9 million decrease from 2004, which included net cash flows used in discontinued operations of $29.2 million in 2005 and $20.0 million in 2004. The decrease was primarily the result of a $486.1 million increase in net policyholder withdrawals from certain life insurance and annuity policies and our receipt during 2004 of financing proceeds of $1,364.9 million that were used to fund the purchase of the life insurance and investment companies from Safeco Corporation, partially offset by our payment during 2004 of $64.3 million of dividends to Safeco Corporation.

Contractual Obligations and Commitments

We enter into obligations with third parties in the ordinary course of our operations. These obligations as of December 31, 2006, are set forth in the table below. However, we do not believe that our cash flow requirements can be assessed based upon an analysis of these obligations as the funding of these future cash obligations will be from future cash flows from premiums, deposits, fees and investment income that are not reflected in the table below. In addition, our operations involve significant expenditures that are not based upon commitments, including expenditures for income taxes and payroll.

Contractual Obligations	Payments Due by Year Total	2007	2008-2009 (Dollars in millions)	2010-2011	2012 and thereafter
Senior notes payable	$ 300.0	$ —	$ —	$ —	$ 300.0
Interest on notes payable	183.8	18.4	36.8	36.8	91.8
Operating lease obligations(1)	56.1	6.9	13.4	12.7	23.1
Licensing fees(2)	48.8	13.2	27.2	8.4	—
Purchase and lending commitments:					
Investments in limited partnerships(3)	68.7	24.3	29.3	15.1	—
Commercial mortgage loans(4)	14.5	14.5	—	—	—
Securities collateral on securities lending(5)	439.3	439.3	—	—	—
Insurance obligations(6)	37,611.0	1,965.9	2,672.6	2,392.2	30,580.3
Total	$ 38,722.2	$ 2,482.5	$ 2,779.3	$ 2,465.2	$ 30,995.2

(1) Includes minimum rental commitments on leases for office space, commercial real estate and certain equipment. For more information, see note 14, “Commitments and Contingencies,” of the notes to our 2006 consolidated financial statements included in this prospectus.

(2) Includes contractual commitments for a service agreement to outsource the majority of our information technology infrastructure. For more information, see note 14, “Commitments and Contingencies,” of the notes to our 2006 consolidated financial statements included in this prospectus.

(3) Related to investments in six limited partnership interests related to tax sheltered affordable housing projects and state tax credit funds and two private equity partnerships. We will provide capital contributions to the two private equity partnerships through 2015 up to a committed amount of $17.5 million at the discretion of the general partner, subject to certain contribution limits. Since the timing of payment is uncertain, the unfunded amount has been included in the payment due in less than one year. For more information, see note 14, “Commitments and Contingencies,” of the notes to our consolidated financial statements included in this prospectus. Amounts recorded on the balance sheet are included in “other liabilities”.

(4) Unfunded mortgage loan commitments as of December 31, 2006.

(5) We have accepted cash collateral of $439.3 million in connection with our securities lending program. Since the timing of the return of collateral is uncertain, the return of collateral has been included in the payments due in less than one year. For more information, see note 5, “Securities Lending Program,” of the notes to our 2006 consolidated financial statements included in this prospectus.

(6) Includes estimated claim and benefit, policy surrender and commission obligations on in-force insurance policies and deposit contracts. Estimated claim and benefit obligations are based on mortality, morbidity and lapse assumptions comparable with our historical experience. In contrast to this table, our obligations recorded in our consolidated balance sheets do not incorporate future credited interest for deposit contracts or tabular interest for insurance policies. Therefore, the estimated obligations for insurance liabilities presented in this table significantly exceed the liabilities recorded in reserves for future annuity and contract benefits and the liability for policy and contract claims. Due to the significance of the assumptions used, the amounts presented could materially differ from actual results. We have not included the variable separate account obligations as these obligations are legally insulated from general account obligations and will be fully funded by cash flows from separate account assets. We expect to fund the obligations for insurance liabilities from cash flows from general account investments and future deposits and premiums.

Off-balance Sheet Transactions

We do not have off-balance sheet transactions.

Quantitative and Qualitative Disclosures about Market Risk

We are subject to potential fluctuations in earnings, cash flows and the fair value of certain assets and liabilities due to changes in market interest rates and equity prices.

We enter into market-sensitive instruments primarily for purposes other than trading.

Interest Rate Risk

Our exposure to interest rate risk relates to the market price and/or cash flow variability associated with changes in market interest rates.

An increase in market interest rates from current levels would generally be a favorable development for us. If market interest rates increase, we would expect to earn additional investment income, to have increased annuity and universal life insurance sales, and to limit the potential risk of margin erosion due to minimum guaranteed crediting rates. However, an increase in interest rates would also reduce the net unrealized gain and could produce an unrealized net loss position of the investment portfolio. In addition, if interest rates rise quickly enough within a short time period, certain lines of business that are interest sensitive are exposed to lapses as policyholders seek higher yielding investments.

Our investment portfolios primarily consist of investment grade fixed maturity securities, including public and privately-placed corporate bonds, asset-backed securities, commercial mortgage-backed securities, and collateralized mortgage obligations. The carrying value of our investment portfolio as of December 31, 2006 and 2005 was $17.3 billion and $18.3 billion, respectively, of which 92.7% in 2006 and 93.7% in 2005 was invested in fixed maturity securities. The primary market risk to our investment portfolio is interest rate risk associated with investments in fixed maturity securities. The fair value of our fixed maturities fluctuates depending on the interest rate environment. During periods of declining interest rates, paydowns on mortgage-backed securities and collateralized mortgage obligations increase and we would generally be unable to reinvest the proceeds of such prepayments at comparable yields. The weighted-average duration of our fixed maturity portfolio was approximately 6.2 and 6.8 years as of December 31, 2006 and 2005, respectively.

We manage our exposure to interest rate risk through asset allocation limits, limiting the purchase of negatively convex assets, and asset/liability duration matching. Each line of business has an investment policy based on its specific liability characteristics.

Equity Risk

We are exposed to equity price risk on our common stocks and other equity holdings. In addition, asset fees calculated as a percentage of the separate account assets are a source of revenue to us. Gains and losses in the equity markets result in corresponding increases and decreases in our separate account assets and asset fee revenue.

In addition, a decrease in the value of separate account assets may cause an increase in guaranteed minimum death benefit claims, most of which are reinsured.

We manage equity price risk on investment holdings through industry and issuer diversification and asset allocation techniques.

Derivative Financial Instruments

We make minimal use of derivative financial instruments as part of our risk management strategy. We use indexed call options to hedge our exposure to changes in the S&P 500 Index. Our exposure is related to our FIA block of business, which credits policyholders’ account values based on gains in the S&P 500.

As a matter of policy, we have not and do not intend to engage in derivative market-making, speculative derivative trading or other speculative derivatives activities.

Sensitivity Analysis

Sensitivity analysis measures the impact of hypothetical changes in interest rates and other market rates or prices on the profitability of market-sensitive financial instruments.

The following discussion about the potential effects of changes in interest rates and equity market prices is based on so-called “shock-tests,” which model the effects of interest rate and equity market price shifts on our financial condition and results of operations. Although we believe shock tests provide the most meaningful analysis, they are constrained by several factors, including the necessity to conduct the analysis based on a single point in time and by their inability to include the extraordinarily complex market reactions that normally would arise from the market shifts modeled. Although the following results of shock tests for changes in interest rates and equity market prices may have some limited use as benchmarks, they should not be viewed as forecasts. These forward-looking disclosures also are selective in nature and address only the potential impacts on our financial instruments. They do not include a variety of other potential factors that could affect our business as a result of these changes in interest rates and equity market prices.

One means of assessing exposure of our fixed maturity securities portfolio to interest rate changes is a duration-based analysis that measures the potential changes in fair value resulting from a hypothetical change in interest rates of 100 basis points across all maturities. This is sometimes referred to as a parallel shift in the yield curve. Our investment manager uses Derivative Solutions, a fixed-income analytics tool, to model and calculate the duration and convexity of our asset portfolio. Under this model, with all other factors constant and assuming no offsetting change in the fair value of our liabilities, we estimated that such an increase in interest rates would cause the fair value of our fixed maturity securities portfolio to decline by approximately $0.98 billion and $1.14 billion, based on our securities positions as of December 31, 2006 and 2005, respectively.

One means of assessing exposure to changes in equity market prices is to estimate the potential changes in values on our equity investments resulting from a hypothetical broad-based decline in equity market prices of 10%. Using this assumption, with all other factors constant, we estimate that such a decline in equity market prices would cause the fair value of our investment portfolio to decline by approximately $27.4 million and $19.9 million as of December 31, 2006 and 2005, respectively. In addition, fluctuations in equity market prices affect our revenues and returns related to our variable annuity and life products, which depend upon fees that are related primarily to the fair value of the underlying assets.

BUSINESS

Overview

Our Business

We are a life insurance company focused on profitable growth in select group health, retirement, life insurance and employee benefits markets. Our first day of operations as an independent company was August 2, 2004 when Symetra completed the Acquisition. Our operations date back to 1957, and many of our agency and distribution relationships have been in place for decades. We are headquartered in Bellevue, Washington and employ over 1,300 people in 25 offices across the United States, serving over two million customers.

We manage our business through the following five segments, four of which are operating:

- *Group.* We offer medical stop-loss insurance, limited medical benefit plans, group life insurance, accidental death and dismemberment insurance and disability insurance mainly to employer groups of 50 to 1,000 individuals. Our Group segment generated segment pre-tax income of $68.0 million during 2006 and $42.7 million during the six months ended June 30, 2007. As a result of our recent acquisition of Medical Risk Managers, Inc., we also offer MGU services.
- *Retirement Services.* We offer fixed and variable deferred annuities, including tax sheltered annuities, IRAs, and group annuities to qualified retirement plans, including Section 401(k) and 457 plans. We also provide record keeping services for qualified retirement plans invested in mutual funds. Our Retirement Services segment generated segment pre-tax income of $43.2 million during 2006 and $13.4 million during the six months ended June 30, 2007.
- *Income Annuities.* We offer SPIAs for customers seeking a reliable source of retirement income and structured settlement annuities to fund third-party personal injury settlements. Our Income Annuities segment generated segment pre-tax income of $62.6 million during 2006 and $52.5 million during the six months ended June 30, 2007.
- *Individual.* We offer a wide array of term, universal and variable life insurance as well as BOLI. Our Individual segment generated segment pre-tax income of $62.6 million during 2006 and $28.6 million during the six months ended June 30, 2007.
- *Other.* This segment consists of unallocated corporate income, composed primarily of investment income on unallocated surplus, unallocated corporate expenses, interest expense on debt, the results of small, non-insurance businesses that are managed outside of our operating segments and inter-segment elimination entries. Our Other segment generated segment pre-tax income of $7.6 million during 2006 and $5.8 million during the six months ended June 30, 2007.

We distribute our products nationally through an extensive and diversified independent distribution network. Our distributors include financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. We believe that our multi-channel distribution network allows us to access a broad share of the distributor and consumer markets for insurance and financial services products. For example, we currently distribute our annuity and life insurance products through approximately 17,000 independent agents, 22 major financial institutions and 1,200 independent employee benefits brokers. We have recently signed selling agreements with an additional 14 major financial institutions.

Market Environment and Opportunities

We believe we are well positioned to benefit from a number of demographic and market trends, including the following:

- *Growing demand for affordable health insurance.* According to the Kaiser Family Foundation, health insurance premiums in the U.S. increased 87% from 2000-2006, while the Consumer Price Index increased only 17% over the same period. As increases in health care costs continue to outpace inflation, the demand for affordable health insurance options has increased. We believe we can grow our business by providing employees with affordable access to health insurance through employer-sponsored limited benefit employee health plans and by offering group medical stop-loss insurance to medium and large businesses. We also believe that the trend toward reductions in employer-paid benefits and the uncertainty over the future of government benefit programs provide us with the opportunity to successfully offer other attractive employee benefits products.

- *Increasing retirement savings and income needs.* According to the U.S. Department of Health and Human Services, from approximately 1950 to 2004, U.S. life expectancy at birth increased from 65.6 years to 75.2 years for men and from 71.1 years to 80.4 years for women and is expected to increase further. In addition, the U.S. Census Bureau estimates that approximately 77 million Americans born between 1946 and 1964 are approaching retirement age. However, according to the Employee Benefit Research Institute, in 2006, 52% of workers over the age of 55 and their spouses had accumulated less than $50,000 in retirement savings and only 14% of workers report that a traditional pension plan will be their primary source of retirement income. These projected demographic trends, along with a shift in the burden for funding retirement needs from governments and employers to individuals, increase the need for retirement savings and income. We expect greater demand for additional sources of retirement savings, such as our annuities and other investment products that will help consumers supplement their social security benefits with reliable retirement income.
- *Expanding mass affluent market.* As of June 2006, the mass affluent market included 13.7 million households with investible assets between $250,000 and $1.0 million, representing 28% of total financial assets. We believe that the mass affluent population is growing and that it underutilizes various financial products, such as insurance to protect assets, annuities to provide adequate income to support a desired future lifestyle and wealth transfer products to ensure its legacy. We believe we are well positioned to reach consumers in this target market given our relationships with financial institutions and independent agents, which are often their sources of guidance and advice. As such, we expect increased demand for our life insurance, variable and fixed annuity and wealth transfer products.

Our Competitive Strengths

We leverage the following competitive strengths to capitalize on opportunities in our targeted markets:

- *Innovative and collaborative product development capabilities.* We design innovative products to meet the changing demands of the market. By working closely with our distributors, we are able to anticipate opportunities in the marketplace and rapidly address them. For example, we introduced Complete, an innovative variable life insurance policy designed for wealth transfer and centered on minimizing the inherent COI and thus maximizing the underlying account value. We also recently introduced our Focus variable annuity, which features low total cost to the contractholders, well-respected investment options and simplified product features.
- *High-quality distribution relationships.* We offer consumers access to our products through a national multi-channel network, including financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. We have cultivated many of these relationships over decades by treating our distributors as clients and providing them with outstanding levels of service. We provide them with products specifically tailored to their needs, and supported by customized training and education services for their sales representatives. They value our reputation for our easy processes, simple forms and rapid turnaround time. By providing our distributors with excellent levels of service, we are able to develop strong relationships and avoid competing on price alone.
- *Leading group medical stop-loss insurance provider.* We believe we have been a leading provider of group medical stop-loss insurance since 1976. We have built a consistently profitable platform with high-levels of customer service and disciplined underwriting practices. In the last 25 years, our group medical stop-loss insurance business has experienced only two calendar years of net losses. We have driven profitable growth in our Group segment through disciplined underwriting practices, by

developing related products, such as our Select Benefits limited medical benefit product, by using and by making strategic acquisitions, including, most recently, Medical Risk Managers in 2007. For the first six months of 2007, our group medical stop-loss insurance business drove a favorable loss ratio while experiencing improved persistency in our Group segment.

- *Diverse businesses provide flexibility, earnings stability and capital efficiency.* We have an attractive and diverse mix of businesses that allows us to make profitability-driven decisions in each business across various market environments. In general, our four operating business segments are not affected in the same way by economic and operating trends. For example, the level of competitive pricing and performance varies across our segments over time. We believe that this mix offers us a greater level of financial stability than many of our similarly-sized competitors across business and economic cycles. Our diverse business mix also allows us to reallocate our resources to product lines that generate the most attractive returns on capital while reducing our overall capital requirements.
- *Flexible information technology platform integrated with our distributors.* We have a flexible information technology platform that allows us to seamlessly integrate our products onto the operating platforms of our distributors, which we believe provides us with a competitive advantage in attracting new distributors. We also continuously develop innovative tools designed to enhance the service levels and operational performance of our distributors, which strengthens these relationships. For example, our Express™ tool allows our distributors to capture all the necessary data to make products and services instantly available at the point of sale. We will continue to leverage our information technology platform to market our current and future product offerings.
- *Experienced management team with investor-aligned compensation.* We have a high-quality management team with an average of 25 years of insurance-industry experience, led by Randy Talbot who has been our chief executive officer since 1998. Mr. Talbot has spent a significant portion of his 30-year career in the insurance industry operating an insurance brokerage, providing him with the knowledge to intimately understand the needs of our distributors. We have enhanced our original team with several key additions since the Acquisition, each of whom brings substantial experience in their discipline. We also have an experienced board of directors, consisting of industry professionals who have worked closely with us since the Acquisition to develop our strategies and operating philosophies. Our compensation structure aligns management's incentives with our stockholders through our long-term incentive plan that rewards long-term growth in tangible book value and in the intrinsic value of our business.

Our Growth Strategies

To maximize stockholder value, we pursue the following strategies:

- *Target large and growing markets.* We will continue to capitalize on favorable demographic trends, including the growing demand for affordable health insurance, increasing retirement savings and income needs and an expanding mass affluent market. For example, our Select Benefits product allows employers who cannot afford to provide comprehensive health care coverage to offer some level of benefits to their employees. Additionally, as consumers live longer after retirement, their need for life-long financial security is expanding. We will continue to identify key opportunities within these markets and provide tailored solutions that address the evolving needs of these customers.
- *Broaden and deepen distribution relationships.* Our distribution strategy is to deliver multiple products through a single point of sale, thereby leveraging the cost of distribution. We utilize diverse distribution channels, including financial institutions, employee benefits brokers, third party administrators, worksite specialists, specialty brokers and independent agents. We intend to deepen our long-standing distribution relationships while adding new large-scale and high quality distribution partners. As an example, since June 30, 2006, we have increased our relationships with major financial institutions from 10 to 22 and we have recently signed selling agreements with an additional 14 major financial institutions. Through this growth, we have added approximately 10,000 financial institution representatives selling our products. We will continue to leverage our existing relationships by

distributing additional products through our existing partnerships. Since the Acquisition, we have maintained distribution staff and new business processing staff to support higher levels of new sales, making incremental sales relatively more profitable.

- *Be innovative in anticipating customer needs.* We work closely with our distributors to develop customer-responsive products that meet our stringent return requirements, address our target markets and can be delivered efficiently across our information technology platforms. Recent examples include the Focus Variable Annuity product for retirement savings and Complete, our new Variable Life product designed for the wealth transfer market. We will continue to pursue non-traditional avenues of product development. For example, we recently began offering funding services to holders of our structured settlements to offer them an attractive financial alternative. We continually seek to be the first to improve upon an existing leading product. For example, we believe we were the first to offer a hybrid BOLI separate account and an experience rating to customers, both of which provide greater transparency of the investment portfolio. We have also introduced a commutation benefit on a SPIA, which gives the owner greater flexibility to cash out some of his or her future benefits after a certain period of time.
- *Effectively manage capital.* We intend to manage our capital prudently to maximize our profitability and long-term growth in stockholder value. Our capital management strategy is to maintain financial strength through conservative and disciplined risk management practices while deploying or returning excess capital as situations warrant. We will also maintain our conservative investment management philosophy, which includes holding a high quality investment portfolio and carefully matching our investment assets against the duration of our insurance product liabilities.
- *Pursue complementary acquisitions.* We will continue to seek acquisition opportunities that fit strategically within our existing business lines, provide us with a larger distribution presence and meet our stringent return objectives. For example, our recent acquisition of Medical Risk Managers has provided us with key benefits in our group medical stop-loss business. As part of the acquisition, we acquired a database of underwriting experience, which provides us with superior underwriting knowledge. We also gained an MGU that provides us with fee income in addition to access to an existing book of business, a portion of which we may be able to integrate with our existing book of group medical stop-loss business. We believe we have ample financial capacity to remain a prudent acquirer while maintaining a conservative balance sheet.

Group

Overview

We offer a full range of employment-based benefit products and services targeted primarily at employers, unions and public agencies with 50 to 1,000 employees, as well as select larger groups that meet our targeted pricing and underwriting parameters. Group's products include group medical stop-loss insurance sold to employer self-funded health plans; limited benefits medical insurance for employees not able to participate in a traditional health plan, such as part-time, seasonal and temporary workers; group life, accidental death and dismemberment insurance, and disability products. We purchase reinsurance coverage to limit our exposure to losses from our group medical stop-loss, life, short-term disability and long-term disability products. We retain group medical stop-loss risk up to $1.0 million and reinsure the remainder. We reinsure 50% of our Group life risk and cap our liability at $0.5 million. Our short-term and long-term disability risk is 100% reinsured.

We sell through several types of distributors within the Group segment, including third-party administrators or TPAs, employee benefits brokers, consultants and Administrative Services Only, or ASO, arrangements. ASO's are fully insured networks that also offer our group medical stop-loss insurance.

We work closely with employee benefits brokers, consultants and the employer to design benefit plans to meet the employer's particular requirements. Our customers primarily are small and mid-size employers that require knowledgeable employee benefits brokers, consultants and insurance company representatives to understand their individual financial needs and employee profiles, and to customize benefit plans that are appropriate for them. We believe our extensive experience and expertise in group medical stop-loss insurance, limited benefits medical insurance, group life, accidental death and dismemberment insurance and disability products provide us with opportunities to support close broker relationships and to provide employers innovative and customer-centric benefit plans.

Pricing in the medical stop-loss insurance market has proven to be cyclical. Over the past two years, we have experienced a cycle where the market had been offering this product at competitively low prices. However, we continued our disciplined medical stop-loss pricing strategy. More recently, we have seen evidence of the medical stop-loss insurance market firming, which may suggest a developing trend towards higher pricing for this product line, based on our experience with previous pricing cycles.

Products

Group Medical Stop-Loss

Our group medical stop-loss insurance is provided to employer self-funded health plans and covers the risk of higher than expected claims experience. The group medical stop-loss coverage reimburses for claims in excess of a predetermined amount.

Limited Medical Benefits

Our limited medical benefits insurance is provided to employers for health coverage to employees not otherwise eligible to participate in traditional plans, such as part-time, seasonal and temporary workers.

Life Insurance, Accidental Death and Dismemberment

Our group term life insurance product provides benefits in the event of an insured employee's death. The death benefit can be based upon an individual's earnings or occupation, or can be fixed at a set dollar amount. Our products also include optional accidental death and dismemberment coverage as a supplement to our term life insurance policies. This coverage provides benefits for an insured employee's loss of life, limb or sight as a result of accidental death or injury.

Disability Insurance

Our group long-term disability coverage is designed to cover the risk of employee loss of income during prolonged periods of disability. Our group short-term disability coverage provides partial replacement of an insured employee's weekly earnings in the event of disability resulting from an injury or illness. Benefits can be a set dollar amount or based upon a percentage of earnings.

Underwriting and Pricing

We face significant competition in the Group segment operations. Our competitors include large and highly rated insurance carriers. Some of these competitors have greater resources than we do, and many of them offer similar products and use similar distribution channels. We have consistently written or renewed business that meets our return requirements, and this discipline has recently had a slightly negative impact on our market share. However, this was by design with our focus on profitability. Competition is based primarily upon product pricing and features, compensation and benefits structure and support services offered.

Group insurance pricing reflects the employer group's claims experience, when appropriate. The risk characteristics of each employer group are reviewed at the time the policy is issued and each renewal year thereafter, resulting in ongoing adjustments to pricing. The key pricing and underwriting criteria are medical cost trends, the employer group's demographic composition, including the age, gender and family composition of the employer group's members, the industry, geographic location, regional economic trends, plan design and prior claims experience.

Retirement Services

Overview

Through our Retirement Services segment, we offer fixed and variable deferred annuities in both the qualified and non-qualified markets. Qualified contracts include tax-sheltered annuities (marketed to teachers and not-for-profit organizations), IRAs, Roth IRAs and Section 457 plans. We also issue group annuities to qualified retirement plans and provide record keeping services to qualified retirement plans invested in mutual funds. We offer these products and services to a broad range of individual consumers who want to accumulate tax-deferred assets for retirement, desire a reliable source of income during their retirement, or seek to protect against outliving their assets during retirement. We also target the small to mid-size employer market with cost effective products and services that provide a broad range of diverse investment options for employers that offer defined contribution plans.

Although the demand for fixed annuities has been negatively impacted by the low interest rate environment, we believe that higher interest rates will result in increased demand for fixed annuities and other investment products that help consumers supplement their social security benefits with reliable retirement income.

We have a variety of fixed annuity products and a broad range of distribution relationships that position us to increase sales to consumers looking for stable returns. With our new Focus variable product, we are positioned to increase sales to consumers that are looking to maximize earnings and have a tolerance for some volatility in their underlying investments.

Furthermore, we believe that the small to mid-sized employer market place will be an area of growth as more employers eliminate traditional pensions and offer defined contribution plans with lower administrative costs. As employers drive down employee costs, we believe they still want to offer competitive benefit retirement plans so long as the administrative costs are reasonable. We have partnered with a third party to offer employers a turnkey 401(k) package of plan administration and non-proprietary mutual fund investment options that is easy to sell through financial advisors. In addition, our products are designed to allow employers to provide their employees with attractive retirement investments for a relatively low cost. Furthermore, once those retirement plan customers decide to retire or rollover their funds, we offer a suite of IRAs, Roth IRAs, immediate annuities, and other retirement vehicles. It is our goal to capture and hold those customers by offering products that address their evolving needs and through excellent service to our distribution partners and customers.

We develop our annuity products through a rigorous pricing and underwriting process designed to achieve targeted returns based upon each product’s risk profile and our expected rate of investment returns. We compete for sales of annuities through competitive pricing policies and innovative product design. For example, we have introduced a single premium bonus annuity with a choice of multi-year interest guarantee periods.

We offer our annuities and other investment products primarily through financial institutions, broker dealers, independent agents and financial advisors, and worksite employee benefits specialists.

Products

Fixed Annuities

We offer fixed single premium and flexible premium deferred annuities that provide for a premium payment at time of issue, an accumulation period and an annuity payout period at some future date. For example, our fixed deferred annuities include our Custom product, which has a seven-year surrender charge penalty period and a choice of one year, three year or five year interest rate lock periods. During the accumulation period, we credit the account value of the annuity with interest earned at an interest rate, called the crediting rate. The crediting rate is guaranteed generally for one year, or the guarantee period selected by the contract owner. After each guarantee period, the crediting rate is subject to change at our discretion (subject to the minimum guaranteed rate in the contract), based upon competitive factors, portfolio earnings rate, prevailing market rates and product profitability. Our fixed annuity contracts are funded by our general account, and the accrual of interest during the accumulation period is generally on a tax-deferred basis to the owner. The majority of our fixed annuity contract owners retain their contracts through the surrender penalty period. After one year in the annuity contract, the contract owner may elect to take the accumulated value of the annuity and convert it to a series of payments that are received over a selected period of time of not less than five years.

Our fixed annuity contracts permit the contract owners at any time during the accumulation period to withdraw all or part of the premium paid, plus the amount credited to their accounts, subject to contract provisions such as surrender charges that vary depending upon the terms of the product. The contracts impose surrender charges that typically vary from 5.0% to 8.0% of the amount withdrawn, starting in the year of contract issue and decreasing to zero over a three to eight-year period. The contract owner also may withdraw annually up to 10% of the account value without any contractual penalty. Approximately $1.6 billion, or 35.9% of the total account value of our fixed annuities as of June 30, 2007, were subject to surrender charges.

As market conditions change, we change the initial crediting rate for newly issued fixed single premium deferred annuities, or SPDAs. We maintain the initial crediting rate for a minimum period of one year or the guarantee period, whichever is longer. Thereafter, we may adjust the crediting rate no more frequently than once every six months for any given deposit. Most of our recently issued annuity contracts have minimum guaranteed crediting rates between 1.0% and 3.0%.

Our earnings from fixed annuities are based upon the spread between the crediting rate on our fixed annuity contracts and the returns we earn in our general account on our investment of premiums.

Variable Annuities

We offer variable annuities that allow the contract owner to make payments into a guaranteed-rate account and separate accounts divided into subaccounts that invest in underlying investment portfolios. Like a deferred fixed annuity, a deferred variable annuity has an accumulation period and a payout period. Although the fixed-rate account is credited with interest in a manner similar to a fixed deferred annuity, there is no guaranteed minimum rate of return for investments in the subaccounts, and the contract owner bears the entire risk associated with the performance of these subaccounts, subject to the guaranteed minimum death benefit or any other benefit offered under the contract.

Similar to our fixed annuities, our variable annuity contracts permit the contract owner to withdraw all or part of the premiums paid, plus the amount credited to the contract owner’s account, subject to contract terms such as surrender charges. The cash surrender value of a variable annuity contract depends upon the value of the assets that have been allocated to the contract, how long those assets have been in the contract and the investment performance of the subaccounts to which the contract owner has allocated assets.

Variable annuities provide us with fee revenue in the form of flat-fee charges, mortality and expense risk charges, and asset related administration charges. The mortality and expense risk charge and asset related administration charge equal a percentage of the contract owner’s assets in the separate account and typically range from 0.95% to 1.55% per annum. In addition, some contracts may offer the option for contract owners to purchase additional features, such as guaranteed minimum death benefits, for additional fees that are paid for through charges equal to a percentage of the contract owner’s assets. Substantially all of our guaranteed minimum death benefit risk on our individual variable annuities is reinsured. We continue to evaluate our pricing of such features and intend to change prices if appropriate.

We recently introduced the Symetra Focus Variable Annuity, which we believe is one of the most cost-effective such products on the market. Focus is one of the few variable annuities available featuring index investment options from Vanguard. The product’s low-cost structure and well-respected investment options are designed to benefit the clients. The average total cost with Focus is 37% less than the industry average according to Variable Annuity Research and Data Service, a leading source of variable annuities data.

We continually review potential new fixed and variable annuity products and pursue only those where we believe we can achieve targeted returns in light of the risks involved. Unlike several of our competitors, we have not offered variable annuity products with guaranteed minimum withdrawal benefits, or GMWB, or with guaranteed minimum income benefits, or GMIB.

Corporate Retirement Plans

We offer a wide range of employer-sponsored retirement plans, which include 401(k) plans, including traditional, Safe Harbor and SIMPLE profit sharing plans, 403(b) plans and Section 457 plans.

Additional retirement plans can be purchased by individual business owners. These include one-person 401(k) plans designed for business owners with no employees, other than a spouse and defined benefit plans, commonly known as traditional retirement plans, designed to distribute a specific monthly benefit at retirement. The formula used to calculate this benefit can be based on many factors, but most commonly on salary and years of service. Contributions can only be made by the employer and are a federally tax-deductible business expense.

Underwriting and Pricing

We generally do not use an underwriting selection process for our annuity products. We price our products based upon our expected investment returns and our expectations for mortality, longevity and the probability that a policy or contract will remain in-force from one period to the next, or persistency, for the group of our contract owners as a whole, taking into account mortality improvements in the general population and our historical experience. We price deferred annuities by analyzing longevity and persistency risk, volatility of expected earnings on our assets under management, risk profile of the product, special reserving and capital requirements, and the expected expenses we will incur.

Income Annuities

Overview

We offer income annuities, which guarantee a series of payments that continue either for a certain number of years or for the remainder of an annuitant's life.

Also, we offer structured settlement contracts that provide an alternative to a lump sum settlement, generally in a personal injury lawsuit or worker's compensation claim, and typically are purchased by property and casualty insurance companies for the benefit of an injured claimant. The structured settlements provide scheduled payments over a fixed period or, in the case of a life-contingent structured settlement, for the life of the claimant with a guaranteed minimum period of payments.

Products

Income Annuities

Our income annuities differ from deferred annuities in that they provide for contractually guaranteed payments that generally begin within one year of issue. Income annuities generally do not provide for surrender or policy loans by the contractholder, and therefore they provide us with the opportunity to match closely the underlying investment of the deposit received to the cash benefits to be paid under a policy and provide for an anticipated margin for expenses and profit, subject to credit, reinvestment and, in some cases, longevity risk. We have recently added a liquidity feature that allows the contractholder to withdraw portions of the future payments.

The most common types of income annuities are the life-contingent annuity, which makes payments for the life of an annuitant, the joint and survivor annuity, which continues to make payments to a second annuitant, such as a spouse, after the death of the contractholder, and period certain annuities, which generally make payments for a minimum period from five to 30 years even if the contractholder dies within the certain period. Income annuities typically are sold to people that are near, at, or in retirement. We anticipate higher sales of income annuities with the demographic shift toward more people reaching retirement age and their need for dependable retirement income that lasts their entire life.

Structured Settlements

Structured settlement contracts provide an alternative to a lump sum settlement, generally in a personal injury lawsuit or worker's compensation claim, and typically are purchased by property and casualty insurance companies for the benefit of an injured claimant. The structured settlements provide scheduled payments over a fixed period or, in the case of a life-contingent structured settlement, for the life of the claimant with a guaranteed minimum period of payments. Structured settlement contracts also may provide for irregularly scheduled payments to coincide with anticipated medical or other claimant needs. These settlements offer tax-advantaged, long-term financial security to the injured party and facilitate claim settlement for the property and casualty insurance carrier. Structured settlement contracts are long-term in nature, guarantee a fixed benefit stream and generally do not permit surrender or borrowing against the amounts outstanding under the contract. In 2005, we introduced funding services to clients with financial circumstances that may have changed from the time they originally received a structured settlement. Our funding service provides an immediate lump sum payment to replace future benefit payments and includes coordinating the court approval process.

Our current financial strength ratings limit our ability to offer structured settlement contracts. If our principal life insurance company subsidiary, Symetra Life Insurance Company, increases its financial strength ratings from "A" (Excellent) to "A+" (Excellent) from A.M. Best, courts will be more willing to approve structured settlement contract arrangements from us. Improving this key rating will allow us to participate fully in this market.

Underwriting and Pricing

In substandard cases, we maintain medical underwriting for these annuities. We price income annuities and structured settlements using industry produced annuity mortality information, our mortality experience and assumptions regarding continued improvement in annuitant longevity, as well as assumptions regarding investment yields at the time of issue and thereafter. Our structured settlement contracts and traditional income annuities can be underwritten in our medical department by medical doctors and other trained medical personnel.

Individual

Overview

Individual life insurance provides protection against financial hardship after the death of an insured by providing cash payments to the beneficiaries of the policyholder. Single premium life and universal life insurance products also provide an efficient way for assets to be transferred to heirs.

Our principal life insurance product is term life, which provides life insurance coverage with guaranteed level premiums for a specified period of time with little or no buildup of cash value that is payable upon lapse of the coverage. We have been a provider of term life insurance since 1957. In addition to term life insurance, we offer universal life insurance products, which are designed to provide protection for the entire life of the insured and may include a buildup of cash value that can be used to meet the policyholder's particular financial needs during the policyholder's lifetime.

We price our traditional insurance policies based primarily upon our own historical experience in the risk categories that we target. Our pricing strategy is geared toward individuals in preferred risk categories and offer them attractive products at competitive prices. Persons in preferred risk categories include healthier individuals who generally have family histories that do not present increased mortality risk. We also have significant expertise in evaluating people with health problems and offer appropriately priced coverage for people who meet our underwriting criteria.

We offer our life insurance products primarily through three distribution channels: independent agents and financial advisors, worksite benefit brokers and financial institutions, and we offer BOLI through specialty agents. We believe there are opportunities to expand our sales through each of these distribution channels.

Products

Term Life Insurance

Our term life insurance policies provide a death benefit if the insured dies while the coverage is in force. Term life policies have little to no cash value buildup and therefore rarely have a payment due if and when a policyholder decides to lapse the policy.

Our primary term life insurance products have guaranteed level premiums for initial terms of 10, 15, 20 or 30 years. After the guaranteed period expires, premiums increase annually and the policyholder has the option to continue under the current policy by paying the increased premiums without demonstrating insurability or qualifying for a new policy by submitting again to the underwriting process. Coverage continues until the insured reaches the policy expiration age or the policyholder ceases to make premium payments or otherwise terminates the policy, including potentially converting to a permanent plan of insurance. The termination of coverage is called a lapse. For newer policies, we seek to reduce lapses at the end of the guaranteed period by gradually grading premiums to the attained age scale of the insured over the five years following the guaranteed period. After this phase-in period, premiums continue to increase as the insured ages.

Because of how we design and price our term insurance, we have limited the impact from statutory reserves mandated by the valuation of life insurance policies model regulation, also known in the insurance industry as XXX deficiency reserves.

BOLI

Our life insurance business also includes BOLI. During the past few years, many of the nation’s largest financial institutions have purchased several billion dollars of BOLI as a means of generating the cash flow needed to fund benefit liabilities. A BOLI program can create significant assets and earnings gains that can closely match the emerging liabilities. BOLI is a highly stable, low-risk source of financing that can offer net annual after-tax returns that are generally higher than traditional bank investments.

Universal Life Insurance

Our universal life insurance policies provide policyholders with lifetime death benefit coverage, the ability to accumulate assets on a flexible, tax-deferred basis, and the option to access the cash value of the policy through a policy loan, partial withdrawal or full surrender. Our universal life products also allow policyholders to adjust the timing and amount of premium payments. We credit premiums paid, less certain expenses, to the policyholder’s account and from that account deduct regular expense charges and certain risk charges, known as COI, which generally increase from year to year as the insured ages. Our universal life insurance policies accumulate cash value that we pay to the insured when the policy lapses or is surrendered. Most of our universal life policies also include provisions for surrender charges for early termination and partial withdrawals.

We credit interest on policyholder account balances at a rate determined by us, but not less than a contractually guaranteed minimum. Our in-force universal life insurance policies generally have minimum guaranteed crediting rates ranging from 3.0% to 4.5% for the life of the policy.

Because of how we design and price our universal life insurance, we have limited the impact from AXXX deficiency reserves. We sell only two products with secondary guarantees and these are limited to the first 20 years of the policy.

Worksite Life

Our worksite life product is voluntary universal life insurance coverage that provides lifetime death benefit protection if minimum premium payments are made. The premiums are paid by payroll deduction while the employee remains with the employer and the product is portable after the policyowner leaves the employer. Policies are available for employees, their spouses, children and grandchildren.

The product has an Automatic Increase Option (AIO) that allows the policyowner to elect at issue to have the option of paying an incremental amount in future policy years to obtain additional coverage. We credit interest on policyholder account balances at a rate determined by us, subject to the guaranteed minimum interest rate of 2.0%.

Because of how we design and price our worksite life insurance, we have limited the impact from AXXX deficiency reserves.

Variable Life Insurance

Our variable life insurance policies provide policyholders with lifetime death benefit coverage, the ability to accumulate assets on a flexible, tax-deferred basis, and the option to access the cash value of the policy through a policy loan, partial withdrawal or full surrender. We offer a variable universal life insurance product with either a fixed or increasing death benefit for traditional life insurance needs and policyholders are allowed to adjust the timing and amount of premium payments. We also offer a variable life insurance product that is designed to maximize cash value accumulation by minimizing the COI charges. This product provides the minimum amount of insurance necessary to qualify as life insurance under the IRS tax code and has a variable death benefit that adjusts based on the investment performance of the underlying account value. This product is designed for the financial planning market, primarily for wealth transfer purposes for high net worth individuals.

Because of how we design and price our variable universal life insurance, we have limited the impact from AXXX deficiency reserves. We sell only one product with secondary guarantees that are limited to the first 20 years of the policy.

Underwriting and Pricing

We believe effective underwriting and pricing are significant drivers of the profitability of our life insurance business, and we have established rigorous underwriting and pricing practices designed to maximize our profitability. Our fully underwritten term life insurance is reinsured 50% to 85%, which limits retained mortality risk for the company. We set pricing assumptions for expected claims, lapses, investment returns, expenses and customer demographics based on our own relevant experience and other factors. Our strategy is to price our products competitively for our target risk categories and not necessarily to be equally competitive in all categories.

Our fully underwritten policies place each insurable life insurance applicant in one of eight primary risk categories, depending upon current health, medical history and other factors. Each of these eight categories has specific health criteria, including the applicant’s history of using nicotine products. We consider each life insurance application individually and apply our guidelines to place each applicant in the appropriate risk category, regardless of face value or net amount at risk. We may decline an applicant’s request for coverage if the applicant’s health or other risk factor assessment is unacceptable to us. We do not delegate underwriting decisions to independent sales intermediaries. Instead, all underwriting decisions are made by our own underwriting personnel or by our automated underwriting system. We often share information with our reinsurers to gain their insights on potential mortality and underwriting risks and to benefit from their broad expertise. We use the information we obtain from the reinsurers to help us develop effective strategies to manage our underwriting risks. For specific markets where fully underwritten products are not preferred by the distributor, we have developed specially priced products to support a “simplified issue” process. This process enables us to reach applicants not called on by traditional insurance agents. “Simplified issue” contracts are typically generated via worksite sales to employees and sales to retail bank customers. Insurance amounts are limited and separate underwriting guidelines are applied for simplified issue policies.

Other

Our Other segment consists primarily of unallocated surplus net investment income and unallocated operating expenses including interest expense on debt, the results of small, non-insurance businesses that are managed outside of our operating segments and inter segment elimination entries.

Operating Subsidiaries

Symetra Financial Corporation is a holding company, and we conduct business through our subsidiaries. Our primary operating subsidiaries are as follows:

Name	Operating Segment	Other Information
Symetra Life Insurance Company	All segments	Primary operating subsidiary
First Symetra National Life Insurance Company of New York	Primarily Retirement Services	
Clearscape Funding Corporation	Other	
Employee Benefit Consultants, Inc.	Group	Third party administrator
Symetra Assigned Benefits Service Company	Income Annuities	Structured settlements
Symetra Securities, Inc.	Retirement Services	Broker-dealer; distributor
Symetra Investment Services, Inc.	Other	Broker-dealer; distributor
Medical Risk Managers, Inc.	Group	Managing general underwriter

Distribution

We distribute our products through an extensive and diversified distribution network. We believe access to a variety of distribution channels enables us to respond effectively to changing consumer needs and distribution trends. We compete with other financial services companies to attract and retain relationships in each of these channels. Some of the factors that lead to our success in competing for sales through these channels include amount of sales commissions and fees we pay, breadth of our product offerings, our perceived stability and our financial strength ratings, marketing and training we provide and maintenance of key relationships with individuals at those firms. We believe we have a well diversified multi-channel distribution network to capture a broad share of the distributor and consumer markets for insurance and financial services products.

Our Group segment distributes their products through the following channels:

- employee benefits brokers and TPAs; and
- worksite specialists.

Our Individual, Retirement Services and Income Annuities segments distribute their products through the following channels:

- financial institutions;
- worksite specialists; and
- brokerage general agencies and independent agents.

The following table sets forth our annualized first-year premiums and deposits on new policies in our Group, Retirement Services, Income Annuities and Individual segments:

Sales for the Year Ended December 31, 2006
by Distribution Channel

Distribution Channel	Segment			
	Group(1)	Retirement Services(2)	Income Annuities(3)	Individual(4)
	(Unaudited) (Dollars in millions)			
Financial institutions	$ —	$ 374.8	$ 14.8	$ 1.4
Employee benefits brokers/TPAs	59.9	—	—	—
Worksite specialists	9.2	160.3	5.4	1.6
Independent agents/BGAs	—	38.1	65.3	6.2
Structured settlements/BOLI	—	—	11.1	—

(1) Includes medical stop-loss, health insurance and life and disability and limited medical benefits.

(2) Includes deferred and variable annuities and retirement programs.

(3) Includes immediate annuities and structured settlements.

(4) Includes term, universal, single premium, BOLI and variable life insurance.

Financial Institutions. We have agency agreements with 22 major financial institutions, accounting for approximately 16,000 agents and registered representatives in 50 states. We use financial institutions to distribute a significant portion of our fixed and variable annuities, as well as a growing portion of our life insurance policies.

Two financial institutions, Washington Mutual Financial Services and U.S. Bank, accounted for a significant portion of our total sales in 2006, with each selling primarily fixed annuity products. Each of these two distributors operates under an agency agreement with us. Each agreement may be terminated at any time, for any reason, upon thirty days notice. We pay each distributor commissions and other compensation at various rates depending on the product sold. We retain the right to change compensation paid under these agreements with respect to future sales. Generally, if premiums are returned to the policyholder or withdrawals are made during the first contract year, the distributor is obligated to pay back all or a portion of the commissions and other compensation received for such product.

Employee Benefits Brokers, Third-Party Administrators. We distribute most of our Group segment products through approximately 2,500 agencies in the employee benefits broker/third-party administrator channel. This distribution channel is also supported by approximately 60 of our employees located strategically in a nationwide network of 24 regional offices.

Worksite Specialists. We distribute limited benefits medical insurance of our Group segment, retirement programs of our Retirement Services segment, and voluntary life insurance of our Individual segment through the worksite channel. Employer sponsored retirement plans are sold through more than 1,200 independent employee benefits brokers and registered representatives from approximately 800 agencies. Limited benefits medical insurance and voluntary life insurance are sold through approximately 340 independent retail brokers, agents and consultants in 49 states and the District of Columbia.

Independent Agents, Brokerage General Agencies. We distribute life insurance and fixed and deferred annuities through approximately 17,000 independent agents located throughout the U.S. from approximately 12,000 different agencies. These independent agents market our products and those of other insurance companies.

Structured Settlements. We distribute structured settlements through approximately 550 settlement consultants representing 66 agencies in 49 states and the District of Columbia. We believe our ability to participate and compete effectively in the sales of structured settlements will depend on our ability to achieve upgrades from the ratings agencies.

Marketing

We promote and differentiate our products and services through the breadth of our product offerings, technology services, specialized support for our distributors and innovative marketing programs to help distributors grow their business with our products.

Since the completion of the Acquisition, we have customized our marketing approach to promote our new brand to distributors of our products whom we believe have the most influence in our customers' purchasing decisions. We chose to build our brand among this constituency in three phases: an outreach to our employees to understand and deliver on the new brand, an outreach to our independent producers in our sales channels and a prudent consumer outreach. These programs include advertising in trade and business periodicals, consumer advertising with a small, prudent budget leveraged by its ties to our producers, outreach from a media perspective to both trade and consumer periodicals and community outreach to include partnering with distributors.

At the product level, we simplify the sales process so that the recommendation to purchase our product is as easy and seamless as possible. This is accomplished through our product collateral, technology in the sales process and ease of service after the sale.

We seek to build recognition of our new brand and maintain strong relationships with leading distributors by providing a high level of specialized support, such as product training, sales solutions, and financial product design for targeted customers. In addition, we host several annual meetings with independent sales intermediaries to gather their feedback on industry trends, new product suggestions and ways to enhance our relationships with distributors.

Reserves

Overview

We calculate and maintain reserves for estimated future benefit payments to our policyholders and contractholders in accordance with U.S. GAAP. We establish reserves at amounts which we expect to be sufficient to satisfy our policy obligations. We release these reserves as those future obligations are extinguished. The reserves we establish necessarily reflect estimates and actuarial assumptions with regard to our future experience. These estimates and actuarial assumptions involve the exercise of significant judgment. Our future financial results depend significantly upon the extent to which our actual future experience is consistent with the assumptions we have used in pricing our products and determining our reserves. Many factors can affect future experience, including economic and social conditions, inflation, healthcare costs, changes in doctrines of legal liability and damage awards in litigation. Therefore, we cannot determine with complete precision the ultimate amounts we will pay for actual future benefits or the timing of those payments.

Individual and Group Life Insurance and Group Health Insurance

We establish reserves for life insurance policies based upon generally recognized actuarial methods. We use mortality tables in general use in the U.S., modified where appropriate to reflect relevant historical experience and our underwriting practices. Persistency, expense and interest rate assumptions are based upon relevant experience and expectations for future development.

The liability for policy benefits for universal life insurance and BOLI policies is equal to the balance that accrues to the benefit of policyholders, including credited interest, plus any amount needed to provide for additional benefits. We also establish reserves for amounts that we have deducted from the policyholder's balance to compensate us for services to be performed in future periods. The BOLI life reserves were reset to fair value on the date of acquisition, August 2, 2004.

Our reserves for unpaid group life and health insurance claims, including our stop-loss medical and other lines, are estimates of the ultimate net cost of both reported losses that have not yet been settled and incurred but as yet unreported losses. Reserves for IBNR claims are based upon historic incidence rates, severity rates, reporting delays and any known events which we believe will materially affect claim levels.

Reserves for long-term disability claims are based upon factors including recovery, mortality, expenses, Social Security and other benefit offsets, and investment income. They represent the actuarial present value of benefits and associated expenses for current claims, reported claims that have not yet completed the applicable elimination period and for covered disabilities that have been incurred but have not yet been reported. Claims on long-term disability insurance policies consist of payments to be made periodically, generally monthly, in accordance with the contractual terms of the policy.

Retirement Services and Income Annuities

For our investment contracts, including annuities and guaranteed investment contracts, contractholder liabilities are equal to the accumulated contract account values, which generally consist of an accumulation of deposit payments, less withdrawals, plus investment earnings and interest credited to the account, less expense, mortality, and profit charges, if applicable. We also maintain a separate reserve for any expected future payments in excess of the account value due to the potential death of the contractholder. The reserves were reset to fair value on August 2, 2004.

Reserves for future policy benefits on our immediate fixed annuity contracts are calculated based upon actuarial assumptions regarding the interest to be earned on the assets underlying the reserves and, if applicable, the annuitant's life expectancy. The reserves were reset to fair value on August 2, 2004 with adjustments to future interest and mortality assumptions.

Investments

Overview

Our investment portfolios are currently managed under an agreement with White Mountains Advisors LLC, or WM Advisors, a registered investment adviser that is owned by White Mountains Insurance Group, Ltd. Prior to the completion of this transaction we will enter into an amended agreement with WM Advisors and a new agreement with Prospector Partners, LLC, or Prospector. See "Certain Relationships and Related Transactions." WM Advisors and Prospector are value-oriented investment managers whose overall investment objective is to consistently achieve positive results and to maximize long-term results with a focus on downside protection, all within client constraints. Among the keys to their success are an emphasis on capital preservation, a strong focus on fundamental, value-oriented security selection and quick action as a security's outlook changes. Their moderate size allows them to remain selective and opportunistic in implementing this approach. WM Advisors has entered into two sub-advisory agreements with Principal Global Investors, or Principal, Pioneer Investment Management, or Pioneer to perform the following:

- Principal's objective is to invest in investment grade private placements with target average lives of three to 30 years.
- Pioneer's investment objective is to provide a consistently high current yield, maintain preservation of principal and, provided the first two objectives are met, seek to achieve a competitive total rate of return relative to the Merrill Lynch U.S. High Yield BB/B combined index.

Prospector's investment strategy is to maximize absolute total return through investments in a variety of equity and equity-related instruments, including convertible preferred and convertible debt securities. Using a value orientation, Prospector invests in relatively concentrated positions in the United States and other developed markets. Prospector's philosophy is to invest for total risk-adjusted return using a bottom-up, value discipline. Preservation of capital is of the utmost importance.

In addition, we have a mortgage loan department that originates new commercial mortgages and manages our existing commercial mortgage loan portfolio. The commercial mortgage holdings are secured by first-mortgage liens on income-producing commercial real estate, primarily in the retail, industrial, and office building sectors.

We invest primarily in fixed maturities, including government, municipal and corporate bonds, mortgage-backed and other asset-backed securities and mortgage loans on commercial real estate. We also invest in short-term securities and other investments, including a position in equity securities. In all cases, investments for our insurance subsidiaries are required to comply with restrictions imposed by applicable laws and insurance regulatory authorities.

Our investment department includes accounting, reporting and analysis functions. We establish investment policies and strategies, as well as reviewing portfolio performance and asset-liability management allocations. We incurred expenses for investment management and related administrative services of $24.0 million for 2006 and $22.9 million for 2005.

Our primary investment objective is to meet our obligations to policyholders and contractholders while increasing value to our stockholders by investing in a diversified portfolio of high-quality, income producing securities and other assets. Our investment strategy for our non-equity portfolio seeks to optimize investment income without relying on realized investment gains. Our strategy for our equity portfolio is to maximize total return. We deliberately forego investment income to receive realized and unrealized investment gains from our equity investments.

We are exposed to two primary sources of investment risk. One of these investment risks is credit risk, and is associated with the uncertainty of the continued ability of a given issuer to make timely payments of principal and interest. Another investment risk is interest rate risk, where market price and cash flow variability are associated with changes in market interest rates.

We manage credit risk by analyzing issuers, transaction structures and real estate properties. We use analytic techniques to monitor credit risk. For example, we regularly measure the probability of credit default and estimated loss in the event of such a default, which provides us with early notification of worsening credit. If an issuer downgrade causes our holdings of that issuer to exceed our risk thresholds, we automatically undertake a detailed review of the issuer's credit. We also manage credit risk through industry and issuer diversification and asset allocation practices. For commercial real estate loans, we manage credit risk through geographic and product type diversification and asset allocation. We routinely review different issuers and sectors and conduct more formal quarterly portfolio reviews.

We mitigate interest rate risk through rigorous management of the relationship between the duration of our assets and the duration of our liabilities, seeking to minimize risk of loss in both rising and falling interest rate environments.

For a summary of the composition of our investment portfolio see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Investments."

Fixed Maturities

Fixed maturities consist principally of publicly traded and privately placed debt securities, and represented 92.5% and 92.7% of invested assets as of June 30, 2007 and December 31, 2006, respectively.

Based upon estimated fair value, public fixed maturities represented 95.7% of total fixed maturities as of June 30, 2007. Private fixed maturities represented 4.3% of total fixed maturities as of June 30, 2007. We invest in privately placed fixed maturities in an attempt to enhance the overall value of the portfolio, increase diversification and obtain higher yields than can ordinarily be obtained with comparable public market securities.

There are several credit ratings of the nationally recognized statistical rating organizations such as S&P, Moody's and Fitch and the Securities Valuation Office of the NAIC for marketable bonds. The following tables present our unaudited public, private and aggregate fixed maturities by S&P credit ratings and the equivalent NAIC designation, as well as the percentage, based upon estimated fair value, that each designation comprises:

Fixed Maturities Credit Quality

		As of June 30, 2007			As of December 31, 2006		
S&P	NAIC	Amortized Cost	Fair Value	% of Total Fair Value	Amortized Cost	Fair Value	% of Total Fair Value
		(Dollars in millions)					
AAA	1	$ 5,197.9	$ 5,093.9	33.0%	$ 5,192.8	$ 5,160.5	32.1%
AA	1	1,078.7	1,059.3	6.9	1,112.3	1,122.8	7.0
A	1	3,507.1	3,444.9	22.3	3,639.2	3,653.4	22.8
BBB	2	4,619.9	4,491.1	29.2	4,838.3	4,782.3	29.8
BB	3	309.8	315.5	2.0	394.9	419.4	2.6
B	4	297.4	299.3	1.9	253.9	256.5	1.6
CCC	5	37.4	37.5	0.2	23.5	23.5	0.2
D	6	0.4	1.7	0.0	1.1	2.2	0.0
NR		711.1	697.6	4.5	630.6	629.3	3.9
Total		$ 15,759.7	$ 15,440.8	100.0%	$ 16,086.6	$ 16,049.9	100.0%

The following table sets forth the amortized cost and estimated fair value of our fixed maturities by contractual maturity dates as of the dates indicated, which have been derived from our unaudited consolidated financial statements for the six months ended June 30, 2007 and from our audited consolidated financial statements for the year ended December 31, 2006:

Maturity Table

	June 30, 2007		December 31, 2006	
Years to Maturity	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
	(Dollars in millions)			
Due in one year or less	$ 325.5	$ 323.9	$ 377.1	$ 374.6
Due after one year through five years	2,716.7	2,667.7	2,655.7	2,613.7
Due after five years through ten years	2,494.0	2,416.4	2,746.5	2,701.7
Due after ten years	5,872.2	5,778.0	5,919.7	6,014.2
Mortgage-backed securities	4,351.3	4,254.8	4,387.6	4,345.7
Total	$ 15,759.7	$ 15,440.8	$ 16,086.6	$ 16,049.9

We diversify our fixed maturities by security sector. The following table sets forth the estimated fair value of our fixed maturities by sector, as well as the percentage of the total fixed maturities each sector comprises of the total as of the dates indicated, which have been derived from our unaudited consolidated financial statements for the six months ended June 30, 2007 and from our audited consolidated financial statements for the year ended December 31, 2006:

Sector Table

Security Sector	June 30, 2007 Estimated Fair Value	June 30, 2007 % of Total	December 31, 2006 Estimated Fair Value	December 31, 2006 % of Total
	(Unaudited)			
	(Dollars in millions)			
U.S. Government and agencies	$ 259.1	1.7%	$ 157.9	1.0%
State and political subdivisions	494.7	3.2	670.9	4.2
Foreign governments	156.0	1.0	208.9	1.3
Corporate securities	10,276.1	66.5	10,666.5	66.4
Mortgage-backed securities	4,254.9	27.6	4,345.7	27.1
Total	$ 15,440.8	100.0%	$ 16,049.9	100.0%

The following table sets forth the unaudited estimated fair value by major industry types that comprise our fixed maturities holdings as of the dates indicated, based primarily on standard industrial codes:

Industry Table

Security Sector	June 30, 2007 Estimated Fair Value	June 30, 2007 % of Total	December 31, 2006 Estimated Fair Value	December 31, 2006 % of Total
	(Dollars in millions)			
Consumer discretionary	$ 963.5	6.2%	$ 1,012.4	6.3%
Consumer staples	1,283.6	8.3	1,247.7	7.8
Energy	476.5	3.1	650.4	4.0
Financials	3,896.6	25.2	3,882.2	24.2
Foreign governments	156.0	1.0	193.7	1.2
Health care	441.8	2.9	457.3	2.8
Industrials	1,359.7	8.8	1,325.1	8.3
Information technology	165.5	1.1	186.7	1.1
Internal/other	22.0	0.1	23.1	0.1
Materials	714.4	4.6	694.7	4.3
Supranationals	23.4	0.2	24.2	0.2
Telecommunication services	577.7	3.8	688.1	4.3
U.S. federal government	2,859.9	18.5	2,994.4	18.7
U.S. municipals	494.7	3.2	571.1	3.6
Utilities	2,005.5	13.0	2,098.8	13.1
Total	$ 15,440.8	100%	$ 16,049.9	100.0%

Our fixed maturities holdings are diversified by industry and issuer. The portfolio does not have significant exposure to any single issuer. As of June 30, 2007 our combined corporate bond holdings in the ten issuers in which we had the greatest exposure was $908.0 million, or approximately 5.4% of our total investments as of such date. Our exposure to the largest single issuer of corporate bonds held as of June 30, 2007 was $167.3 million, which was 1.0% of our total investments as of such date.

Mortgage-backed, Asset-backed Securities

We purchase mortgage-backed and asset-backed securities to diversify the portfolio risk from primarily corporate credit risk to a mix of credit and cash flow risk. We believe the inherent risks of prepayment and extension with the mortgage-backed securities will impact when cash flow is received, and the majority of our holdings have low variability in monthly cash flow. Our total mortgage-backed securities holdings estimated fair value was $4.3 billion and $4.3 billion as of June 30, 2007 and December 31, 2006, respectively. We held minimal investments in asset-backed securities which had an estimated fair value of $84.5 million and $92.7 million as of June 30, 2007 and December 31, 2006, respectively. Based on market values as of June 30, 2007, we classified approximately $2.5 million of our mortgage-backed securities as sub-prime, and approximately $273.9 million of our mortgage-backed securities as Alt-A, representing approximately 0.1% and 6.4%, respectively, of our total mortgage-backed securities. The $2.5 million in value of sub-prime securities were issued from a dedicated second-lien shelf, which we consider to be a sub-prime risk regardless of credit score or other metrics. We do not own any securities from dedicated sub-prime shelves. We classified $273.9 million of securities as Alt-A because we viewed each to have overall collateral credit quality between prime and sub-prime, based on a review of the characteristics of their underlying mortgage loan pools, such as credit scores and financial ratios. We do not own any residential collateralized debt obligations.

Mortgage Loans

Our mortgage loans holdings are collateralized by commercial properties. These holdings are reported at carrying value composed of original cost net of prepayments and amortization. We diversify our mortgage loans by geographic region, loan size and scheduled maturities. We held total mortgage loans net of allowances of $789.6 million and $794.3 million as of June 30, 2007 and December 31, 2006, respectively. As of June 30, 2007, 83.7% of our total mortgage loans were under $5 million, and 93.1% of our total mortgage loans had scheduled maturities due after five years. Also, holdings in the top four states, California, Washington, Texas and Oregon, comprised 63.2% of our total mortgage loans as of June 30, 2007. We monitor our mortgage loans on a continual basis for any that may be potentially delinquent. Our allowance for losses on mortgage loans was $4.0 million and $4.0 million as of June 30, 2007 and December 31, 2006, respectively.

Equity Securities

We purchase preferred and common stocks of publicly traded U.S. companies, and hold investments in other limited partnerships. The majority of our equity securities are held in our Income Annuities segment where we believe it is appropriate to match equity exposure against long-tailed structured settlement liabilities. Our equity holdings, which include investments in limited partnerships when the ownership percentage is less than 3%, are classified as available-for-sale and are carried at fair value. We held total equity securities of $209.9 million and $201.7 million as of June 30, 2007 and December 31, 2006, respectively.

Investments in Limited Partnerships

Our investments in limited partnerships are accounted for under the equity method when our ownership interest is 3% or greater. These investments are carried at fair value with the difference between fair value and cost recorded in investment income. We held total investments in limited partnerships of $159.8 million and $112.6 million as of June 30, 2007 and December 31, 2006, respectively.

Reinsurance

Through both treaty and facultative reinsurance agreements, we engage in the industry practice of reinsuring portions of our insurance risk with reinsurance companies. We use reinsurance to diversify our risks and manage loss exposures primarily in our Group and Individual segments. The use of reinsurance permits us to write policies in amounts larger than the risk we are willing to retain.

We cede insurance primarily on a treaty basis, under which risks are ceded to a reinsurer on specific books of business where the underlying risks meet certain predetermined criteria. To a lesser extent, we cede insurance risks on a facultative basis, under which the reinsurer's prior approval is required on each risk reinsured. The use of reinsurance does not discharge us, as the insurer, from liability on the insurance ceded. We, as the insurer, are required to pay the full amount of our insurance obligations even in circumstances where we are entitled or able to receive payments from our reinsurer. The principal reinsurers to which we cede risks have A.M. Best financial strength ratings ranging from "A+" to "A−." Historically, we have not had significant concentrations of reinsurance risk with any one reinsurer.

We had reinsurance recoverables of $249.1 million and $238.8 million as of June 30, 2007 and December 31, 2006, respectively. The following table sets forth our exposure to our principal reinsurers, including reinsurance recoverables as of December 31, 2006 and the A.M. Best ratings of those reinsurers as of that date:

	Reinsurance recoverable	A.M. Best rating
	(Dollars in millions)	
Reinsurance Group of America	$70.7	A+
Transamerica Life Insurance Company	$66.1	A+
UNUM Life Insurance Company of America	$64.9	A–
Lincoln National Life Insurance Company	$25.1	A+

In the table above, the reinsurance recoverables under our agreements with RGA, UNUM and Lincoln represent the reinsurance exposure of these parties to us under the reinsurance policies. The reinsurance recoverable under our agreement with Transamerica represents our share of the proceeds generated under this policy.

Under most of our reinsurance agreements, we obtain reinsurance to mitigate some or all of the risk of the policies we issue, particularly the risk of substantial loss from death of an individual or catastrophic loss, and in other cases where the reinsurer offers a particular expertise. Some of these agreements are coinsurance arrangements, whereby we only obtain reinsurance for a portion of the risk, and retain the remainder. In some cases, we instead act as a reinsurer (or coinsurer) of another life insurance company.

The following is a brief summary of our reinsurance agreements with the parties listed in the table above:

- Reinsurance Group of America — Under our agreements with RGA, RGA reinsures the risk of a large loss on term life insurance and universal life insurance policies. These are typically coinsurance arrangements, whereby we cede fifty percent or more of the claims liability to RGA. These agreements do not have a fixed term. Either party can terminate these agreements with respect to future business with 90 days' written notice to the other party.
- Lincoln National Life Insurance Company — Under our agreements with Lincoln, we primarily cede claims liability under 10, 15 and 20-year term life insurance policies to Lincoln. These are typically coinsurance arrangements, whereby we cede fifty percent or more of the claims liability to Lincoln. These agreements do not have a fixed term. Either party can terminate these agreements with respect to future business upon 90 days' written notice to the other party.
- UNUM Life Insurance Company of America — We cede nearly all of our Group Long-Term-Disability and Short-Term-Disability claims liability through a reinsurance pool. The pool of reinsurers may change each year for new claims. UNUM covers the substantial majority of this business. This agreement does not have a fixed term. Either party can terminate the agreement with respect to future business by providing 90 days' written notice to the other party on or before October 1 of any given year.
- Transamerica Life Insurance Company — Under an agreement with Transamerica, we act as their reinsurer with respect to 28.6% of a bank owned life insurance (BOLI) policy. BOLI is life insurance purchased by a bank to insure the lives of bank employees, usually officers and other highly compensated employees. BOLI policies are commonly used by banks to fund employee pension plans and benefit plans. Transamerica invests the policy premiums paid by the bank, and manages those investments subject to the terms of the policy. We have assumed 28.6% of the claims liability under this policy, and receive 28.6% of the proceeds generated under the policy. The term of this agreement is perpetual. We are only allowed to terminate this agreement in the event Transamerica fails to pay amounts due to us under this agreement, or in the event of fraud, misrepresentation or breach of this agreement by Transamerica.

Risk Management

Overview

Risk management is a critical part of our business and we have adopted risk management processes in virtually every aspect of our operations, including product development, underwriting, investment management, asset-liability management and technology development projects. The primary objective of these risk management processes is to reduce the variations we experience from our expected results.

We use a risk model that draws on the risk-based capital concepts. Risks are classified into four main categories:

- investment risks;
- pricing risks, including determination of adequate spreads or premiums, and estimation of claims, both expected and catastrophic;
- interest rate risk, including asset liability duration matching exposures; and
- other business risks, including business continuity, data security and other operational risks.

Operations and Technology

Service and Support

We have a dedicated team of service and support personnel, as well as Affiliated Computer Services, or ACS, based in Dallas, Texas, our outsourced provider, that deliver automation solutions to drive competitive advantage, to achieve earnings growth objectives, and to control the cost of doing business. We mainly follow a buy-versus-build approach in providing application and business processing services that accelerate delivery and responsiveness. We also develop proprietary software for competitive or economic benefits.

Operating Centers

In October 2004, we entered into an outsourcing agreement with ACS. The initial term of the agreement expires in July 2010, with two one-year extensions at our election. The scope of the contract with ACS includes the management of the following:

- Data center: mainframe, Wintel systems, storage, web services, disaster recovery;
- Distributed computing: field office services, desktop support, asset management;
- Data network: network infrastructure, carrier services, secured remote access;
- Voice communications: voice systems, wireless, contact center technologies;
- Help desk supporting: infrastructure, packaged software, password resets;
- Output processing: print and mail fulfillment, archive and online viewing; and
- Content management: imaging and content management system.

Under this agreement, we are obligated to pay an annual service fee, which for the current year and the two remaining years under the initial term are $12.5 million, $13.1 million and $13.8 million, respectively. These fees are subject to adjustments based on a variety of factors, including product utilization and reductions for failure to meet service level standards.

The agreement may be terminated by us for convenience prior to the end of the five-year term upon ninety days' notice and payment by us of a termination fee, which is currently $2.6 million, but which decreases monthly over the remaining term. In the event of termination, we will own most critical application software and desktop hardware, and may elect to purchase other assets used by ACS in connection with the outsourced services.

Competition

We face significant competition for customers and distributors from insurance and other financial services companies in each of our businesses. Our competitors include other large and highly rated insurance carriers. Some of these competitors have greater resources than we do, and many of them offer similar products and use similar distribution channels. Competition in our operating business segments is based on a number of factors, including:

- quality of service;
- product features;
- price;
- scope of distribution;
- financial strength ratings; and
- name recognition.

The relative importance of these factors depends on the particular product and market. We compete for customers and distributors with insurance companies and other financial services companies in our various businesses.

Financial Strength Ratings

Rating organizations continually review the financial performance and condition of most insurers and provide financial strength ratings based on a company's operating performance and ability to meet obligations to policyholders. Ratings provide both industry participants and insurance consumers meaningful information on specific insurance companies and are an important factor in establishing the competitive position of insurance companies. In addition, ratings are important to maintaining public confidence in us and our ability to market our products.

Symetra Life Insurance Company, our principal life insurance subsidiary, is rated by A.M. Best, S&P, Moody's and Fitch as follows as of September 30, 2007:

	Financial Strength Rating			
	A.M. Best	S&P	Moody's	Fitch
Symetra Life Insurance Company	A	A−	A2	A+

A.M. Best states that its "A" (Excellent) rating is assigned to those companies that have, in its opinion, an excellent ability to meet their ongoing obligations to policyholders. The "A" (Excellent) is the third highest of 15 ratings assigned by A.M. Best, which range from "A++" to "F."

Symetra Life Insurance Company's Financial Size Category, or FSC, ranking, as determined by A.M. Best is XII, the fourth highest of 15. A.M. Best indicates that the FSC is designed to provide an indicator of the size of a company in terms of its statutory surplus and related accounts.

Standard & Poor's states that an insurer rated "A" (Strong) has strong financial security characteristics, that outweigh any vulnerabilities, and is highly likely to have the ability to meet financial commitments, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings. The "A" range is the third highest of the four ratings ranges that meet these criteria, and also is the third highest of nine financial strength ratings ranges assigned by S&P, which range from "AAA" to "R." A plus (+) or minus

(−) shows relative standing in a rating category. Accordingly, the “A−” rating is the seventh highest of S&P’s 22 ratings categories.

Moody’s Investors Service states that insurance companies rated “A2” (Good) offer good financial security. However, elements may be present that suggest a susceptibility to impairment sometime in the future. The “A” range is the third highest of nine financial strength rating ranges assigned by Moody’s which range from “Aaa” to “C.” Numeric modifiers are used to refer to the ranking within the group, with “1” being the highest and “3” being the lowest. Accordingly, the “A2” rating is the sixth highest of Moody’s 21 ratings categories.

Fitch states that insurance companies rated “A” (Strong) are viewed as possessing strong capacity to meet policyholder and contract obligations. Risk factors are moderate, and the impact of any adverse business and economic factors is expected to be small. The “A” rating category is the third highest of eight financial strength categories, which range from “AAA” to “D.” The symbol (+) or (−) may be appended to a rating to indicate the relative position of a credit within a rating category. These suffixes are not added to ratings in the “AAA” category or to ratings below the “CCC” category. Accordingly, the “A+” rating is the fifth highest of Fitch’s 24 ratings categories.

A.M. Best, S&P, Moody’s and Fitch review their ratings periodically and we cannot assure you that we will maintain our current ratings in the future. Other agencies may rate Symetra or our insurance subsidiaries on a solicited or unsolicited basis.

The A.M. Best, S&P, Moody’s and Fitch ratings included are not designed to be, and do not serve as, measures of protection or valuation offered to investors in this offering. These financial strength ratings should not be relied on with respect to making an investment in our securities.

Employees

As of September 30, 2007, we had over 1,300 full-time and part-time employees. We believe our employee relations are satisfactory. To the best of our knowledge, none of our employees is subject to a collective bargaining agreement.

Facilities

We lease approximately 343,000 square feet of office space in various locations throughout the U.S. which consists primarily of 292,000 square feet of office space at our headquarters in Bellevue, Washington.

Most of our leases have lease terms ranging from one to ten years. Our aggregate annual rental expense under these leases was $8.2 million during 2006.

We believe our properties are adequate for our business as presently conducted.

Legal Proceedings

We are regularly 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.

REGULATION

Our insurance operations are subject to a wide variety of laws and regulations. State insurance laws regulate most aspects of our insurance businesses, and our insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled and licensed. Our insurance products and thus our businesses also are affected by U.S. federal, state and local tax laws. Insurance products that constitute "securities," such as variable annuities and variable life insurance, also are subject to federal and state securities laws and regulations. The SEC, the National Association of Securities Dealers, or NASD, and state securities authorities regulate these products.

Our broker-dealers are subject to federal and state securities and related laws. The SEC, NASD and state securities authorities are the principal regulators of these operations.

The purpose of the laws and regulations affecting our insurance and securities businesses is primarily to protect our customers and not our noteholders or stockholders. Many of the laws and regulations to which we are subject are regularly re-examined, and existing or future laws and regulations may become more restrictive or otherwise adversely affect our operations.

In addition, insurance and securities regulatory authorities increasingly make inquiries regarding compliance by us and our subsidiaries with insurance, securities and other laws and regulations regarding the conduct of our insurance and securities businesses. We cooperate with such inquiries and take corrective action when warranted.

Many of our customers and agents also operate in regulated environments. Changes in the regulations that affect their operations also may affect our business relationships with them and their ability to purchase or to distribute our products.

Insurance Regulation

Our insurance subsidiaries are licensed and regulated in all states in which they conduct insurance business. The extent of this regulation varies, but most states have laws and regulations governing the financial condition of insurers, including standards of solvency, types and concentration of investments, establishment and maintenance of reserves, credit for reinsurance and requirements of capital adequacy, and the business conduct of insurers, including marketing and sales practices and claims handling. In addition, statutes and regulations usually require the licensing of insurers and their agents, the approval of policy forms and related materials and the approval of rates for certain lines of insurance. The types of insurance laws and regulations applicable to us or our insurance subsidiaries are described below.

Insurance Holding Company Regulation

All states in which our insurance subsidiaries conduct insurance business have enacted legislation that requires each insurance company in a holding company system, except captive insurance companies, to register with the insurance regulatory authority of its state of domicile and to furnish that regulatory authority financial and other information concerning the operations of, and the interrelationships and transactions among, companies within its holding company system that may materially affect the operations, management or financial condition of the insurers within the system. These laws and regulations also regulate transactions between insurance companies and their parents and affiliates. Generally, these laws and regulations require that all transactions within a holding company system between an insurer and its affiliates be fair and reasonable and that the insurer's statutory surplus following any transaction with an affiliate be both reasonable in relation to its outstanding liabilities and adequate to its financial needs. Statutory surplus is the excess of admitted assets over statutory liabilities. For certain types of agreements and transactions between an insurer and its affiliates, these laws and regulations require prior notification to, and non-disapproval or approval by, the insurance regulatory authority of the insurer's state of domicile.

Policy Forms

Our insurance subsidiaries' policy forms are subject to regulation in every state in which such subsidiaries are licensed to transact insurance business. In most states, policy forms must be filed prior to their use.

Dividend Limitations

As a holding company with no significant business operations of its own, Symetra depends on dividends or other distributions from its subsidiaries as the principal source of cash to meet its obligations, including the payment of interest on and repayment of principal of any debt obligations and payment of dividends to stockholders and stock repurchases. The payment of dividends or other distributions to Symetra by its insurance subsidiaries is regulated by the insurance laws and regulations of their respective states of domicile. In the state of Washington, the state of domicile of Symetra's principal insurance subsidiary, Symetra Life Insurance Company, an insurance company subsidiary may not pay an "extraordinary" dividend or distribution until 30 days after the insurance commissioner has received sufficient notice of the intended payment and has not objected or has approved the payment within the 30-day period. An "extraordinary" dividend or distribution is defined under Washington law as a dividend or distribution that, together with other dividends and distributions made within the preceding 12 months, exceeds the greater of:

- 10% of the insurer's statutory surplus as of the immediately prior year end; or
- the statutory net gain from the insurer's operations for the prior year.

State laws and regulations also prohibit an insurer from declaring or paying a dividend except out of its statutory surplus or require the insurer to obtain regulatory approval before it may do so. In addition, insurance regulators may prohibit the payment of ordinary dividends or other payments by our insurance subsidiaries to Symetra (such as a payment under a tax sharing agreement or for employee or other services) if they determine that such payment could be adverse to our policyholders or contractholders.

Market Conduct Regulation

The laws and regulations of U.S. jurisdictions include numerous provisions governing the marketplace activities of insurers, including provisions governing the form and content of disclosure to consumers, product illustrations, advertising, product replacement, sales and underwriting practices, complaint handling and claims handling. State jurisdictions generally enforce these provisions through periodic market conduct examinations.

Statutory Examinations

As part of their regulatory oversight process, state insurance departments conduct periodic detailed examinations of the books, records, accounts and business practices of insurers domiciled in their jurisdictions. These examinations generally are conducted in cooperation with the insurance departments of several other states under guidelines promulgated by the NAIC.

In the three year period ended December 31, 2006, we have not received any material adverse findings resulting from any insurance department examinations of our insurance subsidiaries.

Guaranty Associations and Similar Arrangements

Most states require life insurers doing business within the state to participate in guaranty associations, which are organized to pay contractual benefits owed pursuant to insurance policies of insurers who become impaired or insolvent. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written by member insurers in the lines of business in which the impaired, insolvent or failed insurer is engaged. Some states permit member insurers to recover assessments paid through full or partial premium tax offsets.

We had no assessments levied against our insurance subsidiaries for the six months ended June 30, 2007. Aggregate assessments levied against our insurance subsidiaries totaled $0.2 million and $1.0 million for the years ended December 31, 2006 and 2005, respectively. Although the amount and timing of future assessments are not predictable, we have established reserves for guaranty fund assessments that we consider adequate for assessments with respect to insurers that currently are subject to insolvency proceedings.

Change of Control

The laws and regulations of the states in which our insurance subsidiaries are domiciled require that a person obtain the approval of the insurance commissioner of the insurance company's jurisdiction of domicile prior to acquiring control of the insurer. Generally, such laws provide that control over an insurer is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10% or more of the voting securities of the insurer. In considering an application to acquire control of an insurer, the insurance commissioner generally will consider such factors as the experience, competence and financial strength of the applicant, the integrity of the applicant's board of directors and executive officers, the acquiror's plans for the management and operation of the insurer, and any anti-competitive results that may arise from the acquisition. In addition, a person seeking to acquire control of an insurance company is required in some states to make filings prior to completing an acquisition if the acquiror and the target insurance company and their affiliates have sufficiently large market shares in particular lines of insurance in those states. Approval of an acquisition may not be required in these states, but the state insurance departments could take action to impose conditions on an acquisition that could delay or prevent its consummation. These laws may discourage potential acquisition proposals and may delay, deter or prevent a change of control involving us, including through transactions, and in particular unsolicited transactions, that some or all of our stockholders might consider to be desirable.

Policy and Contract Reserve Sufficiency Analysis

Under the laws and regulations of their states of domicile, our life insurance subsidiaries are required to conduct annual analyses of the sufficiency of their life and health insurance and annuity statutory reserves. In addition, other jurisdictions in which these subsidiaries are licensed may have certain reserve requirements that differ from those of their domiciliary jurisdictions. In each case, a qualified actuary must submit an opinion that states that the aggregate statutory reserves, when considered in light of the assets held with respect to such reserves, make good and sufficient provision for the associated contractual obligations and related expenses of the insurer. If such an opinion cannot be provided, the affected insurer must set up additional reserves by moving funds from surplus. Our life insurance subsidiaries submit these opinions annually to applicable insurance regulatory authorities.

Surplus and Capital Requirements

Insurance regulators have the discretionary authority, in connection with the ongoing licensing of our insurance subsidiaries, to limit or prohibit the ability of an insurer to issue new policies if, in the regulators' judgment, the insurer is not maintaining a minimum amount of surplus or is in hazardous financial condition. Insurance regulators may also limit the ability of an insurer to issue new life insurance policies and annuity contracts above an amount based upon the face amount and premiums of policies of a similar type issued in the prior year. We do not believe that the current or anticipated levels of statutory surplus of our insurance subsidiaries present a material risk that any such regulator would limit the amount of new policies that our insurance subsidiaries may issue.

Risk-based Capital

The NAIC has established risk-based capital standards for life insurance companies as well as a model act with the intention that these standards be applied at the state level. The model act provides that life insurance companies must submit an annual risk-based capital report to state regulators reporting their risk-based capital based upon four categories of risk: asset risk, insurance risk, interest rate risk and business risk. For each category, the capital requirement is determined by applying factors to various asset, premium and reserve items, with the factor being higher for those items with greater underlying risk and lower for less risky items. The formula is intended to be used by insurance regulators as an early warning tool to identify possible weakly capitalized companies for purposes of initiating further regulatory action.

If an insurer's risk-based capital falls below specified levels, the insurer would be subject to different degrees of regulatory action depending upon the level. These actions range from requiring the insurer to propose actions to correct the capital deficiency to placing the insurer under regulatory control. As of December 31, 2006, the risk-based capital of each of our life insurance subsidiaries exceeded the level of risk-based capital that would require any of them to take or become subject to any corrective action.

Statutory Accounting Principles

Statutory accounting principles, or SAP, is a basis of accounting developed by state insurance regulators to monitor and regulate the solvency of insurance companies. In developing SAP, insurance regulators were primarily concerned with assuring an insurer's ability to pay all its current and future obligations to policyholders. As a result, statutory accounting focuses on conservatively valuing the assets and liabilities of insurers, generally in accordance with standards specified by the insurer's domiciliary state. Uniform statutory accounting practices are established by the NAIC and generally adopted by regulators in the various states. These accounting principles and related regulations determine, among other things, the amounts our insurance subsidiaries may pay to us as dividends. The values for assets, liabilities and equity reflected in financial statements prepared in accordance with U.S. GAAP may be different from those reflected in financial statements prepared under SAP.

Regulation of Investments

Each of our insurance subsidiaries is subject to laws and regulations that require diversification of its investment portfolio and limit the amount of investments in certain asset categories, such as below investment grade fixed maturities, real estate, equity investments and derivatives. Failure to comply with these laws and regulations would cause investments exceeding regulatory limitations to be treated as non-admitted assets for purposes of measuring surplus, and, in some instances, would require divestiture of such non-complying investments. We believe the investments held by our insurance subsidiaries comply with these laws and regulations.

Federal Regulation

Our variable life insurance and variable annuity products generally are "securities" within the meaning of federal and state securities laws. As a result, they are registered under the Securities Act of 1933 and are subject to regulation by the SEC, the NASD and state securities authorities. Federal and state securities regulation similar to that discussed below under "— Other Laws and Regulations — Securities Regulation" affect investment advice, sales and related activities with respect to these products. In addition, although the federal government does not comprehensively regulate the business of insurance, federal legislation and administrative policies in several other areas, including taxation, privacy regulation, financial services regulation and pension and welfare benefits regulation, can also significantly affect the insurance industry. In addition, various forms of direct federal regulation of insurance have been proposed. These proposals include the "National Insurance Act," which would allow insurance companies to choose to be regulated by a federal regulator rather than by multiple state regulators, and "The State Modernization and Regulatory Transparency Act," which would maintain state-based regulation of insurance but would affect state regulation of certain aspects of the business of insurance, including rates, agent and company licensing and market conduct examinations.

Federal Initiatives

Although the federal government generally does not directly regulate the insurance business, federal initiatives often and increasingly have an impact on the business in a variety of ways. From time to time, federal measures are proposed that may significantly affect the insurance business, including limitations on antitrust immunity, tax incentives for lifetime annuity payouts, simplification bills affecting tax-advantaged or tax-exempt savings and retirement vehicles, and proposals to modify or make permanent the estate tax repeal enacted in 2001. In addition, various forms of direct federal regulation of insurance have been proposed in recent years. We cannot predict whether these or other proposals will be adopted, or what impact, if any, such proposals may have on our business.

Changes in Tax Laws

Changes in tax laws could make some of our products less attractive to consumers. For example, in November 2004, the Treasury Department and the Internal Revenue Service, or IRS, issued proposed regulations relating to Section 403(b) plans that will impact the 403(b) marketplace, including tax sheltered annuities. While the terms of the proposed regulations are not final and the impact of the new regulations is uncertain, it is likely that employers offering Section 403(b) plans will be required to change how their plans operate. Those changes may include re-evaluation of their plan investment offerings, including annuities currently offered by us in those plans.

Furthermore, the federal estate tax, which has undergone a gradual repeal since 2001 that will continue to be phased in through 2010, is scheduled to revert to pre-2001 law as of January 1, 2011. The repeal of and continuing uncertainty regarding the federal estate tax may adversely affect sales and surrenders of some of our estate planning products.

Other Laws and Regulations

Securities Regulation

Certain of our U.S. subsidiaries and certain policies and contracts offered by them, are subject to various levels of regulation under the federal securities laws administered by the SEC. Certain of our U.S. subsidiaries are investment advisers registered under the Investment Advisers Act of 1940. Certain of their respective employees are licensed as investment advisory representatives in the states where those employees have clients. Some of our insurance company separate accounts are registered under the Investment Company Act of 1940. Some annuity contracts and insurance policies issued by some of our U.S. subsidiaries are funded by separate accounts, the interests in which are registered under the Securities Act of 1933. Certain of our subsidiaries are registered and regulated as broker-dealers under the Exchange Act and are members of, and subject to regulation by, the NASD, as well as by various state and local regulators. The registered representatives of our broker-dealers are also regulated by the SEC and NASD and are further subject to applicable state and local laws.

These laws and regulations are primarily intended to protect investors in the securities markets and generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of business for failure to comply with such laws and regulations. In such event, the possible sanctions that may be imposed include suspension of individual employees, limitations on the activities in which the investment adviser or broker/dealer may engage, suspension or revocation of the investment adviser or broker/dealer registration, censure or fines. We may also be subject to similar laws and regulations in the states and other countries in which we provide investment advisory services, offer the products described above or conduct other securities-related activities.

Certain of our U.S. subsidiaries also sponsor and manage investment vehicles that rely on certain exemptions from registration under the Investment Company Act of 1940 and the Securities Act of 1933. Nevertheless, certain provisions of the Investment Company Act of 1940 and the Securities Act of 1933 apply to these investment vehicles and the securities issued by such vehicles. The Investment Company Act of 1940, the Investment Advisers Act of 1940 and the Securities Act of 1933, including the rules promulgated thereunder, are subject to change which may affect our U.S. subsidiaries that sponsor and manage such investment vehicles.

ERISA Considerations

We provide certain products and services to certain employee benefits plans that are subject to ERISA or the Internal Revenue Code. As such, our activities are subject to the restrictions imposed by ERISA and the Internal Revenue Code, including the requirement under ERISA that fiduciaries must perform their duties solely in the interests of ERISA plan participants and beneficiaries and the requirement under ERISA and the Internal Revenue Code that fiduciaries may not cause a covered plan to engage in certain prohibited transactions with persons who have certain relationships with respect to such plans. The applicable provisions of ERISA and the Internal Revenue Code are subject to enforcement by the U.S. Department of Labor, the IRS and the Pension Benefit Guaranty Corporation.

USA Patriot Act

The USA Patriot Act of 2001, or the Patriot Act, which was renewed for an additional four years in 2006, contains anti-money laundering and financial transparency laws and mandates the implementation of various new regulations applicable to broker/dealers and other financial services companies including insurance companies. The Patriot Act seeks to promote cooperation among financial institutions, regulators and law enforcement entities in identifying parties that may be involved in terrorism or money laundering. The increased obligations of financial institutions to identify their customers, watch for and report suspicious transactions, respond to requests for information by regulatory authorities and law enforcement agencies, and share information with other financial institutions, require the implementation and maintenance of internal practices, procedures and controls. We believe that we have implemented, and that we maintain, appropriate internal practices, procedures and controls to enable us to comply with the provisions of the Patriot Act.

Privacy of Consumer Information

U.S. federal and state laws and regulations require financial institutions, including insurance companies, to protect the security and confidentiality of consumer financial information and to notify consumers about their policies and practices relating to their collection and disclosure of consumer information and their policies relating to protecting the security and confidentiality of that information. Similarly, federal and state laws and regulations also govern the disclosure and security of consumer health information. In particular, regulations promulgated by the U.S. Department of Health and Human Services regulate the disclosure and use of protected health information by health insurers and others, the physical and procedural safeguards employed to protect the security of that information and the electronic transmission of such information. Congress and state legislatures are expected to consider additional legislation relating to privacy and other aspects of consumer information.

MANAGEMENT

Directors and Executive Officers

Set forth below is a list of the directors and principal executive officers of Symetra as of September 30, 2007. The positions listed are of Symetra unless otherwise indicated.

Name	Age	Positions
David T. Foy	41	Director, Chairman of the Board
Randall H. Talbot	54	Director, President and Chief Executive Officer
Roger F. Harbin	56	Executive Vice President and Chief Operating Officer
Margaret A. Meister	42	Executive Vice President and Chief Financial Officer
Allyn D. Close	45	Senior Vice President — Marketing, Symetra Life Insurance Company
Jennifer V. Davies	49	Senior Vice President — Enterprise Development
Richard J. Lindsay	51	Senior Vice President — Life & Annuities Division, Symetra Life Insurance Company
Patrick B. McCormick	50	Senior Vice President — Distribution, Symetra Life Insurance Company
M. Scott Taylor	64	Senior Vice President — Group Department, Symetra Life Insurance Company
George C. Pagos	57	Senior Vice President, General Counsel and Secretary
Tommie D. Brooks	37	Vice President and Chief Actuary, Symetra Life Insurance Company
Christine A. Katzmar	48	Vice President — Human Resources
Troy J. Olson-Blair	52	Vice President — Information Technology
Lois W. Grady	62	Director
Sander M. Levy	45	Director
Robert R. Lusardi	50	Director
David I. Schamis	33	Director
Lowndes A. Smith	68	Director

David T. Foy has been Chairman of the Board of Symetra since 2004. He has been Executive Vice President and Chief Financial Officer of White Mountains Insurance Group, Ltd. since 2003. Previously, he was Senior Vice President and Chief Financial Officer of Hartford Life, Inc., which he joined in 1993. From 1989 to 1993, Mr. Foy was with Milliman and Robertson, an actuarial consulting firm. He is also a director of OneBeacon Insurance Group, Ltd. He received his B.S. degree from the Rochester Institute of Technology.

Randall H. Talbot has been a director, Chief Executive Officer and President of Symetra since 2004. Mr. Talbot joined Symetra Life Insurance Company in 1998, and from 1998 to 2004, he served as its President. He is also President and a director of various affiliates of Symetra. From 1988 to 1998, he was Chief Executive Officer and President of Talbot Financial Corporation. Mr. Talbot is a member of the board of directors of the American Council of Life Insurers. Mr. Talbot received his B.A. degree from Arizona State University.

Roger F. Harbin has been Executive Vice President and Chief Operating Officer of Symetra since 2004. Mr. Harbin joined Symetra Life Insurance Company in 1977, and served in a variety of positions, most recently Executive Vice President of Symetra Life Insurance Company, before he was promoted to his current positions. He is also an officer and director of various affiliates of Symetra. Mr. Harbin is a fellow of the Society of Actuaries and has served on the boards of several industry organizations. He is currently a member of the boards of state insurance guaranty associations in Washington, Virginia, North Carolina and Montana. Mr. Harbin received his B.A. and M.A. degrees from the University of Montana.

Margaret A. Meister has been Executive Vice President and Chief Financial Officer of Symetra since 2006. She is an officer and director of various affiliates of Symetra. Ms. Meister is a fellow of the Society of Actuaries. Ms. Meister joined Symetra Life Insurance Company in 1988, and served in a variety of positions, most recently Chief Actuary and Vice President prior to her promotion to her current position. Ms. Meister received her B.A. degree from Whitman College.

Allyn D. Close has been Senior Vice President of Symetra Life Insurance Company since 2001 and is responsible for Marketing. Mr. Close joined Symetra Life Insurance Company in 1998, and from 1999 to 2001, he served as President of Symetra Investment Services, Inc. He is also an officer and director of various affiliates of Symetra. Prior to joining Symetra, Mr. Close was President and Chief Executive Officer of Interpacific Investors Services, Inc., a regional brokerage company. Mr. Close received his B.A. degree from the University of Washington.

Jennifer V. Davies has been Senior Vice President of Symetra since June 2007 and is responsible for Enterprise Development. Ms. Davies joined Symetra Life Insurance Company in 1992, and served in a variety of positions, most recently Vice President, prior to being promoted to her current position. She is also an officer and director of various of our affiliates. Ms. Davies was employed by Sons of Norway from 1986 to 1992, and ITT/Hartford Life Insurance Company from 1982 to 1986. Ms. Davies received her B.A. degree from the University of Minnesota and her M.A. degree from the University of Virginia.

Richard J. Lindsay has been Senior Vice President of Symetra Life Insurance Company since 2006. He is responsible for the operations of the Life & Annuities division of Symetra Life Insurance Company. Prior to joining Symetra Life Insurance Company, Mr. Lindsay had worked for AIG VALIC since 1998, where his last position was as an executive vice president of AIG VALIC and as president of VALIC Financial Advisors, an affiliated broker-dealer. Prior to joining AIG VALIC, Mr. Lindsay spent 11 years with CoreStates Financial Corp. Mr. Lindsay received his B.A. degree from Brown University, his M.B.A. degree from Wharton School of the University of Pennsylvania, and his J.D. degree from Temple University.

Patrick B. McCormick has been Senior Vice President of Symetra Life Insurance Company since 1999 and is responsible for Distribution. Mr. McCormick joined Symetra Life Insurance Company in 1995, and served in a variety of positions, most recently Vice President, before he was promoted to his current position after the Acquisition. He is also an officer and director of various affiliates of Symetra.

M. Scott Taylor has been Senior Vice President of Symetra Life Insurance Company since 2000 and is responsible for Symetra Life Insurance Company's Group Department. Mr. Taylor joined Safeco Life Insurance Company in 1971, and served in a variety of positions, most recently Vice President, before he was promoted to his current position. He is also an officer and director of various affiliates of Symetra. Mr. Taylor served in the U.S. Air Force and received his B.A. degree from the University of Washington.

George C. Pagos has been Senior Vice President, General Counsel and Secretary of Symetra since September 2007. Mr. Pagos joined Symetra Life Insurance Company in 1976, and served in a variety of positions, most recently Vice President, prior to being promoted to his current position. He is also an officer and director of various affiliates of Symetra. Mr. Pagos received his B.A. degree from George Washington University and his J.D. degree from the University of Maryland.

Tommie D. Brooks has been Vice President and Chief Actuary of Symetra since March 2007. Mr. Brooks joined Symetra Life Insurance Company in 1992, and served in a variety of managerial positions throughout the company. Mr. Brooks attained the Fellow of the Society of Actuaries in 1998 and earned his B.S. in math and actuarial sciences from Central Washington University.

Christine A. Katzmar has been Vice President of Symetra since 2004 and is responsible for Human Resources. Ms. Katzmar joined Symetra Life Insurance Company in 2001 as Vice President. From 1991 to 2001, she was with Safeco Insurance Company, where she held a variety of positions, most recently Human Resources Director. She is also an officer of various affiliates of Symetra. Ms. Katzmar received her B.A. degree from Miami University, Ohio.

Troy J. Olson-Blair has been Vice President of Symetra since June 2007 and is responsible for Information Technology. She has been Vice President of Symetra Life Insurance Company since 2000 and also served as Chief Information Officer since 2004. She has been responsible for Information Technology since joining the company. Prior to Symetra, Ms. Olson-Blair held a variety of technical and managerial positions with Safeco Insurance Company that span twenty years; her last position was AVP and director for IT Operations. Ms. Olson-Blair's background includes application development, voice and data communications, networking, web services and ITIL service level management.

Lois W. Grady has been a director of Symetra since 2004. Ms. Grady served as Executive Vice President and Director of Investment Products Services of Hartford Life, Inc. from 2002 through 2004 and as Senior Vice President and Director of Investment Products Services of Hartford Life, Inc. from 1998 through 2002. She began her career with Hartford Life in 1983. She is also a director of OneBeacon Insurance Group, Ltd. Ms. Grady received her B.S. degree from Southern Connecticut State University.

Sander M. Levy has been a director of Symetra since 2004. He has been Managing Director of Vestar Capital Partners, a private equity firm, since 1988. He was previously a member of the management buyout group of First Boston Corporation. He received his B.S. degree from The Wharton School, University of Pennsylvania, and his M.B.A. degree from Columbia Business School.

Robert R. Lusardi has been a director of Symetra since 2005. He has been Executive Vice President and Managing Director of White Mountains Capital, Inc. since 2005. From 1998 until 2005, Mr. Lusardi served at XL Capital Ltd., first as Chief Financial Officer and later as Chief Executive Officer — Financial Products and Services. Previously, Mr. Lusardi was a Managing Director at Lehman Brothers, which he joined in 1980. He is also a director of OneBeacon Insurance Group, Ltd. and Primus Guaranty, Ltd. He received his B.A. and M.A. degrees from Oxford University, and his M.B.A. from Harvard Business School.

David I. Schamis has been a director of Symetra since 2004. He has been Managing Director of J.C. Flowers & Co. LLC since 2000. He received his B.A. degree from Yale University.

Lowndes A. Smith has been a director of the Company since 2007. Mr. Smith serves as Managing Partner of Whittington Gray Associates. Mr. Smith formerly served as Vice Chairman of The Hartford Financial Services Group, Inc. and President and CEO of Hartford Life, Inc. He joined The Hartford in 1968. Mr. Smith also serves as Chairman of OneBeacon Insurance Group, Ltd. and is a director of 85 investment companies in the mutual funds of The Hartford. He received his B.S. degree from Babson College.

Composition of the Board of Directors

Our business and affairs are managed under the direction of our board of directors. Our board of directors currently consists of seven members, four of whom we believe are independent directors under currently applicable listing standards of the NYSE.

Effective upon completion of this offering, our board of directors will be divided into three classes of directors who will serve in staggered three-year terms, as follows:

- Class 1 directors will be Messrs. Lusardi and Schamis, and their terms will expire at the annual meeting of stockholders to be held in 2008;
- Class 2 directors will be Messrs. Levy and Smith, and their terms will expire at the annual meeting of stockholders to be held in 2009; and
- Class 3 directors will be Messrs. Foy and Talbot and Ms. Grady, and their terms will expire at the annual meeting of stockholders to be held in 2010.

At each annual meeting of our stockholders beginning in 2008, the successors to the directors whose terms expire at each such meeting will be elected to serve until the third annual meeting after their election or until their successor has been elected. As a result, only one class of directors will be elected at each annual meeting of our stockholders, with the other classes serving for the remainder of their respective three-year terms.

Committees of the Board of Directors

Upon completion of this offering, our board of directors will conduct its business through three standing committees: the audit committee, the compensation committee and the nominating and corporate governance committee. In addition, from time to time, special committees may be established under the direction of the board of directors when necessary to address specific issues. Our audit committee, our compensation committee and our nominating and corporate governance committee will be required to be composed of a majority of independent directors within 90 days following the completion of this offering and entirely of independent directors within one year following the completion of this offering.

Audit Committee

Upon completion of this offering, we will have an audit committee that will have responsibilities that meet all NYSE and SEC requirements.

The audit committee will have the power to investigate any matter brought to its attention within the scope of its duties and to retain counsel for this purpose where appropriate.

Upon the completion of this offering, our audit committee will consist of Mr. Foy, Mr. Levy and Mr. Schamis. Within a year of the completion of this offering, all members of the audit committee will be independent directors according to the rules and regulations of the SEC and the NYSE and at least one member will be an “audit committee financial expert,” as such term is defined in Item 407 of Regulation S-K.

Our board of directors has adopted a written charter for the audit committee to be effective upon the completion of this offering, which will be available on our website as of the date of this offering.

Compensation Committee

Upon completion of this offering, we will have a compensation committee that will have responsibilities that meet all NYSE requirements.

Upon the completion of this offering, our compensation committee will consist of Mr. Foy, Ms. Grady and Mr. Smith. Within a year of completion of this offering, all members of the compensation committee will be independent directors according to the rules and regulations of the NYSE.

Our board of directors has adopted a written charter for the compensation committee to be effective upon the completion of this offering, which will be available on our website as of the date of this offering.

Nominating and Corporate Governance Committee

Upon completion of this offering, we will have a nominating and corporate governance committee that will have responsibilities that meet all NYSE requirements.

Upon completion of the offering our nominating and corporate governance committee will consist of Mr. Foy, Mr. Levy and Mr. Smith. Within a year of completion of this offering, all members of the nominating and corporate governance committee will be independent directors according to the rules and regulations of the NYSE.

Our board of directors has adopted a written charter for the corporate governance and nominating committee to be effective upon the completion of this offering, which will be available on our website as of the date of this offering.

Compensation Committee Interlocks and Insider Participation

Upon completion of this offering, our board of directors will have a compensation committee as described above. None of our executive officers will serve as a member of our compensation committee, and none of them have served, or will be permitted to serve, on the compensation committee (or any other committee serving a similar function) of any entity of which an executive officer is expected to serve as a member of our compensation committee.

Code of Business and Financial Conduct and Corporate Governance Guidelines

Prior to the completion of this offering, our board of directors will adopt a Code of Business and Financial Conduct applicable to our directors, officers and employees and corporate governance guidelines, each in accordance with applicable rules and regulations of the SEC and the NYSE. Prior to completion of this offering, the Code of Business and Financial Conduct and the corporate governance guidelines will be available on our website.

Compensation Discussion and Analysis

Named Executive Officers

The following Compensation Discussion and Analysis describes the compensation earned by, awarded to or paid to our Chief Executive Officer, our Chief Financial Officer and our three other most highly paid executive officers as determined under the rules of the SEC, collectively referred to as the Named Executive Officers and listed below:

- Randall H. Talbot, President and Chief Executive Officer
- Roger F. Harbin, Executive Vice President and Chief Operating Officer
- Margaret A. Meister, Executive Vice President and Chief Financial Officer
- M. Scott Taylor, Senior Vice President, Group Department, Symetra Life Insurance Company
- Patrick B. McCormick, Senior Vice President, Distribution, Symetra Life Insurance Company
- Oscar C. Tengtio, Former Executive Vice President and Chief Financial Officer. Mr. Tengtio resigned as an executive officer and employee on February 17, 2006.

Compensation Philosophy

Our overall executive compensation program was redesigned after the Acquisition by the acquiring stockholder group to align the financial interests of our executives with those of our stockholders. We focus on pay-for-performance (both individual and company performance) by providing incentives that emphasize long-term value creation, therefore putting a large portion of our executives' pay at risk. Based on this philosophy, the compensation committee has maintained base salaries that may be lower than those paid by other financial services companies and life insurers and has chosen not to provide pensions or other perquisites, choosing instead to grant the largest portion of compensation as long-term incentive compensation which is based on the growth of intrinsic business value per share.

Pay-for-performance. A majority of our executive officers' compensation is directly linked to our short- and long-term financial goals, thereby providing incentives for both short- and long-term results. Our Annual Incentive Bonus Plan rewards performance relative to short-term results based on a combination of meeting company performance goals and individual performance goals. The Symetra Financial Corporation Performance Share Plan (the "Performance Share Plan") rewards long-term performance relative to financial goals set on three-year cycles.

Pay at risk. The pay at risk approach of our incentive compensation is intended to align with the executive officer's impact on company performance over the short-and long-term. Our Chief Executive Officer receives the largest portion (approximately 90%) of his target total annual compensation as performance-based incentive compensation. All executive officers have a significant amount of their total annual compensation at risk through performance-based incentives.

Competitive. As we grow and strive to reach competitive financial goals, our need for experienced executive talent will continue. Our compensation opportunities must be competitive to allow us to attract and retain talented executives in our field.

Compensation Process

The compensation committee, according to its charter, is responsible for approving all compensation for our Named Executive Officers as well as our other executive officers and for administering the Performance Share Plan with respect to all participants.

The compensation committee relies on Randy Talbot, our Chief Executive Officer, and Chris Katzmar, our Vice President of Human Resources, for recommending compensation programs and awards for executive officers subject to committee approval and for administering approved programs for all employees. Mr. Talbot and Ms. Katzmar attend committee meetings and, at the committee's request, present management's analysis and recommendations regarding compensation actions to include base salary, Annual Incentive Bonus Plan and Performance Share Plan grants.

Compensation actions are usually presented at the first meeting of the compensation committee of each year after financial results for the prior year are available. In the meeting, Mr. Talbot also presents a self-evaluation outlining his performance to assist the compensation committee in determining his total compensation for the year. The compensation committee then holds a private session to discuss and determine Mr. Talbot's total compensation.

The compensation committee is comprised of experienced investors who have, based on their experience, set compensation levels and performance targets at what they believe to be appropriate levels.

Elements of Compensation

We currently compensate our executives through a combination of base salary, annual incentive compensation or, in the case of our sales executive, sales incentive compensation and long-term incentive compensation.

Base salary. Our philosophy is to make base salary a relatively smaller portion of the overall compensation package of our executive officers relative to what we believe to be common in the industry. While executive performance is annually reviewed, base salaries for executives are not regularly adjusted. The base salaries for Messrs. Talbot, Harbin, Taylor and McCormick have not been increased since August 2004. Ms. Meister received an increase in her base salary in connection with her promotion to Chief Actuary in August 2004 and again in connection with her promotion to Chief Financial Officer in February 2006. Our practice of not adjusting base salaries based on performance is consistent with our philosophy that the majority of compensation should be variable based on our actual long-term and short-term performance and that of the executive.

Annual incentive compensation. We pay annual incentive cash awards to our Named Executive Officers, other than Mr. McCormick, through the Annual Incentive Bonus Plan in March of each year for performance in the prior calendar year. The Annual Incentive Bonus Plan awards are based on our fulfillment of performance goals set at the beginning of the year and the executive's individual role in that goal fulfillment.

The compensation committee determines the performance goals and approves the target aggregate bonus pool for the Annual Incentive Bonus Plan each year. The actual aggregate bonus pool for the Annual Incentive Bonus Plan is determined by the sum of all participants' target awards and can range from 0% to 200% of this target, based on our fulfillment of performance goals. The metric currently used to determine the actual aggregate bonus pool for the plan is the growth in our intrinsic business value per share, which is the average of the growth of both our GAAP book value per share and enterprise value per share during the plan year. Currently, the growth target is 13%. If the average growth is 10% or lower, the plan will not be funded and no bonus awards will be paid. If the average growth falls between 10% and 13%, the aggregate bonus pool will be less than 100% of the target. If the average growth meets or exceeds the 13% goal, the aggregate bonus pool will grow proportionately to a maximum of 200% of the target at 16%. The aggregate bonus pool for the Annual Incentive Bonus Plan for 2006 (for bonuses paid in March 2007) was 92% of the target.

After the aggregate bonus pool for the Annual Incentive Bonus Plan is established, each executive is allocated a portion of the pool based on his or her individual target and such executive's individual performance. The individual target bonus for each of the CEO, COO and CFO is equal to 50% of his or her base salary while the individual annual target bonus for Mr. Taylor is 35% of his base salary. After reviewing performance of the executive, Mr. Talbot recommends to the compensation committee a percentage of each executive's individual target to be paid out for the plan year based on such executive's individual performance compared to goals or expectations set by such executive and Mr. Talbot. Mr. Talbot's recommended annual incentive bonus is subject to the total funding level for the Annual Incentive Bonus Plan and the average percentage of target bonuses paid to the executive team. The compensation committee then makes the final determination of the amount to be received by each executive. In 2006, Mr. Talbot, Mr. Harbin, Ms. Meister and Mr. Taylor received 100%, 85%, 112% and 112%, respectively, of their target bonuses under the Annual Incentive Bonus Plan.

Combining our overall performance and individual performance ensures the executive is aligned with our goals for financial success as well as rewarded for individual performance.

In 2006, the Annual Incentive Bonus was designed to comprise 5%, 8%, 10% and 10% of total target compensation for Mr. Talbot, Mr. Harbin, Ms. Meister and Mr. Taylor, respectively.

Sales incentive compensation. All sales employees, including Mr. McCormick, participate in a sales incentive program. The targets for Mr. McCormick's Sales Incentive Plan are designed to motivate him to develop new distribution relationships and expand existing relationships. Mr. McCormick earns a percentage of sales for each product line for new net sales volumes. The percentages decrease after a prescribed sales-volume threshold is met. The percentages and thresholds differ from product to product within each product line. The range of percentages that applies before a sales threshold is met is 0.00001%-0.003% and the range of sales thresholds is $20,000,000-$1,000,000,000. The range of percentages that applies after a sales threshold is met is 0.000005%-0.001%. Mr. McCormick's sales incentive target was 22% of his target total compensation for 2006.

Long-term incentive compensation. We provide long-term incentives to our Named Executive Officers and other executive officers through the Performance Share Plan. This long-term incentive compensation is in the form of unit-based performance awards. Awards are granted annually. Each award period is typically three years, therefore overlapping other award periods. At the time of grant, each target performance unit has the financial value of $100.00. Thereafter, each target performance unit has a notional value of $100.00 x (1 + aggregate percentage growth in intrinsic business value per share), conditioned upon attainment of a pre-established performance goal over the award period. At the end of the award period, the compensation committee determines the level of attainment of the performance goal and assigns a harvest percentage of 0-200% of target based on that determination. The matured performance units are paid in cash in an amount equal to the then notional value of the target shares multiplied by the harvest percentage.

For all currently running performance cycles, the performance goal is 13% compound annualized growth in our intrinsic business value per share. Growth in our intrinsic business value per share equals the average of the compound annualized growth rates during the award period of the GAAP book value per share and the enterprise value per share, excluding unrealized gains or losses other than unrealized gains or losses on equities held as investments.

The harvest percentage ranges from 0% to 200% for the currently running performance cycles. If the compound annualized growth is 10% or less, no award is made. If the compound annualized growth is 16% or higher, the maximum harvest percentage of 200% applies. For annualized percentage growth between 10% and 16%, the harvest percentage is determined on the basis of straight line interpolation.

The "Grant of Plan-Based Awards" table on page 112 sets forth the grants made under this plan to each Named Executive Officer for 2006. Our Chief Executive Officer's recommendations and compensation committee's determination with respect to the size of awards to participants are subjective, and no proportional or other mathematical formula is applied, nor are any specific factors considered. Moreover, the allocation of performance shares among our Named Executive Officers is not based on any performance criteria, although no payouts are made with respect to any performance shares granted unless the performance goal described above is satisfied. Our Chief Executive Officer receives the largest grant because he is responsible for the company's overall business and financial performance. Our Chief Operating Officer receives a relatively larger grant than our Senior Vice President Group Division, because Mr. Harbin is accountable for all product line results, while Mr. Taylor leads our most significant product line. Our Chief Financial Officer's awards under this plan have increased over each of the past three years due to her increased responsibilities within the company during this period, ultimately culminating in her promotion to Chief Financial Officer in 2006. Our

Senior Vice President, Sales and Distribution receives a relatively smaller grant since his sales incentive plan, which is also performance-based, already comprises a significant component of his overall compensation.

The target grants for the 2006-2008 performance share award period comprised 85%, 75%, 70%, 61% and 52% of target total compensation for Mr. Talbot, Mr. Harbin, Ms. Meister, Mr. Taylor and Mr. McCormick, respectively. While awards of performance shares were not specifically designed around these percentages, this program is designed such that our Named Executive Officers have a substantial proportion of their target total compensation subject to the achievement of performance targets.

With respect to the 2004-2006 performance share award period, the company exceeded the target compound annualized growth rate per share. Accordingly, the payouts indicated in the Summary Compensation Table reflected 106% of the target performance share awards for our Named Executive Officers.

IPO Grant Program. In October 2007, our board of directors approved an IPO grant program to better align the interests of our management team with the interests of our stockholders and to serve as a long-term retention tool. Participants in our Performance Share Plan as of the date of this offering are eligible to participate in this grant program. Under this program, a pool of one-time grants having an aggregate value of $14.6 million will be awarded. Of this amount:

- 20% (or $2.9 million) will be awarded in the form of fully-vested shares of common stock, the number of such shares to be determined based on the initial public offering price per share;
- 40% (or $5.8 million) will be awarded in the form of restricted stock units, the number of such units to be determined based on the initial public offering price per share, with 50% of such units vesting on the second anniversary of this offering and the remainder vesting on the fourth anniversary of this offering; and
- 40% (or $5.8 million) will be awarded in the form of stock options, the number of such options to be based on a Black- Scholes valuation performed as of the date of this offering, with such options having an exercise price of $, equal to 110% of the midpoint of the stock price range set forth on the cover page of this prospectus, and with 50% of such options vesting on the third anniversary of this offering and the remainder vesting on the fifth anniversary of this offering.

Awards under this program are made pursuant to our Equity Plan (described under “Management — Employee Benefit Plans”) and are subject to the terms of that plan. All of these awards are contingent upon the closing of this offering. The restricted stock units and stock options are subject to time-based vesting, and are not subject to further performance-based criteria.

Of the $14.6 million value pool, our Named Executive Officers will receive 30%, 10%, 10%, 1% and 3% for Mr. Talbot, Mr. Harbin, Ms. Meister, Mr. Taylor and Mr. McCormick, respectively. Our compensation committee arrived at this allocation by starting with the percentage of the Performance Share Plan pool for 2007 awarded to each Named Executive Officer, and adjusting these percentages to factor in contributions made by particular Named Executive Officers to the initial public offering process. This determination was subjective, and these percentages are not based on any formula or performance targets.

Employment/severance/change of control arrangements. We have no employment agreements with our executive officers. All of our executive officers are “at will” employees. We have an Executive Severance Pay Plan that provides for payment of severance in the event of either termination without cause, or, in the event of a change of control of the company, constructive termination. This plan terminates upon the closing of the initial public offering. The terms of this plan are summarized on page 114.

In addition, in the event of a termination of an executive officer’s employment by the company without cause or by the executive due to a constructive termination, in either case within 24 months of a change of control, executives receive certain payments under our Performance Share Plan as described in more detail on page 114. We provide for this change in control-related benefit as an incentive and retention mechanism by providing security to our executives in the event that we experience a change in ownership.

Retirement benefits. All of our employees, including our Named Executive Officers, may participate in our qualified 401(k) plan, which includes a safe harbor employer match. The safe harbor employer match is equal to 100% of the employee contributions up to the first 6% of eligible compensation. We have no defined benefit pension plans, non-qualified deferred compensation plans or retiree medical plans.

Perquisites. Our executive officers receive the same benefits that are available to all employees. Benefits such as medical and dental insurance, life insurance, short- and long-term disability, vacation and sick leave, tuition reimbursement and professional education funding, charitable gift matching, employee referral program, and relocation assistance are available to all employees. All employees are also eligible for several discount programs including fitness club memberships, computers/software, wireless programs, office supplies, rental cars and hotels for personal use.

Tax and accounting implications of executive compensation programs

After the consummation of this offering, Section 162(m) of the Internal Revenue Code would limit the deductibility of the compensation of our Named Executive Officers to $1,000,000 per individual to the extent that such compensation is not “performance-based” as defined in Section 162(m). We intend to rely on an exemption from Internal Revenue Code Section 162(m) for compensation plans adopted prior to a company’s initial public offering. This transition exemption for our compensation plans will no longer be available to us after the date of our annual meeting that occurs after the third calendar year following the year of our initial public offering, or if we materially modify the plan earlier. We will continue to consider the implications of Internal Revenue Code Section 162(m) and the limits of deductibility of compensation in excess of $1,000,000 as we design our compensation programs going forward.

Summary Compensation Table

The following table presents compensation earned during 2006 by the company’s CEO, CFO and its three most highly compensated executive officers other than the chief executive officer and chief financial officer (the “Named Executive Officers”):

Name and Principal Position	Year	Salary ($)	Non-Equity Incentive Plan Compensation ($)(a)	All Other Compensation ($)(b)	Total Compensation ($)
Randall H. Talbot President and Chief Executive Officer	2006	525,000	4,523,083	13,200	5,061,283
Roger F. Harbin Executive Vice President and COO	2006	400,000	3,010,789	13,200	3,423,989
Margaret A. Meister(c) Executive Vice President and Chief Financial Officer	2006	269,615	380,331	11,560	661,506
Oscar C. Tengtio(d) Executive Vice President and Chief Financial Officer	2006	48,750	—	13,180	61,930
M. Scott Taylor Senior Vice President Group Division	2006	276,050	492,033	13,200	781,283
Patrick B. McCormick Senior Vice President Sales and Distribution	2006	200,000	494,154	12,092	706,246

(a) Represents (i) 2006 annual incentive bonuses paid in March 2007 (other than with respect to Mr. McCormick), (ii) in the case of Mr. McCormick, amounts earned under the 2006 Sales Incentive Plan, and (iii) amounts earned under the 2004-2006 Performance Share Plan and paid in March 2007. Mr. Talbot earned $241,500 for the 2006 annual incentive bonus and $4,281,583 for the 2004-2006 Performance Share Plan. Mr. Harbin earned $156,400 for the 2006 annual incentive bonus and $2,854,389 for the 2004-2006 Performance Share Plan. Ms. Meister earned $130,572 for the 2006 annual incentive bonus and $249,759 for the 2004-2006 Performance Share Plan. Mr. Taylor earned $99,555 for the 2006 annual incentive bonus and $392,478 for the 2004-2006 Performance Share Plan. Mr. McCormick earned $137,355 in his Sales Incentive Plan and $356,799 for the 2004-2006 Performance Share Plan.

(b) Represents employer contributions to the Symetra Retirement Savings Plan. In addition, in the case of Ms. Meister, this amount also includes a grossed up employee referral bonus of $1,360. In the case of Mr. Tengtio, this amount also includes payment of $10,231 for accrued vacation upon the resignation of his employment.

(c) Ms. Meister was promoted to Executive Vice President and Chief Financial Officer on February 17, 2006.

(d) Mr. Tengtio resigned as an executive officer and employee on February 17, 2006.

Grant of Plan-Based Awards

The following table summarizes the estimated future payouts under grants made by us to the Named Executive Officers in 2006 under our incentive plans:

Name	Non-Equity Incentive Plan(a)	Cycle	Number of Units Granted	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)
Randall H. Talbot	Annual Incentive Bonus Plan	2006	n/a	0	262,500	525,000
	Performance Share Plan	2006 - 2008	30,000	0	4,320,000	9,360,000
Roger F. Harbin	Annual Incentive Bonus Plan	2006	n/a	0	200,000	400,000
	Performance Share Plan	2006 - 2008	12,500	0	1,800,000	3,900,000
Margaret A. Meister	Annual Incentive Bonus Plan	2006	n/a	0	126,719	253,438
	Performance Share Plan	2006 - 2008	6,500	0	936,000	2,028,000
M. Scott Taylor	Annual Incentive Bonus Plan	2006	n/a	0	96,618	193,235
	Performance Share Plan	2006 - 2008	4,000	0	576,000	1,248,000
Patrick B. McCormick	Sales Incentive Plan	2006	n/a	0	171,190	456,506
	Performance Share Plan	2006 - 2008	2,750	0	396,000	858,000

(a) On May 17, 2006, the 2006 targets of the Annual Incentive Bonus Plan were approved for Messrs. Talbot, Harbin, Taylor and Ms. Meister. Mr. McCormick's 2006 Sales Incentive Plan was approved by Mr. Talbot on January 25, 2006. On May 17, 2006, all Named Executive Officers were granted units in the 2006-2008 Performance Share Plan. Each unit was initially valued at $100.00.

Please see Compensation Discussion and Analysis — Elements of Compensation starting on page 108 for a description of the material terms of the Annual Incentive Bonus Plan, the Sales Incentive Plan and the Performance Share Plan.

Employee Benefit Plans

The following is a summary of our primary employee benefit plans:

Equity Plan

Background. The purpose of the Symetra Financial Corporation Equity Plan (the "Equity Plan") is to advance our and our stockholders' interests by providing long-term incentives to our employees, directors and consultants. Our board of directors adopted the Equity Plan in October 2007. The Equity Plan became effective upon adoption, and has a ten-year term.

Administration. Our compensation committee will administer the Equity Plan, and will determine which individuals are eligible to receive awards, the type of awards and number of shares or units to be granted, the exercise or purchase price for awards, the vesting schedule for each award and the maximum term of each award (subject to the limits set forth in the Equity Plan). The compensation committee will have authority to interpret the Equity Plan, and any determination by the compensation committee will be final.

Share Reserve. We have reserved 900,000 shares of our common stock for issuance under the Equity Plan. This reserve, and all limits referenced below, are subject to adjustment in the event of stock splits or similar capitalization events.

Eligibility. The individuals eligible to participate in the Equity Plan include our officers and other employees, our non-employee directors and any consultants.

Limit on Awards. During any calendar year, the maximum aggregate number of shares subject to awards granted to any individual shall be 50,000.

Equity Awards. The Equity Plan permits us to grant the following types of awards:

- ***Stock Options.*** The Equity Plan provides for the grant of incentive stock options (commonly referred to as ISOs) to employees and nonqualified stock options (commonly referred to as NSOs) to employees, directors and consultants. The compensation committee determines the terms of options, provided that ISOs are subject to statutory limitations. The compensation committee determines the exercise price for a stock option, within the terms and conditions of the Equity Plan and applicable law, provided that the exercise price of an ISO may not be less than 100% (or 110% in the case of a recipient who is a ten percent stockholder) of the fair market value of our common stock on the date of grant. ISOs exercisable for no more than 50,000 shares may be issued to a participant in any one year.

  Options granted under the Equity Plan will vest at the rate specified by the compensation committee, with the vesting schedule for each stock option to be set forth in the stock option agreement for such option grant. Generally, the committee determines the term of stock options granted under the Equity Plan, up to a maximum term of ten years.

  After termination of an optionee's employment, the optionee may exercise the vested portion of each option for the period of time stated in the option agreement to which such option relates. The committee also has the discretion to permit exercise of the unvested portion of an option in the event of voluntary resignation or retirement. Generally, if termination is due to disability, the vested portion of each option will remain exercisable for three years following the date of disability, and in the event of death of an optionee, the vested portion of each option will remain exercisable by such optionee's estate for one year. In all other cases, the vested portion of each option will generally remain exercisable for three months following termination of employment. However, an option may not be exercised later than its expiration date.

  Notwithstanding the above, in the event of a change of control of Symetra, followed by termination without cause or constructive termination (as such terms are defined in the Equity Plan) of an optionee within 12 months of the change of control, such optionee's stock options will become 100% vested and exercisable for up to 30 days following such termination.

- ***Stock Appreciation Rights.*** Stock appreciation rights provide for a payment, or payments, in cash or shares of common stock, to the participant based upon the difference between the fair market value of our common stock on the date of exercise and the stated exercise price. The exercise price of a stock appreciation right may not be less than 100% of the fair market value of our common stock on the date of grant of the stock appreciation right. Stock appreciation rights are otherwise generally subject to the same terms and limitations as described above for stock options, including vesting acceleration upon termination following a change of control.

- ***Restricted Stock.*** A restricted stock award is an offer by us to sell shares of our common stock subject to a right of repurchase by us upon the termination of employment of the participant on such terms (including price and timing) as may be determined by the compensation committee. This right of repurchase may lapse according to vesting conditions, which may include performance conditions, a time-based schedule or a combination thereof, to be determined in each case by the compensation committee. In the event of death or disability of a holder of restricted stock subject to vesting other than monthly vesting, our right to repurchase such shares shall lapse with respect to a pro rata portion of the restricted shares equal to the percentage of the vesting period that has elapsed. The compensation committee also has the discretion to waive all or a portion of our right to repurchase shares of restricted stock in the event of a participant's voluntary resignation or retirement. In the event of a change of control followed by termination without cause or constructive termination of the participant within 12 months, the restrictions on such participant's restricted stock will lapse.

- ***Restricted Stock Units.*** Restricted stock units represent the right to receive, without payment to the company, an amount of shares of our common stock equal to the number of shares underlying the restricted stock units multiplied by the fair market value of a share on the date of vesting of the restricted stock units. The compensation committee may, at its discretion, impose vesting conditions, which may include performance conditions, a time-based vesting schedule or a combination thereof, on the exercise of such units. A participant's restricted stock units generally terminate in the event the participant's employment terminates prior to payment with respect to the units. However, in the event of death or disability of a holder of restricted stock units that are subject to vesting other than monthly vesting, the holder will receive payment for a pro rata percentage of the unvested units equal to the percentage of the vesting period that has elapsed. The committee also has the discretion to make payment with respect to all or a portion of the unvested restricted stock units held by a participant in the event of such participant's voluntary resignation or retirement. In the event of a change of control followed by termination without cause or constructive termination of the participant within 12 months, such participant's restricted stock units that were outstanding on the date of termination will be cancelled and such participant will receive a cash payment equal to the product of the number of restricted stock units and the fair market value of a share of our common stock on the date of termination.

- ***Performance Shares/Units.*** A performance share award entitles a participant to receive all or part of the value of a specified number of hypothetical shares if specified performance objectives, as determined by the committee, are satisfied during a specified award period. The payout under a performance share award is the product of (i) the target number of performance shares subject to award, (ii) the performance percentage and (iii) the fair market value of a share on the date the award is paid or becomes payable to the participant.

  Performance units are similar to performance shares, except that the value is based on a fixed dollar value or formula specified by the committee, rather than the fair market value of a share on the date the award is paid or payable (as with performance shares). The maximum value of performance units that may be earned by a participant for any single award period of one year or longer may not exceed $25 million.

  At the end of the award period for performance shares or performance units, the committee assigns a performance percentage that is between 0% and 200% depending on the extent to which the applicable performance objectives were met during the award period. Performance shares and units may be settled in cash, shares of our common stock, other securities, other awards, other property or any combination thereof, as determined by the committee.

  A participant's performance shares or units are cancelled if the participant's employment is terminated prior to end of the award period. However, if a participant dies or becomes disabled during the performance period, such award is paid to such participant (or such participant's estate) on a pro-rata basis. In the event of a change of control followed by termination without cause or constructive termination of the participant within 12 months, the participant's performance share/unit award shall be paid out on a pro rata basis according to the percentage of months during the award period that have elapsed, with a performance percentage of 100%.

- ***Other Stock-Based Awards***. The compensation committee also has the discretion to issue other equity-based awards under the Equity Plan, including fully-vested shares of common stock.

Awards Not Transferable. Awards under the Equity Plan are generally non-transferable, except to a participant's estate in the event of the participant's death.

Adjustments. The compensation committee is authorized to make adjustments to the terms and conditions of awards in recognition of certain unusual or nonrecurring events, including but not limited to extraordinary dividends, stock splits, mergers or a change in control of Symetra. In such events, the committee has the discretion to do what it determines is appropriate or desirable, including providing for the substitution or assumption or awards, accelerating the vesting of or the lapse of restrictions on awards, terminating the awards, or making a cash payment in consideration for the cancellation of the awards.

Amendment and Termination. The Equity Plan may be amended or terminated at any time upon approval of our board of directors, provided that no amendment or termination will adversely affect outstanding awards. The Equity Plan will terminate on the earlier of the termination of the Equity Plan by our board of directors or ten years from the effective date of the Equity Plan.

Employee Stock Purchase Plan

Background. Our employee stock purchase plan is designed to enable eligible employees to periodically purchase shares of our common stock at a discount. Purchases are accomplished through participation during discrete offering periods. Our employee stock purchase plan is intended to qualify as an employee stock purchase plan under section 423 of the Internal Revenue Code of 1986, as amended. Our board of directors adopted our employee stock purchase plan in October 2007.

Share Reserve. We have initially reserved 100,000 shares of our common stock for issuance under our 2008 employee stock purchase plan.

Administration. Our compensation committee will administer our employee stock purchase plan. Our employees generally are eligible to participate in our employee stock purchase plan if they are employed on a salaried basis by us, or a subsidiary of ours that we designate, for 20 or more hours per week and more than five months in a calendar year. Employees who are 5% stockholders, or would become 5% stockholders as a result of their participation in our employee stock purchase plan, are ineligible to participate in our employee stock purchase plan. We may impose additional restrictions on eligibility as well.

Under our employee stock purchase plan, eligible employees may acquire shares of our common stock by accumulating funds through payroll deductions. Our eligible employees may select a rate of payroll deduction up to 15% of their cash compensation (or such lower limit as determined by the compensation committee). We also have the right to amend or terminate our employee stock purchase plan, except that, subject to certain exceptions, no such action may adversely affect any outstanding rights to purchase stock under the plan. Our employee stock purchase plan will remain in effect until terminated by our compensation committee.

Purchase Rights. When an offering period commences, our employees who meet the eligibility requirements for participation in that offering period and who elect to participate are granted a non-transferable option to purchase shares in that offering period. An employee's participation automatically ends upon termination of employment for any reason. An employee may withdraw from the plan at any time at least five business days prior to a purchase date, and in such event shall receive a refund of all of such employee's payroll deductions deposited to date into the plan.

Each offering period will be for approximately six months (commencing on the first trading day on or immediately after February 15 and August 15 of each year and terminating on the trading day on or immediately preceding the next August 14 or February 14, respectively). The first offering period under the plan shall commence on February 15, 2008. Each purchase period will be for approximately three months (commencing on the first day of the offering period). The first purchase period in this first offering period will run until May 14, 2008, and the second purchase period in this first offering period will run from May 15, 2008 until August 14, 2008. The duration and timing of offering periods may be changed by the compensation committee without shareholder approval if such change is announced prior to the scheduled beginning of the offering period to be effected thereafter.

No participant will have the right to purchase our shares at a rate which, when aggregated with purchase rights under all our employee stock purchase plans that are also outstanding in the same calendar year(s), have a fair market value of more than $25,000, determined as of the first trading day of the applicable offering period, for each calendar year in which such right is outstanding. The purchase price for shares of our common stock purchased under our employee stock purchase plan will be 85% of the closing trading price per share of our common stock as reported by the New York Stock Exchange on the last date of each purchase period.

Change in Control. In the event of a change in control of Symetra, the acquiring entity shall assume the outstanding purchase rights. In the event the acquiring entity refuses to do so, the purchase and offering periods then in progress shall terminate prior to the date of closing of the change of control transaction.

401(k) Plan

We offer a 401(k) plan to all employees who meet specified eligibility requirements. Eligible employees may contribute up to 100% of their eligible compensation, subject to limitations established by the Internal Revenue Code. We match participant contributions dollar-for-dollar, up to 6% of their compensation. Participants are immediately vested in their contributions.

Potential Payments Upon Termination or Change in Control

We have no employment agreements with our Named Executive Officers that would provide payments upon termination of employment.

Annual Incentive Bonus Plan

The Annual Incentive Bonus Plan requires that an executive be an active employee on December 31 of the plan year, and remain continuously employed by the company through the award payout date, in order to be eligible to receive a bonus award. Exceptions to this include death, disability, retirement at age 65 or older or position elimination. In these cases, the bonus will be based on eligible earnings paid through the executive's last day of work within the plan year.

Sales Incentive Plan

Mr. McCormick's Sales Incentive Plan provides that if he leaves his position for any reason, he will be paid for production earned through the end of the last full month of employment.

Performance Share Plan

The Performance Share Plan provides that, except for the change of control provision described below, the executive would immediately forfeit all outstanding awards upon termination of employment prior to the end of the applicable award period. The board of directors, at its discretion, may provide that if an executive dies, retires, is disabled or is granted a leave of absence, or if the executive is otherwise terminated in a manner reasonably judged to be not seriously detrimental to the company, then all or a portion of the executive's award, as determined by the board, may be paid to the executive (or beneficiary).

The Performance Share Plan includes a "double trigger" change in control provision which provides that if a participant's employment is terminated without cause or constructively terminated within 24 months after a change in control, each award held by the participant prior to the change in control is cancelled and the participant is entitled to receive an award payment equal to the product of (i) the then financial value of 100% of the performance shares and (ii) the harvest percentage, which is based on the level of attainment of the performance goal as of the last day of the calendar quarter ending prior to the date of the termination event. Alternatively, following the change in control, if the participant remains continuously employed through the end of the award period, then the participant will receive those awards for which the participant would have been paid had the change of control not occurred. For purposes of this plan, a change of control occurs when any person or group, other than White Mountains or Berkshire Hathaway, an underwriter or an employee benefit plan of the company, becomes the beneficial owner of 35% or more of the company's outstanding common stock.

Under the Performance Share Plan, a "constructive termination" is defined as a termination of the participant's employment at the initiative of the participant following a material decrease in salary or a material diminution in the participant's authority, duties or responsibilities.

Executive Severance Pay Plan

Our Named Executive Officers each participate in our Executive Severance Pay Plan. This plan was adopted in 2007, but terminates upon the closing of our initial public offering. The plan provides for payment of severance in the event of a qualifying termination, in an amount equal to:

- a multiple, ranging from 1.5 to 2.0, of such officer's annual base salary at the time of termination; and
- the officer's target annual incentive bonus in the year of termination, or in the case of Mr. McCormick, the sales incentive bonus earned in the year prior to termination.

A qualifying termination is defined as termination of an officer without cause, or, in the event of a change of control of the company, constructive termination. For purposes of this plan, a change of control occurs when any person, entity or group becomes, whether by merger or otherwise, the beneficial owner of securities representing 100% of the combined voting power of the company's outstanding voting securities. Constructive termination means termination following a material decrease in base salary or target total annual compensation, a material diminution in authority or duties, or relocation to a location that is more than 100 miles away from the officer's current office, subject in each case to cure by the company following notice.

Potential Payments Upon Termination or Change in Control

The following table shows the potential payments that would have been made by us to each of the Named Executive Officers, assuming that each executive's employment was terminated on December 31, 2006.

Executive	2006 Annual Incentive Bonus Plan ($)(a)	2005-2007 Performance Share Plan ($)(b)	2006-2008 Performance Share Plan ($)(b)	Total ($)
Randall H. Talbot	262,500	3,413,110	3,087,610	6,763,220
Roger F. Harbin	200,000	1,422,129	1,286,504	2,908,633
Margaret A. Meister	126,719	255,983	668,982	1,051,684
M. Scott Taylor	96,618	455,081	411,681	963,380
Patrick B. McCormick	137,355	312,868	283,031	733,254

(a) Reflects the amount payable under the 2006 Annual Incentive Bonus Plan, except with respect to Mr. McCormick, who would instead receive payment under his Sales Incentive Plan. This amount is payable in the event of death, disability, retirement at age 65 or older or elimination of position, whether or not a change of control of the company has occurred.

(b) Payable in the event a Named Executive Officer's employment is terminated without cause or constructively terminated within 24 months following a change of control of the company. In addition, the board of directors, at its discretion, may elect to award all or a portion of such amounts to an officer in the event of such executive's death, retirement, disability or leave of absence, or in the event of termination in a manner not determined to be seriously detrimental to the company.

Compensation of Directors

The following table presents compensation paid to our board of directors for the year ended December 31, 2006:

Name	Fees Earned or Paid in Cash ($)	Total ($)
David T. Foy, Chairman(a)	67,000	67,000
John D. Gillespie(b)	28,000	28,000
Lois W. Grady(c)	32,800	32,800
Sander M. Levy(d)	54,500	54,500
Robert R. Lusardi(e)	30,000	30,000
Ronald P. McIntosh(f)	30,700	30,700
David I. Schamis(g)	38,800	38,800
Randall H. Talbot(h)	—	—

(a) Includes Chairman of the Board retainer, annual retainer, and Board, Audit Committee and Compensation Committee meeting fees.

(b) Includes annual retainer and Board meeting fees. Mr. Gillespie retired as a member of the Board as of June 26, 2007.

(c) Includes annual retainer, and Board and Compensation Committee meeting fees. Ms. Grady also serves on the First Symetra National Life Insurance Company of New York Board of Directors and Audit Committee.

(d) Includes Chairman of the Audit Committee retainer, annual retainer and Board and Audit Committee meeting fees. Mr. Levy also serves on the First Symetra National Life Insurance Company of New York Board of Directors and Audit Committee. All compensation is paid to Vestar Capital Partners.

(e) Includes annual retainer and Board meeting fees.

(f) Includes annual retainer and Board meeting fees. Mr. McIntosh also served on the First Symetra National Life Insurance Company of New York Board of Directors. Mr. McIntosh retired as a member of the Board of Symetra Financial Corporation as of June 21, 2007 and from the board of directors of First Symetra National Life Insurance Company of New York as of June 25, 2007.

(g) Includes annual retainer, and Board and Audit Committee meeting fees. Mr. Schamis also serves on the First Symetra National Life Insurance Company of New York Board of Directors and Audit Committee. All compensation is paid to JC Flowers & Co. LLC.

(h) Mr. Talbot is our employee and receives no additional retainer or fee for Board participation.

Our directors, who are not employees of the Company, are entitled to the following compensation for service on our board of directors and board committees:

- Chairman of the Board Annual Retainer: $150,000
- Board (excluding Chair) Annual Retainer: $75,000
- Attendance at Board Meeting: $2,000
- Audit Committee Chair retainer: $30,000
- Audit Committee member (excluding Chair) retainer: $10,000
- Compensation Committee Chair retainer: $10,000
- Nominating and Corporate Governance Committee Chair retainer: $10,000
- Attendance at each Committee Meeting: $2,000

In addition, members of the Board of Directors of First Symetra National Life Insurance Co. of New York receive an annual retainer of $500, and fees of $100 per board meeting and $50 per committee meeting attended.

We reimburse our directors for reasonable costs and expenses incurred in connection with attendance at board and committee meetings.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The following is a summary of each transaction or series of similar transactions since August 2, 2004, the date of the Acquisition, to which we were or are a party in which the amount involved exceeded or exceeds $120,000 and in which any of our directors or executive officers, any holder of 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest.

Investment Management Agreement with White Mountains Advisors LLC

Certain of our investments are managed by WM Advisors, a wholly owned subsidiary of White Mountains Insurance Group, Ltd. The total fees paid to WM Advisors under our existing investment management agreements, or IMAs, with them during 2006 were $20.2 million. Immediately prior to the effectiveness of this offering, we and certain of our subsidiaries will enter into an amended investment management agreement, or the WMA Agreement, with WM Advisors pursuant to which WM Advisors will continue to supervise and direct the fixed income and alternative investment portion of our investment portfolio in accordance with our investment philosophy described under “Business — Investments.”

Under this agreement and consistent with the existing IMA, WM Advisors will have full discretion and authority to make all investment decisions in respect of the fixed income and alternative investment portion of our investment portfolio on our behalf and at our sole risk, and to do anything which WM Advisors deems is required, appropriate or advisable in connection with the foregoing.

The assets of our portfolio will be held in one or more separately identifiable accounts in the custody of a bank or similar entity designated by us and acceptable to WM Advisors. We will be responsible for custodial arrangements and the payment of all custodial charges and fees.

We will agree to pay annual investment management fees generally based on the month-end market / book values held under custody as set forth in the table below:

	Value	Annual Fee
Investment grade fixed income:		
Up to $1 billion	Book	10.0 basis points (0.1% or 0.001)
$1 billion — $2 billion	Book	8.5 basis points
$2 billion — $5 billion	Book	7.5 basis points
Greater than $5 billion	Book	2.5 basis points
High yield debt	Market	25.0 basis points
Fully funded hedge funds, limited partnerships & limited liability companies	Market	100.0 basis points
Private equities & other deferred fundings:		
First two years of fund’s life	Committed	100.0 basis points
Thereafter	Market	100.0 basis points

We will pay WM Advisors a quarterly fee for Portfolio Management Services computed at the annual rate of one basis point (0.01%) of the aggregate value of the net assets of the Aggregate Investment Account, which includes equities and commercial mortgage loans in addition to the items managed by WM Advisors.

WM Advisors will provide reports containing a detailed listing of invested assets and transactions in our investment portfolio, as well as various other analytical reports as outlined by Symetra, at least quarterly. We will review periodically the performance of and the fees paid to WM Advisors under the WMA Agreement.

The WMA Agreement will provide for an initial fixed term of one year, which will be extendible by us for an additional year (a second year), and if so extended, for a second additional year (a third year). Following the end of the initial term and any extensions, the WMA Agreement may be terminated by either party upon 60 days written notice.

WM Advisors also provides investment advisory services to White Mountains Insurance Group, Ltd., its subsidiaries and a number of its affiliates.

Investment Management Agreement with Prospector Partners, LLC

Prospector is a registered investment adviser managing approximately $3.6 billion in assets under management for corporations, foundations, endowments, and high net worth individuals. Mr. John D. Gillespie, the founder and Managing Member of Prospector, is a former director of the Company. Mr. Gillespie resigned his board seat on June 26, 2007. Historically, Prospector managed most of the publicly-traded common equity and convertible securities in our portfolio through a sub-advisory agreement with WM Advisors. As of June 30, 2007, Prospector served as a discretionary advisor to WM Advisors under the sub-advisory agreement with respect to approximately $0.2 billion of specified assets in our combined insurance and non-insurance portfolios. During 2006, we paid $1.6 million in fees with respect to our portfolio.

Immediately prior to the effectiveness of this offering, we will enter into a separate investment management agreement with Prospector, or the Prospector Agreement, pursuant to which Prospector will agree to supervise and direct the publicly-traded common equity and convertible securities portion of our investment portfolio in accordance with our investment guidelines described under “Business — Investments.” Under the Prospector Agreement, Prospector will have discretion and authority with respect to the portfolio it manages for us that is substantially similar to WM Advisors’ discretion and authority under the WMA Agreement. The assets of our portfolio will be held in one or more separately identifiable accounts in the custody of a bank or similar entity designated by us and acceptable to Prospector. We will be responsible for custodial arrangements and the payment of all custodial charges and fees.

We will agree to pay annual investment management fees based on aggregate net assets under management according to the following schedule:

Assets Under Management	Annual Fee
Up to $200 million	100.0 basis points
$200 million to $400 million	50.0 basis points
Greater than $400 million	25.0 basis points

The Prospector Agreement will have an initial fixed term of three years, which will be extendible by us for an additional year (a fourth year) at or prior to the end of the second year of the term, and if so extended, for a second additional year (a fifth year) at or prior to the end of the third year of the term. The Prospector Agreement will be terminable by us only (i) for cause (including material non-performance by Prospector), (ii) if either John D. Gillespie or Richard P. Howard are no longer affiliated with Prospector, or (iii) if there is a change in control of Prospector. Following the end of the initial term and any extensions, the Prospector Agreement may be terminated by either party on 60 days written notice. We will review periodically the performance of and the fees paid to Prospector under the Prospector Agreement.

Relationships and Transactions with White Mountains Insurance Group, Ltd. and its Affiliates

We are party to certain shareholders agreements, dated as of March 8, 2004, March 19, 2004 and April 16, 2004, with our stockholders. The shareholders agreements will terminate on the consummation of this offering other than certain provisions relating to registration rights, transfer restrictions, tag-along rights, competition and confidentiality. In addition, following an initial public offering and so long as White Mountains Insurance Group, Ltd. holds at least 20% of our outstanding common stock, assuming exercise of any outstanding warrants, each stockholder party to a shareholder’s agreement is required to vote its shares for two board members designated by White Mountains Insurance Group, Ltd. which will be reduced to one nominee so long as White Mountains Insurance Group, Ltd. holds at least 10%, but less than 20%, of our outstanding common stock.

Relationships and Transactions with Others

We are parties to certain agency agreements with various insurance agencies affiliated with Talbot Financial Corporation, or TFC. Mr. Randall H. Talbot, our President, Chief Executive Officer and a director of Symetra, is a member of Talman, LLC which owned stock constituting a minority interest in Satellite Acquisition Corporation ("Satellite"), the parent company of TFC. Talman, LLC sold its interest in Satellite on April 2, 2007 and has no continuing interest in Satellite or TFC. We paid commissions of $0.1 million, $0.6 million and $2.4 million for 2006, 2005 and 2004, respectively, to agencies affiliated with TFC. Additionally, TFC provided training, consulting and other marketing services for which we paid fees of $0.6 million for 2005. The contractual relationship with the TFC agencies, including negotiations, establishment of contract terms, and setting of commission levels, was managed by members of our senior management other than Mr. Talbot. At the time the transactions occurred, Mr. Talbot had recused himself from all activities surrounding management of the relationship with the TFC agencies or any related administrative decisions. Mr. Talbot disclosed his indirect ownership interest in Satellite Acquisition Corporation to the audit committee, which ratified the relationship.

Another of our subsidiaries, Symetra Life Insurance Company, in the ordinary course of business, has issued medical stop-loss and group life insurance policies to related parties MidAmerican Energy Holdings Company, an affiliate of Berkshire Hathaway Inc., and Talbot Agency, Inc., an affiliated company of one of our directors and officers. Premiums received from MidAmerican Energy Holding Company were $2.7 million and $2.2 million during 2006 and 2005, respectively. Premiums received from Talbot Agency, Inc. were $0.5 million for 2005.

During 2005, Symetra Life Insurance Company, in the ordinary course of business, entered into a coinsurance agreement with Wilton Reassurance Company, or Wilton Re. We recorded ceded reinsurance premiums of $1.4 million and $0.7 million during 2006 and 2005, respectively. Vestar Capital Partners, which holds 700,000 shares of our common stock, has an investment interest in Wilton Re. Mr. Sander M. Levy, one of our directors and our audit committee chair, serves on the board of directors of Wilton Re. Mr. Levy is not directly involved in the business dealings between the two companies but disclosed the relationship to our audit committee, which ratified the relationship.

Procedures for Approval of Related Party Transactions

Prior to this offering, we did not have a written policy relating to the approval of related party transactions. Any such transactions were approved by our board of directors or audit committee in accordance with applicable law.

In connection with this offering, we will adopt a written policy relating to the approval of related party transactions. We will review all relationships and transactions in which we and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. Our legal staff will be primarily responsible for the development and implementation of processes and controls to obtain information from our directors and executive officers with respect to related party transactions and for determining, based on the facts and circumstances, whether we or a related person have a direct or indirect material interest in the transaction.

In addition, our audit committee will review and approve or ratify any related party transaction reaching a certain threshold of significance. As will be set forth in the audit committee's charter upon completion of this offering, in the course of its review and approval or ratification of a related party transaction, the committee will consider:

- the nature of the related person's interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to us;

- whether the transaction would impair the judgment of a director or executive officer to act in the best interest of the company; and
- any other matters the audit committee deems appropriate.

Any member of the audit committee who is a related person with respect to a transaction under review will not be permitted to participate in the deliberations or vote respecting approval or ratification of the transaction. However, such director may be counted in determining the presence of a quorum at a meeting of the committee that considers the transaction.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth, as of September 30, 2007, information regarding the beneficial ownership of our common stock by:

- each person known by us to beneficially own more than 5% of the outstanding shares of our common stock;
- each selling stockholder;
- each of our current directors;
- each of our named executive officers; and
- our directors and named executive officers as a group.

Beneficial ownership is determined in accordance with the SEC rules and includes voting or investment power with respect to the securities. Shares of common stock subject to options that are currently exercisable or exercisable within 60 days are deemed to be outstanding and beneficially owned by the person holding such options. Such shares, however, are not deemed to be outstanding for the purposes of computing the percentage ownership of any other person.

Percentage of beneficial ownership is based on 12,830,120 shares of our common stock (assuming exercise of all outstanding warrants) outstanding as of September 30, 2007, and to be outstanding after completion of the offering. Unless otherwise indicated, the address for all beneficial owners is c/o Symetra Financial Corporation, 777 108th Ave. NE, Suite 1200, Bellevue, WA 98004.

Table of Contents

Beneficial Owner	Shares of Common Stock Beneficially Owned Prior to the Offering		Shares Offered Hereby		Shares Beneficially Owned After Offering			
			Assuming No Exercise of Over-Allotment Option	Assuming Full Exercise of Over-Allotment Option	Assuming No Exercise of Over-Allotment Option		Assuming Full Exercise of Over-Allotment Option	
	Number	%	Number	Number	Number	%	Number	%
Selling Stockholders:								
Berkshire Hathaway Inc.	3,090,560(1)(2)	24.1%						
White Mountains Insurance Group, Ltd.	3,090,560(1)(3)	24.1						
Franklin Mutual Advisers, LLC	1,250,000(4)	9.7						
Highfields Capital Management LP	700,000(5)	5.5						
Caxton Associates, L.L.C.	700,000(6)	5.5						
OZ Master Fund, Ltd.	700,000(7)	5.5						
Vestar Capital Partners	700,000(8)	5.5						
Prospector Partners, LLC	400,000(9)	3.1						
CSFB Private Equity- DLJ Growth Capital Partners	250,000(10)	1.9						
J.C. Flowers & Co. LLC	250,000(11)	1.9						
Fairholme Capital Management, LLC	200,000(12)	1.6						
Marshfield Associates	200,000(13)	1.6						
Scion Capital, LLC	200,000(14)	1.6						
Montpelier Reinsurance Ltd.	200,000(15)	1.6						
Sayro Fund Investors III, LLC	112,000(16)	*						
Ulysses Partners, L.P.	85,000(17)	*						
Bay Pond Partners, L.P.	75,000(18)	*						
Rho Capital Partners, Inc.	74,750(19)	*						
The Sulam Trust	27,500(20)	*						
Bay Pond Investors (Bermuda) LP	25,000(18)	*						
Chou Associates Management, Inc.	20,000(21)	*						
James A. Stern	10,000	*						
Roger Taylor	10,000	*						
Terry Baxter	5,000	*						
Snyder, Cahoon & Co., PLLC Profit Sharing Plan	2,000(22)	*						
Michael J. Batal III	750	*						
Gene Lee	500	*						
Directors and Executive Officers:								
David T. Foy	3,090,560(1)(23)	24.1%						
Randall H. Talbot	7,500	*	—	—	7,500	*	7,500	*
Roger F. Harbin	2,500	*	—	—	2,500	*	2,500	*
Patrick B. McCormick	—	—	—	—	—	—	—	—
Margaret A. Meister	—	—	—	—	—	—	—	—
M. Scott Taylor	—	—	—	—	—	—	—	—
Lois W. Grady	—	—	—	—	—	—	—	—
Sander M. Levy	700,000(24)	5.5						
Robert R. Lusardi	3,090,560(1)(25)	24.1						
David I. Schamis	250,000(26)	1.9						
Lowndes A. Smith	—	—	—	—	—	—	—	—
Directors and executive officers as a group (18 persons)	4,050,560	31.5%	—	—				

* Represents ownership of less than 1%

(1) Includes 1,090,560 of exercisable warrants.

(2) Represents shares held by General Reinsurance Corporation.

(3) Represents shares held by White Mountains Holdings (NL) B.V.

(4) Represents 136,000 shares held by Franklin Mutual Beacon Fund, 51,200 shares held by Franklin Mutual Recovery Fund, 29,400 shares held by Mutual Beacon Fund (Canada), 117,300 shares held by Mutual Financial Services Fund, 394,800 shares held by Mutual Qualified Fund, 9,700 shares held by Mutual Recovery Fund, Ltd. and 511,600 shares held by Mutual Beacon Fund, collectively “the Funds.” Franklin Mutual Advisers, LLC (“FMA”), an indirect wholly owned subsidiary of Franklin Resources, Inc. (“FRI”), is the investment manager for each of the Funds. Charles B. Johnson and Rupert H. Johnson, Jr. are the principal shareholders of FRI. However, because FMA exercises voting and investment control on behalf of its advisory clients independently of FRI, the principal shareholders, and their respective affiliates, beneficial ownership of the shares is being attributed only to FMA. FMA disclaims any economic interest or beneficial ownership in any of the shares. The address of FMA is 101 John F. Kennedy Parkway, Short Hills, NJ 07078.

(5) Represents 63,664 shares held by Highfields Capital I LP, 150,164 shares held by Highfields Capital II LP and 486,172 shares held by Highfields Capital III L.P., collectively “the Funds.” Highfields Capital Management LP serves as the investment manager to each of the Funds. Highfields GP LLC is the general partner of Highfields Capital Management LP. Highfields Associates LLC is the general partner of the Funds. Jonathon S. Jacobson and Richard L. Grubman are Senior Managing Directors of Highfields Capital Management LP, Managing Members of Highfields GP LLC, and Senior Managing Members of Highfields Associates LLC. Each of Highfields Capital Management LP, Highfields GP LLC, Highfields Associates LLC, Mr. Jacobson and Mr. Grubman has complete voting and investment control over the shares. The address of Highfields Capital Management LP, Highfields GP LLC, Highfields Associates LLC, Mr. Jacobson and Mr. Grubman is c/o Highfields Capital Management LP, John Hancock Tower, 200 Clarendon Street, 59th Floor, Boston, MA 02116.

(6) Represents shares held by CxLife, LLC. Caxton Associates, L.L.C. is the manager of CxLife, LLC. Bruce S. Kovner is the Chairman of Caxton Associates, L.L.C. and the sole shareholder of Caxton Corporation, the manager and majority owner of Caxton Associates, L.L.C. As a result of the foregoing, Mr. Kovner may be deemed to beneficially own the shares. The address of Caxton Associates, L.L.C. is 500 Park Avenue, New York, NY 10022. The address of Caxton Corporation is 731 Alexander Road, Building 2, Princeton, NJ 08540.

(7) OZ Management LP. Daniel S. Och, Senior Managing Member of Och-Ziff GP, LLC may be deemed to have investment and/or voting control of OZMD. The address of OZ Management LP is 9 West 57th Street, 39th Floor, New York, NY 10019.

(8) Represents 14,761 shares held by Vestar Symetra LLC and 685,239 shares held by Vestar Capital Partners IV, LP, entities which are affiliated with or managed by Vestar Capital Partners. Sander M. Levy is a managing director of Vestar Capital Partners. Mr. Levy disclaims beneficial ownership in the shares except to the extent of any pecuniary interest therein. The address of Vestar Capital Partners is 245 Park Avenue, 41st Floor, New York, NY 10167.

(9) Represents (i) 380,000 common shares owned by various funds (235,300 shares held by Prospector Partners Fund, LP, 112,200 shares held by Prospector Offshore Fund (Bermuda), Ltd., 28,000 shares held by Prospector Partners Small Cap Fund, LP, and 4,500 shares held by Prospector Turtle Fund, LP) of Prospector Partners, LLC in which John D. Gillespie is a managing member, (ii) 10,000 common shares held by Main Street America Assurance Corporation to which Mr. Gillespie serves as an investment manager and (iii) 10,000 common shares held by National Grange Mutual Insurance Company to which Mr. Gillespie serves as an investment manager. Mr. Gillespie disclaims beneficial ownership of such common shares owned by Prospector Partners, LLC, except to the extent of his pecuniary interest therein. The address of Prospector Partners, LLC is 370 Church Street, Guilford, CT 06437.

(10) Represents 202,020 shares held by DLJ Growth Capital Partners, L.P. and 47,980 shares held by GCP Plan Investors, L.P. Voting and investment control over the shares held by DLJ Growth Capital Partners, L.P. and GCP Plan Investors, L.P. are exercised by an investment committee of DLJ Growth Capital, L.P.,

which is the Associate General Partner of DLJ Growth Capital Partners, L.P. The investment committee consists of the following individuals: Nicole S. Arnaboldi, Edward A. Johnson and Thompson Dean. Such individuals disclaim beneficial ownership of the shares, except to the extent of their direct pecuniary interest therein. The business address of DLJ Growth Capital Partners, L.P. and GCP Plan Investors, L.P. is 11 Madison Avenue, New York, NY 10010.

(11) Represents shares held by J.C. Flowers I L.P. JCF Associates I LLC is the general partner of J.C. Flowers I L.P., and J. Christopher Flowers is the managing member of JCF Associates I LLC and possesses voting and investment control over the shares held by J.C. Flowers I L.P. J. Christopher Flowers disclaims beneficial ownership of the shares, except to the extent of his direct pecuniary interest therein. The business address of J.C. Flowers I L.P. is 717 Fifth Avenue, 26th Floor, New York, NY 10022.

(12) Represents 100,000 shares held by Fairholme Ventures II, LLC and 100,000 shares held by Fairholme Holdings, Ltd. Fairholme Capital Management, LLC acts as the Managing Member of Fairholme Ventures II, LLC and is the Investment Manager to Fairholme Holdings, Ltd. Bruce R. Berkowitz is the Managing Member of Fairholme Capital Management, LLC, and the Chairman and Director of Fairholme Holdings, Ltd., a Bermuda exempted mutual fund, and has the sole voting and investment control over the shares. The address of Fairholme Capital Management, LLC is 1001 Brickell Bay Drive, Suite 3112, Miami, FL 33131.

(13) Represents shares held by Marshfield Insurance II, LLC. Marshfield Management II, LLC is the Managing Member of Marshfield Insurance II, LLC. Christopher M. Niemczewski, Melissa Vinick, Elise Hoffmann, Carolyn Miller, Sara J. Cavendish and William G. Stott are the Managers of Marshfield Management II, LLC and share voting and investment control over the shares held by Marshfield Insurance II, LLC. The Managers of Marshfield Management II, LLC disclaim beneficial ownership of the shares, except to the extent of their direct pecuniary interest in the shares. The address of Marshfield Management II, LLC is 21 Dupont Circle, Washington, DC 20036.

(14) Represents 165,415 shares held by Scion Qualified Value Fund and 34,585 shares held by Scion Value Fund. Scion Capital, LLC is the managing member of both Scion Value Fund and Scion Qualified Value Fund. Dr. Michael J. Burry is the managing member of Scion Capital, LLC and has sole voting and investment control over the shares held by Scion Value Fund and Scion Qualified Value Fund. The managing member of Scion Capital, LLC disclaims beneficial ownership of the shares, except to the extent of his direct pecuniary interest in the shares. The address of Scion Capital, LLC is 20400 Stevens Creek Blvd., Suite 840, Cupertino, CA 95014.

(15) The board of directors of Montpelier Reinsurance Ltd., consisting of Anthony Taylor, Thomas G.S. Busher and Christopher L. Harris, exercises shared voting and investment control over such shares. Each of Messrs. Taylor, Busher and Harris disclaim beneficial ownership of the shares owned by Montpelier Reinsurance Ltd., except to the extent of their direct pecuniary interest in the shares. The address of Montpelier Reinsurance Ltd. is 94 Pitts Bay Road, Pembroke HM08, Bermuda.

(16) Sayro Ventures, Ltd. is the managing member of Sayro Fund Investors III, LLC. George D. Kean, Kenneth J. Simpson, and Ashley Cox are the directors of Sayro Ventures, Ltd., and possess shared voting and investment control over the shares. The address of Sayro Ventures, Ltd. is Barclays Wealth, P.O. Box 487, First Caribbean House, 4th Floor, 25 Main Street, Grand Cayman KY1-1106, Cayman Islands.

(17) Joshua Nash LLC is a general partner of Ulysses Partners, L.P. and has voting and investment control over the shares held by Ulysses Partners, L.P. Joshua Nash is the managing member of Joshua Nash LLC and has the sole power to vote, direct the voting of, dispose of and direct the disposition of the shares of common stock beneficially owned by Ulysses Partners, L.P. Joshua Nash expressly disclaims any such beneficial ownership which exceeds the proportionate interest in the common stock which he may be deemed to own indirectly through Ulysses Partners, L.P. The address of Joshua Nash is c/o Ulysses Partners, L.P., 280 Park Avenue, New York, NY 10017.

(18) Wellington Management Company, LLP (“Wellington”) is an investment adviser registered under the Investment Advisers Act of 1940, as amended. Wellington, in such capacity, may be deemed to share

beneficial ownership over the shares held by its client accounts. The address of Wellington is 75 State Street, Boston, MA 02109.

(19) Represents shares held by Rho Management Trust I ("RMT I"). Pursuant to an Investment Advisory Agreement between RMT I and Rho Management Partners L.P. ("Rho"), Rho exercises sole voting and investment control over the shares held of record by RMT I. Altas Capital Corp., a Delaware corporation, is sole general partner of Rho. As sole stockholder of Atlas Capital Corp., Joshua Ruch may be deemed to have sole voting and investment control over the shares held by RMT I. Joshua Ruch disclaims beneficial ownership of the shares held of record by RMT I, except to the extent of his indirect pecuniary interest in such shares. The address of RMT I, Rho, and Joshua Ruch is c/o Rho Capital Partners, Inc., 152 W. 57th Street, 23rd Floor, New York, NY 10019.

(20) Represents shares held by JP Morgan Trust Co. of Delaware as Trustee for the Sulam Trust. Pursuant to the Trust instrument, Moris Tabacinic serves as investment adviser to the Trust and possesses sole voting and investment control over the shares. The address of JP Morgan Trust Co. of Delaware is 500 Stanton Christiana Road, Newark, DE 19713.

(21) Represents shares held by Chou RRSP Fund. The manager of Chou RRSP Fund is Chou Associates Management, Inc. Francis Chou is the Chief Executive Officer of the manager and portfolio manager for Chou RRSP Fund. The address of Chou Associates Management, Inc. is 95 Wellington St., West, Suite 701, Toronto, Ontario M5J 2N7.

(22) Robert E. Snyder and Michael Cahoon, trustees of the Snyder, Cahoon & Co., PLLC Profit Sharing Plan ("Plan") possess voting and investment control over the shares. The address of the Plan and trustees is c/o Snyder, Cahoon & Co., PLLC, 80 South S. Main Street, Suite 202, Hanover, NH 03755.

(23) Represents shares owned by affiliates of White Mountains Insurance Group, Ltd. of which Mr. Foy is an executive officer. Mr. Foy disclaims beneficial ownership of all such shares.

(24) Represents shares owned by affiliates of Vestar Capital Partners of which Mr. Levy is a Managing Director. Mr. Levy disclaims beneficial ownership of all such shares.

(25) Represents shares owned by affiliates of White Mountains Insurance Group, Ltd. of which Mr. Lusardi is an executive officer. Mr. Lusardi disclaims beneficial ownership of all such shares.

(26) Represents shares owned by affiliates of J.C. Flowers & Co. LLC of which Mr. Schamis is a Managing Director. Mr. Schamis disclaims beneficial ownership of all such shares.

DESCRIPTION OF CAPITAL STOCK

The following information reflects our certificate of incorporation and restated bylaws as these documents will be in effect upon completion of this offering. Our certificate of incorporation and bylaws will be filed as exhibits to the registration statement of which this prospectus forms a part. The summaries of these documents are qualified in their entirety by reference to the full text of the documents.

General

Immediately following the completion of this offering, our authorized capital stock will consist of 750,000,000 shares of common stock, $0.01 par value per share and 10,000,000 shares of preferred stock, $0.01 par value per share. As of September 30, 2007, there were 10,649,000 shares of our common stock issued and outstanding held by 55 shareholders of record, and no shares of preferred stock outstanding.

Immediately prior to this offering, there was no public market for our common stock. Although we will apply to list our common stock on the NYSE, we cannot assure you that a market for our common stock will develop or if it develops that it will be sustained.

Common Stock

Voting Rights

Each share of common stock entitles the holder to one vote with respect to each matter presented to our stockholders on which the holders of common stock are entitled to vote. Our common stock votes as a single class on all matters relating to the election and removal of directors on our board of directors and as provided by law, with each share of common stock entitling its holder to one vote. Holders of our common stock will not have cumulative voting rights.

Dividends

Holders of common stock and warrant holders will share equally in any dividend declared by our board of directors, subject to the rights of the holders of any outstanding preferred stock.

Liquidation Rights

In the event of any voluntary or involuntary liquidation, dissolution or winding up of our affairs, holders of our common stock would be entitled to share ratably in our assets that are legally available for distribution to stockholders after payment of liabilities. If we have any preferred stock outstanding at such time, holders of the preferred stock may be entitled to distributions and/or liquidation preferences. In either such case, we must pay the applicable distribution to the holders of our preferred stock before we may pay distributions to the holders of our common stock.

Other Rights

Our stockholders have no preemptive or other rights to subscribe for additional shares. All holders of our common stock are entitled to share equally on a share-for-share basis in any assets available for distribution to common stockholders upon our liquidation, dissolution or winding up. All outstanding shares are, and all shares offered by this prospectus will be, when sold, validly issued, fully paid and nonassessable.

Stock Options, Restricted Stock Units and Share Grants

We have committed to grant stock options to purchase approximately shares of our common stock, restricted stock units and shares of our common stock to employees on or about the date of this offering under our Equity Plan. The exact number of shares subject to these awards will depend on the initial public offering price per share, and the above estimates are based on an assumed initial public offering price per share equal to the midpoint of the range set forth on the cover page of this prospectus.

The stock options will have an exercise price per share of $, equal to 110% of the midpoint of the range set forth on the cover page of this prospectus, and will vest as to 50% of the shares on the third anniversary of the date of this offering and as to the remaining shares on the fifth anniversary of the date of this offering. The restricted stock units will vest as to 50% of the units on the second anniversary of the date of this offering, and as to the remaining units on the fourth anniversary of the date of this offering. The shares of common stock listed above will be fully vested as of the date of grant. All awards will be subject to the terms of our Equity Plan, as described in further detail under "Management — Employee Benefit Plans."

Warrants

We currently have outstanding warrants to purchase 2,181,120 shares of our common stock at an exercise price of $100 per share. If our warrants were exercised on a cashless basis, we would have had 883,800, 837,735, 869,878 and 746,503 additional shares of common stock outstanding for the six months ended June 30, 2007 and 2006, and for the years ended December 31, 2006 and 2005, respectively.

The exercise price and number of shares of common stock for each warrant are subject to anti-dilution adjustments in respect of certain events. If certain of these events occur, the warrant holders will receive the right to receive the full intrinsic value of the warrants instead of the stock acquirable and receivable upon exercise. In the event we pay cash or stock dividends or other distributions to our common stockholders, the warrant holders will also receive such dividends or distributions.

Preferred Stock

Following the offering, our board of directors will be authorized, subject to the limits imposed by the Delaware General Corporation Law, or DGCL, to issue to up 10,000,000 shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the rights, preferences, privileges, qualifications, limitations and restrictions of the shares of each wholly unissued series. Our board of directors will also be authorized to increase or decrease the number of shares of any series, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that affect adversely the voting power or other rights of our common stockholders. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of delaying, deferring or preventing a change in control, causing the market price of our common stock to decline, or impairing the voting and other rights of the holders of our common stock. We have no current plans to issue any shares of preferred stock.

Certain Anti-Takeover Provisions of our Charter and Bylaws and the Delaware Law

Upon completion of this offering, we will have the following provisions in our certificate of incorporation and bylaws that could deter, delay or prevent a third-party from acquiring us, even if doing so would benefit our stockholders.

Undesignated Preferred Stock

The ability to authorize undesignated preferred stock makes it possible for our board of directors to issue preferred stock with super voting, special approval, dividend or other rights or preferences on a discriminatory basis that could impede the success of any attempt to acquire us. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of our Company.

Classified Board of Directors

Our certificate of incorporation will provide that our board of directors is divided into three classes. Each class of directors will serve three-year terms except that the term of the first class of directors will expire at the first annual meeting after the consummation of this offering and the second and third classes of directors will expire at the second and third annual meetings, respectively, after the consummation of this offering.

Requirements for Advance Notification of Stockholder Meetings, Nominations and Proposals

Our bylaws will provide that special meetings of the stockholders may be called only upon the request of the majority of the board of directors or upon request of the president. Our bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting.

Our bylaws will establish advance notice procedures with respect to stockholder proposals for annual meetings and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors. In order for any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide us with certain information. Additionally, vacancies and newly created directorships may be filled only by a vote of a majority of the directors then in office, even though less than a quorum, and not by the stockholders. Our bylaws will allow the chairman of a meeting of the stockholders to adopt rules and regulations for the conduct of meetings that may have the effect of precluding the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions may also defer, delay or discourage a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us.

No Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless our certificate of incorporation provides otherwise. Our certificate of incorporation will provide that any action required or permitted to be taken by our stockholders may be effected at a duly called annual or special meeting of our stockholders and may not be effected by consent in writing by such stockholders.

Certain Other Provisions of our Charter and Bylaws and the Delaware Law

Board of Directors

Our certificate of incorporation will provide that the number of directors will be fixed in the manner provided in our bylaws. Our bylaws will provide that the number of directors will be fixed from time to time solely pursuant to a resolution adopted by the board of directors. Upon completion of this offering, our board of directors will have seven members who will serve staggered terms as described above.

Limitations of Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties. Our certificate of incorporation will include a provision that eliminates the personal liability of directors for monetary damages for actions taken as a director to the fullest extent authorized by the DGCL. The DGCL does not permit exculpation for liability:

- for breach of duty of loyalty;
- for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law;
- under Section 174 of the DGCL (unlawful dividends); or
- for transactions from which the director derived improper personal benefit.

Our certificate of incorporation and bylaws will provide that we shall indemnify our directors and officers to the fullest extent permitted by law. We are also expressly authorized to carry directors' and officers' insurance providing indemnification for our directors, officers and certain employees and agents for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive officers.

The limitation of liability and indemnification provisions in our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Transfer Agent and Registrar

The transfer agent and registrar of our common stock is BNY Mellon.

New York Stock Exchange Listing

We have applied to have our common stock quoted on the NYSE under the symbol "SYA."

DESCRIPTION OF CERTAIN INDEBTEDNESS

6.125% Senior Notes due 2016

In March 2006, we issued $300.0 million aggregate principal amount of 6.125% senior notes due 2016, at a price of $298.7 million in proceeds prior to commissions and discounts for the initial purchasers and offering expenses. Interest on the notes is payable semi-annually on April 1 and October 1 of each year.

The notes are unsecured senior obligations and are equal in right of payment to all existing and future unsecured senior indebtedness. The senior notes are redeemable at our option at any time, in whole or in part, at a redemption price equal to the greater of (i) 100% of the principal amount of the senior notes or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the notes (exclusive of interest accrues to the date of redemption), discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the U.S. Treasury rate plus 25 basis points, plus, in each case accrued and unpaid interest thereon to the date of redemption.

The indenture for the senior notes contains covenants that, among other things, limit the ability of our subsidiaries to:

- create liens;
- enter into certain sale and leaseback transactions; and
- enter into certain mergers and acquisitions.

The notes do not contain any financial covenants or any provisions restricting us from purchasing or redeeming capital stock, paying dividends or entering into a highly leveraged transaction, reorganization, restructuring, merger or similar transaction. In addition, we are not required to repurchase, redeem or modify the terms of any of the notes upon a change of control or other event involving us.

The indenture provides for events of default that, if any of them occurs, would permit or require the principal of, premium, if any, interest and any other monetary obligations on the senior notes to become or to be declared to be immediately due and payable. These events of default include default in the payment of interest or principal, default in the performance of covenants under the indenture and default under the terms of any instrument evidencing or securing indebtedness of us that results in the acceleration of the payment of such indebtedness or constitutes the failure to pay the principal of such indebtedness when due, in each case where the total amount of such indebtedness has an outstanding aggregate principal amount greater than $25.0 million.

Capital Efficient Notes due 2067

On October 4, 2007, we issued $150.0 million aggregate principal amount of CENts. The CENts were purchased by a syndicate of initial purchasers, led by J.P. Morgan Securities Inc. and Lehman Brothers Inc., and may be resold to qualified institutional buyers pursuant to Rule 144A under the Securities Act or to non-U.S. persons pursuant to Regulation S under the Securities Act.

The CENts bear interest at a fixed annual rate of 8.30% to but not including October 15, 2017, and at a floating annual rate equal to three-month LIBOR plus 4.177% thereafter. We may elect to defer the payment of interest for up to ten years. The CENts have a scheduled maturity date of October 15, 2037, provided that we raise sufficient funds from the sale of qualifying capital securities. If we do not raise sufficient funds, we are obligated to use commercially reasonable efforts to sell enough qualifying capital securities to permit repayment of the CENts in full on each interest payment date thereafter. On October 15, 2067, we must pay any remaining amounts due under the CENts, whether or not we have sold sufficient qualifying capital securities.

We may redeem the CENts, in whole or in part, at any time before October 15, 2017, at a redemption price equal to the greater of 100% of the principal amount or a make-whole price as set forth in the CENts, in either case plus accrued and unpaid interest, including deferred interest. However, if a special event occurs, we may redeem the CENts, in whole but not in part, at a redemption price equal to the greater of 100% of the principal amount or a special event make-whole price as set forth in the CENts, in either case plus accrued and unpaid interest, including deferred interest. We may redeem the CENts after October 15, 2017 on each interest payment date thereafter, at a price equal to 100% of the principal amount of the CENts plus accrued and unpaid interest, including deferred interest.

In connection with this offering, we entered into a covenant in favor of the holders of our $300.0 million principal amount senior notes, pursuant to which we may not repay or redeem the CENts prior to October 15, 2047 unless the repayment or redemption is financed from the offering of replacement capital securities, as specified in the CENTs.

Revolving Credit Facilities

Long-Term Facility

On August 16, 2007, we entered into a $200.0 million senior unsecured revolving credit agreement with a syndicate of lending institutions led by Bank of America, N.A. The credit facility matures on August 16, 2012. The revolving credit facility is available to provide support for working capital, capital expenditures and other general corporate purposes, including permitted acquisitions, issuance of letters of credits, refinancing and payment of fees in connection with this facility. This new credit facility replaced our prior $70.0 million revolving credit facility.

The facility enables us to obtain letters of credit of up to $50.0 million and short-term loans of up to $10.0 million, which would count against the $200.0 million limit. We can increase the $200.0 million limit by up to an additional $100.0 million, upon the agreement of any lender to lend such additional amount, without the consent of the other lenders. In addition, we may, with the consent of individual lenders, elect to extend the term of the facility by up to two additional one-year periods.

Loans under the credit facility bear interest, at our election, at a spread above LIBOR, or at a base rate. The initial spread above the LIBOR rate is 36 basis points, and may vary from 19 to 60 basis points depending on our credit rating. The base rate is equal to the higher of 50 basis points above the federal funds rate, and the Bank of America prime rate. Interest under LIBOR-based loans is payable periodically, with the period at the election of the company (but at most annually). Interest under base rate loans is payable quarterly. In addition, we are obligated to pay a facility fee of between 6 and 15 basis points, depending on our credit rating, quarterly over the term of the facility, as well as letter of credit and other fees as applicable.

Under the terms of the credit agreement, we are required to maintain certain financial ratios. In particular, each of our material insurance subsidiaries must maintain a risk-based capital ratio of at least 200%, measured at the end of each year, and our debt-to-capitalization ratio may not exceed 37.5%, measured at the end of each quarter. In addition, we have agreed to other covenants restricting the ability of our subsidiaries to incur additional indebtedness, our ability to create liens, and our ability to change our fiscal year and to enter into new lines of business, as well as other customary affirmative covenants.

To be eligible for borrowing funds under this facility, the representations and warranties that we make in the credit agreement must continue to be true in all material respects, and we must not be in default under the facility, including failure to comply with the covenants described above.

As of September 30, 2007, we had no borrowings outstanding under this facility.

Short-term Facilities

In addition on October 17, 2005, we entered into two $25.0 million revolving credit facilities with The Bank of New York to support our overnight repurchase agreements program which provides us with the liquidity to meet general funding requirements. Borrowings under the revolving credit agreement bear interest at the federal funds rate plus 0.2%.

SHARES ELIGIBLE FOR FUTURE SALE

Before this offering, there has been no public market for our common stock. We cannot predict the effect, if any, that market sales of shares or the availability of shares will have on the market price of our common stock. Sales of substantial amounts of common stock in the public market, or the perception that such sales could occur, could cause the prevailing market price to decrease or to be lower than it might be in the absence of those sales or perceptions.

Sales of Restricted Securities

Upon the closing of this offering, we will have outstanding approximately 10,649,000 shares of common stock. We have no shares of common stock held in treasury. All of the shares of our common stock sold in this offering will be freely tradeable without restriction under the Securities Act of 1933, as amended (the “Securities Act”), except for any shares that may be acquired by an affiliate of us, as the term “affiliate” is defined in Rule 144 under the Securities Act. Persons who may be deemed to be affiliates generally include individuals or entities that control, are controlled by, or are under common control with, us and may include our directors and officers as well as our significant stockholders. Following the expiration of the lock-up agreements described below, the remaining shares outstanding held by current stockholders of the company will be available for sale pursuant to Rule 144, subject to compliance with the volume, manner of sale and other limitations under Rule 144 in the case of shares held by affiliates, all as further described below.

Rule 144

Generally, Rule 144 provides that a person who has beneficially owned “restricted” shares for at least one year will be entitled to sell on the open market in brokers’ transactions, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the then outstanding shares of common stock, which will equal approximately 106,490 shares of common stock immediately after this offering; and
- the average weekly trading volume of the common stock on the open market during the four calendar weeks preceding the filing of notice with respect to such sale.

Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and the availability of current public information about our Company.

In the event that any person who is deemed to be our affiliate purchases shares of our common stock in this offering or acquires shares of our common stock pursuant to one of our employee benefits plans, sales under Rule 144 of the shares held by that person are subject to the volume limitations and other restrictions (other than the one-year holding period requirement) described in the preceding two paragraphs.

Under Rule 144(k), a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner other than our affiliates, is entitled to sell such shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144. Therefore, unless otherwise restricted, “144(k) shares” may be sold immediately upon the closing of this offering.

Lock-Up Arrangements

In connection with this offering, each of our executive officers and directors and all existing stockholders have agreed to enter into lock-up agreements described under “Underwriting” that restrict the sale of shares of our common stock and securities convertible into or exchangeable or exercisable for common stock for up to 180 days after the date of this prospectus, subject to an extension in certain circumstances. Following the expiration of the lock-up period, our stockholders will have the right, subject to certain conditions, to require us to register the sale of their remaining shares of our common stock under federal securities laws. By exercising their registration rights, and selling a large number of shares, our stockholders could cause the prevailing market price of our common stock to decline.

Stock Options, Restricted Stock Units and Share Grants

We have committed to grant stock options to purchase approximately shares of our common stock, restricted stock units and shares of our common stock to employees on or about the date of this offering. The exact number of shares subject to these awards will depend on the initial public offering price per share, and the above estimates are based on an assumed initial public offering price per share equal to the midpoint of the range set forth on the cover page of this prospectus. We intend to file a registration statement on Form S-8 under the Securities Act to register all shares of our common stock issuable pursuant to these awards and all shares of our common stock issuable under our Equity Plan and our Employee Stock Purchase Plan. Accordingly, shares of our common stock issued under these plans will be eligible for sale in the public markets, subject to vesting restrictions and the lock-up agreements described above.

Warrants

We currently have outstanding warrants to purchase 2,181,120 shares of our common stock at an exercise price of $100 per share. The warrants permit the holders to exercise either by paying the full exercise price in cash, or by means of a cashless exercise, whereby the holders would surrender a right to receive that number of shares having a value equal to the exercise price of the warrants. In the event the holders pay the exercise price in cash, the shares will be subject to the one-year holding period described above, in addition to the other requirements of Rule 144. In the event of a cashless exercise, the shares will be deemed to have been acquired at the time of issuance of the warrants, in which case the holding period will be met and the shares will be eligible for resale subject to compliance with the other requirements of Rule 144 and the lockup agreements described above.

MATERIAL UNITED STATES FEDERAL TAX CONSEQUENCES TO NON-U.S. STOCKHOLDERS

This is a general summary of material U.S. federal income and estate tax considerations with respect to your acquisition, ownership and disposition of common stock if you purchase your common stock in this offering, you will hold the common stock as a capital asset and you are a beneficial owner of shares other than:

- an individual citizen or resident of the United States;
- a corporation or other entity taxable as a corporation created or organized in, or under the laws of, the United States or any political subdivision of the United States;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source;
- a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or
- a trust that has a valid election in place to be treated as a U.S. person.

This summary does not address all of the U.S. federal income and estate tax considerations that may be relevant to you in light of your particular circumstances or if you are a beneficial owner subject to special treatment under U.S. income tax laws (such as a "controlled foreign corporation," "passive foreign investment company", a company that accumulates earnings to avoid U.S. federal income tax, foreign tax-exempt organization, financial institution, broker or dealer in securities, insurance company, regulated investment company, real estate investment trust, financial asset securitization investment trust, person who holds common stock as part of a hedging or conversion transaction or as part of a short-sale or straddle, or former U.S. citizen or resident). This summary does not discuss any aspect of U.S. federal alternative minimum tax, state, local or non-U.S. taxation. This summary is based on current provisions of the Internal Revenue Code ("Code"), Treasury regulations, judicial opinions, published positions of the United States Internal Revenue Service ("IRS") and all other applicable authorities, all of which are subject to change, possibly with retroactive effect.

If a partnership holds our common stock, the tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our common stock, you should consult your tax advisor.

WE URGE PROSPECTIVE NON-U.S. STOCKHOLDERS TO CONSULT THEIR TAX ADVISORS REGARDING THE UNITED STATES FEDERAL, STATE, LOCAL AND NON-UNITED STATES INCOME AND OTHER TAX CONSIDERATIONS OF ACQUIRING, HOLDING AND DISPOSING OF SHARES OF COMMON STOCK.

Dividends

In general, any distributions we make to you with respect to your shares of common stock that constitute dividends for U.S. federal income tax purposes will be subject to U.S. withholding tax at a rate of 30% of the gross amount, unless you are eligible for a reduced rate of withholding tax under an applicable income tax treaty and you provide proper certification of your eligibility for such reduced rate. A distribution will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under the Code. Any distribution not constituting a dividend will be treated first as reducing your basis in your shares of common stock and, to the extent it exceeds your basis, as capital gain.

Dividends we pay to you that are effectively connected with your conduct of a trade or business within the United States (and, if certain income tax treaties apply, are attributable to a U.S. permanent establishment maintained by you) generally will not be subject to U.S. withholding tax if you comply with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax, net of certain deductions, at the same graduated individual or corporate rates applicable to U.S. persons. If you are a corporation, effectively connected income may also be subject to a "branch profits tax" at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty). Dividends that are effectively connected with your conduct of a trade or business but that under an applicable income tax treaty are not attributable to a U.S. permanent establishment maintained by you may be eligible for a reduced rate of U.S. withholding tax under such treaty, provided you comply with certification and disclosure requirements necessary to obtain treaty benefits.

Sale or Other Disposition of Common Stock

You generally will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of your shares of common stock unless:

- the gain is effectively connected with your conduct of a trade or business within the United States (and, under certain income tax treaties, is attributable to a U.S. permanent establishment you maintain);
- you are an individual, you are present in the United States for 183 days or more in the taxable year of disposition and you meet other conditions, and you are not eligible for relief under an applicable income tax treaty; or
- we are or have been a "United States real property holding corporation" for U.S. federal income tax purposes (which we believe we are not and have never been, and do not anticipate we will become) and you hold or have held, directly or indirectly, at any time within the shorter of the five-year period preceding disposition or your holding period for your shares of common stock, more than 5% of our common stock.

Gain that is effectively connected with your conduct of a trade or business within the United States generally will be subject to U.S. federal income tax, net of certain deductions, at the same rates applicable to U.S. persons. If you are a corporation, the branch profits tax (described above) also may apply to such effectively connected gain. If the gain from the sale or disposition of your shares is effectively connected with your conduct of a trade or business in the United States but under an applicable income tax treaty is not attributable to a permanent establishment you maintain in the United States, your gain may be exempt from U.S. tax under the treaty. If you are described in the second bullet point above, you generally will be subject to U.S. tax at a rate of 30% on the gain realized, although the gain may be offset by some U.S. source capital losses realized during the same taxable year.

Information Reporting and Backup Withholding

We must report annually to the IRS the amount of dividends or other distributions we pay to you on your shares of common stock and the amount of tax we withhold on these distributions regardless of whether withholding is required. The IRS may make copies of the information returns reporting those distributions and amounts withheld available to the tax authorities in the country in which you reside pursuant to the provisions of an applicable income tax treaty or exchange of information treaty.

The United States imposes a backup withholding tax on dividends and certain other types of payments to U.S. persons. You will not be subject to backup withholding tax on dividends you receive on your shares of common stock if you provide proper certification of your status as a non-U.S. person or you are a corporation or one of several types of entities and organizations that qualify for exemption (an "exempt recipient").

Information reporting and backup withholding generally are not required with respect to the amount of any proceeds from the sale of your shares of common stock outside the United States through a foreign office of a foreign broker that does not have certain specified connections to the United States. However, if you sell your shares of common stock through a U.S. broker or the U.S. office of a foreign broker, the broker will be required to report the amount of proceeds paid to you to the IRS and also perform backup withholding on that amount unless you provide appropriate certification to the broker of your status as a non-U.S. person or you are an exempt recipient. Information reporting will also apply if you sell your shares of common stock through a foreign broker deriving more than a specified percentage of its income from U.S. sources or having certain other connections to the United States, unless such broker has documenting evidence in its records that you are a non-U.S. person and certain other conditions are met or you are an exempt recipient.

Any amounts withheld with respect to your shares of common stock under the backup withholding rules will be refunded to you or credited against your U.S. federal income tax liability, if any, by the IRS if the required information is furnished in a timely manner.

Estate Tax

Common stock owned or treated as owned by an individual who is not a citizen or resident (as defined for U.S. federal estate tax purposes) of the United States at the time of his or her death will be included in the individual's gross estate for U.S. federal estate tax purposes and therefore may be subject to U.S. federal estate tax unless an applicable treaty provides otherwise.

UNDERWRITING

We intend to offer the shares in the U.S. and Canada through the underwriters. Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman, Sachs & Co., J.P. Morgan Securities Inc., and Lehman Brothers Inc. are acting as representatives of the underwriters named below. Subject to the terms and conditions described in an underwriting agreement among us, the selling stockholders and the underwriters, the selling stockholders have agreed to sell to the underwriters, and the underwriters severally have agreed to purchase from the selling stockholders, the number of shares listed opposite their names below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Goldman, Sachs & Co.	
J.P. Morgan Securities Inc.	
Lehman Brothers Inc.	
Total	

The underwriters have agreed to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised the selling stockholders that the underwriters propose initially to offer the shares to the public at the initial public offering price on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of $ per share to other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to the selling stockholders. The information assumes either no exercise or full exercise by the underwriters of their over-allotment options.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to the selling stockholders	$	$	$

The expenses of the offering, not including the underwriting discount, are estimated at $ and are payable by us.

Overallotment Option

The selling stockholders have granted options to the underwriters to purchase up to additional shares at the public offering price less the underwriting discount. The underwriters may exercise these options for 30 days from the date of this prospectus solely to cover any overallotments. If the underwriters exercise these options, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

Indemnification

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act and liabilities incurred in connection with the directed share program referred to below, and to contribute to payments that the underwriters may be required to make for these liabilities.

No Sales of Similar Securities

We, our executive officers and directors and all of our stockholders have agreed, with exceptions, not to sell or transfer any common stock for 180 days after the date of this prospectus without first obtaining the written consent of the representatives. Specifically, we and these other individuals have agreed not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock;
- sell any option or contract to purchase any common stock;
- purchase any option or contract to sell any common stock;
- grant any option, right or warrant for the sale of any common stock;
- lend or otherwise dispose of or transfer any common stock;
- request or demand that we file a registration statement related to the common stock; or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Notwithstanding the foregoing, if: (1) during the last 17 days of the 180-day lock-up period, we issue an earnings release or material news or a material event relating to the company occurs; or (2) prior to the expiration of the 180-day lock-up period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the 180-day lock-up period, then the restrictions imposed by this lock-up provision shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event, as applicable, unless the representatives waive, in writing, such extension.

New York Stock Exchange Listing

We have applied to list the shares on the NYSE under the symbol "SYA." In order to meet the requirements for listing on that exchange, the underwriters have undertaken to sell a minimum number of shares to a minimum number of beneficial owners as required by that exchange. Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations among the selling stockholders and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are as follows:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us;
- our financial information;
- the history of, and the prospects for, our company and the industry in which we compete;
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues;

- the present state of our development; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

If the underwriters create a short position in the common stock in connection with the offering (i.e., if they sell more shares than are listed on the cover of this prospectus), the representatives may reduce that short position by purchasing shares in the open market. The representatives may also elect to reduce any short position by exercising all or part of the over-allotment option described above. Purchases of the common stock to stabilize its price or to reduce a short position may cause the price of the common stock to be higher than it might be in the absence of such purchases.

The representatives may also impose a penalty bid on underwriters and selling group members. This means that if the representatives purchase shares in the open market to reduce the underwriter's short position or to stabilize the price of such shares, they may reclaim the amount of the selling concession from the underwriters and selling group members who sold those shares. The imposition of a penalty bid may also affect the price of the shares in that it discourages resales of those shares.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common stock. In addition, neither we nor any of the underwriters makes any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

J.P. Morgan Securities Inc. and Lehman Brothers Inc. were initial purchasers in connection with the offering of our 6.125% senior notes due 2016 and in connection with the offering of our Capital Efficient Notes due 2067. JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities Inc., and Lehman Commercial Paper Inc., an affiliate of Lehman Brothers Inc., were involved in the financing of the Acquisition. JPMorgan Chase Bank, N.A., Lehman Commercial Paper Inc., Merrill Lynch Bank USA (an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated) and an affiliate of Goldman, Sachs & Co. are lenders under our revolving credit facility, and JPMorgan Chase Bank, N.A. is syndication agent under our revolving credit facility. We recently entered into an arm's length distribution relationship with Chase Insurance Agency, Inc. (an affiliate of J.P. Morgan Securities Inc.) in connection with the sale of our income annuity products. Howard L. Clark, Jr., Vice Chairman of Lehman Brothers Inc., is a director of White Mountains Insurance Group, Ltd.

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us, our affiliates, and White Mountains Insurance Group, Ltd. They have received customary fees and commissions for these transactions.

Offering Restrictions

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each underwriter has represented and agreed that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

LEGAL MATTERS

The validity of our common stock offered hereby will be passed upon for us by Cravath, Swaine & Moore LLP, New York, New York. The underwriters are being represented in connection with this offering by Simpson Thacher & Bartlett LLP, New York, New York.

EXPERTS

The consolidated financial statements of Symetra Financial Corporation at December 31, 2006 and 2005 and for the years ended December 31, 2006 and 2005, and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004 (Predecessor), appearing in this prospectus and registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act of 1933, as amended, with respect to the common stock we propose to sell in this offering. This prospectus, which constitutes part of the registration statement, does not contain all of the information set forth in the registration statement. For further information about us and the common stock we propose to sell in this offering, we refer you to the registration statement and the exhibits and schedules filed as a part of the registration statement. Statements contained in this prospectus as to the contents of any contract or other document filed as an exhibit to the registration statement are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, we refer you to the copy of the contract or document that has been filed. The registration statement may be inspected without charge at the principal office of the SEC in Washington, D.C. and copies of all or any part of the registration statement may be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Copies of such material can also be obtained at prescribed rates by mail from the Public Reference Section of the SEC at 100 F Street, N.E., Washington, D.C. 20549. The SEC's toll-free number is 1-800-SEC-0330. In addition, the SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. Prior to this offering, we were not required to file reports with the SEC.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Exchange Act. The periodic reports and other information that we file with the SEC will be available for inspection and copying at the SEC's public reference facilities and on the website of the SEC referred to above.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Symetra Financial Corporation

We have audited the accompanying consolidated balance sheets of Symetra Financial Corporation (the Company) as of December 31, 2006 and 2005, and the related consolidated statements of operations, changes in stockholders' equity, comprehensive income (loss), and cash flows for the years ended December 31, 2006 and 2005, and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004 (Predecessor). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2006 and 2005, and the consolidated results of its operations and its cash flows for the years ended December 31, 2006 and 2005 and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004 (Predecessor), in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Seattle, Washington
February 20, 2007

CONSOLIDATED BALANCE SHEETS

	December 31, 2006	December 31, 2005
	(In thousands)	
ASSETS		
Investments: *(Note 3)*		
Available-for-sale securities:		
Fixed maturities, at fair value (amortized cost: $16,086,596 and $16,987,097, respectively)	**$ 16,049,878**	$ 17,183,197
Marketable equity securities, at fair value (cost: $171,003 and $148,917, respectively)	**201,706**	162,301
Mortgage loans	**794,283**	776,923
Policy loans	**79,244**	80,463
Short-term investments	**48,882**	7,364
Investments in limited partnerships	**112,648**	93,400
Other invested assets	**18,705**	29,125
Total investments	**17,305,346**	18,332,773
Cash and cash equivalents	**253,210**	111,023
Accrued investment income	**206,717**	213,914
Accounts receivable and other receivables	**81,993**	50,909
Reinsurance recoverables *(Note 7)*	**238,764**	229,888
Deferred policy acquisition costs *(Note 8)*	**88,237**	49,017
Goodwill	**3,687**	3,687
Current income tax recoverable	**—**	26,281
Deferred income tax assets, net *(Note 12)*	**219,091**	137,347
Property, equipment, and leasehold improvements, net *(Note 9)*	**28,076**	30,522
Other assets	**16,275**	7,429
Securities lending collateral *(Note 5)*	**439,292**	598,451
Separate account assets	**1,233,929**	1,188,820
Total assets	**$ 20,114,617**	$ 20,980,061
LIABILITIES AND STOCKHOLDERS' EQUITY		
Funds held under deposit contracts	**$ 15,986,198**	$ 16,697,903
Future policy benefits	**376,363**	371,457
Policy and contract claims *(Note 10)*	**119,514**	135,655
Unearned premiums	**11,721**	11,560
Other policyholders' funds	**46,369**	47,532
Notes payable *(Note 11)*	**298,737**	300,000
Current income taxes payable *(Note 12)*	**2,551**	—
Other liabilities	**272,630**	223,815
Securities lending payable *(Note 5)*	**439,292**	598,451
Separate account liabilities	**1,233,929**	1,188,820
Total liabilities	**18,787,304**	19,575,193
Commitments and contingencies *(Note 14)*		
Capital stock *(Note 1)*	**106**	106
Additional paid-in capital	**1,166,325**	1,166,325
Retained earnings	**161,432**	101,902
Accumulated other comprehensive income (loss), net of taxes *(Note 13)*	**(550)**	136,535
Total stockholders' equity	**1,327,313**	1,404,868
Total liabilities and stockholders' equity	**$ 20,114,617**	$ 20,980,061

See accompanying notes.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
	(In thousands)			
Revenues:				
Premiums *(Note 7)*	**$ 525,657**	$ 575,459	$ 263,195	$ 357,925
Net investment income *(Note 3)*	**984,927**	994,048	411,120	693,702
Other revenues	**56,172**	58,559	27,050	43,943
Net realized investment gains *(Note 3)*	**1,680**	14,140	7,003	34,892
Total revenues	**1,568,436**	1,642,206	708,368	1,130,462
Benefits and expenses:				
Policyholder benefits and claims	**264,252**	327,427	127,499	223,578
Interest credited	**765,871**	810,928	360,196	556,433
Other underwriting and operating expenses	**260,541**	273,247	123,242	182,334
Fair value of warrants issued to investors	**—**	—	101,531	—
Interest expense *(Note 11)*	**19,155**	12,388	3,466	—
Amortization of deferred policy acquisition costs *(Note 8)*	**14,589**	11,861	1,626	34,164
Intangible asset amortization	**—**	—	—	4,929
Total benefits and expenses	**1,324,408**	1,435,851	717,560	1,001,438
Income (loss) from continuing operations before income taxes	**244,028**	206,355	(9,192)	129,024
Provision (benefit) for income taxes *(Note 12)*:				
Current	**92,414**	22,193	21,299	916
Deferred	**(7,916)**	39,720	10,683	30,486
Total provision for income taxes	**84,498**	61,913	31,982	31,402
Income (loss) from continuing operations	**159,530**	144,442	(41,174)	97,622
Income (loss) from discontinued operations (net of taxes of $(0), $536, $(1,335), and $1,235, respectively) *(Note 15)*	**—**	1,045	(2,411)	2,296
Net income (loss)	**$ 159,530**	$ 145,487	$ (43,585)	$ 99,918
Net income per common share				
Basic	**$ 12.43**	**$ 11.34**		
Diluted	**$ 12.43**	**$ 11.34**		
Weighted average number of common shares outstanding (in millions)				
Basic	**12.8**	**12.8**		
Diluted	**12.8**	**12.8**		

See accompanying notes.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
	(In thousands)			
Capital stock:				
Balance at beginning of period	**$ 106**	$ 106	$ 7,459	$ 7,459
Purchase method accounting adjustment	**—**	—	(7,459)	—
Capital contribution from stockholders	**—**	—	106	—
Balance at end of period	**106**	106	106	7,459
Additional paid-in capital:				
Balance at beginning of period	**1,166,325**	1,166,325	407,683	397,354
Purchase method accounting adjustment	**—**	—	(407,683)	—
Capital contribution from Safeco	**—**	—	—	8,834
Capital contributions from stockholders	**—**	—	1,064,794	—
Issuance of warrants to investors	**—**	—	101,531	—
Stock option expense allocation from Safeco	**—**	—	—	1,495
Balance at end of period	**1,166,325**	1,166,325	1,166,325	407,683
Retained earnings (deficit):				
Balance at beginning of period	**101,902**	(43,585)	1,367,690	1,332,072
Purchase method accounting adjustment	**—**	—	(1,367,690)	—
Net income (loss)	**159,530**	145,487	(43,585)	99,918
Dividend distributions	**(100,000)**	—	—	(64,300)
Balance at end of period	**161,432**	101,902	(43,585)	1,367,690
Accumulated other comprehensive income (loss), net of taxes *(Note 13)*:				
Balance at beginning of period	**136,535**	312,931	636,149	829,772
Purchase method accounting adjustment	**—**	—	(636,149)	—
Other comprehensive income (loss)	**(137,085)**	(176,396)	312,931	(193,623)
Balance at end of period	**(550)**	136,535	312,931	636,149
Total stockholders' equity	**$ 1,327,313**	$ 1,404,868	$ 1,435,777	$ 2,418,981

See accompanying notes.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
		(In thousands)		
Net income (loss)..	**$ 159,530**	$ 145,487	$ (43,585)	$ 99,918
Other comprehensive income (loss), net of taxes:				
Changes in unrealized gains and losses on available-for-sales securities (net of tax: $(75,838), $(91,878), $170,296, and $(103,157), respectively)	**(140,843)**	(170,629)	316,262	(191,578)
Reclassification adjustment for net realized investment (gains) losses included in net income (net of tax: $383, $(3,525), $(1,551), and $(12,395), respectively)	**712**	(6,547)	(2,879)	(23,018)
Derivatives qualifying as cash flow hedges — net change in fair value (net of tax: $1,601, $(0), $(0), and $(2,390), respectively)	**2,976**	—	—	(4,439)
Adjustment for deferred policy acquisition costs valuation allowance (net of tax: $38, $421, $(243), and $13,683, respectively)	**70**	780	(452)	25,412
Other comprehensive income (loss)	**(137,085)**	(176,396)	312,931	(193,623)
Comprehensive income (loss)	**$ 22,445**	$ (30,909)	$ 269,346	$ (93,705)

See accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
	(In thousands)			
Cash flows from operating activities				
Net income (loss)	**$ 159,530**	$ 145,487	$ (43,585)	$ 99,918
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Net realized investment gains	**(1,680)**	(16,394)	(7,129)	(35,017)
Accretion of fixed maturity investments and mortgage loans	**72,474**	99,068	62,768	4,109
Accrued interest on accrual bonds	**(43,444)**	(45,383)	(19,502)	(27,504)
Amortization and depreciation	**12,077**	9,069	1,090	6,104
Deferred income tax provision (benefit)	**(7,916)**	39,994	10,764	30,486
Interest credited on deposit contracts	**765,871**	810,928	360,196	556,433
Mortality and expense charges and administrative fees	**(91,187)**	(89,185)	(35,825)	(50,718)
Fair value of warrants issued to investors	**—**	—	101,531	—
Changes in:				
Accrued investment income	**7,197**	15,459	9,539	(7,522)
Deferred policy acquisition costs	**(39,112)**	(33,438)	(13,816)	11,011
Other receivables	**(28,957)**	(7,790)	(3,359)	20,143
Policy and contract claims	**(16,141)**	(17,518)	(113)	14,061
Future policy benefits	**4,906**	16,545	(5,234)	5,710
Unearned premiums	**161**	2,157	(710)	275
Accrued income taxes	**28,832**	(27,436)	11,889	(37,579)
Other assets and liabilities	**17,793**	(34,910)	4,248	(59,893)
Other, net	**1,170**	(415)	247	863
Total adjustments	**682,044**	720,751	476,584	430,962
Net cash provided by operating activities	**841,574**	866,238	432,999	530,880
Cash flows from investing activities				
Purchases of:				
Fixed maturities	**(1,613,303)**	(2,931,413)	(1,229,884)	(1,685,424)
Equity securities	**(114,008)**	(121,143)	(42,992)	(3,375)
Other invested assets and investments in limited partnerships	**(12,457)**	(68,659)	(19,410)	(173)
Issuance of mortgage loans	**(121,987)**	(101,992)	(15,543)	(40,854)
Issuance of policy loans	**(19,574)**	(17,895)	(7,546)	(12,550)
Maturities and calls of fixed maturities available-for-sale	**840,885**	1,278,633	791,391	974,773
Sales of:				
Fixed maturities	**1,603,453**	2,370,396	386,719	724,198
Equity securities	**106,657**	81,776	42,578	4,478
Other invested assets and investments in limited partnerships	**13,235**	1,525	17,320	1,621
Repayment of mortgage loans	**99,085**	134,774	70,230	152,745
Repayment of policy loans	**20,663**	19,244	8,555	12,956
Net (increase) decrease in short-term investments	**$ (41,518)**	$ 10,158	$ (6,067)	$ 18,857
Purchase of Safeco Life & Investments	**—**	—	(1,349,911)	—

CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
	(In thousands)			
Purchase of property, equipment, and leasehold improvements	**(3,164)**	(34,614)	—	—
Cash received from sale of discontinued operations	**—**	—	30,000	—
Other, net	**(10)**	(356)	(1,099)	281
Net cash provided by (used in) investing activities	**757,957**	620,434	(1,325,659)	147,533
Cash flows from financing activities				
Capital contributions received	**—**	—	—	1,131
Policyholder account balances:				
Deposit	**656,526**	444,638	179,250	211,851
Withdrawals	**(2,014,315)**	(1,972,483)	(675,351)	(757,495)
Repayment of notes payable	**(300,000)**	—	(15,000)	—
Proceeds from notes payable	**298,671**	—	315,000	—
Proceeds from sale of capital stock	**—**	—	1,064,900	—
Dividend distributions	**(100,000)**	—	—	(64,300)
Other, net	**1,774**	(11)	—	—
Net cash provided by (used in) financing activities	**(1,457,344)**	(1,527,856)	868,799	(608,813)
Net increase (decrease) in cash and cash equivalents	**142,187**	(41,184)	(23,861)	69,600
Cash and cash equivalents at beginning of period	**111,023**	148,832	165,617	102,480
Plus: Cash and cash equivalents at beginning of period, discontinued operations	**—**	3,375	10,451	3,988
Less: Cash and cash equivalents at end of period, discontinued operations	**—**	—	(3,375)	(10,451)
Cash and cash equivalents at end of period	**$ 253,210**	$ 111,023	$ 148,832	$ 165,617
Supplemental disclosures of cash flow information				
Net cash paid during the year for:				
Interest	**$ 17,840**	$ 12,040	$ 3,312	$ —
Income taxes	**62,795**	59,756	7,898	39,817
Non-cash transactions during the year:				
Issuance of warrants to investors	**—**	—	101,531	—
Investments in limited partnerships and capital obligation incurred	**19,864**	31,599	—	—
Other capital contribution	**—**	—	—	7,703
Acquisitions:				
Purchase price adjustment to intangible assets	**—**	4,200	—	—
Fair value of assets acquired:	**—**	—	21,912,561	—
Cash paid in acquisition	**—**	—	1,349,910	—
Liabilities assumed in acquisition	**—**	—	20,562,651	—

See accompanying notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(All Dollar Amounts in Thousands, Unless Otherwise Stated)

1. Organization and Description of Business

Symetra Financial Corporation is a Delaware corporation privately owned by an investor group led by White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc.

On March 15, 2004, Symetra Financial Corporation entered into a definitive agreement to purchase a group of life and investment companies from Safeco Corporation (Safeco).

The following companies which are wholly owned directly or indirectly by Symetra Financial Corporation were included in the transaction:

- Symetra Life Insurance Company (formerly Safeco Life Insurance Company)
- Symetra National Life Insurance Company (formerly Safeco National Life Insurance Company)
- American States Life Insurance Company
- First Symetra National Life Insurance Company of New York (formerly First Safeco National Life Insurance Company of New York)
- Symetra Administrative Services, Inc. (formerly Safeco Administrative Services, Inc.)
- Symetra Asset Management Company (formerly Safeco Asset Management Company)
- Symetra Securities, Inc. (formerly Safeco Securities, Inc.)
- Symetra Services Corporation (formerly Safeco Services Corporation)
- Symetra Investment Services, Inc. (formerly Safeco Investment Services, Inc.)
- Symetra Assigned Benefits Service Company (formerly Safeco Assigned Benefits Service Company)

The acquisition was completed effective August 2, 2004, at a purchase price of $1,349.9 million, representing the amount paid to Safeco at closing of $1,350 million, plus capitalized transaction costs of $11.0 million, and less a purchase price adjustment of $11.1 million. The acquisition was financed through investor capital contributions of $1,065 million and the issuance of a note payable of $300 million. On December 29, 2004, Symetra Financial Corporation received $22.8 million from Safeco in final settlement of its tax sharing agreement and purchase price related to the August 2, 2004 transaction.

The acquisition was accounted for using the purchase method under Statement of Financial Accounting Standards (SFAS) No. 141, *Business Combinations.* Under SFAS No. 141, the purchase price is allocated to the estimated fair value of the tangible and identifiable assets acquired less liabilities assumed at the date of acquisition. Deferred policy acquisition costs (DAC), intangible assets, and goodwill were reset to zero on August 2, 2004.

During 2005, the Company adjusted the deferred tax asset valuation allowance that resulted from the realization of certain income tax benefits related to the acquisition. The adjustment increased the amount of deferred tax assets and decreased the amount of intangible assets by $4,200. See Note 12 for more information.

The following pro forma results for the seven months ended August 1, 2004, are based on the historical financial statements of the Predecessor, adjusted to include the effect of the acquisition as if the acquisition had occurred at the beginning of each period presented:

	Seven Months Ended August 1, 2004
Net income as reported in Consolidated Statements of Operations	$ 99,918
Add back: Amortization of DAC and intangibles	25,410
Pro forma net income	$ 125,328

Symetra Financial Corporation’s subsidiaries offer group and individual insurance products and retirement products, including annuities marketed through professional agents and distributors in all states and the District of Columbia. The Company’s principal products include stop-loss medical insurance, fixed deferred annuities, variable annuities, single premium immediate annuities, and individual life insurance.

The accompanying financial statements include on a consolidated basis the accounts of Symetra Financial Corporation and its subsidiaries which are referred to as “Symetra Financial” or “the Company,” and the new names of the entities have been used as if those names were in effect prior to August 2, 2004. The discontinued mutual fund business, including the transfer agent business, is referred to as “discontinued operations.” In addition, all references to affiliated companies in the periods prior to August 2, 2004, refer to former Safeco affiliates.

Capital Stock (in thousands, except par value and share amounts)

Capital stock for Symetra Financial is comprised of 15,000,000 shares authorized and 10,649,000 shares issued and outstanding at $.01 par value per share, for a total value of $106. In 2004, the Company issued warrants to its two lead investors and incurred expense in connection with their issuance. The warrant holders have the option to purchase 2,181,120 shares of common stock in the aggregate. The fair value of the warrants was calculated using the Black-Scholes model with the following assumptions: dividend yield of 0.0%; expected volatility of 25.0%; risk-free interest rate of 4.48%, and expected term of ten years.

On December 4, 2006, the Company declared a cash dividend of $7.794 per share to its stockholders. The dividend in the amount of $100,000 was paid on December 26, 2006.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The Consolidated Financial Statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). 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 Consolidated Financial Statements and accompanying notes. Actual results could differ from those estimates.

The most significant estimates include those used in determining reserves for future policy benefits, DAC, valuation of investments and evaluation of other-than-temporary impairments, income taxes, and contingencies. All significant intercompany transactions and balances have been eliminated in the Consolidated Financial Statements.

Certain reclassifications have been made to the prior year financial information for it to conform to the current period presentation.

Recognition of Insurance Revenue and Related Benefits

Premiums from group life and health insurance products are recognized as revenue when earned over the life of the policy. The Company reports the portion of premiums unearned as a liability for unearned premiums on the Consolidated Balance Sheets. These policies are short-duration contracts.

Traditional individual life insurance products, primarily term and whole life insurance products, are long-duration contracts consisting principally of products with fixed and guaranteed premiums and benefits. Premiums from these products are recognized as revenue when due. Benefits and expenses are associated with earned premiums to result in the recognition of profits over the life of the policy. This association is accomplished by the provision for future policy benefits and the deferral and amortization of policy acquisition costs.

Deposits related to universal life-type, limited payment-type, and investment-type products are credited to policyholder account balances and reflected as liabilities rather than as premium income when received. Revenues from these contracts consist of investment income on the policyholders' fund balances and amounts assessed during the period against policyholders' account balances for cost of insurance charges, policy administration charges, and surrender charges. The Company includes these cost of insurance charges in premiums. Policy administration charges and surrender charges are included in other revenue in the Consolidated Statements of Operations. Amounts that are charged to operations include interest credited and benefit claims incurred in excess of related policyholder account balances.

Variable product fees are charged to variable annuity and variable life policyholders' accounts based upon the daily net assets of the policyholders' account values, and are recognized as other revenue when charged. Cost of insurance charges, policy administration charges, and surrender charges are included in other revenue in the Consolidated Statements of Operations.

Investments

In accordance with the provisions of SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, the Company classifies its investments into one of three categories: held-to-maturity, available-for-sale, or trading. Fixed maturities include bonds, mortgage-backed securities, and redeemable preferred stocks. The Company classifies all fixed maturities as available-for-sale and carries them at fair value. The Company reports net unrealized investment gains and losses related to available-for-sale securities in accumulated other comprehensive income (loss) (OCI) in Shareholders' Equity, net of related DAC and deferred income taxes.

For mortgage-backed securities, the Company recognizes income using a constant effective yield based on anticipated prepayments and the estimated economic life of the securities. Quarterly, the Company compares actual prepayments to anticipated prepayments and recalculates the effective yield to reflect actual payments to date plus anticipated future payments. The Company includes any resulting adjustment in net investment income.

Marketable equity securities include common stocks, nonredeemable preferred stocks, and investments in other limited partnerships when the ownership percentage of such investment is less than 3%. The Company classifies marketable equity securities as available-for-sale and carries them at fair value. Changes in net unrealized investment gains and losses are recorded directly to OCI in Shareholders' Equity, net of related DAC and deferred income taxes.

When the collectibility of interest income for fixed maturities is considered doubtful, any accrued but uncollectible interest income is reversed against investment income in the current period. The Company then places the securities on nonaccrual status, and they are not restored to accrual status until all delinquent interest and principal are paid.

Investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. The Company's review of investment securities includes both quantitative and qualitative criteria.

Quantitative criteria include the length of time and amount that each security is in an unrealized position, and for fixed maturities, whether the issuer is in compliance with the terms and covenants of the security.

The Company's review of its fixed maturities and marketable equity securities for impairments includes an analysis of the total gross unrealized losses by three categories of securities: (i) securities where the estimated fair value has declined and remained below cost or amortized cost by less than 20%, (ii) securities where the estimated fair value has declined and remained below cost or amortized cost by 20% or more for less than six months, and (iii) securities where the estimated fair value has declined and remained below cost or amortized cost by 20% or more for six months or greater. While all securities are monitored for impairment, the Company's experience indicates that the first two categories do not represent a significant risk of impairment and, often, fair values recover over time as the factors that caused the declines improve.

If the value of any of the Company's investments falls into the third category, the Company analyzes the decrease to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the Company considers:

- How long and by how much the fair value has been below its cost or amortized cost.
- The financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations or earnings potential.
- The Company's intent and ability to hold the security long enough for it to recover its value, considering any long-range plans that may affect the Company's ability to hold securities.
- Any downgrades of the security by a rating agency.
- Any reduction or elimination of dividends, or nonpayment of scheduled interest payments.

Based on the analysis, the Company makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, the Company records an impairment charge within net realized investment gains in its Consolidated Statements of Operations in the period that the Company makes the determination. In addition, any impaired investments where the Company does not have the intent and ability to hold the security long enough for it to recover its value is recorded as an other-than-temporary impairment.

The Company uses public market pricing information to determine the fair value of its investments when such information is available. When such information is not available for investments, as in the case of securities that are not publicly traded, the Company uses other valuation techniques. Such techniques include using independent pricing sources, evaluating discounted cash flows, identifying comparable securities with quoted market prices, and using internally prepared valuations based on certain modeling and pricing methods. The Company's investment portfolio at December 31, 2006 and 2005, included $604,313 and $619,751, respectively, of fixed maturities and $25,770 and $23,967, respectively, of marketable equity securities that were not publicly traded, and values for these securities were determined using these other valuation techniques.

The cost of securities sold is determined by the specific-identification method.

The Company carries mortgage loans at outstanding principal balances, less a valuation allowance for mortgage loan losses. The Company considers a mortgage loan impaired when it is probable that the Company will be unable to collect principal and interest amounts due according to the contractual terms of the mortgage loan agreement. For mortgage loans that the Company determines to be impaired, the Company charges the difference between the amortized cost and fair value of the underlying collateral to the valuation allowance. Changes in the valuation allowance are recorded in net realized investment gains. The Company accrues interest income on impaired loans to the extent that it is deemed collectible and the loan continues to perform under its original or restructured terms. Interest income on nonperforming loans is generally recognized on a cash basis.

Policy loans are carried at unpaid principal balances, which approximate fair value.

Cash and cash equivalents consist of short-term highly liquid investments with original maturities of three months or less at the time of purchase. Short-term investments consist of highly liquid debt instruments with maturities of greater than three months and less than twelve months when purchased.

Investments in limited partnership interests are accounted for under the equity method when the Company has more than a minor interest of 3% or greater, has influence over the partnership's operating and financial policies, and does not have a controlling interest. The Company has identified certain investments in limited partnerships that meet the definition of a variable interest entity (VIE) under Financial Accounting Standards Board (FASB) Interpretation No. (FIN) 46R, *Consolidation of Variable Interest Entities.* Based on the analysis of these interests, the Company does not meet the FIN No. 46R definition of "primary beneficiary" of any of these partnerships and therefore has not consolidated these entities.

Derivative Financial Instruments

Derivative financial instruments are included in other invested assets on the Company's Consolidated Balance Sheets. The Company's financial statement recognition of the change in fair value of a derivative depends on the intended use of the derivative and the extent to which it is effective as part of a hedging transaction. Derivatives that are highly effective and designated as either fair value or cash flow hedges receive hedge accounting treatment.

Derivatives that hedge the change in fair value of recognized assets or liabilities are designated as fair value hedges. For such derivatives, the Company recognizes the changes in the fair value of both the derivative and the hedged items in net realized investment gains in the Consolidated Statements of Operations.

Derivatives that hedge variable rate assets or liabilities or forecasted transactions are designated as cash flow hedges. For such derivatives, the Company recognizes the changes in the fair value of the derivative as a component of OCI, net of deferred income taxes, until the hedged transaction affects current earnings. At the time current earnings are affected by the variability of cash flows, the related portion of deferred gains or losses on cash flow hedge derivatives are reclassified from OCI and recorded in the Consolidated Statements of Operations.

When the changes in the fair value of such derivatives do not perfectly offset the changes in the fair value of the hedged transaction, the Company recognizes the ineffective portion in the Consolidated Statements of Operations. For derivatives that do not qualify for hedge accounting treatment, the Company records the changes in the fair value of these derivatives in net realized investment gains in the Consolidated Statements of Operations.

The Company formally documents all relationships between the hedging instruments and hedged items, as well as risk-management objectives and strategies for undertaking various hedge transactions. The Company links all hedges that are designated as fair value hedges to specific assets or liabilities on the Consolidated Balance Sheets. The Company links all hedges that are designated as cash flow hedges to specific variable rate assets or liabilities or to forecasted transactions. The Company also assesses, both at the inception of the hedge and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting the changes in fair values or cash flows of hedged items. When it is determined that a derivative is not highly effective as a hedge, the Company discontinues hedge accounting on a prospective basis.

Reinsurance

The Company utilizes reinsurance agreements to manage its exposure to potential losses. The Company reinsures all or a portion of its risk to reinsurers for certain types of directly written business. In addition, the Company reinsures through pools to cover catastrophic losses. Reinsurance does not affect the Company's liability to the policyholders. Accordingly, the policy and contract claims liabilities and future policy benefit reserves are reported gross of any related reinsurance recoverables. The Company reports premiums, benefits, and settlement expenses net of reinsurance ceded on the Consolidated Statements of Operations. The Company accounts for reinsurance premiums, commissions, expense reimbursements, benefits, and reserves related to reinsured business on bases consistent with those used in accounting for the original policies issued and the terms of the reinsurance contracts. The Company remains liable to the policyholders to the extent that counterparties to reinsurance ceded contracts do not meet their contractual obligations.

Deferred Policy Acquisition Costs

The Company defers as assets certain costs, principally commissions, distribution costs, and other underwriting costs, that vary with and are primarily related to the production of business. The Company amortizes acquisition costs for deferred and immediate annuity contracts and universal life insurance policies over the lives of the contracts or policies in proportion to the present value of the estimated future gross profits of each of these product lines. In this estimation process, the Company makes assumptions as to surrender rates, mortality experience, maintenance expenses, and investment performance. Actual profits can vary from the estimates and can thereby result in increases or decreases to DAC amortization rates. For interest-sensitive life products, the Company regularly evaluates its assumptions and, when necessary, revises the estimated gross profits of these contracts, resulting in adjustments to DAC amortization which are recorded in earnings when such estimates are revised. The Company adjusts the unamortized balance of DAC for the impact on estimated future gross profits as if net unrealized investment gains and losses on securities had been realized as of the balance sheet date. The Company includes the impact of this adjustment, net of tax, in OCI in Stockholders' Equity.

The Company amortizes acquisition costs for traditional individual life insurance policies over the premium paying period of the related policies, using assumptions consistent with those used in computing policy benefit liabilities. The Company amortizes acquisition costs for group life and medical policies over the policy period of one year.

The Company conducts regular recoverability analyses for deferred and immediate annuity contract, universal life contract, and traditional life contract DAC balances. The Company compares the current DAC balance with the estimated present value of future profitability of the underlying business. The DAC balances are considered recoverable if the present value of future profits is greater than the current DAC balance. As of December 31, 2006, all of the DAC balances were considered recoverable.

Goodwill

Goodwill represents the excess of the cost of businesses acquired over the fair value of the net assets. Goodwill is not amortized but is tested for impairment at least annually using a fair value approach, which requires the use of estimates and judgment.

In December 1999, Symetra Life Insurance Company purchased the assets of Sound Benefits Administration and Sound Benefits Marketing (collectively, referred to as Sound Benefits), the agency involved in selling and supporting the Company's Select Benefits group medical product. This transaction resulted in adjustments to goodwill in the amounts of $287 and $3,400 for the years ended December 31, 2005 and 2004, respectively. Such adjustments were based on the 2004 earnings performance of Sound Benefits. The Company paid the purchase price adjustment of $3,687 in January 2005.

During 2005, $4,200 of other identifiable intangible assets were written down to zero due to a purchase price allocation adjustment resulting from the realization of certain income tax benefits. See Note 12 for more information.

Property, Equipment, and Leasehold Improvements

Property, equipment, and leasehold improvements are stated at cost, less accumulated depreciation and amortization. Depreciation is determined using the straight-line method over the estimated useful lives of the assets. Estimated useful lives generally range from one to ten years for leasehold improvements and three to ten years for all other property and equipment. Leasehold improvements are amortized over the shorter of their economic useful lives or the term of the lease.

Leases

Certain of the Company's operating leases provide for minimum annual payments that change over the life of the lease. The aggregate minimum annual payments are expensed on the straight-line basis over the minimum lease term. The Company recognizes a deferred rent liability for minimum step rents when the amount of rent expense exceeds the actual lease payments and it reduces the deferred rent liability when the actual lease payments exceed the amount of straight-line rent expense. Rent holidays, rent incentives, and tenant improvement allowances are amortized on the straight-line basis over the initial term of the lease and any option period that is reasonably assured.

Sales Inducements

The Company defers sales inducements to contract holders for bonus interest features on deferred annuities. The bonus interest entitles the contract holder to an incremental amount of interest to be credited to the account value over the twelve month period following the initial deposit. The incremental interest causes the first year credited rate to be higher than the contract's expected ongoing crediting rates for periods after the inducement. Deferred sales inducements to contract holders are reported as other assets and amortized into interest credited to policy holder account values using the same methodology and assumptions used to amortize DAC.

Separate Accounts

Separate account assets and liabilities reported on the accompanying Consolidated Balance Sheets consist of the fair value of variable annuity and variable universal life contracts and represent funds that the Company administers and invests to meet the specific fund allocations of the policyholder. The assets of each separate account are legally segregated and are not subject to claims that arise out of the Company's other business activities. Net investment income and net realized and unrealized investment gains and losses accrue directly to such policyholder who bears the investment risk, subject to guaranteed minimum death benefits (GMDB). For variable annuity contracts with GMDB, the Company contractually guarantees total deposits made to the contract, less any partial withdrawals, in the event of death. The Company offers three types of GMDB contracts consisting of return of premium and two versions of ratchet, which are evaluated every fifth and eighth year, respectively.

The Company reinsures nearly all of the GMDB risk on its individual variable annuity contracts. Therefore, the liability balance is not material. The Company does not include investment results accruing directly to the policyholder in its revenues. Fees charged to policyholders include mortality, policy administration, and surrender charges and are included in other revenues.

Funds Held Under Deposit Contracts

Liabilities for fixed deferred annuity contracts, guaranteed investment contracts, and universal life policies are computed as deposits net of withdrawals made by the policyholder, plus amounts credited based on contract specifications, less contract fees and charges assessed, plus any additional interest. For single premium immediate annuities (SPIAs), including structured settlements, future benefits are either fully guaranteed or are contingent on the survivorship of the annuitant. Liabilities are based on discounted amounts of estimated future benefits. Contingent future benefits are discounted with current pricing mortality assumptions, which include provisions for longer life spans over time. The interest rate pattern used to calculate the reserves for SPIAs is set at issue. The interest rates within the pattern vary over time and start with interest rates that prevailed at the contract issue. The weighted-average implied interest rate on the existing block is currently 5.9% and will grade to an ultimate assumed level of 6.7% in about 20 years.

Future Policy Benefits

The Company computes liabilities for future policy benefits under traditional individual life and group life insurance policies on the level premium method, which uses a level premium assumption to fund reserves. The Company selects the level premiums so that the actuarial present value of future benefits equals the actuarial present value of future premiums. The Company sets the interest, mortality, and persistency assumptions in the year of issue and includes provisions for adverse deviations. These liabilities are contingent upon the death of the insured while the policy is in force. The Company derives mortality assumptions from both company-specific and industry statistics. The Company discounts future benefits at interest rates that vary by year of policy issue, are graded to the statutory valuation interest rate over time, and range from 6.0% to 4.0%.

Policy and Contract Claims

Liabilities for policy and contract claims primarily represent liabilities for claims under group medical coverages and are established on the basis of reported losses (case basis method). The Company also provides for claims incurred but not reported (IBNR), based on expected loss ratios, claims paying completion patterns, and historical experience. The Company periodically reviews estimates for reported but unpaid claims and IBNR. Any necessary adjustments are reflected in current operating results.

Income Taxes

Through the date of acquisition, the Company was included in a consolidated federal income tax return filed by Safeco. Tax payments (credits) were made to or received from Safeco in accordance with the tax allocation agreement on a separate company tax return filing basis. Subsequent to the acquisition, the Symetra Life insurance companies file a separate life consolidated tax return. The non-life insurance companies file a separate non-life consolidated tax return. Pursuant to Internal Revenue Code (IRC) § 1504(c), the life insurance companies will file a separate life consolidated tax return for five years subsequent to the acquisition.

Income taxes have been provided using the liability method in accordance with SFAS No. 109, *Accounting for Income Taxes.* The provision for income taxes has two components: amounts currently payable or receivable and deferred income taxes. The deferred income taxes are calculated as the difference between the book and tax basis of the appropriate assets and liabilities. Deferred tax assets are recognized only to the extent that it is probable that future tax profits will be available. A valuation allowance is established where deferred tax assets cannot be recognized.

Recently Issued Accounting Standards

SFAS No. 157, Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements.* SFAS No. 157 defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements. SFAS No. 157 does not require any new fair value measurements, but provides guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Company is currently evaluating the impact the adoption of this Statement could have on its financial condition, results of operations, and cash flows.

FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes — An Interpretation of FASB Statement No. 109

In June 2006, the FASB issued FASB Interpretation (FIN) No. 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109, Accounting for Income Taxes.* FIN No. 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109. FIN No. 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN No. 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN No. 48 is effective for fiscal years beginning after December 15, 2006. The Company adopted FIN No. 48 as of January 1, 2007, as required. The adoption did not have a material impact on the Company's consolidated financial statements.

SFAS No. 155, Accounting for Certain Hybrid Financial Instruments

In February 2006, the FASB issued SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments*. SFAS No. 155 amends certain paragraphs of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, and SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. SFAS No. 155 also resolves issues addressed in SFAS No. 133 Implementation Issue No. D1, *Application of Statement 133 to Beneficial Interests in Securitized Financial Assets*. In summary, SFAS No. 155: (1) permits an entity to make an irrevocable election to measure any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation at fair value in its entirety, with changes in fair value recognized in earnings; (2) clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS No. 133; (3) establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation; (4) clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives; and (5) amends SFAS No. 140 to eliminate the prohibition on a qualifying special purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 is effective for all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006. Provisions of SFAS No. 155 may be applied to instruments that an entity holds at the date of adoption on an instrument-by-instrument basis. The Company adopted SFAS No. 155 as of January 1, 2007, as required. The adoption did not have a material impact on the Company's consolidated financial statements.

American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 05-1, Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection with Modifications or Exchanges of Insurance Contracts

In September 2005, the AICPA issued SOP 05-1, *Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection with Modifications or Exchanges of Insurance Contracts*. SOP 05-1 provides guidance on accounting by insurance enterprises for deferred acquisition costs on internal replacements of insurance and investment contracts other than those specifically described in SFAS No. 97, *Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and For Realized Gains and Losses from the Sale of Investments*. SOP 05-1 defines an internal replacement as a modification in product benefits, features, rights, or coverages that occurs by the exchange of a contract for a new contract, or by amendment, endorsement, or rider to a contract, or by the election of a feature or coverage within a contract. Under SOP 05-1, modifications that result in a substantially unchanged contract will be accounted for as a continuation of the replaced contract. A replacement contract that is substantially changed will be accounted for as an extinguishment of the replaced contract, resulting in a release of unamortized DAC, unearned revenue, and deferred sales inducements associated with the replaced contract.

The provisions of SOP 05-1 are effective for fiscal years beginning after December 15, 2006. The Company adopted SOP 05-1 effective on January 1, 2007 as required. The adoption of SOP 05-1 did not have a material impact on the Company's consolidated financial statements.

3. Investments

The following tables summarize the Company's fixed maturities and marketable equity securities:

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2006				
Fixed maturities:				
U.S. government and agencies	**$ 157,000**	**$ 1,775**	**$ (879)**	**$ 157,896**
State and political subdivisions	**666,101**	**9,329**	**(4,532)**	**670,898**
Foreign governments	**205,186**	**4,166**	**(477)**	**208,875**
Corporate securities	**10,670,752**	**164,266**	**(168,550)**	**10,666,468**
Mortgage-backed securities	**4,387,557**	**26,750**	**(68,566)**	**4,345,741**
Total fixed maturities	**16,086,596**	**206,286**	**(243,004)**	**16,049,878**
Marketable equity securities	**171,003**	**32,046**	**(1,343)**	**201,706**
Total	**$ 16,257,599**	**$ 238,332**	**$ (244,347)**	**$ 16,251,584**

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2005				
Fixed maturities:				
U.S. government and agencies	$ 652,304	$ 49,460	$ (799)	$ 700,965
State and political subdivisions	741,671	25,217	(1,636)	765,252
Foreign governments	353,333	13,119	(227)	366,225
Corporate securities	10,881,369	267,274	(137,063)	11,011,580
Mortgage-backed securities	4,358,420	42,290	(61,535)	4,339,175
Total fixed maturities	16,987,097	397,360	(201,260)	17,183,197
Marketable equity securities	148,917	15,234	(1,850)	162,301
Total	$ 17,136,014	$ 412,594	$ (203,110)	$ 17,345,498

3. Investments — (Continued)

The following table shows the Company's investments' gross unrealized losses and fair values, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position.

	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
December 31, 2006						
Fixed maturities:						
U.S. government and agencies	**$ 52,723**	**$ (671)**	**$ 24,683**	**$ (208)**	**$ 77,406**	**$ (879)**
State and political subdivisions	**219,608**	**(2,922)**	**65,722**	**(1,610)**	**285,330**	**(4,532)**
Foreign governments	**14,404**	**(214)**	**11,103**	**(263)**	**25,507**	**(477)**
Corporate securities	**2,732,600**	**(55,864)**	**3,686,854**	**(112,686)**	**6,419,454**	**(168,550)**
Mortgage-backed securities	**1,501,485**	**(22,776)**	**1,888,331**	**(45,790)**	**3,389,816**	**(68,566)**
Total fixed maturities	**4,520,820**	**(82,447)**	**5,676,693**	**(160,557)**	**10,197,513**	**(243,004)**
Marketable equity securities	**9,829**	**(206)**	**2,926**	**(1,137)**	**12,755**	**(1,343)**
Total	**$ 4,530,649**	**$ (82,653)**	**$ 5,679,619**	**$ (161,694)**	**$ 10,210,268**	**$ (244,347)**

	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
December 31, 2005						
Fixed maturities:						
U.S. government and agencies	$ 43,881	$ (642)	$ 10,547	$ (157)	$ 54,428	$ (799)
State and political subdivisions	87,574	(675)	51,278	(961)	138,852	(1,636)
Foreign governments	20,927	(225)	2,502	(2)	23,429	(227)
Corporate securities	4,956,275	(123,274)	697,497	(13,789)	5,653,772	(137,063)
Mortgage-backed securities	2,077,490	(36,639)	1,044,399	(24,896)	3,121,889	(61,535)
Total fixed maturities	7,186,147	(161,455)	1,806,223	(39,805)	8,992,370	(201,260)
Marketable equity securities	10,729	(1,759)	228	(91)	10,957	(1,850)
Total	$ 7,196,876	$ (163,214)	$ 1,806,451	$ (39,896)	$ 9,003,327	$ (203,110)

As of December 31, 2006 and 2005, $148,552 and $36,480, respectively, of unrealized losses for a period of twelve months or more relate to investment grade fixed income securities. Unrealized losses on investment grade securities are principally related to changes in interest rates or changes in the issuer and the sector related credit spreads since the securities were acquired. As of December 31, 2006 and 2005, the Company had the intent and ability to hold these investments for a period of time sufficient for them to recover in value.

3. Investments — (Continued)

The Company reviewed all its investments with unrealized losses at the end of 2006 and 2005 in accordance with the impairment policy described in Note 2. The Company's evaluation determined that these declines in fair value were temporary and it had the intent and ability to hold them until recovery.

At December 31, 2006 and 2005, the Company held below-investment-grade fixed maturities with a fair value of $1,332,000 and $1,387,000, respectively, and an amortized cost of $1,305,000 and $1,359,000, respectively. These holdings amounted to 8.3% and 8.1%, respectively, of the Company's investments in fixed maturities at fair value at December 31, 2006 and 2005.

The following table summarizes the cost or amortized cost and fair value of fixed maturities at December 31, 2006, by contractual years-to-maturity. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without prepayment penalties.

	Cost or Amortized Cost	Fair Value
One year or less	$ 377,113	$ 374,632
Over one year through five years	2,655,755	2,613,674
Over five years through ten years	2,746,470	2,701,652
Over ten years	5,919,701	6,014,179
Mortgage-backed securities	4,387,557	4,345,741
Total fixed maturities	$ 16,086,596	$ 16,049,878

The carrying value of certain securities and cash on deposit with state regulatory authorities was $8,302 and $14,103 at December 31, 2006 and 2005, respectively.

No industry represented more than 9.1% of the amortized cost of fixed maturities and equity securities at December 31, 2006 and 2005.

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

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Interest:				
Fixed maturities	$ 926,678	$ 945,737	$ 390,111	$ 633,756
Mortgage loans	48,849	46,052	21,943	44,233
Short-term investments and cash and cash equivalents	9,851	4,156	1,159	2,000
Dividends:				
Marketable equity securities	6,759	3,967	2,671	3,302
Redeemable preferred stock	3,640	3,387	492	2,965
Policy loans	4,870	5,112	2,241	3,067
Income from equity method investments	4,658	2,514	—	—
Other	3,612	6,058	3,208	9,287
Total investment income	1,008,917	1,016,983	421,825	698,610
Investment expenses	(23,990)	(22,935)	(10,705)	(4,908)
Net investment income	$ 984,927	$ 994,048	$ 411,120	$ 693,702

3. Investments — (Continued)

The carrying value of investments in fixed maturities that have not produced income for the last 12 months was $30,453 and $10,354 at December 31, 2006 and 2005, respectively. All of the Company's mortgage loans produced income during 2006 and 2005.

The following table summarizes the Company's consolidated net realized investment gains before income taxes:

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Fixed maturities	**$ (16,089)**	$ 1,840	$ 4,117	$ 34,345
Marketable equity securities	**14,842**	8,221	291	972
Other invested assets	**1,737**	3,992	2,584	92
Deferred policy acquisition costs adjustment	**1,190**	87	11	(517)
Net realized investment gains	**$ 1,680**	$ 14,140	$ 7,003	$ 34,892

During 2006, the Company recorded impairment charges of fixed maturity investments and equity securities totaling $25,719. These write-downs were primarily from investments in the paper-related industry totaling $15,655, or 60.9%. The additional write-downs represent securities that the Company does not intend to hold until recovery. The following tables summarize the proceeds from sales of investment securities and related net realized investment gains before income taxes for 2006, 2005 and 2004.

	Year Ended December 31, 2006			
	Fixed Maturities	Marketable Equity Securities	Other	Total
Proceeds from sales	**$ 1,603,453**	**$ 106,657**	**$ 13,235**	**$ 1,723,345**
Gross realized investment gains	**$ 26,847**	**$ 18,274**	**$ 2,497**	**$ 47,618**
Gross realized investment losses	**(18,373)**	**(1,437)**	**(112)**	**(19,922)**
Net realized investment gains	**8,474**	**16,837**	**2,385**	**27,696**
Impairments	**(24,608)**	**(1,111)**	**—**	**(25,719)**
Other, including gains (losses) on calls and redemptions	**45**	**(884)**	**542**	**(297)**
Net realized investment gains (losses)	**$ (16,089)**	**$ 14,842**	**$ 2,927**	**$ 1,680**

3. Investments — (Continued)

	Year Ended December 31, 2005			
	Fixed Maturities	Marketable Equity Securities	Other	Total
Proceeds from sales	$ 2,364,806	$ 59,782	$ 1,525	$ 2,426,113
Gross realized investment gains	$ 30,782	$ 9,626	$ —	$ 40,408
Gross realized investment losses	(27,027)	(1,184)	—	(28,211)
Net realized investment gains	3,755	8,442	—	12,197
Impairments	(7,664)	—	—	(7,664)
Other, including gains (losses) on calls and redemptions	5,749	(221)	4,079	9,607
Net realized investment gains	$ 1,840	$ 8,221	$ 4,079	$ 14,140

	Period from August 2, 2004 through December 31, 2004			
	Fixed Maturities	Marketable Equity Securities	Other	Total
Proceeds from sales	$ 363,859	$ 41,573	$ 17,320	$ 422,752
Gross realized investment gains	$ 8,379	$ 978	$ 6,345	$ 15,702
Gross realized investment losses	(7,862)	(224)	(5,747)	(13,833)
Net realized investment gains	517	754	598	1,869
Impairments	(27)	(87)	—	(114)
Other, including gains (losses) on calls and redemptions	3,627	(376)	1,997	5,248
Net realized investment gains	$ 4,117	$ 291	$ 2,595	$ 7,003

	Period from January 1, 2004 through August 1, 2004 — Predecessor			
	Fixed Maturities	Marketable Equity Securities	Other	Total
Proceeds from sales	$ 713,652	$ 4,491	$ 1,621	$ 719,764
Gross realized investment gains	$ 45,705	$ 1,137	$ 17,846	$ 64,688
Gross realized investment losses	(17,163)	(165)	(15,467)	(32,795)
Net realized investment gains	28,542	972	2,379	31,893
Impairments	(10,272)	—	—	(10,272)
Other, including gains (losses) on calls and redemptions	16,075	—	(2,804)	13,271
Net realized investment gains (losses)	$ 34,345	$ 972	$ (425)	$ 34,892

3. Investments — (Continued)

The following table summarizes the Company's allowance for mortgage loan losses:

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Allowance at beginning of period	**$ 3,903**	$ 10,172	$ 10,172	$ 10,172
Provision	**109**	—	—	—
Adjustment	**—**	(6,269)	—	—
Allowance at end of period	**$ 4,012**	$ 3,903	$ 10,172	$ 10,172

This allowance relates to mortgage loan investments of $798,295 and $780,826 at December 31, 2006 and 2005, respectively. All of the Company's mortgage loan investments were in good standing at December 31, 2006.

At December 31, 2006, mortgage loans constituted approximately 3.9% of total assets and are secured by first-mortgage liens on income-producing commercial real estate, primarily in the retail, industrial, and office building sectors. The majority of the properties are located in the western United States, with 27% of the total in California and 22% in Washington. Individual loans generally do not exceed $15,000.

The carrying value of other invested assets approximates fair value. The following table summarizes the Company's other invested assets:

	December 31, 2006	December 31, 2005
Options	**$ 2,053**	$ 3,331
Note receivable — agency	**7,823**	7,930
Embedded derivatives	**8,257**	17,164
Other	**572**	700
Total other invested assets	**$ 18,705**	$ 29,125

4. Derivative Financial Instruments

Derivatives are instruments whose values are derived from underlying instruments, indices, or rates, have a notional amount, and can be net settled. This may include derivatives that are "embedded" in financial instruments or in certain existing assets or liabilities. The Company uses derivative financial instruments, including interest rate swaps and options, as a means of hedging exposure to equity price changes and/or interest rate risk on anticipated transactions or on existing assets and liabilities.

Interest rate risk is the risk of economic loss due to changes in the level of interest rates. The Company manages interest rate risk through active portfolio management and selective use of interest rate swaps as hedges to change the characteristics of certain assets and liabilities. With interest rate swap agreements, the Company exchanges with a counterparty, at specified intervals, interest rate payments of differing character (e.g., fixed-rate payments exchanged for variable-rate payments), based on an underlying principal balance (notional amount). No cash is exchanged at the outset of the contract, and no principal payments are made by either party. The net interest accrued and the net interest payments made at each interest payment due date are recorded to interest income or expense, depending on the hedged item.

Fair Value Hedges

In August 2004, all fair value hedges, totaling $330,409 of notional amount outstanding, were terminated resulting in a realized investment loss of $3,491. Prior to August 2004, the Company used interest rate swaps to hedge the change in fair value of certain fixed-rate assets. As discussed in Note 2, derivatives that were determined to be highly effective were given hedge accounting treatment and changes in their fair values and the fair values of the related assets that they hedged were recognized in net realized investment gains (losses) in the Consolidated Statements of Operations.

Cash Flow Hedges

In January 2006, the Company's Board of Directors authorized a private offering to qualified institutional buyers of $300,000 fixed rate senior subordinated notes due in ten years (the Notes). The Company was exposed to interest rate risk as it expected to issue the Notes on or about March 31, 2006 at or near par at the then current market interest rate. To manage this risk, the Company bought a $300,000 forward-starting interest rate swap at 5.0575%, maturing on March 31, 2006, and designated the derivative as a hedge of a forecasted transaction carried at fair value with changes recorded in OCI. Since the critical terms of the derivative were the same as the forecasted transaction, the Company did not record any ineffectiveness.

On March 30, 2006, the Company issued $300,000 of 6.125% senior notes due on April 1, 2016 (Note 11). As a result, the Company recorded a $4,814 gain in OCI related to the swap which will be reclassified into income concurrent with the interest expense over the life of the Notes. For the year ended December 31, 2006, $237 was reclassified from OCI to interest expense.

In August 2004, all cash flow interest rate swaps were terminated, resulting in a net realized investment gain of $393. Prior to August 2004, the Company used interest rate swaps to hedge the variability of future cash flows arising from changes in interest rates associated with certain variable rate assets and forecasted transactions. Amounts recorded in OCI related to derivatives qualifying as cash flow hedges resulted in a decrease in OCI of $4,439 after tax for the seven month period ended August 1, 2004.

In August 2004, interest rate swaps related to the forecasted transactions were terminated resulting in a realized investment gain of $3,640.

Prior to August 2004, the interest rate swaps related to forecasted transactions that were considered probable of occurring were considered to be highly effective and qualified for hedge treatment under SFAS No. 133. SFAS No. 133 requires that amounts deferred in OCI be reclassified into earnings either when the forecasted transaction occurs or when it is considered not probable of occurring, whichever happens sooner. In the seven month period ended August 1, 2004, $7,442 after tax was reclassified from OCI to net realized investment gains and losses relating to forecasted transactions that were no longer probable of occurring.

Other Derivatives

The Company has a closed block of fixed indexed annuity (FIA) product that credits the policyholders' account based on a percentage of the gain in the S&P 500 Index. In connection with this product, the Company has a hedging program with the objective to hedge the exposure to changes in the S&P 500 Index. This program consists of buying S&P 500 Index options. Although the Company uses index options to hedge the equity return component of the FIA, the options do not qualify as hedging instruments or for hedge accounting treatment pursuant to SFAS No. 133. Accordingly, the assets are recorded as a free-standing derivative asset or options in other invested assets, and mark-to-market gains or losses to record the options at fair value are recognized in net realized investment gains. The Company recognized pretax gains (losses) on these options of $2,227, $(4,413), $2,007, and $(2,611) for the years ended December 31, 2006 and 2005, the five month period ended December 31, 2004, and the seven month period ended August 1, 2004, respectively.

The Company has convertible bonds that contain embedded options. The values of these options are bifurcated from the host value of the respective bonds and are accounted for as derivatives. During 2006 and

2005, the embedded derivatives are recorded in other invested assets, and mark-to-market gains or losses to record the embedded derivatives at fair value are recognized in net realized investment gains. The value of these options is $8,257 and $17,164 at December 31, 2006 and 2005, respectively.

Counterparty credit risk is the risk that a counterparty to a derivative contract will be unable to perform its obligations. The Company manages counterparty credit risk on an individual counterparty basis, and gains and losses are netted by counterparty. The Company mitigates counterparty credit risk through credit reviews, approval controls, and by only entering into agreements with credit-worthy counterparties. The Company performs ongoing monitoring of counterparty credit exposure risk against credit limits. The contract or notional amounts of these instruments reflect the extent of involvement the Company has in a particular class of derivative financial instrument. However, the maximum loss of cash flow associated with these instruments can be less than these amounts. For interest rate swaps, credit risk is limited to the amount that it would cost the Company to replace the contract.

5. Securities Lending Program

The Company participates in a securities lending program whereby blocks of securities included in investments are loaned to third parties, primarily major brokerage firms. The Company requires a minimum of 102% of the fair value of the loaned securities to be separately maintained as collateral for the loans. Securities with a cost or amortized cost of $395,942 and $577,877 and an estimated fair value of $427,660 and $574,824 were on loan under the program at December 31, 2006 and 2005, respectively. The Company was liable for cash collateral under its control of $439,292 and $598,451 at December 31, 2006 and 2005, respectively.

6. Fair Value of Financial Instruments

The Company estimates the fair values for mortgage loans by discounting the projected cash flows using the current rate at which the loans would be made to borrowers with similar credit ratings and for the same maturities.

For cash and cash equivalents, policy loans, short-term investments, accounts receivable, and other liabilities the carrying value is a reasonable estimate of fair value.

The fair value of investments in limited partnerships is provided by the general partner or manager of each investment. Included in investments in limited partnerships are investments in tax-sheltered affordable housing projects for which the fair values are calculated as the sum of cash contributions and the present value of future commitments.

The carrying amount of the note receivable approximates fair value.

All derivatives are carried at fair value on the Consolidated Balance Sheets. The fair values of the derivative financial instruments generally represent the estimated amounts that the Company would expect to receive or pay upon termination of the contracts as of the reporting date. Quoted fair values are available for certain derivatives. For derivative instruments not actively traded, the Company estimates fair value using values obtained from independent pricing services, internal modeling, or quoted market prices of comparable instruments.

The carrying value of securities lending collateral and securities lending payable approximates fair value.

Separate account assets and the related liabilities are reported at fair value using quoted market prices.

The Company estimates the fair values of investment contracts (funds held under deposit contracts) with defined maturities by discounting projected cash flows using rates that would be offered for similar contracts with the same remaining maturities. For investment contracts with no defined maturities, the Company estimates fair values to be the present surrender value.

The following table summarizes the carrying or reported values and corresponding fair values of financial instruments:

	December 31, 2006		December 31, 2005	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Fixed maturities	**$ 16,049,878**	**$ 16,049,878**	$ 17,183,197	$ 17,183,197
Marketable equity securities	**201,706**	**201,706**	162,301	162,301
Mortgage loans	**794,283**	**796,078**	776,923	798,430
Investment in limited partnerships	**112,648**	**112,648**	93,400	93,400
Other invested assets:				
Options	**2,053**	**2,053**	3,331	3,331
Embedded derivatives	**8,257**	**8,257**	17,164	17,164
Note receivable — agency	**7,823**	**7,823**	7,930	7,930
Other	**572**	**572**	—	—
Securities lending collateral	**439,292**	**439,292**	598,451	598,451
Separate account assets	**1,233,929**	**1,233,929**	1,188,820	1,188,820
Financial liabilities:				
Funds held under deposit contracts	**15,986,198**	**15,954,265**	16,697,903	16,960,272
Other liabilities:				
Limited partnership contributions payable	**44,646**	**44,646**	31,599	31,599
Securities lending payable	**439,292**	**439,292**	598,451	598,451
Separate account liabilities	**1,233,929**	**1,233,929**	1,188,820	1,188,820

7. Reinsurance

The Company evaluates the financial condition of its reinsurers to minimize the exposure to losses from reinsurer insolvencies. Management of the Company is not aware of any of the Company's major reinsurers currently experiencing material financial difficulties. The Company analyzes reinsurance recoverables according to the credit ratings of its reinsurers. Of the total amount due from reinsurers at December 31, 2006, 99.7% was with reinsurers rated A− or higher by A.M. Best. The Company had no reserve for uncollectible reinsurance in 2006 or 2005. None of the Company's reinsurance contracts exclude certified terrorist acts.

For the individual life business, the Company has coinsurance agreements on policies exceeding $500,000 and other miscellaneous policies where the reinsurer reimburses the Company based on the percentage in the contract, which ranges from 50% to 80% based upon the year that the policy was written.

The Company reinsures 100% of its group long-term disability and group short-term disability business. The reinsurer is responsible for paying all claims.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Reinsurance recoverables are comprised of the following amounts:

	December 31, 2006	December 31, 2005
Life insurance		
Reinsurance recoverables on:		
Policy and contract claims	**$ 5,861**	$ 6,694
Paid claims	**10**	77
Future policy benefits	**166,621**	149,853
Total life insurance	**172,492**	156,624
Accident and health insurance		
Reinsurance recoverables on:		
Policy and contract claims	**725**	338
Paid claims	**79**	295
Future policy benefits	**65,468**	72,631
Total accident and health insurance	**66,272**	73,264
Total reinsurance recoverables	**$ 238,764**	$ 229,888

The following table sets forth net life insurance in-force as of December 31:

	2006	2005	2004
Direct life insurance in-force	**$ 55,656,360**	$ 56,928,623	$ 69,610,844
Amounts assumed from other companies	**211,656**	219,626	228,006
Amounts ceded to other companies	**(21,944,907)**	(20,266,656)	(19,081,945)
Net life insurance in-force.	**$ 33,923,109**	$ 36,881,593	$ 50,756,905
Percentage of amount assumed to net	**0.62%**	0.59%	0.44%

The effects of reinsurance on earned premiums are as follows:

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Direct:				
Accident and health premiums	**$ 390,873**	$ 430,821	$ 185,464	$ 264,032
Life insurance premiums	**191,881**	192,854	84,743	118,226
Total	**582,754**	623,675	270,207	382,258
Assumed:				
Accident and health premiums	**(1)**	15,277	18,753	23,220
Life insurance premiums	**209**	240	165	229
Total	**208**	15,517	18,918	23,449
Ceded:				
Accident and health premiums	**(10,215)**	(22,529)	(8,544)	(11,804)
Life insurance premiums	**(47,090)**	(41,204)	(17,386)	(35,978)
Total	**(57,305)**	(63,733)	(25,930)	(47,782)
Total premiums	**$ 525,657**	$ 575,459	$ 263,195	$ 357,925
Percentage of amount assumed to net	**0.04%**	2.70%	7.19%	6.55%

Ceded reinsurance reduced policy benefits by $45,533, $39,253, $11,529, and $23,722 for the years ended December 31, 2006 and 2005, the five months ended December 31, 2004, and the seven months ended August 1, 2004, respectively.

8. Deferred Policy Acquisition Costs and Deferred Sales Inducements

Activities impacting deferred policy acquisition costs are as follows:

	December 31, 2006	December 31, 2005
Unamortized balance at beginning of period	**$ 48,511**	$ 15,073
Deferral of acquisition costs	**52,511**	45,213
Amortization related to investment gains	**1,190**	86
Amortization related to other expenses	**(14,589)**	(11,861)
Unamortized balance at end of period	**87,623**	48,511
Accumulated effect of net unrealized investment gains	**614**	506
Balance at end of period	**$ 88,237**	$ 49,017

Table of Contents

The following table provides a reconciliation of the beginning and ending balance for sales inducements, which are included in other assets:

	December 31, 2006	December 31, 2005
Unamortized balance at beginning of period	**$ 2,905**	$ 293
Capitalizations	**6,113**	2,612
Amortization	**(8)**	—
Unamortized balance at end of period	**$ 9,010**	$ 2,905

9. Property, Equipment, and Leasehold Improvements

Property, equipment, and leasehold improvements are comprised of the following amounts:

	December 31, 2006	December 31, 2005
Computer equipment and software	**$ 6,151**	$ 4,060
Office equipment, furniture, and fixtures	**8,977**	8,785
Equipment and software under capital leases	**13,825**	13,586
Leasehold improvements	**13,728**	13,598
	42,681	40,029
Less accumulated depreciation and amortization	**14,605**	9,507
Total property, equipment, and leasehold improvements, net	**$ 28,076**	$ 30,522

Depreciation and amortization expenses associated with property, equipment, and leasehold improvements, including equipment and software under capital leases, amounted to $5,610, $4,554, $159, and $367, for the years ended December 31, 2006 and 2005, the five months ended December 31, 2004, and the seven months ended August 1, 2004, respectively.

10. Policy and Contract Claims

The following table provides a reconciliation of the beginning and ending reserve balances for policy and contract claims for 2006, 2005 and 2004:

	2006	2005	2004
Balance as of January 1	**$ 135,655**	$ 153,173	$ 139,113
Less: reinsurance recoverable	**7,032**	4,176	5,571
Net balance as of January 1	**128,623**	148,997	133,542
Incurred related to insured events of:			
The current year	**298,269**	364,832	369,948
Prior years	**(1,445)**	1,807	12,158
Total incurred	**296,824**	366,639	382,106
Paid related to insured events of:			
The current year	**231,890**	292,482	290,857
Prior years	**80,629**	94,531	75,794
Total paid	**312,519**	387,013	366,651
Net balance as of December 31	**112,928**	128,623	148,997
Add: reinsurance recoverable	**6,586**	7,032	4,176
Balance as of December 31	**$ 119,514**	$ 135,655	$ 153,173

The Company uses estimates for determining its liability for policy and contract claims, which are based on historical claim payment patterns, and expected loss ratios to provide for the inherent variability in claim patterns and severity. For the year ended December 31, 2006, the change in prior year incurred liabilities primarily relates to a favorable development in contract claims. For the years ended December 31, 2005 and 2004, the change in incurred liabilities was primarily from higher-than-expected loss and claims experience, and a change in estimates.

11. Notes Payable

Revolving Credit Facilities

On June 14, 2004, the Company entered into a $370,000 revolving credit agreement with several lending institutions, with Bank of America, N.A. acting as administrative agent for the lenders. On August 2, 2004, the Company borrowed $300,000 against the revolving credit facility, which was used to purchase the life and investment companies, and $15,000, which was used to purchase a loan from Safeco. On August 31, 2004, $15,025 was repaid, which included $25 of interest expense.

During the year ended December 31, 2006, the Company repaid the $300,000 outstanding revolving credit line, and the line of credit was subsequently reduced to $70,000. The credit agreement contains restrictive covenants, which include maintaining certain financial ratios. The interest rate is currently three months at LIBOR, plus a margin of 0.60%. The margin is adjusted based on the Company's debt-to-capitalization ratio. There was no borrowing activity on this facility in 2006. At December 31, 2005, the balance outstanding was $300,000 and the rate was 4.52%. Interest expense for 2006 and 2005 was $3,851 and $12,388, respectively.

In 2005, the Company entered into two $25,000 revolving credit facilities with The Bank of New York to support the Company's overnight repurchase agreement program, which provides the Company liquidity to meet its general funding requirements. There was no borrowing activity on these facilities in 2006 and 2005.

Table of Contents

Senior Notes Payable

On March 30, 2006, the Company issued $300,000 of 6.125% senior notes due on April 1, 2016, which were issued at a discount yielding $298,671. As a result of this transaction, the Company paid $3,040 in debt issuance costs which have been capitalized and included in other assets and realized $4,814 of deferred gains related to a hedging transaction (Note 4). Both amounts are being amortized using the effective-interest method over the term of the Notes, yielding to an effective interest rate of 6.11%.

These senior notes are unsecured senior obligations and will be equal in right of payment to all existing and future unsecured senior indebtedness. These notes are redeemable, in whole or in part, at the option of the Company at any time or from time to time at a redemption price equal to the greater of: (1) 100% of the aggregate principal amount of the notes to be redeemed; or (2) the sum of the present value of the remaining scheduled payments of principal and interest on the Notes, discounted to the redemption date on a semi-annual basis at a prevailing U.S. Treasury rate plus 25 basis points, together in each case with accrued interest payments to the redemption date.

Proceeds from the Notes were used to pay down the outstanding principal on the revolving line of credit. Interest on the notes is payable semi-annually in arrears, beginning on October 2, 2006. The Company made interest payments on the senior notes of $9,239 in 2006.

The terms of the senior notes contain various business and financial covenants, including limitations on the disposition of subsidiaries. As of December 31, 2006, the Company was in compliance with all such covenants.

12. Income Taxes

The Company uses the liability method of accounting for income taxes in accordance with SFAS No. 109, under which deferred income tax assets and liabilities are determined based on the differences between their financial reporting and tax bases and are measured using the enacted tax rates.

Differences between income taxes computed by applying the U.S. federal income tax rate of 35% to income from continuing operations before income taxes and the provision for income taxes were as follows:

							Predecessor	
	Year Ended December 31, 2006		Year Ended December 31, 2005		Period from August 2, 2004 through December 31, 2004		Period from January 1, 2004 through August 1, 2004	
Income (loss) from continuing operations before income taxes	**$ 244,028**		$ 206,355		$ (9,192)		$ 129,024	
Computed "expected" tax expense	**85,410**	**35.00%**	72,224	35.00%	(3,217)	35.00%	45,158	35.00%
Separate account dividend received deduction	**(1,981)**	**(0.81)**	(3,960)	(1.92)	(1,103)	12.00	(1,461)	(1.13)
Purchase transaction costs	**(402)**	**(0.17)**	(413)	(0.20)	(455)	4.95	—	—
Miscellaneous permanent differences	**(308)**	**(0.13)**	(158)	(0.08)	(237)	2.58	117	0.09
IRS audit adjustments	—	—	—	—	—	—	(8,749)	(6.78)
Warrants	—	—	—	—	35,536	(386.60)	—	—
Valuation allowance	—	—	(5,440)	(2.64)	—	—	—	—
Low income housing credits	**(838)**	**(0.34)**	—	—	—	—	—	—
Other true-up adjustments	**2,617**	**1.08**	(340)	(0.16)	1,458	(15.86)	(3,663)	(2.84)
Provision for income taxes	**$ 84,498**	**34.63%**	$ 61,913	30.00%	$ 31,982	(347.93)%	$ 31,402	24.34%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The warrant adjustment for the period from August 2, 2004 through December 31, 2004, reflects the reduction of current income from continuing operations related to warrants issued to investors for certain services provided. For tax purposes, warrants for services are not deductible until the time of exercise. As of December 31, 2006, $2,720 of the warrant expense is accounted for as a temporary difference for which a deferred tax asset has been established. For tax-basis, the remaining portion of $32,816 has been allocated to non-amortizable capital expenditures.

The tax effects of temporary differences which give rise to the deferred income tax assets and deferred income tax liabilities were as follows:

	December 31, 2006	December 31, 2005
Deferred income tax assets:		
Goodwill	**$ 3,453**	$ 5,289
Intangibles	**18,408**	19,036
Adjustment to life policy liabilities	**343,120**	369,329
Capitalization of policy acquisition costs	**50,150**	57,785
Long-term incentive plan	**4,451**	4,266
Warrants	**2,720**	35,536
Investment impairments	**9,002**	8,927
Uncollected premium adjustment	**194**	—
Guaranty fund assessments	**502**	522
Furniture and fixtures	**510**	2,262
Bond discount accrual	**504**	—
Unrealized depreciation of investment securities (net of deferred policy acquisition costs adjustment: $(215) and $(0), respectively)	**296**	—
Other	**6,442**	11,019
Total deferred income tax assets	**439,752**	513,971
Deferred income tax liabilities:		
Unrealized appreciation of investment securities (net of deferred policy acquisition costs adjustment: $(0) and $(177), respectively)	**—**	73,520
Securities — basis adjustment	**185,164**	242,909
Mortgage loans	**1,234**	3,170
Warrants	**2,720**	35,536
Deferred policy acquisition costs	**30,668**	16,641
Bond discount accrual	**—**	4,546
Other	**875**	302
Total deferred income tax liabilities	**220,661**	376,624
Net deferred income tax asset	**$ 219,091**	$ 137,347

On August 2, 2004, the Company established a valuation allowance related to capital loss carryforwards of $27,392 ($9,587 at the effective tax rate). The Company determined the need for a valuation allowance due to the fact that the capital losses generated in 2002 and 2003 continued to be available for carryback purposes by the Company's former parent, Safeco. During 2005, the valuation allowance was reduced in its entirety as a result of a change in the anticipated realizability of deferred tax assets. The adjustment resulted in a write-down of other intangible assets in the amount of $4,200.

Prior to 1984, as provided for under the Life Insurance Company Tax Act of 1959, a portion of statutory income was not subject to current taxation, but was accumulated for income tax purposes in a memorandum account referred to as the "policyholders' surplus account" (PSA). In any taxable year beginning after 2004 and before 2007, direct and indirect distributions from the PSA will be treated as zero (no tax due). At December 31, 2005 the balance in the Company's PSA account was $7,448. During 2006, direct dividends from the insurance companies of $123,030 were distributed, which reduced the balance in the Company's PSA account to zero.

13. Comprehensive Income

Comprehensive income is defined as all changes in Stockholders' Equity, except those arising from transactions with stockholders. Comprehensive income includes net income and OCI, which consists of changes in unrealized gains or losses of investments and derivatives carried at fair value and the DAC valuation allowance.

The components of OCI are as follows:

	December 31, 2006	December 31, 2005
Net unrealized gains (losses) on available-for-sale securities	**$ (6,037)**	$ 209,549
Net unrealized gains on derivative financial instruments	**4,577**	—
Adjustment for deferred policy acquisition costs	**614**	506
Deferred income taxes	**296**	(73,520)
Accumulated other comprehensive income (loss)	**$ (550)**	$ 136,535

The following summarizes the net changes in OCI:

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Increase (decrease) in unrealized appreciation/depreciation of:				
Available-for-sale securities	**$ (215,586)**	$ (272,579)	$ 482,128	$ (330,148)
Derivative financial instruments	**4,577**	—	—	(6,829)
Adjustment for deferred policy acquisition costs	**108**	1,201	(695)	39,095
Deferred income taxes	**73,816**	94,982	(168,502)	104,259
Net change in accumulated OCI	**$ (137,085)**	$ (176,396)	$ 312,931	$ (193,623)

14. Commitments and Contingencies

Under state insolvency and guaranty laws, insurers licensed to do business in a state can be assessed or required to contribute to state guaranty funds to cover policyholder losses resulting from insurer insolvencies. Liabilities for guaranty funds are not discounted or recorded net of premium taxes and are included in other liabilities in the Consolidated Balance Sheets. At December 31, 2006, the Company had liabilities of $7,278 for estimated guaranty fund assessments. The Company has a related asset for premium tax offsets of $5,843, which are available for a period of five to twenty years.

At December 31, 2006 the Company was invested in six limited partnership interests related to tax sheltered affordable housing projects and state tax credit funds, four of which were entered into during 2006. The Company unconditionally committed to provide capital contributions of approximately $64,298 over a period of four years. These investments were accounted for under the equity method and are recorded at present value in investments in limited partnerships with the corresponding amount in other liabilities. Capital contributions of $10,584 were paid as of December 31, 2006, with the remaining expected cash capital contributions payable as follows:

2007	$ 9,262
2008	7,867
2009	21,439
2010	15,146
Total capital contributions payable	$ 53,714

The Company has committed to invest $17,500 in two private equity limited partnerships. The Company will provide capital contributions to the partnerships up to the committed amount at the discretion of the general partners, subject to certain incremental contribution limits. The term of the capital commitment ranges from five to ten years ending in 2015. Investments in both partnerships amounted to $2,495 for the year ended December 31, 2006.

Because of the nature of the business, the Company is subject to legal actions filed or threatened in the ordinary course of its business operations. The Company does not believe that such litigation will have a material adverse effect on its consolidated financial condition, future operating results, or liquidity.

The Company leases office space, commercial real estate, and certain equipment under leases that expire at various dates through 2015. The Company accounts for these leases as operating leases. Certain leases include renewal options.

Future minimum lease commitments, including cost escalation clauses, for the next five years and thereafter, are as follows:

	Operating Leases
2007	$ 6,853
2008	6,692
2009	6,747
2010	6,550
2011	6,192
Thereafter	23,072
Total	$ 56,106

The amount of rent expense was $8,244, $9,592, $4,500, and $5,867 for the years ended December 31, 2006 and 2005, the five months ended December 31, 2004, and the seven months ended August 1, 2004, respectively.

In October 2004, the Company entered into a service agreement with a third-party service provider to outsource the majority of its information technology infrastructure. The term of the service agreement is for five years, subject to certain renewal options and early termination provisions. Under the terms of the service agreement, the Company agreed to pay an annual service fee ranging from $13,194 to $14,664 for five years. The remaining annual service fee is $13,224 for 2007, $13,269 for 2008, $13,928 for 2009, and $8,362 for 2010, subject to certain annual service fee adjustments based on actual benchmarks and production utilization.

During 2005, the Company entered into an agreement and paid the service provider a fixed transition fee in the amount of $15,488 related to the acquisition of the initial equipment and software used by the service provider to fulfill and perform its services. The ownership of these assets will be conveyed to the Company upon the termination of the service agreement. The Company recorded the equipment and software as a capital lease with no related future minimum lease payment. Additional equipment and software may be purchased by the service provider based on capacity and demand. Equipment and software costs under the capital lease were $13,825 and $13,586, respectively, at December 31, 2006 and 2005 with accumulated amortization of $5,885 and $3,057, respectively. There were no capitalized leases at December 31, 2004.

At December 31, 2006 and 2005, unfunded mortgage loan commitments were $14,465 and $35,175, respectively. The Company had no other material commitments or contingencies at December 31, 2006 and 2005.

15. Discontinued Operations

On August 2, 2004, the Company announced it would exit the mutual fund business through a sale agreement with Pioneer Investment Management Inc. (Pioneer) for $30,000, subject to adjustment based on the value of the assets under management at closing and stockholder and trustee approval. Symetra Asset Management (SAM), manager of the Safeco mutual funds, was replaced with Pioneer. On December 10, 2004, $3.1 billion in assets from Safeco's 22 mutual funds merged into the Pioneer family of funds and the Company received $30,000. No realized investment gain or loss was recorded. Accordingly, the Company has presented the asset management segment, which is primarily composed of activity related to the mutual fund business, as discontinued operations in the Consolidated Financial Statements in accordance with SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets.*

Included in discontinued operations are the operations of SAM and the majority of the business component of Symetra Services Corporation. SAM provided fund accounting and other administrative services to the funds through the sale date. The other asset management entity, Symetra Services Corporation, functioned as the transfer agent for the Safeco mutual funds.

Results of discontinued operations were as follows:

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004	Predecessor Period from January 1, 2004 through August 1, 2004
Revenues	$ —	$ 2,426	$ 932	$ 14,608
Benefits and expenses:				
Other underwriting and operating expenses	—	845	4,678	11,077
Income (loss) before income taxes:	—	1,581	(3,746)	3,531
Provision (benefit) for income taxes:				
Current	—	262	8,764	1,166
Deferred	—	274	(10,099)	69
Total	—	536	(1,335)	1,235
Net income (loss)	$ —	$ 1,045	$ (2,411)	$ 2,296

16. Employee Benefit Plans

The Company sponsors a defined contribution plan for all eligible employees. Prior to 2006, the Symetra Financial Retirement Plan was a 401(k)/profit-sharing retirement plan that included a matching contribution of 66.6% of a participant's contributions up to 6% of eligible compensation, a profit-sharing feature comprised of a minimum contribution of 3% of each eligible participant's compensation, and a variable component based on the Board of Directors' discretion. No variable profit-sharing contributions were made for the year ended December 31, 2005 and the five month period ended December 31, 2004. Effective on January 1, 2006, the plan was amended to include only an immediate safe harbor contribution of 100% of a participant's contributions up to 6% of eligible compensation. The expense related to this plan was $2,155, $5,141, and $2,526 for the years ended December 31, 2006 and 2005, and the five months ended December 31, 2004, respectively.

The Company also sponsors a performance share plan (the Performance Share Plan) that provides incentives to selected executives based on the long-term success of the Company. The Board of Directors of the Company may grant to an executive an award of performance shares. Each performance share reflects the financial value of the growth in both the book value and the enterprise value, conditional upon attainment of a stated performance goal over the award period specified in the grant. The performance shares are exchanged for a cash payment at the end of the award period. The amount expensed for the years ended December 31, 2006 and 2005 and the five months ended December 31, 2004, related to the Performance Share Plan, was $11,801, $10,262, and $1,928, respectively. The Company does not offer any healthcare, life insurance, or other post-retirement benefits to retired employees.

Predecessor Plans

Through the date of acquisition, Safeco sponsored defined contribution and defined benefit plans covering substantially all employees of the Company and its subsidiaries and provided a postretirement benefit program for certain retired employees. Eligibility for participation in the various plans was generally based on completion of a specified period of continuous service or date of hire. Employer contributions to these plans were made in cash. Costs allocated to the Company for these plans were $2,363 for the seven months ended August 1, 2004.

The Safeco 401(k)/Profit-Sharing Retirement Plan was a defined contribution plan. It included a minimum contribution of 3% of each eligible participant's compensation, a matching contribution of 66.6% of participant's contributions up to 6% of eligible compensation, and a profit-sharing component based on Safeco's income. No profit-sharing contributions were made for the seven month period ended August 1, 2004.

The Safeco Employee's Cash Balance Plan (CBP) was a noncontributory defined benefit plan that provided benefits for each year of service after 1988, based on the participant's eligible compensation, plus a stipulated rate of return on the benefit balance. Safeco made contributions to the CBP based on the funding requirements set by the Employee Retirement Income Security Act of 1974. Costs allocated to the Company for the CBP were 1% or less of income before income taxes for the seven months ended August 1, 2004.

The Company participated in Safeco's Long-Term Incentive Plan of 1997 (the Plan), as amended. Incentive stock options, non-qualified stock options, restricted stock rights, performance stock rights, and stock appreciation rights were authorized under the Plan. Stock-based compensation expense allocated to the Company was $1,873 for the seven months ended August 1, 2004.

17. Dividend Restrictions

Insurance companies are restricted by state regulations as to the aggregate amount of dividends they may pay in any consecutive 12-month period without regulatory approval. Generally, dividends may be paid out of earned surplus without approval with 30 days' prior written notice, within certain limits. The limits are generally based on the greater of 10% of the prior year statutory surplus or the prior year statutory net gain from operations. Dividends in excess of the prescribed limits or earned surplus require formal state insurance commission approval. Based on statutory limits as of December 31, 2006, the amount of surplus available for the payment of dividends without prior regulatory approval is $166,415.

18. Statutory-Basis Information

State insurance regulatory authorities require insurance companies to file annual statements prepared on an accounting basis prescribed or permitted by their respective states of domicile. Prescribed statutory accounting practices include state laws, regulations, and general administrative rules, as well as a variety of publications of the National Association of Insurance Commissioners (NAIC), including the revised *Accounting Practices and Procedures Manual.* Permitted statutory accounting practices encompass all accounting practices not so prescribed.

During 2005, American States Life Insurance Company (ASL) was statutorily merged into Symetra Life Insurance Company. Statutory net income and surplus of ASL for the years ended December 31, 2006 and 2005, are included in Symetra Life Insurance Company. Statutory net income (loss) and capital and surplus, by company, are as follows:

	Year Ended December 31,		
	2006	**2005**	**2004**
Statutory net income (loss):			
Symetra Life Insurance Company	**$ 145,020**	$ 162,210	$ 222,104
Symetra National Life Insurance Company	**1,107**	(936)	119
First Symetra National Life Insurance Company of New York	**35**	(3,016)	857
American States Life Insurance Company	**—**	—	23,237
Total	**$ 146,162**	$ 158,258	$ 246,317

	December 31	
	2006	**2005**
Statutory capital and surplus:		
Symetra Life Insurance Company	**$1,266,222**	$1,260,136

Statutory net income differs from income reported in accordance with GAAP primarily because policy acquisition costs are expensed when incurred, reserves are based on different assumptions, and income tax expense reflects only taxes paid or currently payable.

Statutory capital and surplus differs from amounts reported in accordance with GAAP primarily because of the effect of GAAP purchase price accounting adjustments, policy acquisition costs are expensed when incurred, reserves are based on different assumptions, and fixed maturities are carried at amortized cost.

Life and health insurance companies are subject to certain Risk-Based Capital (RBC) requirements as specified by the NAIC. Under those requirements, the amount of capital and surplus maintained by a life and health insurance company is to be determined based on various risk factors related to it. At December 31, 2006, Symetra Life Insurance Company and its subsidiaries met the RBC requirements.

19. Related Parties

The Company entered into an Investment Management Agreement on March 14, 2004 with White Mountains Advisors, LLC. This agreement provides for investment advisory services related to the Company's invested assets and portfolio management services. Fees are paid quarterly and amounted to $20,187, $18,533, and $7,768 for the years ended December 31, 2006 and 2005, and the five months ended December 31, 2004.

On August 2, 2004, the Company issued warrants to two lead investors. At December 31, 2006, 2,181,120 shares of warrants to purchase the Company's common stock remain outstanding at an exercise price of $100 per share.

Predecessor

During 2005, the Company relocated its main office location to Bellevue, Washington. Prior to August 2, 2004, the Company was obligated under a real estate lease with General America Corporation, a subsidiary of Safeco, through July 31, 2005. The current minimum aggregate rental commitment under this lease obligation was $5,281 at December 31, 2004. Total related-party rent expense for all facilities charged to operations was $5,408 for the seven months ended August 1, 2004.

Prior to August 2, 2004, Safeco and its affiliates provided the Company with personnel, property, and facilities in carrying out certain of its corporate functions. Safeco annually determined allocation factors based on headcount, time studies, actual usage, or other relevant allocation bases in order to allocate expenses for these services and facilities. These expenses were included in net investment income and other operating expenses within the Company's Consolidated Statements of Operations. Safeco charged the Company expenses of $25,167 for the seven months ended August 1, 2004. These expenses included charges for corporate overhead, data processing systems, payroll, and other miscellaneous charges.

On July 30, 2004, as part of the purchase of Safeco's Life & Investment companies, $7,703 of fixed assets and software were transferred to the Company and reflected as a capital contribution. The remaining $1,131 of the total $8,834 was a cash contribution.

20. Segment Information

The Company provides a broad range of products and services that include group and individual insurance products, pension products, annuities, and investment advisory services. These operations are managed separately as five reportable segments based on product groupings: Group, Income Annuities, Retirement Services, Individual, and Other:

- Group's principal product is stop-loss medical insurance sold to employers with self-insured medical plans. Also included in this segment are group life, accidental death and dismemberment insurance, and disability products.
- Retirement Services' products are primarily fixed and variable deferred annuities (both qualified and non-qualified), tax-sheltered annuities (marketed to teachers and not-for-profit organizations), and corporate retirement funds.
- Income Annuities' principal products are the structured settlement annuities that are sold to fund third-party personal injury settlements, providing a reliable income stream to the injured party and immediate annuities purchased to fund income after retirement.
- Individual's products include term, universal and variable universal life, and bank-owned life insurance.
- Other includes Symetra Financial Corporation (the holding company), inter-segment elimination entries, and various non-insurance companies.
- Discontinued operations are comprised of the discontinued mutual fund businesses (see Notes 1 and 15).

The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies (Note 2).

The Company allocates capital and related investment income to each segment using a risk-based capital formula. The Company evaluates its results based upon segment operating income, GAAP and non-GAAP financial measure that excludes net realized investment gains (losses). Management believes the presentation of segment pretax operating income enhances the understanding of its results of operations by highlighting earnings attributable to the normal recurring operations of the business.

The following tables present selected financial information by segment and reconciles to segment income before income taxes operating earnings to amounts reported in the Consolidated Statements of Operations:

	Year Ended December 31, 2006					
	Group	Retirement Services	Income Annuities	Individual	Other	Total
Revenues:						
Premiums	$ 387,231	$ 130	$ —	$ 138,296	$ —	$ 525,657
Net investment income	18,030	269,821	439,001	232,759	25,316	984,927
Other revenue	10,195	22,831	797	12,939	9,410	56,172
Net realized investment gains (losses)	(66)	(17,061)	16,798	(3,807)	5,816	1,680
Total revenues	415,390	275,721	456,596	380,187	40,542	1,568,436
Benefits and expenses:						
Policyholder benefits and claims	230,753	(16,501)	—	50,000	—	264,252
Interest credited	—	186,232	371,786	208,180	(327)	765,871
Other underwriting and operating expenses	105,742	61,738	21,591	57,370	14,100	260,541
Interest expense	—	—	—	—	19,155	19,155
Amortization of deferred policy acquisition costs	10,882	1,081	580	2,046	—	14,589
Total benefits and expenses	347,377	232,550	393,957	317,596	32,928	1,324,408
Segment pre-tax income	68,013	43,171	62,639	62,591	7,614	244,028
Less: Net realized investment gains (losses)	(66)	(17,061)	16,798	(3,807)	5,816	1,680
Segment pre-tax operating income	$ 68,079	$ 60,232	$ 45,841	$ 66,398	$ 1,798	$ 242,348
Assets:						
Total investments	$ 168,743	$ 4,443,302	$ 6,967,906	$ 4,074,927	$ 1,650,468	$ 17,305,346
Separate account assets	—	1,115,519	—	118,410	—	1,233,929
Total assets	300,084	5,904,981	7,273,385	4,601,697	2,034,470	20,114,617

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Year Ended December 31, 2005							
	Group	Retirement Services	Income Annuities	Individual	Other	Continuing Operations	Discontinued Operations	Total
Revenues:								
Premiums	$ 438,276	$ 121	$ —	$ 137,062	$ —	$ 575,459	$ —	$ 575,459
Net investment income	19,270	292,801	441,438	222,613	17,926	994,048	172	994,220
Other revenue	11,801	23,223	515	13,968	9,052	58,559	—	58,559
Net realized investment gains (losses)	(74)	(17,122)	17,382	1,344	12,610	14,140	2,254	16,394
Total revenues	469,273	299,023	459,335	374,987	39,588	1,642,206	2,426	1,644,632
Benefits and expenses:								
Policyholder benefits and claims	296,036	(25,697)	—	57,088	—	327,427	—	327,427
Interest credited	—	211,538	392,534	206,856	—	810,928	—	810,928
Other underwriting and operating expenses	115,342	62,636	19,383	61,374	14,512	273,247	845	274,092
Interest expense	—	—	—	—	12,388	12,388	—	12,388
Amortization of deferred policy acquisition costs	10,478	94	272	1,017	—	11,861	—	11,861
Total benefits and expenses	421,856	248,571	412,189	326,335	26,900	1,435,851	845	1,436,696
Segment pre-tax income	47,417	50,452	47,146	48,652	12,688	206,355	1,581	207,936
Less: Net realized investment gains (losses)	(74)	(17,122)	17,382	1,344	12,610	14,140	2,254	16,394
Segment pre-tax operating income (loss)	$ 47,491	$ 67,574	$ 29,764	$ 47,308	$ 78	$ 192,215	$ (673)	$ 191,542
Assets:								
Total investments	$ 137,826	$ 5,096,016	$ 7,276,295	$ 4,130,472	$ 1,692,164	$ 18,332,773	$ —	$ 18,332,773
Separate account assets	—	1,074,463	—	114,357	—	1,188,820	—	1,188,820
Total assets	242,751	6,526,179	$ 7,451,961	4,638,575	2,120,595	20,980,061	—	20,980,061

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Period from August 2, 2004 through December 31, 2004							
	Group	Retirement Services	Income Annuities	Individual	Other	Continuing Operations	Discontinued Operations	Total
Revenues:								
Premiums	$ 207,396	$ 105	$ —	$ 55,694	$ —	$ 263,195	$ —	$ 263,195
Net investment income	8,764	124,188	184,074	89,229	4,865	411,120	393	411,513
Other revenue	5,621	11,480	207	6,224	3,518	27,050	413	27,463
Net realized investment gains (losses)	(1)	4,166	(3,277)	2,809	3,306	7,003	126	7,129
Total revenues	221,780	139,939	181,004	153,956	11,689	708,368	932	709,300
Benefits and expenses:								
Policyholder benefits and claims	124,008	(15,849)	—	19,340	—	127,499	—	127,499
Interest credited	—	109,211	164,100	86,885	—	360,196	—	360,196
Other underwriting and operating expenses	54,410	26,682	7,226	28,566	6,358	123,242	4,678	127,920
Fair Value of warrants issued to investors	—	—	—	—	101,531	101,531	—	101,531
Interest expense	—	—	—	—	3,466	3,466	—	3,466
Amortization of deferred policy acquisition costs	1,352	236	—	38	—	1,626	—	1,626
Total benefits and expenses	179,770	120,280	171,326	134,829	111,355	717,560	4,678	722,238
Segment pre-tax income	42,010	19,659	9,678	19,127	(99,666)	(9,192)	(3,746)	(12,938)
Less: Net realized investment gains (losses)	(1)	4,166	(3,277)	2,809	3,306	7,003	126	7,129
Segment pre-tax operating income (loss)	$ 42,011	$ 15,493	$ 12,955	$ 16,318	$ (102,972)	$ (16,195)	$ (3,872)	$ (20,067)
Assets:								
Total investments	$ 534,402	$ 6,724,045	$ 7,752,785	$ 4,271,000	$ (37,471)	$ 19,244,761	$ 32,290	$ 19,277,051
Separate account assets	—	1,114,843	—	113,517	—	1,228,360	—	1,228,360
Total assets	639,582	8,247,675	7,885,813	4,737,864	606,492	22,117,426	64,556	22,181,982

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Period from January 1, 2004 through August 1, 2004 — Predecessor							
	Group	Retirement Services	Income Annuities	Individual	Other	Continuing Operations	Discontinued Operations	Total
Revenues:								
Premiums	$ 293,213	$ 92	$ —	$ 64,620	$ —	$ 357,925	$ —	$ 357,925
Net investment income	13,632	225,008	290,328	139,063	25,671	693,702	754	694,456
Other revenue	8,323	15,755	276	14,774	4,815	43,943	13,729	57,672
Net realized investment gains	143	2,372	12,751	5,225	14,401	34,892	125	35,017
Total revenues	315,311	243,227	303,355	223,682	44,887	1,130,462	14,608	1,145,070
Benefits and expenses:								
Policyholder benefits and claims	196,468	172	—	26,938	—	223,578	—	223,578
Interest credited	—	155,403	274,800	126,230	—	556,433	—	556,433
Other underwriting and operating expenses	78,727	36,789	9,522	36,059	21,237	182,334	11,077	193,411
Amortization of deferred policy acquisition costs	10,537	16,313	—	7,314	—	34,164	—	34,164
Intangibles and goodwill amortization	794	801	—	1,746	1,588	4,929	—	4,929
Total benefits and expenses	286,526	209,478	284,322	198,287	22,825	1,001,438	11,077	1,012,515
Segment pre-tax income	28,785	33,749	19,033	25,395	22,062	129,024	3,531	132,555
Less: Net realized investment gains	143	2,372	12,751	5,225	14,401	34,892	125	35,017
Segment pre-tax operating income	$ 28,642	$ 31,377	$ 6,282	$ 20,170	$ 7,661	$ 94,132	$ 3,406	$ 97,538

21. Earnings Per Share

Basic earnings per share represent the amount of earnings for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share represent 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. All outstanding warrants are considered participating securities or potential common stock securities that are included in weighted average common shares outstanding for purposes of computing basic earnings per share using the two-class method. The warrants are considered participating securities or potential common stock securities because the terms of the warrants entitle the holders to receive any dividends declared on the common stock concurrently with the holders of outstanding shares of common stock, without regard to whether the warrants are exercised prior to the record date for any such dividend.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table presents information relating to the Company's calculations of basic and diluted earnings per share (EPS) for the years ended December 31:

	December 31, 2006			December 31, 2005		
	Amount	Basic EPS	Diluted EPS	Amount	Basic EPS	Diluted EPS
	(In thousands, except for per share data)					
Income from continuing operations	$ 159,530	$ 12.43	$ 12.43	$ 144,442	$ 11.26	$ 11.26
Discontinued operations, net of taxes	—	—	—	1,045	0.08	0.08
Net income	$ 159,530	$ 12.43	$ 12.43	$ 145,487	$ 11.34	$ 11.34
Common stock:						
Distributed	$ 83,000	$ 7.79	$ 7.79	$ —	$ —	$ —
Undistributed	49,410	4.64	4.64	120,754	11.34	11.34
Total	$ 132,410	$ 12.43	$ 12.43	$ 120,754	$ 11.34	$ 11.34
Warrants:						
Distributed	$ 17,000	$ 7.79	$ 7.79	$ —	$ —	$ —
Undistributed	10,120	4.64	4.64	24,733	11.34	11.34
Total	$ 27,120	$ 12.43	$ 12.43	$ 24,733	$ 11.34	$ 11.34

	Basic	Diluted	Basic	Diluted
Weighted average common shares outstanding				
Common stock	10,649.0	10,649.0	10,649.0	10,649.0
Warrants	2,181.0	2,181.0	2,181.0	2,181.0
Total shares	12,830.0	12,830.0	12,830.0	12,830.0

CONSOLIDATED BALANCE SHEETS

	June 30, 2007 (Unaudited)	December 31, 2006
	(In millions)	
ASSETS		
Investments:		
Available-for-sale securities:		
Fixed maturities, at fair value	**$ 15,440.8**	$ 16,049.9
Marketable equity securities, at fair value	**209.9**	201.7
Mortgage loans	**789.6**	794.3
Policy loans	**77.8**	79.2
Short-term investments	**5.3**	48.9
Investments in limited partnerships	**159.8**	112.6
Other invested assets	**11.8**	18.7
Total investments	**16,695.0**	17,305.3
Cash and cash equivalents	**362.4**	253.2
Restricted funds	**10.4**	—
Accrued investment income	**196.7**	206.7
Accounts receivable and other receivables	**147.9**	82.0
Reinsurance recoverables	**249.1**	238.8
Deferred policy acquisition costs	**107.1**	88.2
Goodwill	**20.9**	3.7
Deferred income tax assets, net	**313.7**	219.1
Property, equipment, and leasehold improvements, net	**26.2**	28.1
Other assets	**28.1**	16.3
Securities lending collateral	**419.8**	439.3
Separate account assets	**1,268.5**	1,233.9
Total assets	**$ 19,845.8**	$ 20,114.6
LIABILITIES AND STOCKHOLDERS' EQUITY		
Funds held under deposit contracts	**$ 15,655.3**	$ 15,986.2
Future policy benefits	**381.8**	376.4
Policy and contract claims	**123.1**	119.5
Unearned premiums	**12.0**	11.7
Other policyholders' funds	**79.6**	46.4
Notes payable	**298.8**	298.7
Current income taxes payable	**8.5**	2.6
Other liabilities	**350.8**	272.6
Securities lending payable	**419.8**	439.3
Separate account liabilities	**1,268.5**	1,233.9
Total liabilities	**18,598.2**	18,787.3
Commitments and Contingencies		
Capital stock	**0.1**	0.1
Additional paid-in capital	**1,166.3**	1,166.3
Retained earnings	**260.1**	161.4
Accumulated other comprehensive income (loss), net of taxes	**(178.9)**	(0.5)
Total stockholders' equity	**1,247.6**	1,327.3
Total liabilities and stockholders' equity	**$ 19,845.8**	$ 20,114.6

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2007 (Unaudited)	Three Months Ended June 30, 2006 (Unaudited)	Six Months Ended June 30, 2007 (Unaudited)	Six Months Ended June 30, 2006 (Unaudited)
	(In millions, except for per share data)			
Revenues:				
Premiums	**$ 131.3**	$ 132.6	**$ 265.0**	$ 269.2
Net investment income	**246.5**	244.0	**490.9**	490.5
Other revenues	**17.4**	14.0	**32.7**	29.7
Net realized investment gains (losses)	**10.6**	(5.2)	**24.5**	(0.5)
Total revenues	**405.8**	385.4	**813.1**	788.9
Benefits and expenses:				
Policyholder benefits and claims	**69.4**	63.4	**136.1**	147.6
Interest credited	**189.1**	190.1	**374.1**	382.2
Other underwriting and operating expenses	**70.5**	65.7	**141.2**	129.8
Interest expense	**4.6**	4.6	**9.3**	9.8
Amortization of deferred policy acquisition costs	**5.0**	4.0	**9.4**	7.6
Total benefits and expenses	**338.6**	327.8	**670.1**	677.0
Income before taxes	**67.2**	57.6	**143.0**	111.9
Provision for income taxes:				
Current	**29.8**	68.0	**49.0**	59.4
Deferred	**(8.1)**	(46.7)	**(2.2)**	(20.2)
Total provision for income taxes	**21.7**	21.3	**46.8**	39.2
Net income	**$ 45.5**	$ 36.3	**$ 96.2**	$ 72.7
Net income per common share:				
Basic	**$ 3.54**	$ 2.83	**$ 7.50**	$ 5.66
Diluted	**$ 3.54**	$ 2.83	**$ 7.50**	$ 5.66
Weighted average number of common shares outstanding (in millions):				
Basic	**12.8**	12.8	**12.8**	12.8
Diluted	**12.8**	12.8	**12.8**	12.8

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Capital Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss), Net of Taxes	Total Stockholders' Equity
			(In millions)		
Balances at January 1, 2006	$ 0.1	$ 1,166.3	$ 101.9	$ 136.6	$ 1,404.9
Net income	—	—	72.7	—	72.7
Other comprehensive income (loss), after tax	—	—	—	(485.8)	(485.8)
Balances at June 30, 2006	$ 0.1	$ 1,166.3	$ 174.6	$ (349.2)	$ 991.8
Balances at January 1, 2007	**$ 0.1**	**$ 1,166.3**	**$ 161.4**	**$ (0.5)**	**$ 1,327.3**
Net income	**—**	**—**	**96.2**	**—**	**96.2**
Other comprehensive income (loss), after tax	**—**	**—**	**—**	**(175.9)**	**(175.9)**
Cumulative effect adjustment upon adoption of SFAS No. 155	**—**	**—**	**2.5**	**(2.5)**	**—**
Balances at June 30, 2007	**$ 0.1**	**$ 1,166.3**	**$ 260.1**	**$ (178.9)**	**$ 1,247.6**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007 (Unaudited)	2006 (Unaudited)	2007 (Unaudited)	2006 (Unaudited)
	(In millions)			
Net income	**$ 45.5**	$ 36.3	**$ 96.2**	$ 72.7
Other comprehensive income (loss), net of taxes:				
Changes in unrealized gains and losses on available-for-sales securities	**(208.0)**	(194.6)	**(164.3)**	(488.9)
Reclassification adjustment for net realized investment gains included in net income	**(6.6)**	1.5	**(16.2)**	(0.4)
Derivatives qualifying as cash flow hedges	**—**	—	**(0.1)**	3.1
Adjustment for deferred policy acquisition costs valuation allowance	**1.0**	0.1	**2.2**	0.4
Other comprehensive income (loss)	**(213.6)**	(193.0)	**(178.4)**	(485.8)
Comprehensive income (loss)	**$ (168.1)**	$ (156.7)	**$ (82.2)**	$ (413.1)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2007 (Unaudited)	Six Months Ended June 30, 2006 (Unaudited)
	(In millions)	
Cash flows from operating activities:		
Net income	**$ 96.2**	$ 72.7
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized investment (gains) losses	**(24.5)**	0.5
Accretion of fixed maturity investments and mortgage loans	**32.3**	36.2
Accrued interest on accrual bonds	**(20.2)**	(21.9)
Amortization and depreciation	**6.2**	4.9
Deferred income tax provision	**(2.2)**	(20.2)
Interest credited on deposit contracts	**374.1**	382.2
Mortality and expense charges and administrative fees	**(46.7)**	(45.4)
Other	**0.4**	(0.2)
Changes in:		
Accrued investment income	**10.0**	4.2
Deferred policy acquisition costs	**(15.4)**	(17.6)
Other receivables	**7.4**	7.4
Policy and contract claims	**3.6**	(7.6)
Future policy benefits	**5.4**	2.9
Unearned premiums	**0.3**	(0.6)
Accrued income taxes	**5.9**	47.6
Other assets and liabilities	**(95.1)**	(13.7)
Other policyholder funds	**3.8**	(8.4)
Total adjustments	**245.3**	350.3
Net cash provided by operating activities	**341.5**	423.0
Cash flows from investing activities:		
Purchases of:		
Fixed maturities	**(1,244.7)**	(959.6)
Equity securities	**(30.0)**	(39.1)
Other invested assets and investments in limited partnerships	**(30.6)**	(0.7)
Issuance of mortgage loans	**(40.6)**	(75.2)
Issuance of policy loans	**(8.4)**	(10.6)
Maturities, calls, paydowns, other	**541.5**	400.9
Purchase of subsidiary, net of cash received	**(21.9)**	—
Other assets	**(0.2)**	(0.3)
Sales of:		
Fixed maturities	**1,094.2**	995.1
Equity securities	**36.1**	23.8
Other invested assets and investments in limited partnerships	**—**	0.9
Repayment of mortgage loans	**43.6**	50.5
Repayment of policy loans	**9.2**	10.0
Purchase of property, equipment and leasehold improvements	**(1.6)**	(2.2)
Net decrease in short-term investments	**43.6**	(1.3)
Net cash provided by investing activities	**390.2**	392.2
Cash flows from financing activities:		
Policyholder account balances:		
Deposits	**318.7**	294.2
Withdrawals	**(941.2)**	(1,003.9)
Repayments of notes payable	**—**	298.7
Proceeds from notes payable	**—**	(300.0)
Other, net	**—**	3.1
Net cash used in financing activities	**(622.5)**	(707.9)
Net decrease in cash and cash equivalents	**109.2**	107.3
Cash and cash equivalents at the beginning of the period	**253.2**	111.0
Cash and cash equivalents at the end of the period	**$ 362.4**	$ 218.3

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2007 AND 2006

1. Nature of Operations and Summary of Significant Accounting Policies

Organization and Description of Business

The accompanying interim financial statements include on a consolidated basis the accounts of Symetra Financial Corporation and its subsidiaries which are referred to as "Symetra Financial" or "the Company". Symetra Financial Corporation is a Delaware corporation privately owned by an investor group led by White Mountains Insurance Group, Ltd. and Berkshire Hathaway Inc.

Symetra Financial Corporation's subsidiaries offer group and individual insurance products and retirement products, including annuities marketed through professional agents and distributors in all states and the District of Columbia. The Company's principal products include medical stop-loss insurance, fixed deferred annuities, variable annuities, single premium immediate annuities, and individual life insurance.

Basis of presentation

The Consolidated Financial Statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). 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 Consolidated Financial Statements and accompanying notes. Actual results could differ from those estimates.

The most significant estimates include those used in determining reserves for future policy benefits, deferred policy acquisition costs (DAC), valuation of investments and evaluation of other-than-temporary impairments, income taxes, and contingencies. All significant intercompany transactions and balances have been eliminated in the Consolidated Financial Statements.

Certain reclassifications have been made to the prior year financial information for it to conform to the current period presentation.

Recently Adopted Changes in Accounting Principles

FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes — An Interpretation of FASB Statement No. 109*

In June 2006, the FASB issued FASB Interpretation (FIN) No. 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109, Accounting for Income Taxes*. FIN No. 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109. FIN No. 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN No. 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN No. 48 is effective for fiscal years beginning after December 15, 2006. The Company adopted FIN No. 48 as of January 1, 2007, as required.

Upon adoption of FIN No. 48, the Company did not recognize an increase in the liability for unrecognized tax benefits or an adjustment to retained earnings.

The Company includes penalties and interest accrued related to unrecognized tax benefits in the calculation of income tax expense. During the three and six month periods ended June 30, 2007 and 2006, amounts recognized for interest and penalties and amounts accrued for the payment of interest and penalties were not material.

The Company files income tax returns in the U.S. Federal and various state jurisdictions. The Company's Federal income tax returns have been examined and closing agreements have been executed with the Internal Revenue Service through the tax period ended December 31, 2003. Final computations are being reviewed by the Joint Committee on Taxation. The Internal Revenue Service has commenced an audit of our returns for tax years ended July 31, 2004, December 31, 2004 and December 31, 2005. To date, no significant tax issues or proposed adjustments have been raised by the examiners. The Company is not currently subject to any state income tax examinations.

SFAS No. 155, Accounting for Certain Hybrid Financial Instruments

In February 2006, the FASB issued SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments*. SFAS No. 155 amends certain paragraphs of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, and SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. SFAS No. 155 also resolves issues addressed in SFAS No. 133 Implementation Issue No. D1, *Application of Statement 133 to Beneficial Interests in Securitized Financial Assets*. In summary, SFAS No. 155 eliminates the requirement to bifurcate financial instruments with embedded derivatives if the holder of the instrument elects to account for the entire instrument on a fair value basis. Changes in fair value are recorded as realized gains. The fair value election may be applied upon adoption of the statement for hybrid instruments that had been bifurcated under SFAS 133 prior to adoption. SFAS No. 155 is effective for all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006. Provisions of SFAS No. 155 may be applied to instruments that an entity holds at the date of adoption on an instrument-by-instrument basis.

The Company adopted SFAS No. 155 as of January 1, 2007, as required. Prior to adoption, the Company bifurcated the equity conversion option in its investment in convertible bonds. Changes in fair value of the host instrument, the convertible bonds, were recorded as unrealized gains (losses) on investments while changes in the fair value of the equity conversion option were recorded as realized investment gains (losses). At December 31, 2006, the Company recorded $68.3 million related to the fair value of host instrument in fixed maturity investments and $8.3 million related to the fair value of the equity conversion options in other investments. Upon adoption of SFAS No. 155, the Company recorded an adjustment of $2.5 million, net of tax, to reclassify net unrealized gains on investments to beginning retained earnings to reflect the cumulative effective of adoption. At June 30, 2007 the Company recorded $89.3 million of convertible bonds recorded in fixed maturities, and at December 31, 2006, the Company had $76.6 million.

American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 05-1, Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection with Modifications or Exchanges of Insurance Contracts

In September 2005, the AICPA issued SOP 05-1, *Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection with Modifications or Exchanges of Insurance Contracts*. SOP 05-1 provides guidance on accounting by insurance enterprises for deferred acquisition costs on internal replacements of insurance and investment contracts other than those specifically described in SFAS No. 97, *Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and For Realized Gains and Losses from the Sale of Investments*. SOP 05-1 defines an internal replacement as a modification in product benefits, features, rights, or coverages that occurs by the exchange of a contract for a new contract, or by amendment, endorsement, or rider to a contract, or by the election of a feature or coverage within a contract. Under SOP 05-1, modifications that result in a substantially unchanged contract will be accounted for as a continuation of the replaced contract. A replacement contract that is substantially changed will be accounted for as an extinguishment of the replaced contract, resulting in a release of unamortized DAC, unearned revenue, and deferred sales inducements associated with the replaced contract.

The provisions of SOP 05-1 are effective for fiscal years beginning after December 15, 2006. The Company adopted SOP 05-1 effective on January 1, 2007 as required. The adoption of SOP 05-1 did not have a material impact on the Company's financial position.

Recent Accounting Pronouncements

Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. The Statement provides a revised definition of fair value and guidance on the methods used to measure fair value. The Statement also expands financial statement disclosure requirements for fair value information. The Statement establishes a fair value hierarchy that distinguishes between assumptions based on market data from independent sources ("observable inputs") and a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable ("unobservable inputs"). The fair value hierarchy in SFAS No. 157 prioritizes inputs within three levels: quoted prices in active markets have the highest priority (Level 1) followed by observable inputs other than quoted prices (Level 2) and unobservable inputs having the lowest priority (Level 3). The Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, with earlier application allowed for entities that have not issued financial statements in the fiscal year of adoption. The Company has not yet determined the effect of adoption on its financial statements.

Fair Value Option

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*. The Statement allows companies to make an election, on an individual instrument basis, to report financial assets and liabilities at fair value. The election must be made at the inception of a transaction and may not be reversed. The election may also be made for existing financial assets and liabilities at the time of adoption. Unrealized gains and losses on assets or liabilities for which the fair value option has been elected are to be reported in earnings. The Statement requires additional disclosures for instruments for which the election has been made, including a description of management's reasons for making the election. SFAS 159 is effective as of fiscal years beginning after November 15, 2007 and is to be adopted prospectively and concurrent with the adoption of SFAS 157. The Company has not yet determined the effect of adoption on its financial condition of results of operations.

2. Investments

The following tables summarize the Company's fixed maturities and marketable equity securities:

	As of June 30, 2007			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(Amounts in millions)			
Fixed maturities:				
U.S. government and agencies	$ 263.6	$ 0.2	$ (4.7)	$ 259.1
State and political subdivisions	501.4	1.3	(8.1)	494.6
Foreign government	158.0	0.2	(2.2)	156.0
Corporate securities	10,485.4	70.0	(279.2)	10,276.2
Mortgage-backed securities	4,351.4	6.5	(103.0)	4,254.9
Total fixed maturities	15,759.8	78.2	(397.2)	15,440.8
Marketable equity securities	172.2	39.1	(1.4)	209.9
Total	$ 15,932.0	$ 117.3	$ (398.6)	$ 15,650.7

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	As of December 31, 2006			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(Amounts in millions)			
Fixed maturities:				
U.S. government and agencies	$ 157.0	$ 1.8	$ (0.9)	$ 157.9
State and political subdivisions	666.1	9.3	(4.5)	670.9
Foreign government	205.2	4.2	(0.5)	208.9
Corporate securities	10,670.7	164.3	(168.5)	10,666.5
Mortgage-backed securities	4,387.6	26.7	(68.6)	4,345.7
Total fixed maturities	16,086.6	206.3	(243.0)	16,049.9
Marketable equity securities	171.0	32.0	(1.3)	201.7
Total	$ 16,257.6	$ 238.3	$ (244.3)	$ 16,251.6

The following table shows the Company's investments' gross unrealized losses and fair values, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position.

	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(Amounts in millions)					
June 30, 2007						
Fixed maturities:						
U.S. government and agencies	$ 79.3	$ (1.7)	$ 101.2	$ (3.0)	$ 180.5	$ (4.7)
State and political subdivisions	223.7	(3.9)	140.6	(4.2)	364.3	(8.1)
Foreign government	104.5	(1.6)	21.5	(0.6)	126.0	(2.2)
Corporate securities	3,900.1	(108.5)	4,150.6	(170.7)	8,050.7	(279.2)
Mortgage-backed securities	1,708.0	(32.5)	2,083.2	(70.5)	3,791.2	(103.0)
Total fixed maturities	6,015.6	(148.2)	6,497.1	(249.0)	12,512.7	(397.2)
Marketable equity securities	31.4	(0.3)	6.6	(1.1)	38.0	(1.4)
Total	$ 6,047.0	$ (148.5)	$ 6,503.7	$ (250.1)	$ 12,550.7	$ (398.6)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(Amounts in millions)					
December 31, 2006						
Fixed maturities:						
U.S. government and agencies	$ 52.7	(0.7)	$ 24.7	$ (0.2)	$ 77.4	$ (0.9)
State and political subdivisions	219.6	(2.9)	65.7	(1.6)	285.3	(4.5)
Foreign government	14.4	(0.2)	11.1	(0.3)	25.5	(0.5)
Corporate securities	2,732.6	(55.8)	3,686.9	(112.7)	6,419.5	(168.5)
Mortgage-backed securities	1,501.5	(22.8)	1,888.3	(45.8)	3,389.8	(68.6)
Total fixed maturities	4,520.8	(82.4)	5,676.7	(160.6)	10,197.5	(243.0)
Marketable equity securities	9.8	(0.2)	2.9	(1.1)	12.7	(1.3)
Total	$ 4,530.6	$ (82.6)	$ 5,679.6	$ (161.7)	$ 10,210.2	$ (244.3)

The Company recorded impairment charges of fixed maturity investments and equity securities totaling $3.0 million and $9.2 million for the three months ended June 30, 2007 and 2006, respectively, and impairment charges totaling $4.9 million and $13.7 million for the six months ended June 30, 2007 and 2006, respectively. The following tables summarize the net realized investment gains before income taxes for the three and six months ended June 30, 2007 and 2006.

	For the Three Months Ended June 30, 2007	For the Three Months Ended June 30, 2006	For the Six Months Ended June 30, 2007	For the Six Months Ended June 30, 2006
	(Amounts in millions)			
Gross realized gains on sales:				
Fixed maturities	$ 12.0	$ 5.7	$ 27.1	$ 16.5
Marketable equity securities	5.9	5.7	10.4	7.3
Total gross realized gains on sales	17.9	11.4	37.5	23.8
Gross realized losses on sales:				
Fixed maturities	(4.3)	(5.2)	(7.9)	(9.4)
Marketable equity securities	(1.9)	—	(2.0)	—
Total gross realized losses on sales	(6.2)	(5.2)	(9.9)	(9.4)
Impairments:				
Fixed maturities	(3.0)	(9.2)	(4.5)	(12.6)
Marketable equity securities	—	—	(0.4)	(1.1)
Total impairments	(3.0)	(9.2)	(4.9)	(13.7)
Other, including gains (losses) on calls and redemptions:				
Fixed maturities	1.4	0.6	2.2	(0.2)
Marketable equity securities	0.1	(1.0)	0.1	(1.0)
Other	0.4	(1.8)	(0.5)	—
Total other	1.9	(2.2)	1.8	(1.2)
Net investment gains (losses)	$ 10.6	$ (5.2)	$ 24.5	$ (0.5)

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

	For the Three Months Ended June 30, 2007	For the Three Months Ended June 30, 2006	For the Six Months Ended June 30, 2007	For the Six Months Ended June 30, 2006
	(Amounts in millions)			
Net investment income				
Fixed maturities	$ 226.7	$ 231.4	$ 455.6	$ 464.9
Marketable equity securities	2.2	3.0	3.8	5.2
Mortgage loans	12.5	12.5	24.5	23.8
Policy loans	1.1	1.3	2.3	2.5
Investments in limited partnerships	3.2	(1.2)	3.8	0.7
Other(1)	5.7	2.9	10.6	5.3
Total investment income	251.4	249.9	500.6	502.4
Less investment expense	(4.9)	(5.9)	(9.7)	(11.9)
Net investment income, pre-tax	$ 246.5	$ 244.0	$ 490.9	$ 490.5

(1) Includes income from investments such as short-term, embedded derivatives, a note receivable and options, and from cash and cash equivalents.

Table of Contents

3. Deferred Policy Acquisitions Costs

Activities impacting deferred policy acquisition costs were as follows:

	June 30, 2007	December 31, 2006
	(Amounts in millions)	
Unamortized balance at beginning of period	$ 87.6	$ 48.5
Deferral of acquisition costs	24.3	52.5
Amortization related to investment gains	(9.4)	1.2
Amortization related to other expenses	0.5	(14.6)
	103.0	87.6
Accumulated effect of net unrealized gains	4.1	0.6
Balance at end of period	$ 107.1	$ 88.2

4. Segment Information

The Company provides a broad range of products and services that include group and individual insurance products, pension products, annuities, and investment advisory services. These operations are managed separately as five reportable segments based on product groupings: Group, Income Annuities, Retirement Services, Individual, and Other:

- Group’s principal product is stop-loss medical insurance sold to employers with self-insured medical plans. Also included in this segment are group life, accidental death and dismemberment insurance, and disability products.
- Retirement Services’ products are primarily fixed and variable deferred annuities (both qualified and non-qualified), tax-sheltered annuities (marketed to teachers and not-for-profit organizations), and section 457 plans, and group variable annuities for qualified structured retirement plans. We also provide record keeping services for qualified retirement plans invested in mutual funds.
- Income Annuities’ principal products are the structured settlement annuities that are sold to fund third-party personal injury settlements and single premium immediate annuities purchased to fund income after retirement.
- Individual’s products include a wide array of term, universal and variable universal life, and bank-owned life insurance.
- Other includes Symetra Financial Corporation (the holding company), inter-segment elimination entries, various non-insurance businesses managed outside of our operating segments and unallocated income and expenses.

The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following tables present selected financial information by segment, and reconciles pretax operating earnings to amounts reported in the Consolidated Statements of Operations.

	Three Months Ended June 30, 2007					
	Group	Retirement Services	Income Annuities	Individual	Other	Total
	(Amounts in millions)					
Revenues:						
Premiums	$ 96.4	$ —	$ —	$ 34.9	$ —	$ 131.3
Net investment income	4.4	61.5	113.2	60.7	6.7	246.5
Other revenues	3.8	6.2	0.3	4.0	3.1	17.4
Net realized investment gains (losses)	—	(0.8)	9.4	(0.3)	2.3	10.6
Total revenues	104.6	66.9	122.9	99.3	12.1	405.8
Benefits and expenses:						
Policyholder benefits and claims	52.8	(1.9)	—	18.5	—	69.4
Interest credited	—	42.9	92.2	54.3	(0.3)	189.1
Other underwriting and operating expenses	27.0	18.0	5.7	14.4	5.4	70.5
Interest expense	—	—	—	—	4.6	4.6
Amortization of deferred policy acquisition costs	2.0	1.7	0.3	1.0	—	5.0
Total benefits and expenses	81.8	60.7	98.2	88.2	9.7	338.6
Segment income before income taxes	22.8	6.2	24.7	11.1	2.4	67.2
Less: Net realized investment gains (losses)	—	(0.8)	9.4	(0.3)	2.3	10.6
Segment operating income before income taxes	$ 22.8	$ 7.0	$ 15.3	$ 11.4	$ 0.1	$ 56.6
As of June 30, 2007						
Total investments	$ 210.2	$ 4,048.4	$ 6,718.4	$ 4,110.0	$ 1,608.0	$ 16,695.0
Separate account assets	—	1,142.8	—	125.7	—	1,268.5
Total assets	342.3	5,528.9	7,269.1	4,725.6	1,979.9	19,845.8

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Three Months Ended June 30, 2006 (Amounts in millions)					
	Group	Retirement Services	Income Annuities	Individual	Other	Total
Revenues:						
Premiums	$ 97.8	$ 0.1	$ —	$ 34.7	$ —	$ 132.6
Net investment income	4.4	67.9	108.5	57.5	5.7	244.0
Other revenues	2.4	5.1	0.2	3.5	2.8	14.0
Net realized investment gains (losses)	(0.1)	(11.7)	6.1	(1.6)	2.1	(5.2)
Total revenues	104.5	61.4	114.8	94.1	10.6	385.4
Benefits and expenses:						
Policyholder benefits and claims	59.7	(5.1)	—	8.8	—	63.4
Interest credited	—	44.2	91.7	54.3	(0.1)	190.1
Other underwriting and operating expenses	25.4	16.4	5.5	14.6	3.8	65.7
Interest expense	—	—	—	—	4.6	4.6
Amortization of deferred policy acquisition costs	2.8	0.3	0.2	0.6	0.1	4.0
Total benefits and expenses	87.9	55.8	97.4	78.3	8.4	327.8
Segment income before income taxes	16.6	5.6	17.4	15.8	2.2	57.6
Less: Net realized investment gains (losses)	(0.1)	(11.7)	6.1	(1.6)	2.1	(5.2)
Segment operating income before income taxes	$ 16.7	$ 17.3	$ 11.3	$ 17.4	$ 0.1	$ 62.8
As of June 30, 2006						
Total investments	$ 108.1	$ 4,656.2	$ 6,783.0	$ 4,010.8	$ 1,611.2	$ 17,169.3
Separate account assets	—	1,057.9	—	112.6	—	1,170.5
Total assets	238.4	6,034.5	7,170.0	4,575.0	2,064.2	20,082.1

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Six Months Ended June 30, 2007					
	Group	Retirement Services	Income Annuities	Individual	Other	Total
	(Amounts in millions)					
Revenues:						
Premiums	$ 195.0	$ —	$ —	$ 70.0	$ —	$ 265.0
Net investment income	8.8	124.5	223.8	120.3	13.5	490.9
Other revenues	6.3	12.4	0.5	7.1	6.4	32.7
Net realized investment gains (losses)	(0.1)	(3.7)	24.2	0.1	4.0	24.5
Total revenues	210.0	133.2	248.5	197.5	23.9	813.1
Benefits and expenses:						
Policyholder benefits and claims	107.7	(4.0)	—	32.4	—	136.1
Interest credited	—	84.3	183.8	106.4	(0.4)	374.1
Other underwriting and operating expenses	55.1	35.8	11.7	29.3	9.3	141.2
Interest expense	—	—	—	—	9.3	9.3
Amortization of deferred policy acquisition costs	4.5	3.7	0.5	0.8	(0.1)	9.4
Total benefits and expenses	167.3	119.8	196.0	168.9	18.1	670.1
Segment income before income taxes	42.7	13.4	52.5	28.6	5.8	143.0
Less: Net realized investment gains (losses)	(0.1)	(3.7)	24.2	0.1	4.0	24.5
Segment operating income before income taxes	$ 42.8	$ 17.1	$ 28.3	$ 28.5	$ 1.8	$ 118.5
As of June 30, 2007						
Total investments	$ 210.2	$ 4,048.4	$ 6,718.4	$ 4,110.0	$ 1,608.0	$ 16,695.0
Separate account assets	—	1,142.8	—	125.7	—	1,268.5
Total assets	342.3	5,528.9	7,269.1	4,725.6	1,979.9	19,845.8

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Six Months Ended June 30, 2006					
	Group	Retirement Services	Income Annuities	Individual	Other	Total
	(Amounts in millions)					
Revenues:						
Premiums	$ 199.5	$ 0.1	$ —	$ 69.6	$ —	$ 269.2
Net investment income	9.0	137.7	217.7	114.7	11.4	490.5
Other revenues	5.5	11.6	0.4	6.8	5.4	29.7
Net realized investment gains (losses)	(0.1)	(16.4)	15.4	(1.9)	2.5	(0.5)
Total revenues	213.9	133.0	233.5	189.2	19.3	788.9
Benefits and expenses:						
Policyholder benefits and claims	132.2	(9.7)	—	25.1	—	147.6
Interest credited	—	91.4	187.0	103.9	(0.1)	382.2
Other underwriting and operating expenses	53.4	30.4	10.6	28.6	6.8	129.8
Interest expense	—	—	—	—	9.8	9.8
Amortization of deferred policy acquisition costs	5.7	0.5	0.3	1.0	0.1	7.6
Total benefits and expenses	191.3	112.6	197.9	158.6	16.6	677.0
Segment income before income taxes	22.6	20.4	35.6	30.6	2.7	111.9
Less: Net realized investment gains (losses)	(0.1)	(16.4)	15.4	(1.9)	2.5	(0.5)
Segment operating income before income taxes	$ 22.7	$ 36.8	$ 20.2	$ 32.5	$ 0.2	$ 112.4
As of June 30, 2006						
Total investments	$ 108.1	$ 4,656.2	$ 6,783.0	$ 4,010.8	$ 1,611.2	$ 17,169.3
Separate account assets	—	1,057.9	—	112.6	—	1,170.5
Total assets	238.4	6,034.5	7,170.0	4,575.0	2,064.2	20,082.1

5. Acquisitions

On May 1, 2007, the Company acquired 100% ownership of Medical Risk Managers Holding Inc, or MRM. MRM is a full-service managing general underwriter and health care network consulting firm specializing in the stop-loss market. This acquisition provides the Company with pricing and underwriting competitive advantages, and an additional source of revenue.

The aggregate purchase price was $32.2 million, of which $22.0 million was paid in cash and the remaining $10.2 million is subject to purchase price adjustment, contingently payable over the next five years based upon the achievement of certain annual profitability targets. In connection with the acquisition, $5.3 million of the cash paid was held in escrow and we have classified such amount as restricted funds. We classified an additional $5.1 million as restricted funds as such amount represents cash held in fiduciary accounts.

The acquisition was accounted for using the purchase method of accounting in accordance with SFAS No. 141, *Business Combinations*. The results of operations are presented in our Group segment and consolidated in the accompanying financial statements from the date of acquisition. The purchase price allocation resulted in $6.9 million of identifiable intangible assets including customer relationships, employment contracts, non-compete agreements, and the MRM trade name with useful lives ranging from 5 to

10 years. Preliminary goodwill of $17.3 million has been recognized as of June 30, 2007 for the amount in excess of the initial purchase price paid over the fair market value of the net assets acquired.

6. Subsequent event

New Credit Facility

On August 16, 2007, the Company entered into a $200.0 million senior unsecured revolving credit agreement with a syndicate of lending institutions led by Bank of America, N.A. The credit facility matures on August 16, 2012. The revolving credit facility is available to provide support for working capital, capital expenditures and other general corporate purposes, including permitted acquisitions, issuance of letters of credits, refinancing and payment of fees in connection with this facility. This new credit facility replaced the Company's prior $70.0 million revolving credit facility.

The facility enables the Company to obtain letters of credit of up to $50.0 million and short-term loans of up to $10.0 million, which would count against the $200.0 million limit. The Company can increase the $200.0 million limit by up to an additional $100.0 million, upon the agreement of any lender to lend such additional amount, without the consent of the other lenders. In addition, the Company may, with the consent of individual lenders, elect to extend the term of the facility by up to two additional one-year periods.

Loans under the credit facility bear interest, at the Company's election, at a spread above LIBOR, or at a base rate. The initial spread above the LIBOR rate is 36 basis points, and may vary from 19 to 60 basis points depending on the Company's credit rating. The base rate is equal to the higher of 50 basis points above the federal funds rate, and the Bank of America prime rate. Interest under LIBOR-based loans is payable periodically, with the period at the election of the Company (but at most annually). Interest under base rate loans is payable quarterly. In addition, we are obligated to pay a facility fee of between 6 and 15 basis points, depending on the Company's credit rating, quarterly over the term of the facility, as well as letter of credit and other fees as applicable.

Under the terms of the credit agreement, the Company is required to maintain certain financial ratios. In particular, each of the Company's material insurance subsidiaries must maintain a risk-based capital ratio of at least 200%, measured at the end of each year, and the Company's debt-to-capitalization ratio may not exceed 37.5%, measured at the end of each quarter. In addition, the Company has agreed to other covenants restricting the ability of its subsidiaries to incur additional indebtedness, its ability to create liens, and its ability to change its fiscal year and to enter into new lines of business, as well as other customary affirmative covenants.

To be eligible for borrowing funds under this facility, the representations and warranties that the Company makes in the credit agreement must continue to be true in all material respects, and the Company must not be in default under the facility, including failure to comply with the covenants described above.

As of September 30, 2007, the Company had no borrowings outstanding under this facility. Compliance with the covenants under the credit agreement will be determined starting the third quarter of 2007.

Amendment to Certificate of Incorporation

On September 28, 2007, the Company filed an Amended and Restated Certificate of Incorporation with the Delaware Secretary of State which, among other things, increased the Company's authorized shares of common stock to 750,000,000 shares and authorized the issuance of 10,000,000 shares of a new class of preferred stock with rights, preferences and privileges to be designated by the Board of Directors.

Capital Efficient Notes due 2067

On October 10, 2007, the Company issued $150.0 million aggregate principal amount of 8.30% fixed-to-floating rate Capital Efficient Notes (or "CENts") with a scheduled maturity date of October 15, 2037 and subject to certain limitations, with a final maturity date of October 15, 2067. For the initial 10-year period, to but not including October 15 2017, the CENts carry a fixed interest rate of 8.30% payable semi-annually. From October 15, 2017 until the final maturity date of October 15, 2067, interest on the CENts will accrue at a variable annual rate equal to the three-month LIBOR plus 4.177%, payable quarterly. The Company plans to use the net proceeds from the issuance to pay a special cash dividend to its stockholders.

The Company is required to use commercially reasonable efforts to sell enough qualifying capital securities to permit repayment of the CENts at the scheduled maturity date or on each interest payment date thereafter. Qualifying capital securities are replacement capital securities other than common stock, qualifying warrants, mandatorily convertible preferred stock, debt exchangeable for common equity or debt exchangeable for preferred equity and are generally treated by the ratings agencies as having similar equity content to the CENts. Any remaining outstanding principal amount will be due on October 15, 2067.

Subject to certain conditions, the Company has the right, on one or more occasions, to defer the payment of interest on the CENts during any period up to ten years without giving rise to an event of default. The Company will not be required to settle deferred interest subject to certain conditions until it has deferred interest for five consecutive years or, if earlier, made a payment of current interest during a deferral period. Deferred interest will accumulate additional interest at an annual rate equal to the annual interest rate then applicable to the CENts.

The CENts are unsecured junior subordinated obligations. The Company can redeem the CENts at its option, in whole or in part, on October 15, 2017 and on each interest payment date thereafter at a redemption price of 100% of the principal amount being redeemed plus accrued but unpaid interest. The Company can redeem the CENts at its option, prior to October 15, 2017, in whole or in part, at a redemption price of 100% of the principal amount being redeemed or, if greater, a make-whole price, plus accrued and unpaid interest.

In connection with the offering of the CENts, the Company entered into a “replacement capital covenant” for the benefit of the holders of the $300.0 million Senior Notes due April 1, 2016. Under the terms of the replacement capital covenant, the Company may not redeem or repay the CENts prior to October 15, 2047 unless the redemption or repayment is financed from the offering of replacement capital securities, as specified in the CENts.

Cash Flow Hedge

On July 11, 2007, the Company entered into an interest rate swap agreement totaling $150.0 million, which qualified as a cash flow hedge of the planned CENts offering. The Company terminated the swap agreement on September 24, 2007 and recorded the related loss of $5.3 million in accumulated other comprehensive income. The Company entered into another interest rate swap agreement totaling $150.0 million on September 24, 2007, which also qualified as a cash flow hedge of the planned CENts offering. The Company terminated the swap agreement on October 4, 2007 when the Company entered into the agreement to sell the CENts and recorded the related loss of $1.9 million in accumulated other comprehensive income. Since the critical terms of the derivative were the same as the forecasted transaction, the Company did not record any ineffectiveness and the combined losses on the interest rate swaps of $7.2 million will be amortized into interest expense concurrent with the interest expense over the life of the CENts. Considering the impact of the hedge, as well as the discount on the notes and the debt issuance costs, the effective interest on the CENts is 9.39%.

Adoption of Equity Plans and Related Grants

In October 2007, the board of directors of the Company adopted the Equity Plan and Employee Stock Purchase Plan, and reserved 900,000 and 100,000 shares of common stock, respectively, for issuance under these plans. The board of directors approved grants of restricted stock units having an aggregate value of $5.8 million and shares of fully-vested common stock having an aggregate value of $2.9 million to employees under the Equity Plan. These grants are contingent upon the initial public offering occurring, and the actual numbers of units and shares will be determined based on the initial public offering price per share. The board of directors also approved option grants to employees under the Equity Plan, but the aggregate value and number of such option grants will not be determinable until the initial public offering occurs.

7. Earnings Per Share

Basic earnings per share represent the amount of earnings for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share represent 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. All outstanding warrants are considered participating securities or potential common stock securities that are included in weighted average common shares outstanding for purposes of computing basic earnings per share using the two-class method. The warrants are considered participating securities or potential common stock securities because the terms of the warrants entitle the holders to receive any dividends declared on the common stock concurrently with the holders of outstanding shares of common stock, without regard to whether the warrants are exercised prior to the record date for any such dividend.

The following table presents information relating to the Company's calculations of basic and diluted earnings per share (EPS) for the three and six months ended June 30, 2007 and 2006:

	Three Months Ended June 30, 2007			Three Months Ended June 30, 2006		
	Amount	Basic EPS	Diluted EPS	Amount	Basic EPS	Diluted EPS
	(In millions, except for per share data)					
Net income	$ 45.5	$ 3.54	$ 3.54	$ 36.3	$ 2.83	$ 2.83
Common stock:						
Distributed	$ —	$ —	$ —	$ —	$ —	$ —
Undistributed	37.8	3.54	3.54	30.1	2.83	2.83
Total	$ 37.8	$ 3.54	$ 3.54	$ 30.1	$ 2.83	$ 2.83
Warrants:						
Distributed	$ —	$ —	$ —	$ —	$ —	$ —
Undistributed	7.7	3.54	3.54	6.2	2.83	2.83
Total	$ 7.7	$ 3.54	$ 3.54	$ 6.2	$ 2.83	$ 2.83
		Basic	Diluted		Basic	Diluted
Weighted average common and warrant shares outstanding						
Common stock		10.6	10.6		10.6	10.6
Warrants		2.2	2.2		2.2	2.2
Total shares		12.8	12.8		12.8	12.8

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Six Months Ended June 30, 2007			Six Months Ended June 30, 2006		
	Amount	Basic EPS	Diluted EPS	Amount	Basic EPS	Diluted EPS
	(In millions, except for per share data)					
Net income	$ 96.2	$ 7.50	$ 7.50	$ 72.7	$ 5.66	$ 5.66
Common stock:						
Distributed	$ —	$ —	$ —	$ —	$ —	$ —
Undistributed	79.8	7.50	7.50	60.3	5.66	5.66
Total	$ 79.8	$ 7.50	$ 7.50	$ 60.3	$ 5.66	$ 5.66
Warrants:						
Distributed	$ —	$ —	$ —	$ —	$ —	$ —
Undistributed	16.4	7.50	7.50	12.4	5.66	5.66
Total	$ 16.4	$ 7.50	$ 7.50	$ 12.4	$ 5.66	$ 5.66

	Basic	Diluted	Basic	Diluted
Weighted average common shares outstanding				
Common stock	10.6	10.6	10.6	10.6
Warrants	2.2	2.2	2.2	2.2
Total shares	12.8	12.8	12.8	12.8

GLOSSARY OF SELECTED INSURANCE AND DEFINED TERMS

Contract values	The amounts held for the benefit of policyholders or contract holders within investment products. For variable products, account value is equal to fair value.
Accumulation period	The period during which deferred annuity accumulate interest or investment gains (losses). The period ends when the income payments begin.
Annualized first-year premiums (AFYP)	This term applies to our Group and Individual segments. For recurring premium products it represents the total expected premium payments over the first 12 months on new sales. The entire 12 months of expected premium is reported AFYP in the period during which the policy is issued. For single-premium products, the AFYP is 10% of the single premium.
Annuity	A contract sold by insurance companies that offers tax-deferred savings and a choice of payout options to meet the owner's income needs in retirement.
Bank-owned life insurance (BOLI)	A life insurance policy purchased to insure the life of certain bank employees, usually officers and other highly compensated employees. The policies are commonly used to fund employee pension and benefit plans.
Brokerage general agent	An independent contractor of the insurance company who has the authority to appoint brokers on behalf of the insurance company.
Cash value	The amount of cash available to a policyholder on the surrender of or withdrawal from a life insurance policy or annuity contract.
Cede	Reinsuring with another insurance company all or a portion of the risk we insure.
Deferred annuities	Annuity contracts that delay income payments until the holder chooses to receive them. These contracts might also be surrendered for cash, exchanged for another contract, or rolled over to another contract.
Defined benefit plan	A pension plan that promises to pay a specified amount to each eligible plan member who retires.
Defined contribution plan	A plan established under Section 401(a), 401(k), 403(b) or 457(b) of the Internal Revenue Code, under which the benefits to a participant depend on contributions made to, and the investment return on, the participant's account.
Earned premiums	The portion of a premium, net of any amount ceded, that represents coverage already provided or that belongs to the insurer based on the part of the policy period that has passed.
Expense risk	The measure of the sensitivity of the insurance company's liability for the resultant higher expense rates than charged for in the premium, expense charge or margin.
Experience rating	The statistical procedure used to calculate a premium rate based on the loss experience of an insured group.

Fixed annuity	An annuity that guarantees that a specific sum of money will be paid in the future, usually as monthly income, to an annuitant. The dollar amount will not fluctuate regardless of adverse changes in the insurance company's mortality experience, investment return, and expenses.
Fixed indexed annuity (FIA)	Modifications of the single premium deferred annuity, which usually guarantees at a minimum a return of the premium. Additional interest can be earned that is linked to a specified stock index. Thus, this insurance product usually guarantees the principal of the investment, while at the same time providing the opportunity for increasing values tied to the equities market.
General account	All of the assets of our insurance companies recognized for statutory accounting purposes other than those specifically allocated to separate accounts. We bear the risk of our investments held in our general account.
Group insurance	A single contract or policy under which individuals in a natural group (such as employees of a business firm) and potentially their dependants are covered.
Group medical stop-loss insurance	Coverage purchased by employers in order to limit their exposure under self-insured medical plans.
Guaranteed investment contract	A contract, usually purchased by ERISA qualified plans, that guarantees a minimum rate of return on the amount invested.
Guaranteed minimum income benefit (GMIB)	A benefit that guarantees a specified minimum appreciation rate for a defined period of time, after which annuity payments commence.
Guaranteed minimum withdrawal benefit (GMWB)	A benefit that guarantees a customer's minimum stream of income, equal to the return of the contract's principal provided it is withdrawn within specified limits over time.
Immediate annuities	Annuity contracts under which the benefits payable to the annuitant begin to be paid within one year of contract issuance.
In-force	Policies and contracts reflected on our applicable records that have not expired or been terminated as of a given date.
Interest spread	Yield on investments less the interest rate credited on liabilities.
Managing general underwriter (MGU)	An MGU is a business that acts as a sales intermediary between an insurance company and medical stop-loss policyholder. MGU's can provide marketing, premium administration, claims administration, claims adjudication and pricing. The MGU is generally paid a percentage of premium and does not share in any of the risk.
Market value adjustment (MVA)	A market value adjustment is a feature that adjusts the surrender value of a contract in the event of surrender prior to the end of the contract period to protect an insurer against losses due to higher interest rates at the time of the surrender.
Morbidity	The incidence of disease or disability in a specific population over a specific period of time.

Mortality	The number of deaths in a specific population over a specific period of time.
Mortality gains	Mortality gains may arise if mortality rates are higher or lower than expected. For structured settlements and SPIAs mortality gains occur if policyholders die sooner than expected. For life insurance, mortality gains occur if policyholders die later than expected.
Non-admitted assets	Certain assets or portions thereof that are not permitted to be reported as admitted assets in an insurer's annual statement prepared in accordance with statutory accounting principles. As a result, certain assets that normally would be accorded value in the financial statements of non-insurance corporations are accorded no value and thus reduce the reported statutory surplus of the insurer.
Non-qualified plan	An employee benefits plan that does not have the federal tax advantages of a qualified pension plan, in which employers receive a federal tax deduction for contributions paid into the plan on behalf of their employees. For an employer, not having a tax deduction can be a serious disadvantage, but a nonqualified plan has these advantages. 1) otherwise discriminatory coverage for some employees is allowed, 2) benefits can be allocated to certain employees whom the employer wishes to reward. The result could be that the total cost of the benefits for a particular group of employees may be less under a non-qualified plan than for all employees under a qualified plan.
Persistency	Measurement by premiums of the percentage of insurance policies or annuity contracts remaining in force between specified measurement dates.
Premiums	Payments and other consideration received on insurance policies issued or reinsurance assumed by an insurance company. Under generally accepted accounting principles, premiums on variable life and other investment-type contracts are not accounted for as revenues.
Regulatory capital	Regulatory capital is the sum of statutory capital and surplus and asset valuation reserve (AVR).
Reinsurance	A form of insurance that insurance companies buy for their own protection, "a sharing of insurance." An insurer (the reinsured) reduces its possible maximum loss on either an individual risk or a large number of risks by giving a portion of its liability to another insurance company (the reinsurer). Reinsurance enables an insurance company to (1) expand its capacity; (2) stabilize its underwriting results; (3) finance its expanding volume; (4) secure catastrophe protection against shock losses; (5) withdraw from a class or line of business, or a geographical area, within a relatively short time period and (6) share large risks with other companies.
Reserves	Liabilities established by insurers and reinsurers to reflect the estimated costs of claim payments and benefits and the related

	expenses that the insurer or reinsurer will ultimately be required to pay in respect of insurance or reinsurance it has written.
Section 403(b) plan	A retirement plan which is available primarily to public school employees and non-profit organizations that allows individuals to defer compensation on a pre-tax basis through payroll deductions and to defer federal and sometimes state taxes until the assets are withdrawn.
Section 457 plan	A retirement plan available to government employees that allows an individual to defer compensation on a pre-tax basis through payroll deductions and to defer federal and sometimes state taxes until the assets are withdrawn.
Single Premium Immediate Annuities (SPIAs)	An annuity that is purchased for a single premium at the time of issue and guarantees a series of payments beginning within one year of the issue date and continuing over a fixed number of years or for the life of the annuitant.
Statutory reserves	Liabilities established by state insurance law that an insurer must have available to provide for future obligations with respect to all policies. Statutory reserves are liabilities on the balance sheet of financial statements prepared in conformity with statutory accounting principles.
Statutory surplus	The excess of admitted assets over statutory liabilities as shown on an insurer’s statutory financial statements.
Structured settlement	A customized annuity used to provide a claimant ongoing periodic payments instead of a lump sum payment. A structured settlement provides an alternative to a lump sum settlement generally in a personal injury lawsuit and typically is purchased by a property and casualty insurance company for the benefit of an injured claimant with benefits scheduled to be paid throughout a fixed period or for the life of the claimant.
Surrender charge	An amount specified in an insurance policy or annuity contract that is charged to a policyholder or contractholder for early cancellation of, or withdrawal under, that policy or contract.
Surrenders and withdrawals	Amounts taken from life insurance policies and annuity contracts representing the full or partial values of these policies or contracts.
Tax sheltered annuity	An annuity issued as part of a Section 403(b) plan. Tax-sheltered annuities are also referred to as “Section 403(b) annuities.”
Term life insurance	Life insurance that stays in effect for only a specified, limited period. If an insured dies within that period, the beneficiary receives the death payments. If the insured survives, the policy ends and the beneficiary receives nothing.
Third party administrator (TPA)	A person or entity that, pursuant to a service contract, processes claims or provides administrative services for an employee benefits plan.
Underwriting	The insurer’s process of reviewing applications submitted for insurance coverage, deciding whether to accept all or part of the coverage requested and determining the applicable premiums.

Universal life (UL) insurance	Adjustable life insurance under which (1) premiums are flexible, not fixed; (2) protection is adjustable, not fixed and (3) insurance company expenses and other charges are specifically disclosed to a purchaser. This policy is referred to as unbundled life insurance because its three basic elements (investment earnings, pure cost of protection, and company expenses) are separately identified both in the policy and in an annual report to the policyowner. After the first premium, additional premiums can be paid at any time. A specified percentage expense charge is deducted from each premium before the balance is credited to the cash value, along with interest. The pure cost of protection is subtracted from the cash value monthly. As selected by the insured, the death benefit can be a specified amount plus the cash value or the specified amount that includes the cash value. After payment of the minimal initial premium required, there are no contractually scheduled premium payments (provided the cash value account balance is sufficient to pay the pure cost of protection each month and any other expenses and charges.) Expenses and charges may take the form of a flat dollar amount for the first policy year, a sales charge for each premium received, and a monthly expense charge for each policy year. An annual report is provided the policy owner that shows the status of the policy.
Variable annuity	An annuity in which premium payments are used to purchase accumulation units, their number depending on the value of each unit. The value of a unit is determined by the value of the portfolio of stocks in which the insurance company invests the premiums.
Variable life (VL) insurance	An investment-oriented life insurance policy that provides a return linked to an underlying portfolio of securities. The investment offered through the policy is typically established as a separate account, which is divided into subaccounts that invest in underlying mutual funds. The policyholder has discretion in choosing among the available subaccounts, such as a common stock fund, bond fund, or money market fund. The life insurance policy benefits payable to the beneficiary upon the death of the insured or the surrender of the policy will vary to reflect the investment performance of the subaccounts chosen by the policy owner.
Waiver of premium	A provision of a life insurance policy pursuant to which an insured with total disability that lasts for a specified period no longer has to pay premiums for the duration of the disability or for a stated period, during which time the life insurance policy provides continued coverage.
Wealth transfer life insurance	A life insurance policy purchased with the primary intent to transfer wealth to chosen beneficiaries.
Whole life insurance	Level premium life insurance that covers the lifetime of the individual instead of a fixed term.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table sets forth the expenses (other than underwriting compensation expected to be incurred) in connection with this offering. All of such amounts (except the SEC registration fee and NASD filing fee) are estimated.

SEC registration fee	$	23,025
Listing fee		200,000
NASD filing fee	$	75,500
Blue Sky fees and expenses		*
Printing and engraving costs		*
Legal fees and expenses		*
Accounting fees and expenses		*
Transfer Agent and Registrar fees and expenses		*
Miscellaneous expenses		*
Total		*

* To be provided by amendment

Item 14. ***Indemnification of Directors and Officers.***

Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides in relevant part that a corporation may indemnify any officer or director who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another entity, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful.

Section 145(b) of the DGCL provides in relevant part that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person 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 or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Our bylaws generally provide that we will indemnify our directors and officers to the fullest extent permitted by law.

The registrant also obtained officers' and directors' liability insurance which insures against liabilities that officers and directors of the registrant may, in such capacities, incur. Section 145(g) of the DGCL provides that a corporation shall have power to 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 or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under that section.

Reference is made to the form of underwriting agreement to be filed as Exhibit 1.1 hereto for provisions providing that the underwriters are obligated under certain circumstances to indemnify our directors, officers and controlling persons against certain liabilities under the Securities Act of 1933, as amended.

Item 15. ***Recent Sales of Unregistered Securities.***

In the three years preceding the filing of this registration statement, the Registrant has issued the following securities that were not registered under the Securities Act:

On multiple dates between July 29, 2004 and August 2, 2004, we issued 10,649,000 shares of common stock and warrants to purchase an aggregate of 2,181,120 shares of common stock in connection with Symetra Financial Corporation's initial formation, in reliance on Section 4(2) of the Securities Act of 1933 and/or Regulation D promulgated thereunder.

On March 30, 2006, we issued $300.0 million aggregate principal amount of senior notes due 2016 to Lehman Brothers Inc., Banc of America Securities LLC and J.P. Morgan Securities Inc. as representatives of several initial purchasers for $298.7 million. These transactions were conducted in reliance upon the available exemptions from the registration requirements of the Securities Act, including those contained in Section 4(2) of the Securities Act of 1933. The net proceeds of this offering were used to repay borrowing outstanding under the Registrant's revolving credit facility.

On October 10, 2007, we issued $150.0 million aggregate principal amount of Capital Efficient Notes due 2067 to a syndicate of initial purchasers, led by J.P. Morgan Securities Inc. and Lehman Brothers Inc. in reliance on Section 4(2) of the Securities Act of 1933, which may be resold to qualified institutional buyers in compliance with Rule 144A and/or Regulation S under the Securities Act of 1933. We intend to use the net proceeds from that offering to pay a special cash dividend to our stockholders.

In October 2007, we committed to grant stock options to purchase approximately shares of our common stock, restricted stock units and shares of our common stock to employees under our Equity Plan on or about the date of our initial public offering. The exact number of shares subject to these awards will depend on the initial public offering price per share, and the above estimates are based on an assumed initial public offering price per share equal to the midpoint of the range set forth on the cover page of the prospectus. These issuances will be made in reliance on Rule 701 or Section 4(2) of the Securities Act of 1933.

Share and per share amounts contained in the numbered paragraphs above do not reflect the -for-1 common stock dividend, which was paid on .

All sales indicated as having been made in reliance on Section 4(2) of the Securities Act of 1933 and/or Regulation D promulgated thereunder were made without general solicitation or advertising. Each purchaser was a sophisticated investor with access to all relevant information necessary to evaluate the investment and represented to the Registrant that the shares were being acquired for investment.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) Exhibits

Exhibit Number	Description
1.1	Underwriting Agreement*
2.1	Stock Purchase Agreement by and among Safeco Corporation, General America Corporation, White Mountains Insurance Group, Ltd. and Occum Acquisition Corp. dated as of March 15, 2004**
3.1	Amended and Restated Certificate of Incorporation of Symetra Financial Corporation
3.2	Bylaws of Symetra Financial Corporation

Exhibit Number	Description
4.1	Specimen Common Stock Certificate
4.2	Fiscal Agency Agreement between Symetra Financial Corporation and U.S. Bank dated March 30, 2006**
4.3	Master Promissory Note between The Bank of New York and Symetra Financial Corporation dated October 17, 2005**
4.4	Security Agreement between The Bank of New York and Symetra Financial Corporation dated October 17, 2005**
4.5	Master Promissory Note between The Bank of New York and Symetra Life Insurance Company dated October 17, 2005**
4.6	Security Agreement between The Bank of New York and Symetra Life Insurance Company dated October 17, 2005**
4.7	Warrant Certificate — Berkshire Hathaway, Inc. dated July 29, 2004**
4.8	Warrant Certificate — White Mountains Re Group, Ltd. dated July 29, 2004**
4.9	Credit Agreement among Occum Acquisition Corp. and the seven lenders and Bank of America, N.A. as Administrative Agent dated June 14, 2004**
4.10	Credit Agreement among Symetra Financial Corporation, the lenders and Bank of America, N.A., as administrative agent, dated August 16, 2007**
4.11	Purchase Agreement between Symetra Financial Corporation and the purchasers listed therein, dated October 4, 2007**
4.12	Indenture between Symetra Financial Corporation and U.S. Bank National Association, as trustee, dated October 10, 2007
5.1	Opinion of Cravath, Swaine & Moore LLP**
9.1	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of March 8, 2004**
9.2	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of March 19, 2004**
9.3	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of April 16, 2004**
10.1	Service Agreement between ACS Commercial Solutions, Inc. and Symetra Financial Corporation dated October 28, 2004†
10.2	Reinsurance Agreement dated as of January 1, 1998 between Safeco Life Insurance Company and Reinsurance Group of America**†
10.3	Group Short Term Disability Reinsurance Agreement dated January 1, 1999 between Safeco Life Insurance Company and Duncanson & Holt Services, Inc.**
10.4	Group Long Term Disability Reinsurance Agreement dated January 1, 1999 between Safeco Life Insurance Company and Duncanson & Holt Services, Inc.**
10.5	Reinsurance Agreement dated as of August 24, 2001 between Safeco Life Insurance Company and Lincoln National Life Insurance Company**†
10.6	Reinsurance Agreement dated as of December 1, 2001 between Safeco Life Insurance Company and Transamerica Life Insurance Company**†
10.7	White Mountains Advisors LLC Investment Management Agreement*
10.8	Prospector Partners Investment LLC Investment Management Agreement*
10.9	Agency Agreement dated as of March 10, 2006 among Symetra Life Insurance Company, WM Financial Services, Inc. and WMFS Insurance Services, Inc.**†
10.10	Agency Agreement dated as of June 1, 2005 between Symetra Life Insurance Company and US Bancorp Investments Inc.**†
10.11	Symetra Financial Corporation Performance Share Plan 2007-2009**
10.12	Annual Incentive Bonus Plan**

Exhibit Number	Description
10.13	Symetra Financial Corporation Material Terms and Conditions of the Executive Severance Pay Plan**
10.14	2006 Sales Incentive Plan for Patrick B. McCormick**†
10.15	IPO Grant Program
10.16	Symetra Financial Corporation Equity Plan
10.17	Symetra Financial Corporation Employee Stock Purchase Plan
21.1	Subsidiaries of Symetra Financial Corporation**
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.2	Consent of Cravath, Swaine & Moore LLP (included in the opinion filed as Exhibit 5.1)**
24.1	Power of Attorney (included in signature page to the Registration Statement filed June 29, 2007)**

* To be filed by amendment.

** Previously filed.

† An application for confidential treatment of selected portions of this agreement has been filed with the Commission.

(b) Financial Statement Schedules.

Schedule I	Summary of Investments — Other than Investments in Related Parties
Schedule II	Condensed Statements of Financial Position, Operations and Cash Flows
Schedule III	Supplemental Insurance Information

Item 17. ***Undertakings.***

The undersigned registrant hereby undertakes as follows:

(1) The undersigned will provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(2) For purposes of determining any liability under the Securities Act of 1933, as amended, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it is declared effective.

(3) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 14 or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Amendment No. 5 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of New York, state of New York, on October 16, 2007.

SYMETRA FINANCIAL CORPORATION

By: /s/ GEORGE C. PAGOS
Name: George C. Pagos
Title: Senior Vice President, General Counsel and Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 5 to the Registration Statement has been signed by the following persons in the capacities indicated on the 16th day of October, 2007.

Signature	Title
*	Randall H. Talbot President, Chief Executive Officer and Director (Principal Executive Officer)
*	Margaret A. Meister Chief Financial Officer (Principal Financial and Accounting Officer)
*	David T. Foy (Director)
*	Lois W. Grady (Director)
*	Sander M. Levy (Director)
*	Robert R. Lusardi (Director)
*	David I. Schamis (Director)
*	Lowndes A. Smith (Director)
*By: /s/ GEORGE C. PAGOS	George C. Pagos (Attorney-in-Fact)

EXHIBIT INDEX

Exhibit Number	Description
1.1	Underwriting Agreement*
2.1	Stock Purchase Agreement by and among Safeco Corporation, General America Corporation, White Mountains Insurance Group, Ltd. and Occum Acquisition Corp. dated as of March 15, 2004**
3.1	Amended and Restated Certificate of Incorporation of Symetra Financial Corporation
3.2	Bylaws of Symetra Financial Corporation
4.1	Specimen Common Stock Certificate
4.2	Fiscal Agency Agreement between Symetra Financial Corporation and U.S. Bank dated March 30, 2006**
4.3	Master Promissory Note between The Bank of New York and Symetra Financial Corporation dated October 17, 2005**
4.4	Security Agreement between The Bank of New York and Symetra Financial Corporation dated October 17, 2005**
4.5	Master Promissory Note between The Bank of New York and Symetra Life Insurance Company dated October 17, 2005**
4.6	Security Agreement between The Bank of New York and Symetra Life Insurance Corporation dated October 17, 2005**
4.7	Warrant Certificate — Berkshire Hathaway, Inc. dated July 29, 2004**
4.8	Warrant Certificate — White Mountains Re Group, Ltd. dated July 29, 2004**
4.9	Credit Agreement among Occum Acquisition Corp. and the seven lenders and Bank of America, N.A. as Administrative Agent dated June 14, 2004**
4.10	Credit Agreement among Symetra Financial Corporation, the lenders and Bank of America, N.A., as administrative agent, dated August 16, 2007**
4.11	Purchase Agreement between Symetra Financial Corporation and the purchasers listed therein, dated October 4, 2007**
4.12	Indenture between Symetra Financial Corporation and U.S. Bank National Association, as trustee
5.1	Opinion of Cravath, Swaine & Moore LLP**
9.1	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of March 8, 2004**
9.2	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of March 19, 2004**
9.3	Shareholders' Agreement among Occum Acquisition Corp. and the persons listed on the signature page thereto dated as of April 16, 2004**
10.1	Service Agreement between ACS Commercial Solutions, Inc. and Symetra Financial Corporation dated October 28, 2004†
10.2	Reinsurance Agreement dated as of January 1, 1998 between Safeco Life Insurance Company and Reinsurance Group of America**†
10.3	Group Short Term Disability Reinsurance Agreement dated January 1, 1999 between Safeco Life Insurance Company and Duncanson & Holt Services, Inc.**
10.4	Group Long Term Disability Reinsurance Agreement dated January 1, 1999 between Safeco Life Insurance Company and Duncanson & Holt Services, Inc.**
10.5	Reinsurance Agreement dated as of August 24, 2001 between Safeco Life Insurance Company and Lincoln National Life Insurance Company**†
10.6	Reinsurance Agreement dated as of December 1, 2001 between Safeco Life Insurance Company and Transamerica Life Insurance Company**†
10.7	White Mountains Advisors LLC Investment Management Agreement*
10.8	Prospector Partners Investment LLC Investment Management Agreement*
10.9	Agency Agreement dated as of March 10, 2006 among Symetra Life Insurance Company, WM Financial Services, Inc. and WMFS Insurance Services, Inc.**†

[Table of Contents](#)

Exhibit Number	Description
10.10	Agency Agreement dated as of June 1, 2005 between Symetra Life Insurance Company and US Bancorp Investment Inc.**†
10.11	Symetra Financial Corporation Performance Share Plan 2007-2009**
10.12	Annual Incentive Bonus Plan**
10.13	Symetra Financial Corporation Material Terms and Conditions of the Executive Severance Pay Plan**
10.14	2006 Sales Incentive Plan for Patrick B. McCormick**†
10.15	IPO Grant Program
10.16	Symetra Financial Corporation Equity Plan
10.17	Symetra Financial Corporation Employee Stock Purchase Plan
21.1	Subsidiaries of Symetra Financial Corporation**
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.2	Consent of Cravath, Swaine & Moore LLP (included in the opinion filed as Exhibit 5.1)**
24.1	Power of Attorney (included in signature page to the Registration Statement filed June 29, 2007)**

* To be filed by amendment.

** Previously filed.

† An application for confidential treatment of selected portions of this agreement has been filed with the Commission.

Report of Independent Registered Public Accounting Firm

The Board of Directors
Symetra Financial Corporation

We have audited the consolidated financial statements of Symetra Financial Corporation as of December 31, 2006 and 2005, and for the years ended December 31, 2006 and 2005, and for the period from August 2, 2004 through December 31, 2004, and the period from January 1, 2004 through August 1, 2004, and have issued our report thereon dated February 20, 2007 (included elsewhere in this Registration Statement). Our audits also included the financial statement schedules listed in Item 16(b) of Form S-1 of this Registration Statement. These schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Seattle, Washington
February 20, 2007

SCHEDULE I

SUMMARY OF INVESTMENTS — OTHER THAN INVESTMENTS IN RELATED PARTIES
Year Ended December 31, 2006

Type of Investment	Cost or Amortized Cost	Fair Value (In thousands)	Amount as Shown on the Balance Sheet
Fixed maturities:			
Bonds:			
United States government and government agencies and authorities	$ 157,000	$ 157,896	$ 157,896
States, municipalities, and political subdivisions	666,101	670,898	670,898
Foreign governments	205,186	208,875	208,875
Public utilities	2,032,006	2,037,298	2,037,298
Convertibles and bonds with warrants attached	64,556	68,315	68,315
All other corporate bonds	12,901,309	12,846,824	12,846,824
Redeemable preferred stock	60,438	59,772	59,772
Total fixed maturities	16,086,596	16,049,878	16,049,878
Marketable Equity securities:			
Common stocks:			
Public utilities	8,617	11,665	11,665
Banks, trusts, and insurance companies	16,312	19,372	19,372
Industrial, miscellaneous, and all other	93,483	115,811	115,811
Nonredeemable preferred stocks	52,591	54,858	54,858
Total equity securities	171,003	201,706	201,706
Mortgage loans on real estate(1)	798,295	796,078	794,283
Policy loans	79,244	79,244	79,244
Other long-term investments	124,229	131,353	131,353
Short-term investments	48,893	48,882	48,882
Total investments	$ 17,308,260	$ 17,307,141	$ 17,305,346

(1) The amount shown in the consolidated balance sheets for mortgage loans on real estate differs from cost as these investments are presented net of a $4,012 allowance.

SCHEDULE II

CONDENSED STATEMENTS OF FINANCIAL POSITION
(PARENT COMPANY ONLY)

	December 31, 2006	December 31, 2005
	(In thousands)	
ASSETS		
Cash and investments:		
Investments	**$ 100,899**	$ 83,938
Investment in subsidiaries	**1,516,626**	1,617,147
Cash and cash equivalents	**12,800**	1,893
Total cash and investments	**1,630,325**	1,702,978
Current and deferred tax receivables	**4,213**	2,695
Receivables due from affiliates	**22,665**	8,560
Other assets	**15,627**	14,730
Total assets	**$ 1,672,830**	$ 1,728,963
LIABILITIES AND STOCKHOLDERS' EQUITY		
Notes payable	**$ 298,737**	$ 300,000
Current and deferred taxes payable	**—**	419
Other liabilities	**47,258**	23,795
Total liabilities	**345,995**	324,214
Capital stock, par value $0.1 per share, 15,000 shares authorized and 10,649 shares issued and outstanding	**106**	106
Additional paid-in-capital	**1,166,325**	1,166,325
Retained earnings	**161,815**	102,485
Accumulated other comprehensive income (loss)	**(1,411)**	135,833
Total stockholders' equity	**1,326,835**	1,404,749
Total liabilities and stockholders' equity	**$ 1,672,830**	$ 1,728,963

SCHEDULE II
(CONTINUED)

CONDENSED STATEMENTS OF OPERATIONS
(PARENT COMPANY ONLY)

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004
		(In thousands)	
Revenues:			
Dividends from subsidiaries:			
Symetra Life Insurance Company	**$ 122,500**	$ —	$ —
Other subsidiaries	—	6,000	—
Net investment income	**2,160**	2,374	523
Net realized investment gains	**7,365**	1,976	—
Total revenues	**132,025**	10,350	523
Expenses:			
Fair value of warrants issued to investors	—	—	101,531
Interest expense on debt	**19,155**	12,388	3,466
Operating expenses	**610**	276	1,888
Total expenses	**19,765**	12,664	106,885
Income (loss) from continuing operations before income taxes	**112,260**	(2,314)	(106,362)
Income tax benefits	**(3,884)**	(2,856)	(2,146)
Income before equity in undistributed net income (loss) of subsidiaries	**116,144**	542	(104,216)
Equity in undistributed net income (loss) of subsidiaries:			
Symetra Life Insurance Company	**38,556**	150,486	62,416
Other subsidiaries	**4,629**	(5,870)	493
	43,185	144,616	62,909
Net income (loss) from continuing operations	**159,329**	145,158	(41,307)
Income (loss) from equity in discontinued operations (net of taxes of $(0), $536, and $(1,335), respectively)	—	1,045	(2,411)
Net income (loss)	**$ 159,329**	$ 146,203	$ (43,718)

SCHEDULE II
(CONTINUED)

CONDENSED STATEMENTS OF CASH FLOWS
(PARENT COMPANY ONLY)

	Year Ended December 31, 2006	Year Ended December 31, 2005	Period from August 2, 2004 through December 31, 2004
		(In thousands)	
Cash flows from operating activities			
Net income (loss)	**$ 159,329**	$ 146,203	$ (43,718)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Income (loss) from equity in discontinued operations, net of taxes	**—**	(1,045)	2,411
Equity in undistributed net income of subsidiaries	**(43,185)**	(144,616)	(62,909)
Net realized investment gains	**(7,365)**	(1,976)	—
Fair value of warrants issued to investors	**—**	—	101,531
Changes in accrued items and other adjustments, net	**7,180**	2,495	10,642
Total adjustments	**(43,370)**	(145,142)	51,675
Net cash provided by operating activities	**115,959**	1,061	7,957
Cash flows from investing activities			
Purchases of investments	**(46,686)**	(94,490)	(40,773)
Sales of investments	**52,965**	51,920	5,539
Purchases of Safeco Life & Investments	**—**	—	(1,349,911)
Cash received from discontinued operations	**—**	—	30,000
Dividends from discontinued operations	**—**	29,236	20,001
Other, net	**(11,062)**	(21,286)	—
Net cash provided by (used in) investing activities	**(4,783)**	(34,620)	(1,335,144)
Cash flows from financing activities			
Capital contributions/loans to subsidiaries	**(715)**	(202)	—
Proceeds from sale of capital stock	**—**	—	1,064,900
Cash dividend to investors	**(100,000)**	—	—
Proceeds from note payable	**298,671**	—	315,000
Repayments of note payable	**(300,000)**	—	(15,000)
Other, net	**1,775**	—	(2,059)
Net cash provided by (used in) financing activities	**(100,269)**	(202)	1,362,841
Net increase (decrease) in cash and cash equivalents from continuing operations	**10,907**	(33,761)	35,654
Cash and cash equivalents at beginning of period	**1,893**	35,654	—
Cash and cash equivalents at end of period	**$ 12,800**	$ 1,893	$ 35,654

SCHEDULE II
(CONTINUED)

NOTES TO CONDENSED FINANCIAL STATEMENTS
(PARENT COMPANY ONLY)
(In Thousands)

Year Ended December 31, 2006

1. Organization and Presentation

The accompanying financial statements comprise a condensed presentation of financial position, results of operations, and cash flows of Symetra Financial Corporation (the Company) on a separate-company basis. These condensed financial statements do not include the accounts of the Company's wholly owned subsidiaries, but instead include the Company's investment in those subsidiaries, stated at amounts which are substantially equal to the Company's equity in the subsidiaries' net assets. Therefore, the accompanying financial statements are not those of the primary reporting entity.

Additional information about accounting policies pertaining to investments and other significant accounting policies applied by the Company and its subsidiaries, debt, and commitments and contingencies are as set forth in Notes 2, 11, and 14, respectively, to the audited consolidated financial statements of the Company.

2. Related Parties

The Company received dividends of $122,500, $35,236, and $20,001 from its consolidated subsidiaries for the years ended December 31, 2006 and 2005 and the five months ended December 31, 2004.

See Note 19 to the audited consolidated financial statements of the Company included earlier in this report for a description of other related-party transactions.

Table of Contents

SCHEDULE III

SUPPLEMENTAL INSURANCE INFORMATION
Year Ended December 31, 2006

(In thousands)

Segment	Deferred Policy Acquisition Costs	Future Policy Benefits, Losses, Claims, and Loss Expenses(1)	Unearned Premiums	Other Policyholder Funds	Premium Revenue	Net Investment Income	Benefits, Claims, Losses, and Settlement Expenses	Amortization of Deferred Policy Acquisition Costs	Other Operating Expenses
December 31, 2006									
Group	**$ 3,998**	**$ 185,215**	**$ 2,522**	**$ 8,376**	**$ 387,231**	**$ 18,030**	**$ 230,753**	**$ 10,882**	**$ 105,742**
Retirement Services	**54,472**	**4,916,869**	**—**	**5,677**	**130**	**269,821**	**169,731**	**1,081**	**61,738**
Income Annuities	**6,813**	**7,010,585**	**—**	**1,989**	**—**	**439,001**	**371,786**	**580**	**21,591**
Individual	**22,954**	**4,370,104**	**9,199**	**22,016**	**138,296**	**232,759**	**258,180**	**2,046**	**57,370**
Other	**—**	**(698)**	**—**	**8,311**	**—**	**25,316**	**(327)**	**—**	**14,100**
Total	**$ 88,237**	**$ 16,482,075**	**$ 11,721**	**$ 46,369**	**$ 525,657**	**$ 984,927**	**$ 1,030,123**	**$ 14,589**	**$ 260,541**
December 31, 2005									
Group	$ 5,288	$ 208,122	$ 2,795	$ 8,423	$ 438,276	$ 19,270	$ 296,036	$ 10,478	$ 115,342
Retirement Services	25,537	5,576,531	—	5,313	121	292,801	185,841	94	62,636
Income Annuities	4,291	7,173,678	—	2,363	—	441,438	392,534	272	19,383
Individual	13,901	4,246,684	8,765	24,058	137,062	222,613	263,944	1,017	61,374
Other	—	—	—	7,375	—	17,926	—	—	14,512
Discontinued Operations	—	—	—	—	—	172	—	—	845
Total	$ 49,017	$ 17,205,015	$ 11,560	$ 47,532	$ 575,459	$ 994,220	$ 1,138,355	$ 11,861	$ 274,092
August 2, 2004 Through December 31, 2004									
Group	$ 3,946	$ 231,193	$ 1,315	$ 7,018	$ 207,396	$ 8,764	$ 124,008	$ 1,352	$ 54,410
Retirement Services	5,914	6,413,824	—	3,741	105	124,188	93,362	236	26,682
Income Annuities	1,257	7,282,235	—	3,996	—	184,074	164,100	—	7,226
Individual	3,260	4,123,410	8,088	24,189	55,694	89,229	106,225	38	28,566
Other	—	—	—	4,344	—	4,865	—	—	6,358
Discontinued Operations	—	—	—	—	—	393	—	—	4,678
Total	$ 14,377	$ 18,050,662	$ 9,403	$ 43,288	$ 263,195	$ 411,513	$ 487,695	$ 1,626	$ 127,920
January 1, 2004 Through August 1, 2004 (Predecessor)									
Group	$ 14,261	$ 244,684	$ 1,658	$ 8,333	$ 293,213	$ 13,632	$ 196,468	$ 10,537	$ 78,727
Retirement Services	146,432	6,540,337	—	2,999	92	225,008	155,575	16,313	36,789
Income Annuities	—	6,339,003	—	4,725	—	290,328	274,800	—	9,522
Individual	192,156	3,910,168	8,456	24,231	64,620	139,063	153,168	7,314	36,059
Other	—	—	—	3,184	—	25,671	—	—	21,237
Discontinued Operations	—	—	—	—	—	754	—	—	11,077
Total	$ 352,849	$ 17,034,192	$ 10,114	$ 43,472	$ 357,925	$ 694,456	$ 780,011	$ 34,164	$ 193,411

(1) Funds held under deposit contracts, future policy benefits, and policy and contract claims are included in this column.

Exhibit 3.1

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

SYMETRA FINANCIAL CORPORATION

ARTICLE I

The corporation was initially incorporated under Delaware law on February 25, 2004 under the name Occum Acquisition Corp. by the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware. The Certificate of Incorporation was amended on July 27, 2004 to change the corporation's name from Occum Acquisition Corp. to Symetra Financial Corporation, effective August 2, 2004. This Amended and Restated Certificate of Incorporation of the corporation, which both further amends and restates the provisions of the corporation's Certificate of Incorporation, was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL") and by the written consent of its stockholders in accordance with Section 228 of the DGCL. The Certificate of Incorporation of the corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE II

The name of the corporation is Symetra Financial Corporation (hereinafter called the "Corporation").

ARTICLE III

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of the registered agent at such address is The Corporation Trust Company.

ARTICLE IV

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE V

Section 5.01. Capital Stock. The total number of shares of capital stock that the Corporation shall have authority to issue is seven hundred and sixty million (760,000,000) shares, consisting of seven hundred and fifty million (750,000,000) shares of common stock, par value of $0.01 per share ("Common Stock") and ten million (10,000,000) shares of preferred stock, par value $0.01 per share ("Preferred Stock"). The number of authorized shares of Common Stock and Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of

Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Common Stock or Preferred Stock voting separately as a class shall be required therefor.

Section 5.02. Preferred Stock. The Board of Directors of the Corporation (the "Board") is hereby expressly authorized, by resolution or resolutions, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, and the voting powers (if any) of the shares of such series, preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The voting powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

Section 5.03. Voting; Other Rights. (a) Each holder of Common Stock, as such, shall be entitled to one vote in person or by proxy for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock) or pursuant to the DGCL.

(b) Except as otherwise required by law, holders of a series of Preferred Stock shall be entitled only to such voting rights, if any, as shall expressly be granted thereto pursuant to the provisions of this Article V (including any Certificate of Designation relating to such series).

(c) Upon the dissolution, liquidation or winding up of the Corporation, subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the holders of the Common Stock, as such, shall be entitled to receive the assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them

(d) Subject to the preferential rights of the Preferred Stock, if any, the holders of Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of the assets of the Corporation which are by law available therefor, dividends payable either in cash, in property or in shares of capital stock.

ARTICLE VI

Subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation may be effected at a duly called annual or special meeting of the stockholders of the Corporation. No action required or permitted to be taken at any annual or special meeting of the stockholders of the Corporation may be taken without a meeting and the power of the stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

ARTICLE VII

In furtherance and not in limitation of the powers conferred upon it by law, the Board is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation by the vote of a majority of the entire Board or such greater vote as shall be specified in the Bylaws.

ARTICLE VIII

The business and affairs of the Corporation shall be managed by or under the direction of the Board. The exact number of directors shall be fixed in a manner provided in the Bylaws. The directors, other than those who may be elected by the holders of any series of Preferred Stock pursuant to the provisions of this Amended and Restated Certificate of Incorporation or any resolution or resolutions providing for the issuance of such class or series of stock adopted by the Board, shall be elected by the stockholders entitled to vote thereon at each annual or special meeting of stockholders and shall hold office until the next annual meeting of stockholders and until each of their successors shall have been elected and qualified. Unless otherwise provided in the Bylaws, the election of directors need not be by written ballot. No decrease in the number of directors constituting the Board shall shorten the term of any incumbent director. The directors shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, one class to be originally elected for a term expiring at the first annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation, another class to be originally elected for a term expiring at the second annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation, and another class to be originally elected for a term expiring at the third annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation, with each director to hold office until such person's successor is duly elected and qualified. At each annual meeting of stockholders, directors elected to succeed those directors whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election, with each director to hold office until such person's successor shall have been duly elected and qualified.

Except as otherwise provided for or fixed by or pursuant to the provisions of Article V of this Amended and Restated Certificate of Incorporation relating to the rights of the holders of any series of Preferred Stock, newly created directorships resulting from any increase in the number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

Any director may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office.

There shall be no limitation on the qualifications of any person to be a director or on the ability of any director to vote on any matter brought before the Board, except (a) as required by applicable law or (b) as set forth in this Amended and Restated Certificate of Incorporation.

ARTICLE IX

To the fullest extent that the DGCL or any other law of the State of Delaware as it exists or as it may hereafter be amended permits the limitation or elimination of the liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL hereinafter is amended to further eliminate or limit the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended DGCL. No amendment to or repeal of this Article IX shall apply to or have any effect on the liability or alleged liability of any director for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

ARTICLE X

Each person who is or was or had agreed to become a director or officer of the Corporation, and each such person who is or was serving or who had agreed to serve at the request of the Corporation as a director, officer, partner, member, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise (including the heirs, executor, administrators or estate of such person), shall be indemnified by the Corporation to the fullest extent permitted from time to time by applicable law.

IN WITNESS WHEREOF, I, Randall H. Talbot, President and Chief Executive Officer of Symetra Financial Corporation, have executed this Amended and Restated Certificate of Incorporation this [ ]th day of [ ] 2007.

Randall H. Talbot
President and Chief Executive Officer

Exhibit 3.2

AMENDED BYLAWS

OF

SYMETRA FINANCIAL CORPORATION

(HEREINAFTER CALLED THE "CORPORATION")

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; provided further, however, that for the purpose of calculating the timeliness of stockholder notices for the 2008 annual meeting of stockholders, the date of the immediately preceding annual meeting shall be deemed to be May 15, 2007. 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 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; provided, however, that for the purpose of calculating the timeliness of public announcements by the Corporation for the 2008 annual meeting of stockholders, the date of the immediately preceding annual meeting shall be deemed to be May 15, 2007.

(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 (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.

Exhibit 4.1

PROOF

NUMBER
SYA 0001

SYMETRA FINANCIAL CORPORATION

SHARES

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

CUSIP XXXXXX XX X
SEE REVERSE FOR CERTAIN DEFINITIONS

THIS CERTIFIES THAT

is the record holder of

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK, $0.01 PAR VALUE PER SHARE OF

SYMETRA FINANCIAL CORPORATION

transferable only on the books of the Corporation by the holder hereof in person or by duly authorized Attorney upon surrender of this certificate properly endorsed.

IN WITNESS WHEREOF, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed.

Dated:

SYMETRA FINANCIAL CORPORATION
CORPORATE
SEAL
2004
DELAWARE

[FACSIMILE SIGNATURE TO APPEAR HERE]
CORPORATE SECRETARY

[FACSIMILE SIGNATURE TO APPEAR HERE]
PRESIDENT AND CHIEF EXECUTIVE OFFICER

COUNTERSIGNED AND REGISTERED:
MELLON INVESTOR SERVICES LLC
TRANSFER AGENT AND REGISTRAR

BY

AUTHORIZED SIGNATURE

PROOF

Symetra Financial Corporation

The Corporation will furnish without charge to each shareholder who so requests the powers, designations, preferences and relative, participating, optional, or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM – as tenants in common
TEN ENT – as tenants by the entireties
JT TEN – as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT– ____________ Custodian ____________
(Cust) (Minor)
under Uniform Gifts to Minors
Act ____________
(State)

UNIF TRF MIN ACT– ____________ Custodian (until age ______)
(Cust)
____________ under Uniform Transfers
(Minor)
to Minors Act ____________
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, ______________________________ hereby sell, assign and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

[ ]

____
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

____

____

______________________________ Shares
of the Common Stock represented by the within Certificate, and do(es) hereby irrevocably constitute and appoint

______________________________ Attorney
to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated ______________________ X ______________________

X ______________________

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

SIGNATURE(S) GUARANTEED:

By ______________________________
THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

EXHIBIT 4.12

INDENTURE

between

SYMETRA FINANCIAL CORPORATION,
as Company

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of October 10, 2007

Capital Efficient Notes due 2067

TABLE OF CONTENTS

Page

ARTICLE 11

Redemption of Notes

ARTICLE 12

Subordination

ARTICLE 13

Calculation Agency

EXHIBITS:

INDENTURE, dated as of October 10, 2007, between SYMETRA FINANCIAL CORPORATION, a corporation organized under the laws of the State of Delaware (herein called the "**Company**"), having its principal office at 777 108th Avenue NE, Bellevue, Washington 98004 and U.S. BANK NATIONAL ASSOCIATION, as Trustee (together with any successor as Trustee hereunder, the "**Trustee**") having an office located at 1420 5th Avenue, 7th Floor, Seattle, Washington 98101.

RECITALS OF THE COMPANY

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of up to $225,000,000 aggregate principal amount of its Capital Efficient Notes due 2067 (the "**Notes**") issuable as provided in this Indenture;

WHEREAS, all things necessary to make this Indenture a valid agreement of the Company and the Trustee, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders (as defined below) thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE 1

Definitions and Other Provisions of General Application

Section 1.01. Definitions and Construction.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with United States GAAP, and, except as otherwise herein expressly provided, the term "GAAP" with respect to any computation required or permitted hereunder shall mean GAAP as are generally accepted at the date of such computation;

(3) unless the context otherwise requires, any reference to "Article", "Section" or "Exhibit" refers to an Article or Section of or Exhibit to this Indenture;

(4) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

(5) all references used herein to the male gender shall include the female gender.

"**Act**," when used with respect to any Holder, has the meaning specified in Section 1.04(a).

"**Additional Interest**" means the interest, if any, that shall accrue on any interest on the Notes the payment of which has not been made on the applicable Interest Payment Date and which shall accrue at the rate per annum specified or determined as specified in Section 2.02(b) from the applicable Interest Payment Date.

"**Additional Notes**" has the meaning set forth in Section 2.06(d).

"**Alternative Payment Mechanism**" has the meaning set forth in Section 2.02(f)(i).

"**APM Commencement Date**" means, with respect to any Deferral Period, the earlier of (i) the first Interest Payment Date during such Deferral Period on which the Company elects to pay current interest on the Notes or (ii) the fifth anniversary of the beginning of such Deferral Period.

"**APM Securities**" means:

(a) Common Stock;

(b) Mandatorily Convertible Preferred Stock;

(c) Qualifying Non-Cumulative Perpetual Preferred Stock; and

(d) Warrants exercisable for Common Stock;

provided that the Company may, without the consent of the Holders of the Notes, amend the definition of APM Securities to eliminate Common Stock and/or Mandatorily Convertible Preferred Stock from this definition if after the date of this Indenture, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective such that there is more than an insubstantial risk that the failure to do so would result in a reduction in the Company's earnings per share as calculated in accordance with generally accepted accounting principles in the United States. The Company will promptly notify the Holders of the Notes and the Trustee of any such change.

"**Applicable Procedures**" means, with respect to any transfer or transaction involving a Global Security or beneficial interest therein, the rules and procedures of the DTC, Euroclear and Clearstream, as the case may be, in each case to the extent applicable to such transaction and as in effect from time to time.

"**Applicable Rate**" has the meaning set forth in Section 2.02(g)(ii).

"**Authenticating Agent**" means any Person authorized by the Trustee pursuant to Section 6.13 to act on behalf of the Trustee to authenticate Notes, and shall initially be the Trustee.

"**Bankruptcy Event**" means any of the events set forth in Section 5.01(3) or Section 5.01(4).

"**Board of Directors**" means either the board of directors of the Company or any duly authorized committee of that board duly authorized to act hereunder.

"**Board Resolution**" means a copy of a resolution, certified by the secretary or an assistant secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, delivered to the Trustee.

"**Business Day**" means any day, other than (i) a Saturday, Sunday or other day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or (ii) on or after October 15, 2017, a day that is not a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

"**Calculation Agent**" means U.S. Bank National Association, or any other firm appointed by the Company, acting as calculation agent for the Notes.

"**Capital Stock**" for any entity means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) shares issued by that entity.

"**Certificated Notes**" means Notes that are in registered definitive form and that are not Global Notes.

"**Clearstream**" means Clearstream Banking, Société Anonyme.

"**Commercially Reasonable Efforts**" has, with respect to the Scheduled Maturity Obligations, the meaning set forth in Section 2.02(a)(vii), and with respect to the Alternative Payment Mechanism, the meaning set forth in Section 2.02(f)(ix).

"**Commission**" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this instrument such Commission is not existing, then its successor agency.

"**Common Stock**" means the Company's equity securities, including treasury stock and shares of common stock sold pursuant the Company's dividend reinvestment plan, if any, and employee benefit plans, if any, a security that ranks *pari passu* upon the Company's liquidation, dissolution or winding up with the Company's common stock that tracks the performance of, or relates to the results of, a business, unit or division of the Company, and any securities issued in exchange therefor in connection with a merger, consolidation, binding share exchange, business combination, recapitalization or similar event.

"**Common Stock Maximum Obligation**" has the meaning set forth in Section 2.02(f)(ii).

“**Communication**” has the meaning set forth in Section 13.04.

“**Company**” means the Person named as the “Company” in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “**Company**” shall mean such successor Person.

“**Company Request**” or “**Company Order**” means a written request or order signed in the name of the Company by (i) its chief executive officer, its president or a vice president and (ii) by its treasurer, an assistant treasurer, its comptroller, its secretary or an assistant secretary, and delivered to the Trustee.

“**Corporate Trust Office**” means the office of the Trustee at which at any particular time this Indenture shall be administered, which office, at the time of the execution of this Indenture, is located, at 1420 5th Avenue, 7th Floor, Seattle, Washington 98101, Attention: Symetra Financial Corporation, Capital Efficient Notes due 2067.

“**Covenant Defeasance**” has the meaning set forth in Section 4.04.

“**Covered Debt**” has the meaning assigned to such term in the Replacement Capital Covenant.

“**Current Price**” means, for the Common Stock on any date, the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions by the New York Stock Exchange or, if the Common Stock is not then listed on the New York Stock Exchange, as reported by the principal U.S. securities exchange on which the Common Stock is traded or quoted. If the Common Stock is not listed on any U.S. securities exchange on the relevant date, the “Current Price” shall be the last quoted bid price for the Common Stock in the over-the-counter market on the relevant date as reported by Pink Sheets LLC or a similar organization. If the Common Stock is not so quoted, the “Current Price” shall be the average of the mid-point of the last bid and ask prices for the Common Stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose. If the Common Stock is not so quoted, and if bid and ask prices for the Common Stock are not available, the “Current Price” shall be determined by a nationally recognized independent investment banking firm selected by the Company for this purpose.

“**Defaulted Interest**” has the meaning specified in Section 2.12.

“**Deferral Period**” means the period beginning on an Interest Payment Date with respect to which the Company elects to defer Interest and ending on the earlier of (i) the tenth anniversary of that Interest Payment Date and (ii) the next Interest Payment Date on which the Company has paid all Deferred Interest (including Additional Interest thereon) and all other accrued and unpaid Interest.

“**Deferred Interest**” means the Interest that is deferred in accordance with the provisions of Section 2.02(d).

"**Depositary**" means, unless otherwise specified by the Company pursuant to Section 2.17(a), The Depository Trust Company, New York, New York, or any successor thereto registered under the Exchange Act, as amended, or other applicable statute or regulation.

"**Depositary Participant**" means any member of, or participant in, the Depositary.

"**Distribution Compliance Period**" means the period from and including the date hereof to and including the date 40 days after the date hereof.

"**Distributions**" means, as to a security or combination of securities, dividends, interest payments or other income distributions to the holders thereof that are not Subsidiaries of the Company.

"**DTC**" means The Depository Trust Company, a New York corporation.

"**Eligible Proceeds**" means, with respect to each relevant Interest Payment Date, the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuance) the Company has received during the 180-day period prior to such Interest Payment Date from the issuance of APM Securities to persons that are not the Company's Subsidiaries.

"**Enforcement Event**" has the meaning specified in Section 5.03.

"**Euroclear**" means Euroclear S.A./N.V., and its successors or assigns, as operator of the Euroclear system.

"**Event of Default**" has the meaning specified in Section 5.01.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated by the Commission thereunder.

"**Final Maturity Date**" means October 15, 2067.

"**Global Note**" means a Note issued to evidence the Notes which is executed by the Company and authenticated and delivered by the Trustee to the Depositary or pursuant to the Depositary's instruction, all in accordance with this Indenture and pursuant to a Company Order, which shall be registered in the name of the Depositary or its nominee.

"**Holder**" means a Person in whose name a Note is registered in the Note Register.

"**Indenture**" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more amendments or indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

"**Initial Purchasers**" means the initial purchasers named in Schedule I to that certain purchase agreement relating to the Notes, dated October 4, 2007, among the Company and J.P. Morgan Securities Inc. and Lehman Brothers Inc., as representatives of the several Initial Purchasers.

"**Intent-Based Replacement Disclosure**" has the meaning assigned to such term in the Replacement Capital Covenant.

"**Interest**" means both regularly scheduled interest payments and, to the extent applicable, any Additional Interest.

"**Interest Payment Date**" has the meaning set forth in Section 2.02(b).

"**Interest Period**" means the period from and including any Interest Payment Date (or, in the case of the first Interest Payment Date, October 10, 2007) to but excluding the next Interest Payment Date.

"**Issue Date**" means October 10, 2007.

"**LIBOR Determination Date**" means the second London Banking Day immediately preceding the first day of the Relevant Period.

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London, England.

"**Make-Whole Price**" has the meaning set forth in Section 2.02(g)(ii).

"**Mandatorily Convertible Preferred Stock**" has the meaning assigned to such term in the Replacement Capital Covenant.

"**Market Disruption Event**" means, for purposes of sales of APM Securities pursuant to the Alternative Payment Mechanism or sales of Qualifying Capital Securities in connection with the Scheduled Maturity Obligations, as applicable (collectively, the "**Permitted Securities**"), the occurrence or existence of any of the following events or sets of circumstances:

(i) the Company is required to obtain the consent or approval of its stockholders or a regulatory body (including, without limitation, any insurance regulator or the securities exchange) or governmental authority to issue Permitted Securities and it fails to obtain such consent or approval notwithstanding its commercially reasonable efforts to obtain such consent or approval;

(ii) trading in securities generally, or shares of the Company's securities specifically, on the New York Stock Exchange or any other national securities exchange or over-the-counter market on which Permitted Securities are then listed or traded shall have been suspended or their settlement generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or market by the Commission, such exchange or market or by any other regulatory body or governmental authority having jurisdiction such that trading shall have been materially disrupted;

(iii) a banking moratorium shall have been declared by the federal or state authorities of the United States such that market trading in any of the Permitted Securities has been materially disrupted or ceased;

(iv) a material disruption shall have occurred in commercial banking or securities settlement or clearance services in the United States such that market trading in any of the Permitted Securities has been materially disrupted or ceased;

(v) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or there shall have occurred any other national or international calamity or crisis such that market trading in any of the Permitted Securities has been materially disrupted or ceased;

(vi) there shall have occurred such a material adverse change in general domestic or international economic, political or financial conditions, including without limitation as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States shall be such as to make it, in the Company's reasonable judgment, impracticable or inadvisable to proceed with the offer and sale of the Permitted Securities;

(vii) an event occurs and is continuing as a result of which the offering document for the offer and sale of Permitted Securities would, in the Company's reasonable judgment, contain an untrue statement of a material fact or omit to state a material fact required to be stated in that offering document or necessary to make the statements in that offering document not misleading and either (a) the disclosure of that event, in the Company's reasonable judgment, would have a material adverse effect on its business or (b) the disclosure relates to a previously undisclosed proposed or pending material business transaction, the disclosure of which would impede its ability to consummate that transaction; *provided* that no single suspension period described in this clause (vii) shall exceed 90 consecutive days and multiple suspension periods described in this clause (vii) shall not exceed an aggregate of 180 days in any 360-day period; or

(viii) the Company reasonably believes that the offering document for the contemplated offer and sale of registered Permitted Securities would not be in compliance with a rule or regulation of the Commission, for reasons other than those referred to in clause (vii), and the Company determines that it is unable to comply with such rule or regulation or such compliance is unduly burdensome; *provided* that no single suspension period described in this clause (viii) shall exceed 90 consecutive days and multiple suspension periods described in this clause (viii) shall not exceed an aggregate of 180 days in any 360-day period.

"**Maturity**" means the date on which the principal of the Notes or an installment of principal becomes due and payable as herein provided, whether at the Scheduled Maturity Date, the Final Maturity Date, or by declaration of acceleration, call for redemption or otherwise.

"**Note Register**" means the register in which the Company, its agent or the Trustee provides for the registration of Notes and transfers of Notes as herein provided.

"**Notes**" has the meaning set forth in the recitals to this Indenture and more particularly means any Notes authenticated and delivered under this Indenture.

“**Notice of Enforcement Event**” has the meaning set forth in Section 5.03(1).

“**Notice of Redemption**” has the meaning set forth in Section 11.04.

“**Notice of Repayment**” has the meaning set forth Section 3.03.

“**Offering Memorandum**” means the Offering Memorandum dated October 10, 2007, relating to the sale of the Notes.

“**Officers’ Certificate**” means a certificate signed by (i) the chief executive officer, the president or a vice president, and (ii) the treasurer, an assistant treasurer, the comptroller, the secretary or an assistant secretary, of the Company, and delivered to the Trustee.

“**Opinion of Counsel**” means a written opinion of counsel, who may be counsel for the Company and who shall be acceptable to the Trustee.

“**Original Notes**” has the meaning set forth in Section 2.06(d).

“**Outstanding**,” when used with respect to Notes, means, as of the date of determination, all Notes theretofore authenticated and delivered under this Indenture, except:

(i) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Notes for the payment or redemption of which money or evidences of indebtedness (if permitted hereby) in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Notes; *provided*, *however*, that, if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Notes which have been paid pursuant to Section 2.06 or in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture, other than any such Notes in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Notes are held by a bona fide purchaser in whose hands such Notes are valid obligations of the Company;

provided, *however*, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder and for the purpose of making the calculations required by the Trust Indenture Act Section 313, as of any date, Notes owned by the Company or any other obligor upon the Notes or any affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which the Trustee knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Notes and that the pledgee is not the Company or any other obligor upon the Notes or any affiliate of the Company or of such other obligor. In case of a dispute as to such right, any decision by the Trustee shall be full protection to the Trustee absent negligence or willful misconduct. Upon request of the Trustee, the Company shall furnish to the Trustee promptly an Officers' Certificate listing and identifying all Notes, if any, known by the Company to be owned or held by or for the account of any of the above-described Persons; and, subject to Section 6.01, the Trustee shall be entitled to accept such Officers' Certificate as conclusive evidence of the facts therein set forth and of the fact that all Notes not listed therein are Outstanding for the purposes of any such determination.

"**Parity Securities**" has the meaning set forth in Section 2.02(e)(ii).

"**Paying Agent**" means any Person authorized by the Company (which may include the Company or any of its affiliates) to pay the principal of (and premium, if any) or Interest on any Notes on behalf of the Company, and shall initially be the Trustee.

"**Permitted Remedies**" has the meaning assigned to such term in the Replacement Capital Covenant.

"**Permitted Securities**" has the meaning set forth in the definition of Market Disruption Event.

"**Person**" means any individual, corporation, exempted limited company, limited liability company, partnership, limited liability partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Physical Notes**" has the meaning set forth in Section 2.05(b).

"**Place of Payment**" means the place or places where the principal of (and premium, if any) and Interest on the Notes are payable, and shall initially be the Corporate Trust Office.

"**Predecessor Note**" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 2.09 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Note shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Note.

"**Preferred Stock**" means shares of any class or series of preferred stock of the Company that may be issued and outstanding from time to time.

"**Preferred Stock Cap**" has the meaning set forth in Section 2.02(f)(ii).

"**Publicly Traded**" means that the Common Stock has been listed for trading on a national securities exchange or traded in a public over-the-counter market. For the avoidance of doubt, the Common Stock is not, at the time of the execution of this Indenture, Publicly Traded.

"**QIB**" means any "qualified institutional buyer" (as defined in Rule 144A).

“**Qualifying Replacement Capital Covenant**” has the meaning assigned to such term in the Replacement Capital Covenant.

“**Qualifying Capital Securities**” has the meaning assigned to such term in the Replacement Capital Covenant.

“**Qualifying Non-Cumulative Perpetual Preferred Stock**” means, the Company’s non-cumulative perpetual preferred stock that

(a) ranks *pari passu* with or junior to all of the Company’s other outstanding preferred stock; and

(b) contains no remedies other than Permitted Remedies; and

(c) either is (1) subject to Intent-Based Replacement Disclosure and has a provision that prohibits the Company from making any distributions thereon upon the Company’s failure to satisfy one or more financial tests set forth therein or (2) is subject to a replacement capital covenant substantially similar to the Replacement Covenant or a Qualifying Replacement Capital Covenant.

“**Rating Agency**” has the meaning set forth in the definition of “Rating Agency Event.”

“**Rating Agency Event**,” means that any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Exchange Act that then publishes a rating for the Company (a “**Rating Agency**”) amends, clarifies or changes the criteria it uses to assign equity credit to securities such as the Notes, which amendment, clarification or change results in:

(a) the shortening of the length of time the Notes are assigned a particular level of equity credit by that Rating Agency as compared to the length of time they would have been assigned that level of equity credit by that Rating Agency or its predecessor on the issue date of the Notes; or

(b) the lowering of the equity credit (including up to a lesser amount) assigned to the Notes by that Rating Agency as compared to the equity credit assigned by that Rating Agency or its predecessor on the issue date of the Notes.

“**Redemption Date**,” when used with respect to any Note to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

“**Redemption Price**” when used with respect to any Note to be redeemed, means the price at which the Notes are to be redeemed, as specified in Section 2.02(g).

“**Regular Record Date**” for the Interest payable on any Interest Payment Date with respect to the Notes means (i) in the case of Notes represented by one or more Global Notes, the Business Day preceding such Interest Payment Date and (ii) in the case of Notes not represented by one or more Global Notes, the date which is fifteen calendar days next preceding such Interest Payment Date (whether or not a Business Day).

"**Regulation S Global Security**" means a Regulation S Temporary Global Security or a Regulation S Permanent Global Security.

"**Regulation S Permanent Global Security**" means a permanent Global Security bearing the applicable legends as are provided for in Exhibit B hereto and deposited with or on behalf of and registered in the name of DTC or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Security upon expiration of the Distribution Compliance Period.

"**Regulation S Temporary Global Security**" means a temporary Global Security bearing the applicable legends as are provided for in Exhibit B hereto and deposited with or on behalf of and registered in the name of DTC or its nominee, issued in a denomination equal to the outstanding principal amount of the Securities initially sold in reliance on Rule 903 of Regulation S.

"**Relevant Period**" has the meaning given to such term in the definition of Three-month LIBOR.

"**Repayment Date**" has the meaning set forth in Section 2.02(a)(ii).

"**Replacement Capital Covenant**" means the Replacement Capital Covenant, dated as of October 10, 2007, of the Company, as amended or supplemented from time to time. An execution copy of the Replacement Capital Covenant in effect on the date hereof is attached hereto as Exhibit E.

"**Responsible Officer**," when used with respect to the Trustee, means any officer of the Trustee assigned by the Trustee to administer its corporate trust matters with respect to this Indenture (which, for the avoidance of doubt, includes without limitation, any supplemental indenture hereto).

"**Reuters LIBOR01 Page**" means the display designated as "LIBOR 01" on the Reuters 3000 Xtra (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates or prices comparable to the London Interbank Offered rate for U.S. dollar deposits).

"**Rule 144A**" means Rule 144A under the Securities Act (or any successor provision), as it may be amended from time to time.

"**Rule 144A Global Note**" has the meaning set forth in Section 2.03.

"**Rule 144A Information**" means the information as specified pursuant to paragraph (d)(4) of Rule 144A (or any successor provision thereto), as such provision (or successor provision) may be amended from time to time.

"**Scheduled Maturity Date**" has the meaning set forth in Section 2.02(a)(i).

"**Scheduled Maturity Obligations**" means the Company's obligations in connection with the repayment of principal under Section 2.02(a).

"**Securities Act**" means the Securities Act of 1933 (or any successor statute), as it may be amended from time to time.

"**Security Registrar**" has the meaning set forth in Section 2.07(b).

"**Senior Indebtedness**" means:

(i) the principal of, premium, if any, interest and other payment obligations in respect of the Company's debt for money borrowed and debt evidenced by securities, notes, bonds or other similar instruments issued by the Company;

(ii) all of the Company's capital lease obligations;

(iii) all of the Company's obligations issued or assumed as the deferred purchase price of property, all of the Company's conditional sale obligations, hedging agreements and agreements of a similar nature and all agreements relating to any such agreements, and all of the Company's obligations under any title retention agreement;

(iv) all of the Company's obligations for reimbursement on any letter of credit, banker's acceptance, security purchase facility or similar credit transaction (but excluding trade accounts payable and accrued liabilities arising in the ordinary course of business); and

(v) all obligations of the type referred to in clauses (i) through (iv) above of other Persons for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise, in each case, whether created, assumed or incurred on, prior to or after the date of this Indenture,

unless, in each case, the instrument creating that debt expressly provides that those obligations rank *pari passu* in right of payment with the Notes.

Such Senior Indebtedness shall continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions of this Indenture irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness and notwithstanding that no express written subordination agreement may have been entered into between the holders of such Senior Indebtedness and the Trustee or any of the Holders.

"**Share Cap**" has the meaning set forth in Section 2.02(f)(v).

"**Special Event**" means a Tax Event or a Rating Agency Event.

"**Special Event Make-Whole Price**" has the meaning set forth in Section 2.02(g)(ii).

"**Special Record Date**" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 2.12(1).

"**Subsidiary**" means, at any time, any Person the shares of stock or other ownership interests of which having ordinary voting power to elect a majority of the board of directors or other managers of such Person are at the time owned, or the management or policies of which are otherwise at the time controlled, directly or indirectly, through one or more intermediaries (including other Subsidiaries) by another Person.

"**Supplemental Notice**" has the meaning set forth in Section 3.03.

"**Tax Event**" means that the Company has requested and received an Opinion of Counsel experienced in such matters to the effect that, as a result of any:

(a) amendment to or change (including any officially announced proposed change) in the laws or regulations of the United States or any political subdivision or taxing authority of or in the United States that is enacted or becomes effective after the initial issuance of the Notes;

(b) official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of the Notes; or

(c) threatened challenge asserted in writing in connection with an audit of the Company or its Subsidiaries, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes, which challenge becomes publicly known after the initial issuance of the Notes,

there is more than an insubstantial risk that interest payable by the Company on the Notes is not, or within 90 days of the date of such opinion, will not be, deductible by the Company, in whole or in part, for United States federal income tax purposes.

"**Temporary Securities"** has the meaning set forth in Section 2.10.

"**Three-month LIBOR**" means, with respect to any Interest Period, the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period commencing on the first day of that Interest Period and ending on the next Interest Payment Date (the "**Relevant Period**") that appears on Reuters LIBOR01 Page as of 11:00 a.m. (London time) on the LIBOR Determination Date for that Interest Period. If such rate does not appear on the Reuters LIBOR01 Page as of 11:00 a.m. (London time) on the LIBOR Determination Date for that Interest Period, LIBOR shall be determined on the basis of the rates at which deposits in U.S. dollars for the Relevant Period and in a principal amount of not less than $1,000,000 are offered to prime banks in the London interbank market by four major banks in the London interbank market, which may include affiliates of one or more of the Initial Purchasers, selected by the Calculation Agent (after consultation with the Company), at approximately 11:00 a.m., London time on the LIBOR Determination Date for that Interest Period. The Calculation Agent shall request the principal London office of each such bank to provide a quotation of its rate. If at least two such quotations are provided, Three-month LIBOR with respect to that Interest Period will be the arithmetic mean (rounded upward if necessary to the nearest whole multiple of 0.00001%) of such quotations. If fewer than two quotations are provided, Three-month LIBOR with respect to that Interest Period will be the arithmetic mean (rounded upward if necessary to the nearest whole multiple of 0.00001%) of the rates quoted by three major banks in New York City, which may include affiliates of one or more of the Initial Purchasers, selected by the Calculation Agent (after consultation with the Company), at approximately 11:00 a.m., New York City time, on the first day of that Interest Period for loans in U.S. dollars to leading European banks for the Relevant Period and in a principal amount of not less than $1,000,000. However, if fewer than three banks selected by the Calculation Agent to provide quotations are quoting as described above, Three-month LIBOR for that Interest Period shall be the same as Three-month LIBOR as determined for the previous Interest Period or for the Interest Period beginning on October 15, 2017, Three-month LIBOR will be 5.24%. The establishment of Three-month LIBOR by the Calculation Agent shall (in the absence of manifest error) be final and binding.

"**Trading Day**" means a day on which (i) there is no Market Disruption Event and (ii) trading in securities generally occurs on the New York Stock Exchange.

"**Treasury Dealer**" means a nationally recognized firm that is a primary U.S. government securities dealer specified by the Company.

"**Treasury Price**" means the bid-side price for the Treasury Security as of the third Trading Day preceding the Redemption Date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York on that Trading Day and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities," except that: (i) if that release (or any successor release) is not published or does not contain that price information on that Trading Day or (ii) if the Treasury Dealer determines that the price information is not reasonably reflective of the actual bid-side price of the Treasury Security prevailing at 3:30 p.m., New York City time, on that Trading Day, then Treasury Price will instead mean the bid-side price for the Treasury Security at or around 3:30 p.m., New York City time, on that Trading Day (expressed on a next Trading Day settlement basis) as determined by the Treasury Dealer through such alternative means as the Treasury Dealer considers to be appropriate under the circumstances.

"**Treasury Rate**" means the semi-annual equivalent yield to maturity of the Treasury Security that corresponds to the Treasury Price (calculated in accordance with standard market practice and computed as of the second Trading Day preceding the Redemption Date).

"**Treasury Security**" means the United States Treasury security that the Treasury Dealer determines would be appropriate to use, at the time of determination and in accordance with standard market practice, in pricing the Notes being redeemed in a tender offer based on a spread to United States Treasury yields.

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended, and in force at the date as of which this instrument was executed; provided, however, that in the event the Trust Indenture Act of 1939 is further amended after such date, "Trust Indenture Act" means, to the extent required by such amendment, the Trust Indenture Act of 1939 as amended.

"**Trustee**" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder.

"**U.S. Government Obligations**" means securities which are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as to the timely payment of principal and interest as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company which is a member of the Federal Reserve System and having a combined capital and surplus of at least $50,000,000 as custodian with respect to any such obligation evidenced by such depository receipt or a specific payment of interest on or principal of any such obligation held by such custodian for the account of the holder of a depository receipt; *provided*, *however*, that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the obligation set forth in (i) or (ii) above or the specific payment of interest on or principal of such obligation evidenced by such depository receipt.

"**Vice President**", when used with respect to the Company or the Trustee, means any vice president of such Person, whether or not designated by a number or a word or words added before or after the title "vice president."

"**Warrants**" means the Company's net share settled warrants to purchase Common Stock that:

(a) have an exercise price greater than the Current Price of the Common Stock as of their date of issuance; and

(b) the Company is not entitled to redeem for cash and the holders are not entitled to require the Company to repurchase for cash in any circumstances.

Section 1.02. Compliance Certificates and Opinions. Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate required by Section 10.05) shall include:

(1) a statement that the Person signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such Person, such Person has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and

(4) a statement as to whether, in the opinion of each such Person, such condition or covenant has been complied with.

Section 1.03. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters is erroneous. Any certificate of counsel or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 1.04. Acts of Holders: (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "**Act**" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 6.01) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section 1.04.

(b) The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may be presumed by the Trustee to be true, correct and existing, and the Trustee may reasonably rely upon such instrument or writing without further investigation.

(c) The ownership of Notes shall be proved by the Note Register.

(d) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by or pursuant to a Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act or to revoke any of the foregoing, but the Company shall have no obligation to do so. Notwithstanding Section 316(c) of the Trust Indenture Act, such record date shall be the record date specified in or pursuant to such Board Resolution, which shall be a date not earlier than the date 30 days prior to the first solicitation of Holders generally in connection therewith and not later than the date such solicitation is completed. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act or revocation may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of any such Act or revocation for the purpose of determining whether Holders of the requisite proportion of Outstanding Notes have acted.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note shall bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Note.

Section 1.05. Notices. All notices or communications hereunder, except as herein otherwise specifically provided, shall be in writing, shall specify this Indenture by name and date and shall identify the Securities, and if sent to the Trustee shall be delivered or transmitted by facsimile to **PO Box 34690,** Seattle, Washington **98124-1690, Attention: General Counsel, fax 425-256-8780, with a copy to Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, New York 10019 Attention William J. Whelan, fax 212-474-3700.** The foregoing addresses for notices or communications may be changed by written notice given by the addressee to each party hereto, and the addressee's address shall be deemed changed for all purposes from and after the giving of such notice.

If the Trustee shall receive any notice or demand addressed to the Company by a Holder, the Trustee shall promptly forward such notice or demand to the Company.

Section 1.06. Notice to Holders; Waiver. Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

If the Company mails a notice to Holders, it shall mail a copy of such notice to the Trustee at the same time.

In case by reason of the suspension of regular mail service or by reason of any other case it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 1.07. Headings and Table of Contents. The article and section headings herein and the table of contents are for convenience and reference only and shall not affect the construction hereof.

Section 1.08. Severability. In case any provision in this Indenture or the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.09. Trust Indenture Act Controls.

If any provision hereof limits, qualifies or conflicts with another provision which is required to be included in this Indenture by any of the provisions of the Trust Indenture Act, such required provision shall control. If any provision hereof modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or excluded, as the case may be.

Section 1.10. Benefits of Indenture. Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.11. No Implied Obligations. The obligations of the Company under this Indenture and the Notes shall be without recourse to any Subsidiary, affiliate, policyholder, director, officer or employee of the Company, and no such person shall have any liability with respect thereto.

Section 1.12. GOVERNING LAW. THIS INDENTURE AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 1.13. Counterparts. This Indenture may be executed in one or more counterparts, and by each party separately on a separate counterpart, and each such counterpart when executed and delivered shall be deemed to be an original. Such counterparts shall together constitute one and the same instrument.

ARTICLE 2

The Notes

Section 2.01. Form and Dating. (a) The form of the Note, including the Trustee's certificate of authentication relating thereto, shall be substantially as set forth as Exhibit A hereto. The Notes may have notations, legends or endorsements required by law or usage, as the Company may determine. The Company shall approve the form of the Note and any notation, legend or endorsement thereon. Each Note shall be dated the date of issuance and shall show the date of its authentication. The Notes shall be in minimum denominations of $1,000 and integral multiples thereof. The Notes will be issued at the closing of the offering only against payment in immediately available funds.

(b) The terms and provisions contained in the Notes annexed hereto shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

(c) Each Note shall bear the applicable legends set forth in Exhibit B.

Section 2.02. Terms of the Notes. The terms of the Notes shall be as follows:

(a) Scheduled Maturity Date.

(i) The Company is required to repay the Notes on October 15, 2037 (the "**Scheduled Maturity Date**") at their principal amount plus accrued and unpaid Interest only to the extent that during a 180-day period ending on the date a Notice of Repayment is given pursuant to Section 3.03, the Company has raised sufficient net proceeds from the issuance of Qualifying Capital Securities to permit repayment of the Notes in full on the Scheduled Maturity Date in accordance with the Replacement Capital Covenant. If the Company is unable for any reason to raise sufficient net proceeds to repay the Notes in full on the Scheduled Maturity Date, the Company shall (A) repay the Notes on the Scheduled Maturity Date in part to the extent of any net proceeds so raised and (B) continue to comply with this Section 2.02(a). For the avoidance of doubt, a Repayment Date shall not constitute a Maturity for the purposes of Section 5.01(2) hereof, unless the Company has given written notice to the Trustee fixing such date for redemption and stating that the Company has determined to treat that date as a Maturity, in which case such date shall constitute a Maturity for the Notes specified in the applicable Notice of Repayment or Supplemental Notice, as the case may be.

(ii) The Company shall use its Commercially Reasonable Efforts, subject to clause (viii) below, to raise sufficient net proceeds from the issuance of Qualifying Capital Securities during such 180-day period to permit repayment of the Outstanding Notes in full on the Scheduled Maturity Date. If the Company has not raised sufficient net proceeds pursuant to the preceding sentence to permit repayment of all principal and accrued and unpaid Interest on the Notes on the Scheduled Maturity Date, the unpaid amount shall remain outstanding from quarter to quarter and bear interest at Three-month

LIBOR plus 4.177%, payable quarterly in arrears on each quarterly Interest Payment Date until repaid, and the Company shall use its Commercially Reasonable Efforts, subject to clause (viii) below, to raise sufficient net proceeds from the issuance of Qualifying Capital Securities during each 90-day period ending on each date Notice of Repayment is given, on the next Interest Payment Date, and on each Interest Payment Date thereafter, until all Notes Outstanding are repaid in full (the Scheduled Maturity Date and each such subsequent Interest Payment Date, a "**Repayment Date**"). The Scheduled Maturity Obligations shall terminate on the earlier of (A) the Interest Payment Date on which the Company has redeemed the Notes in full in accordance with the Scheduled Maturity Obligations, (B) when the Notes are otherwise paid in full on the Final Maturity Date or (C) upon an Event of Default resulting in acceleration of the Notes pursuant to Section 5.02 hereof. Unless the Scheduled Maturity Obligations shall have terminated as aforesaid and except under the circumstances set forth in Section 2.02(a)(viii), the Company's failure to use Commercially Reasonable Efforts to raise sufficient proceeds from the issuance of Qualifying Capital Securities to repay the Notes in full on a Repayment Date shall constitute a default under clause (2) of the definition of Enforcement Event in Section 5.03, but shall in no event constitute an Event of Default. Notwithstanding anything to the contrary herein, the Trustee shall have no obligation to exercise any remedies with respect to any Enforcement Event arising from such default unless directed to do so in accordance with and subject to the conditions set forth in Section 5.12 and Section 6.02 hereof.

(iii) Under the Replacement Capital Covenant, the Company may also repay the Notes on the Scheduled Maturity Date in an amount determined by reference to the net cash proceeds received from certain issuances by the Company or its Subsidiaries of certain other securities specified in the Replacement Capital Covenant to Persons other than the Company or its Subsidiaries. To the extent the Company so repays Notes pursuant to this Section 2.02(a)(iii), its obligation to use Commercially Reasonable Efforts to sell Qualifying Capital Securities will be reduced by the amount repaid in compliance with the Replacement Capital Covenant. For the avoidance of doubt, the Company's Subsidiaries are not required to issue any securities to enable the repayment of the Notes at the Scheduled Maturity Date, whether pursuant to the Replacement Capital Covenant or otherwise, and the Company is not required to issue securities other than pursuant to Section 2.02(a)(ii) above.

(iv) Notwithstanding anything to the contrary in this Indenture, if the Company repays the Notes pursuant to this Section 2.02(a) or redeems the Notes pursuant to Section 2.02(g) when any Deferred Interest (including Additional Interest thereon) remains unpaid and at a time when the Alternative Payment Mechanism is otherwise applicable, the unpaid Deferred Interest (including Additional Interest thereon) may only be paid pursuant to the Alternative Payment Mechanism.

(v) Any principal amount of Notes, together with accrued and unpaid Interest, shall be due and payable on the Final Maturity Date, regardless of the amount of Qualifying Capital Securities or, if applicable, APM Securities, the Company shall have issued and sold by that time.

(vi) If any date fixed for redemption or repayment pursuant to this Section 2.02(a) is not a Business Day, then payment of the Redemption Price or repayment of the principal amount of the Notes due on that date shall be made on the next day that is a Business Day, without any interest or other payment as a result of such delay.

(vii) "**Commercially Reasonable Efforts**" to issue Qualifying Capital Securities means commercially reasonable efforts by the Company to complete the offer and sale of Qualifying Capital Securities to third parties that are not Subsidiaries of the Company in public offerings or private placements. The Company shall not be considered to have made Commercially Reasonable Efforts to effect a sale of Qualifying Capital Securities if it determines not to pursue or complete the sale of Qualifying Capital Securities solely due to pricing, coupon, dividend rate or dilution considerations.

(viii) The Company shall be excused from its obligation to use (and shall not be required to use) Commercially Reasonable Efforts to sell Qualifying Capital Securities to permit repayment of the Notes on any Repayment Date, and any failure to redeem the Notes shall not constitute a default, an Event of Default (other than on the Final Maturity Date) or an Enforcement Event, if and to the extent the Company was not able to raise proceeds from the issuance of Qualifying Capital Securities as a result of the occurrence of a Market Disruption Event. The Company shall deliver to the Trustee an Officer's Certificate (which the Trustee shall promptly forward upon receipt to each Holder of the Notes) on the date the related Notice of Repayment pursuant to Section 3.03 is given, or prior to the date the related Notice of Repayment required by Section 3.03 would have been given, certifying that:

(A) a Market Disruption Event was existing during the 180-day period preceding the date of such certificate or, in the case of any required Repayment Date after the Scheduled Maturity Date, the 90-day period preceding the date of such certificate; and

(B) either (1) the Market Disruption Event continued for the entire 180-day period or 90-day period, as the case may be, or (2) the Market Disruption Event continued for only part of the period, but the Company was unable after Commercially Reasonable Efforts to raise sufficient net proceeds during the rest of that period to permit repayment of the Notes in full.

(ix) Net proceeds that the Company is permitted to apply to repayment of the Notes on the Repayment Dates pursuant to this Section 2.02(a) shall be applied, first, to pay Deferred Interest (including Additional Interest thereon) in chronological order, based on the date each payment was first deferred, to the extent of Eligible Proceeds under the Alternative Payment Mechanism (the amount thereof to be certified by the Company to the Trustee in an Officers' Certificate), second, to pay current interest that the Company is not paying from other sources and, third, to repay the principal of Notes; *provided* that if the Company is obligated to sell Qualifying Capital Securities and repay principal of or interest on any outstanding Parity Securities in addition to the Notes, then on any date and for any period the amount of net proceeds received by the Company from those sales and available for such payments shall be applied first to Parity Securities having an earlier scheduled maturity date than the Notes, and then to the Notes and those other Parity Securities having the same scheduled maturity date as the Notes *pro rata* in accordance with their respective outstanding principal amounts and none of such net proceeds shall be applied to any other Parity Securities having a later scheduled maturity date until the principal of and all accrued and unpaid Interest on the Notes has been paid in full; *provided*, *further*, that if the Company raises less than $5 million of net proceeds from the sale of Qualifying Capital Securities during the applicable 180- or 90-day period preceding the date the applicable Notice of Repayment is given pursuant to Section 3.03, the Company shall deliver to the Trustee an Officers' Certificate to such effect and the Company shall not be required to repay the Notes on such Repayment Date, but the Company shall use those net proceeds to repay the Notes on the next Repayment Date as of which the Company has raised at least $5 million of net proceeds; *provided*, *further*, that if the net proceeds allocable to repay the principal of the Notes shall not be divisible by the authorized denominations of the Notes into a whole number, the net proceeds so allocable shall be deemed to be equal to the next lower amount divisible by such authorized denominations into a whole number.

(x) In the event the Company has delivered a notice to the Trustee pursuant to Section 3.01 in connection with any Repayment Date, the principal amount of Notes payable on such Repayment Date, if any, shall be the principal amount set forth in the Notice of Repayment accompanying such notice and such principal amount of Notes shall be repaid on such Repayment Date pursuant to Article 3, subject to this Section 2.02(a).

(xi) The obligation of the Company to repay the Notes pursuant to this Section 2.02(a) on any date prior to the Final Maturity Date shall be subject to its obligations under Article 12 to the holders of Senior Indebtedness.

(b) *Rate of Interest*. The Notes will bear interest on their principal amount from and including October 10, 2007 to but excluding October 15, 2017 at 8.300% per annum, payable semi-annually in arrears on April 15 and October 15 of each year, beginning April 15, 2008. The Notes will bear interest from and including October 15, 2017 at an annual rate equal to Three-month LIBOR plus 4.177% payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, beginning January 15, 2018, subject to Section 2.02(d). Each semi-annual and quarterly date on which interest is payable (including following the Scheduled Maturity Date, if applicable) is referred to herein as an "**Interest Payment Date**."

The amount of Interest payable for any Interest Period ending on or prior to October 15, 2017 will be computed on the basis of a 360-day year of twelve 30-day months. The amount of Interest payable for any Interest Period ending after October 15, 2017 will be computed on the basis of a 360-day year and the actual number of days elapsed. Any installment of Interest (or portion thereof) deferred in accordance with Section 2.02(d) or otherwise unpaid shall bear Interest, to the extent permitted by law, at the rate of interest then in effect, from the relevant Interest Payment Date, compounded on each subsequent Interest Payment Date, until paid in accordance with Section 2.02(d).

If any Interest Payment Date on or prior to October 15, 2017 is not a Business Day, the Interest payment due on that date shall be postponed to the next day that is a Business Day and no interest shall accrue as a result of that postponement. If any Interest Payment Date after October 15, 2017 is not a Business Day, the Interest Payment Date shall be postponed to the next day that is a Business Day and Interest will accrue to but excluding the date Interest is actually paid. However, if any Interest Payment Date falls on a date fixed for early redemption, or other redemption or repayment, and such day is not a Business Day, the Interest payment due on that date shall be postponed to the next day that is a Business Day and no Interest shall accrue as a result of that postponement.

(c) *To Whom Interest is Payable*. Interest shall be payable on each Interest Payment Date to each Person in whose name the Notes are registered at 5:00 p.m., New York City time, on the Regular Record Date, except that Interest payable on any Notes on any Repayment Date, or Redemption Date or the Final Maturity Date shall be paid to the Person to whom principal is paid.

(d) Option to Defer Interest Payments.

(i) The Company shall have the right, on one or more occasions, to elect to defer the payment of Interest on the Notes for one or more consecutive Interest Periods that do not exceed 10 years (which may include a combination of semi-annual and quarterly Interest Periods), without giving rise to a default or an Event of Default or, unless otherwise indicated below, an Enforcement Event. The Company's right to defer Interest payments shall end on the earlier of (A) the Final Maturity Date and (B) any repayment or redemption of the Notes in full prior to the Final Maturity Date.

Interest shall continue to accrue during Deferral Periods at the then-applicable interest rate for the Notes, compounding on each Interest Payment Date, subject to applicable law.

(ii) The Company shall not pay Deferred Interest on the Notes (and Additional Interest thereon) prior to the Final Maturity Date from any source other than Eligible Proceeds, although the Company may pay current interest at all times from any available funds, and the Company is required to pay Deferred Interest on the Notes (and Additional Interest thereon) from all sources (including Eligible Proceeds) following an acceleration of the Notes. To the extent that the Company applies Eligible Proceeds to pay Interest, the Company shall allocate the proceeds first to pay Deferred Interest on the Notes (including Additional Interest thereon) in chronological order based on the date each payment was first deferred.

(iii) At the end of a 10-year Deferral Period, the Company shall pay all Deferred Interest on the Notes (including Additional Interest thereon). After the Company makes all payments of Deferred Interest, including Additional Interest thereon, the Company may again defer Interest payments during new Deferral Periods of up to 10 years each, subject to the requirements therefor set forth herein.

(iv) Each Holder, by such Holder's acceptance of the Notes, agrees that if a Bankruptcy Event shall occur prior to the redemption or repayment of such Holder's Notes, such Holder shall not have a claim for, and shall have no right to receive, unpaid Deferred Interest (including Additional Interest thereon) to the extent that such Deferred Interest (including Additional Interest thereon) exceeds the sum of (x) Interest that relates to the earliest two years of the portion of the Deferral Period for the Notes for which Interest has not been paid and (y) an amount equal to such Holder's *pro rata* share of the excess, if any, of the Preferred Stock Cap over the aggregate amount of net proceeds from the sale of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock and unconverted and outstanding Mandatorily Convertible Preferred Stock that the Company has applied to pay Interest on the Notes pursuant to the Alternative Payment Mechanism. To the extent such claim for unpaid Deferred Interest (including Additional Interest thereon) exceeds the amount set forth in clause (x), the Holders of the Notes shall be deemed to agree that the amount they receive in respect of such excess shall not exceed the amount they would have received had such claim ranked *pari passu* with the claims of the holders, if any, of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock.

(v) The Company shall give the Trustee written notice for each Interest Payment Date on which payment of Interest is going to be deferred not less than 1 Business Day nor more than 60 Business Days prior to the Regular Record Date for such Interest Payment Date. However, the Company's failure to pay Interest on an Interest Payment Date shall constitute the commencement of a Deferral Period with respect to the Notes unless the Company pays such Interest within ten Business Days of the Interest Payment Date, whether or not the Company provides a notice of deferral. For the avoidance of doubt, the non-payment of such Interest for five Business Days does not give rise to a default hereunder.

(e) So long as any Notes remain outstanding, if the Company has given notice of its election to defer Interest payments but the related Deferral Period has not yet commenced, or if a Deferral Period is continuing, then the Company shall not, and the Company shall not permit any of its Subsidiaries to:

(i) declare or pay any Distributions on, or redeem, purchase, acquire or make a liquidation payment regarding, any of the Company's Capital Stock; *provided* that the Company may, at any time:

(A) declare or pay Distributions on the Company's Capital Stock in the form of additional shares of its Capital Stock or warrants, options or other rights exercisable or exchangeable for shares of its Capital Stock; provided that these securities paid as Distributions on the Company's Capital Stock will rank *pari passu* with or junior to the Company's Capital Stock on which the Distributions are being paid;

(B) declare or pay a dividend on its Capital Stock in connection with the implementation of a stockholders' rights plan, or issue its Capital Stock under such a plan, or redeem or repurchase any rights with respect to its Capital Stock distributed pursuant to such a plan;

(C) purchase, redeem or otherwise acquire shares of its Capital Stock pursuant to any dividend reinvestment or stockholder purchase plan or pursuant to any employment agreement, benefit plan or similar arrangement with or for the benefit of employees, officers, directors or consultants;

(D) purchase, redeem or otherwise acquire fractional interests in shares of its Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged;

(E) purchase, redeem or otherwise acquire its securities pursuant to contractually binding agreements existing prior to the commencement of such Deferral Period, including under a contractually binding stock repurchase plan; and

(F) exchange, redeem or convert any class or series of its Capital Stock, or the Capital Stock of one of its Subsidiaries, for any other class or series of its Capital Stock, or of any class or series of its indebtedness for any class or series of its Capital Stock.

(ii) make any payment of principal of, or interest or premium, if any, on, or repay, repurchase or redeem any securities that rank *pari passu* with the Notes ("**Parity Securities**") or junior to the Notes; *provided* that the Company may, at any time:

(A) make payments of current or deferred interest in respect of Parity Securities that are made *pro rata* in respect of the amounts due on such Parity Securities and the Notes (*provided* that such payments are made in accordance Section 2.02(f)(viii)); and

(B) make payments of principal in respect of Parity Securities having an earlier scheduled maturity date than the Notes, as required under a provision of such Parity Securities that is substantially the same as the provision described in Section 2.02(a) and make payments in respect of Parity Securities having the same Scheduled Maturity Date as the Notes, as required by such a provision, that are made on a *pro rata* basis among one or more series of Parity Securities having such a provision and the Notes; or

(iii) make any guarantee payments with respect to any guarantee by the Company of debt securities if such guarantee ranks *pari passu* with or junior to the Notes.

(iv) If any Deferral Period lasts longer than one year, the Company may not redeem or purchase nor permit any Subsidiary to purchase, any of the Capital Stock or securities that upon the Company's bankruptcy or liquidation rank *pari passu* with or junior to any of the Company's APM Securities issued, the proceeds of which were used to settle Deferred Interest during such Deferral Period, until the first anniversary of the date on which all Deferred Interest has been paid, subject to the exceptions listed above in paragraphs (i), (ii) and (iii).

(v) If the Company is involved in a business combination with a third party where immediately after the consummation of such combination more than 50% of the surviving entity's voting securities are owned by the securityholders of the other party to the business combination, then paragraph (iv) above will not apply to any Deferral Period that is terminated on the next Interest Payment Date immediately following the date of consummation of the business combination.

(vi) For the avoidance of doubt, no terms of the Notes will be deemed to restrict in any manner the ability of any Subsidiary of the Company to pay dividends or make any distributions to the Company.

(f) Alternative Payment Mechanism.

(i) Subject to a Market Disruption Event and the conditions described in this Section 2.02(f) and the exception described in Sections 2.02(f)(vi) and (x) below, if the Company defers Interest on the Notes, it shall be required, commencing on the relevant APM Commencement Date, to use Commercially Reasonable Efforts to issue its APM Securities until the Company has raised an amount of Eligible Proceeds at least equal to the aggregate amount of accrued and unpaid Deferred Interest (including Additional Interest thereon) on the Notes. This method of funding the payment of accrued and unpaid Deferred Interest is referred to as the "**Alternative Payment Mechanism**." The Company is required to apply Eligible Proceeds raised during any Deferral Period pursuant to the Alternative Payment Mechanism to pay Deferred Interest (and Additional Interest thereon) on the Notes.

(ii) Except as provided in the last sentence of this paragraph, during the first five years of any Deferral Period, the Company shall not be required to issue a number of shares of its Common Stock or Warrants exercisable for a number of shares of its Common Stock in excess of 2% of the number of shares of the Company's outstanding Common Stock as of the applicable APM Commencement Date (the "**Common Stock Maximum Obligation**"). Once the Company reaches the Common Stock Maximum Obligation for a Deferral Period, the Company will not be required to issue more shares of Common Stock or Warrants under the Alternative Payment Mechanism during the first five years of that Deferral Period (including Additional Interest thereon) even if the amount referred to in the preceding sentence subsequently increases because of a subsequent increase in the number of outstanding shares of such Common Stock. The Common Stock Maximum Obligation for that Deferral Period will cease to apply after the fifth anniversary of the commencement of any Deferral Period, at which point the Company must pay any Deferred Interest (including Additional Interest thereon), regardless of the time at which it was deferred, using the Alternative Payment Mechanism, subject to any Market Disruption Event. If the Common Stock Maximum Obligation for that Deferral Period has been reached during a Deferral Period and the Company subsequently pays all Deferred Interest (including Additional Interest thereon), the Common Stock Maximum Obligation for that Deferral Period will cease to apply at the termination of that Deferral Period, and will not apply again unless and until the Company starts a new Deferral Period. The Common Stock Maximum Obligation shall apply only if the Company is or becomes Publicly Traded during such five-year period; for the avoidance of doubt, if the Company is not Publicly Traded on the APM Commencement Date but becomes Publicly Traded during such five-year Deferral Period, the calculation of the number of shares of Common Stock or Warrants exercisable for a number of shares of Common Stock in excess of 2% of the number of shares of the Company's outstanding Common Stock shall be based on (i) the number of shares outstanding on the date the Company becomes Publicly Traded rather than the APM Commencement Date and (ii) the number of shares of Common Stock and Warrants exercisable for Common Stock issued as APM Securities on or after the date the Company becomes Publicly Traded.

The Company will not be permitted, pursuant to the Alternative Payment Mechanism for purposes of paying Deferred Interest on the Notes, to issue shares of Qualifying Non-Cumulative Perpetual Preferred Stock or Mandatorily Convertible Preferred Stock if the net proceeds from such issuance, together with the net proceeds of all prior issuances of Qualifying Non-Cumulative Perpetual Preferred Stock and unconverted and outstanding Mandatorily Convertible Preferred Stock by the Company so applied during the current and all prior Deferral Periods, would exceed 25% of the aggregate principal amount of the Notes issued under this Indenture (the "**Preferred Stock Cap**").

(iii) Notwithstanding clauses (i) and (ii) above, under the Alternative Payment Mechanism, so long as the definition of "APM Securities" has not been amended to eliminate Common Stock:

(1) the sale of Warrants to pay Deferred Interest is an option that may be exercised at the Company's sole discretion, subject to the Common Stock Maximum Obligation (if applicable),

(2) the Company will not be obligated to sell Warrants or to apply the proceeds of any such sale to pay Deferred Interest on the Notes, and

(3) no class of investors of the Company, or any other party, may require the Company to sell Warrants.

(iv) If the Company sells Warrants to pay Deferred Interest pursuant to the Alternative Payment Mechanism, the Company will be required to use commercially reasonable efforts, subject to the Common Stock Maximum Obligation and the Share Cap (in each case, if applicable), to set the terms of the Warrants so as to raise sufficient proceeds from their issuance, together with the proceeds from any other APM Securities issued concurrently, to pay all Deferred Interest on the Notes in accordance with the Alternative Payment Mechanism.

(v) Except as provided in the last sentence of this paragraph, the Company may not issue Common Stock, Warrants or Mandatorily Convertible Preferred Stock pursuant to the Alternative Payment Mechanism to the extent that the total number of shares of Common Stock issued or issuable upon exercise of Warrants or issuable upon conversion of Mandatorily Convertible Preferred Stock that has been issued as APM Securities, together with all prior issuances of Common Stock, Warrants or Mandatorily Convertible Preferred Stock as APM Securities, would exceed 115 million shares of the Common Stock (the "**Share Cap**"). If the issued and outstanding shares of the Common Stock are changed into a different number of shares or a different class by reason of any stock split, reverse stock split, stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or other similar transaction, the Share Cap shall be correspondingly adjusted. The Share Cap will apply so long as the Notes remain Outstanding. If the Share Cap has been reached and it is not sufficient to allow the Company to pay all Deferred Interest then accrued in full, the Company shall use commercially reasonable efforts to increase the Share Cap (i) only to the extent that the Company can do so and simultaneously satisfy its future fixed or contingent obligations under other securities and derivative instruments that provide for settlement or payment in the Common Stock or (ii) if the Company cannot increase the Share Cap as contemplated in clause (i), by requesting the Company's Board of Directors to adopt a resolution for stockholder vote at the Company's next occurring annual stockholders' meeting to increase the number of the Company's authorized Common Stock for purposes of satisfying the Company's obligations to pay Deferred Interest. The Share Cap shall apply only if the Company becomes Publicly Traded; for the avoidance of doubt, if the Company becomes Publicly Traded, the calculation of the number of shares of Common Stock issued or issuable upon exercise of Warrants or issuable upon conversion of Mandatorily Convertible Preferred Stock that has been issued as APM Securities, together with all prior issuances of Common Stock, Warrants or Mandatorily Convertible Preferred Stock as APM Securities, shall commence as of the date the Company becomes Publicly Traded and shall not include shares of Common Stock issued or issuable upon exercise of Warrants or conversion of Mandatorily Convertible Preferred Stock issued as APM Securities that were issued, if any, prior to the date the Company became Publicly Traded.

(vi) The Company shall be excused from its obligations under the Alternative Payment Mechanism in respect of any Interest Payment Date if the Company provides written certification to the Trustee (copies of which the Company will promptly forward to each Holder of Notes) no more than 15 and no less than 10 Business Days in advance of that Interest Payment Date certifying that:

(A) a Market Disruption Event was existing after the immediately preceding Interest Payment Date; and

(B) either (x) the Market Disruption Event continued for the entire period from the Business Day immediately following the preceding Interest Payment Date to the Business Day immediately preceding the date on which that certification is provided or (y) the Market Disruption Event continued for only part of this period, but the Company was unable after using its Commercially

Reasonable Efforts to raise sufficient Eligible Proceeds during the rest of that period to pay all accrued and unpaid Interest.

(vii) The Company's failure to pay Interest on the Notes in accordance with the Alternative Payment Mechanism as required by this Indenture shall constitute a default under clause (3) of the definition of Enforcement Event in Section 5.03, but shall constitute an Event of Default only in the circumstances specified under Section 5.01(1). The Company's failure to raise Eligible Proceeds when required pursuant to Section 2.02(f) shall constitute a default under clause (4) of the definition of Enforcement Event, but shall in no event constitute an Event of Default. Notwithstanding anything to the contrary herein, the Trustee shall have no obligation to exercise any remedies with respect to any Enforcement Event arising from such default unless directed to do so in accordance with and subject to the conditions set forth in Section 5.12 and Section 6.02(4).

(viii) If, due to a Market Disruption Event or otherwise, the Company was able to raise some, but not all, Eligible Proceeds necessary to pay all Deferred Interest (including Additional Interest thereon) on any Interest Payment Date, the Company shall apply any available Eligible Proceeds to pay Deferred Interest (including Additional Interest thereon) on the applicable Interest Payment Date in chronological order based on the date each payment was first deferred. If the Company has outstanding securities in addition to, and that rank *pari passu* with, the Notes under which the Company is obligated to sell APM Securities and obligated to apply such proceeds to the payment of deferred interest and distributions, then on any date and for any period the amount of net proceeds received by the Company from those sales and available for payment of the deferred interest and distributions shall be applied to the Notes and those Parity Securities on a *pro rata* basis, subject to the Share Cap (if applicable), the Common Stock Maximum Obligation (if applicable) and the Preferred Stock Cap, in proportion to the total amounts that are due on the Notes and such Parity Securities.

(ix) "**Commercially Reasonable Efforts**" to sell APM Securities in accordance with the Alternative Payment Mechanism means commercially reasonable efforts to complete the offer and sale of APM Securities to third parties that are not Subsidiaries of the Company, which in the event the Company is not Publicly Traded shall include the Company's existing stockholders, in public offerings or private placements. The Company shall not be considered to have made Commercially Reasonable Efforts to effect a sale of the APM Securities if it determines not to pursue or complete the sale of APM Securities solely due to pricing, coupon, dividend rate or dilution considerations.

(x) If the Company is involved in a business combination with a third party where immediately after its consummation more than 50% of the surviving entity's voting securities are owned by the securityholders of the other party to the business combination, then the Alternative Payment Mechanism shall not apply to any outstanding Deferred Interest (including Additional Interest thereon) as of the date of consummation of the business combination if the Deferred Interest (including Additional Interest thereon) is settled prior to or on the Interest Payment Date immediately following such consummation. The requirements and restrictions of clauses (d), (e) and (f) of this Section 2.02 shall apply, however, to any Interest on the Notes that is deferred after such Interest Payment Date.

(g) Redemption.

(i) The Company may, at its option, redeem the Notes:

(A) in whole or in part on October 15, 2017 and on each Interest Payment Date thereafter at a Redemption Price equal to 100% of the principal amount of the Notes so redeemed plus accrued and unpaid Interest, including Deferred Interest, to the Redemption Date; and

(B) prior to October 15, 2017, (x) in whole or in part, at a Redemption Price equal to 100% of the principal amount of the Notes so redeemed or, if greater, the Make-Whole Price, in either case plus accrued and unpaid Interest to the Redemption Date and (y) in whole but not in part, within 90 days after the occurrence of a Special Event, at a Redemption Price equal to 100% of the principal amount of the Notes so redeemed or, if greater, the Special Event Make-Whole Price, in either case plus accrued and unpaid Interest, including Deferred Interest, to the Redemption Date.

(ii) "**Make-Whole Price" and "Special Event Make-Whole Price**" each mean the present value of scheduled payments of principal and Interest on the Notes being redeemed from the Redemption Date to October 15, 2017, discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Treasury Rate plus the Applicable Rate; *provided* that the "**Applicable Rate**" shall mean, in the case of a redemption in connection with a Special Event, 0.50%, and in all other cases of an early redemption prior to October 15, 2017, 0.50%; *provided further* that for the avoidance of doubt, pursuant to this definition, the Make-Whole Price and the Special Event Make-Whole Price are equal amounts in this Indenture.

(iii) If any date fixed for redemption pursuant to this clause (g) is not a Business Day, then payment of the Redemption Price shall be made on the next day that is a Business Day, without any Interest or other payment for the delay.

(iv) The Make-Whole Price and the Special Event Make-Whole Price shall be determined on the third Business Day prior to the applicable Redemption Date. The Company shall notify the Trustee of the Make-Whole Price or the Special Event Make-Whole Price, as applicable, promptly after the calculation thereof and the Trustee shall have no responsibility for such calculation.

(v) For the avoidance of doubt, if the Company redeems Notes when any Deferred Interest (including Additional Interest thereon) remains unpaid and at a time when the Alternative Payment Mechanism is applicable, the unpaid Deferred Interest (included Additional Interest thereon) may only be paid pursuant to the Alternative Payment Mechanism.

Section 2.03. Rule 144A Global Notes.

(a) The Notes offered and sold to QIBs in reliance on Rule 144A shall each be issued in the form of one or more Global Notes (each, a "**Rule 144A Global Note**") in registered, global form without interest coupons, with such applicable legends as are provided for in Exhibit B hereto, except as otherwise permitted herein.

(b) Each Rule 144A Global Note (A) shall represent such portion of the outstanding Notes as shall be specified therein, (B) shall provide that it shall represent the aggregate amount, as applicable, of outstanding Notes from time to time endorsed thereon and (C) shall be registered in the name of DTC or its nominee and deposited upon issuance with the Trustee, at its Corporate Trust Office, as custodian for DTC, duly executed by the Company and authenticated by the Trustee as hereinafter provided, for credit to the respective accounts at DTC of the depositaries. The aggregate principal amount of a Rule 144A Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC, as provided herein.

Section 2.04. Regulation S Temporary Global Notes.

(a) The Notes offered and sold outside the United States in reliance on Regulation S shall each be initially issued in the form of the Regulation S Temporary Global Note, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, as custodian for DTC, and registered in the name of DTC or the nominee of DTC for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Company and authenticated by the Authenticating Agent as hereinafter provided and shall bear such applicable legends as are provided for in Exhibit B.

(b) An owner of a beneficial interest in a Regulation S Temporary Global Note (or a Person acting on behalf of such an owner) may provide to Euroclear or Clearstream, as applicable, (and Euroclear or Clearstream will accept) a duly completed Certificate of Beneficial Ownership at any time after the termination of the Distribution Compliance Period (it being understood that Euroclear or Clearstream, as applicable, will not accept any such certificate during the Distribution Compliance Period). Promptly after receipt by the Trustee of a Certificate of Beneficial Ownership from DTC on behalf of Euroclear or Clearstream, as applicable (or other appropriate confirmation to such effect in accordance with the Applicable Procedures), with respect to such a beneficial interest, the Trustee will cause such beneficial interest to be exchanged for an equivalent beneficial interest in a Regulation S Permanent Global Note, and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of such beneficial interest and (y) increase the principal amount of such Regulation S Permanent Global Note by the amount of such beneficial interest, in each case subject to the Applicable Procedures. Notwithstanding the previous two sentences, if after the Distribution Compliance Period any Initial Purchaser owns a beneficial interest in a Regulation S Temporary Global Note, such Initial Purchaser may, upon written request to the Trustee accompanied by a certification as to its status as an Initial Purchaser and as the owner of such beneficial interest (but without any requirement to deliver a Certificate of Beneficial Ownership), exchange such beneficial interest for an equivalent beneficial interest in a Regulation S Permanent Global Note, and the Trustee will comply with such request and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of such beneficial interest and (y) increase the principal amount of such Regulation S Permanent Global Note by the amount of such beneficial interest, in each case subject to the Applicable Procedures.

(c) Upon the receipt by the Trustee of a written certificate from DTC, together with copies of certificates from Euroclear and Clearstream certifying that they have received Certificates of Beneficial Ownership representing 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Distribution Compliance Period pursuant to another exemption from registration under the Securities Act and who shall take delivery of a beneficial ownership interest in a Rule 144A Global Note) (or, in any such case, provide other appropriate confirmation to such effect in accordance with the Applicable Procedures), the Trustee shall cancel the Regulation S Temporary Global Note.

(d) Each Regulation S Temporary Global Note and Regulation S Permanent Global Note (A) shall represent such portion of the outstanding Notes as shall be specified therein, (B) shall provide that it shall represent the aggregate amount, as applicable, of outstanding Notes from time to time endorsed thereon and (C) shall be registered in the name of DTC or its nominee and deposited upon issuance with the Trustee, at its Corporate Trust Office, as custodian for DTC, duly executed by the Company and authenticated by the Trustee as hereinafter provided, for credit to the respective accounts at DTC of the depositaries. The aggregate principal amount of each Regulation S Temporary Global Note (or Regulation S Permanent Global Note) may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC, as provided herein.

(e) The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream" and "Customer Handbook" of Clearstream shall be applicable to transfers of beneficial interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes that are held by participants through Euroclear or Clearstream.

Section 2.05. General — Form of Securities.

(a) Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of Outstanding Notes represented thereby shall be made by the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.18 hereof.

(b) Notes issued in exchange for interests in a Global Note pursuant to Section 2.18 may be issued in the form of permanent Certificated Notes in registered forms in substantially the forms set forth in Exhibit A (the "**Physical Notes**"), subject to such changes, deletions or additions as the Company may approve (the approval of which shall be deemed evidenced by the signature of the officer or officers of the Company executing such Notes).

(c) Subject to the provisions of Section 2.18 hereof, Physical Notes may be produced in any manner determined by the Officers of the Company executing such securities, as evidenced by their execution of such securities. The Trustee shall register Physical Notes so issued in the name of, and cause the same to be delivered to, such Person (or its nominee) as may be instructed by the Company.

(d) The Notes may also have such additional provisions, omissions, variations or substitutions as are not inconsistent with the provisions of this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with this Indenture, any applicable law or with any rules made pursuant thereto or with the rules of any securities exchange or governmental agency, all as may be determined by the Officer of the Company executing such securities, as conclusively evidenced by their execution of such securities. All Notes shall be substantially identical except as provided herein.

(e) Subject to the provisions of this Article 2, a registered Holder in a Global Note may grant proxies and otherwise authorize any Person to take any action that a Holder is entitled to take under this Indenture or the Notes.

Section 2.06. Execution and Authentication; Issue Price; Aggregate Principal Amount.

(a) An Officer of the Company who shall have been duly authorized by all requisite corporate actions shall execute the Notes for the Company by manual or facsimile signature.

(b) If an Officer whose signature is on a Note was an Officer at the time of such execution but no longer holds that office or position at the time the Trustee authenticates the Note, the Note shall nevertheless be valid.

(c) A Note shall not be valid or obligatory for any purpose or be entitled to the benefits of this Indenture until an authorized signatory of the Trustee manually signs the certificate of authentication on the Note. The signature of such representative of the Trustee shall be conclusive evidence that the Note has been authenticated under this Indenture.

(d) On the Issue Date, upon Company Order the Trustee shall authenticate and deliver up to an initial maximum of $150,000,000 principal amount of Notes (the "**Original Notes**"). In addition, at any time, from time to time, without notice to, or the consent of, the Holders, the Trustee shall authenticate and deliver additional Notes of up to a maximum of $75,000,000 principal amount ("**Additional Notes**") upon receipt of a Company Order specifying the amount of Notes to be authenticated and the date on which such securities are to be authenticated and an Officers' Certificate of the Company certifying that all conditions precedent to the issuance, of the Additional Notes contained herein have been complied with and that no Default or Event of Default would occur as a result of the issuance of such Additional

Notes and that such Additional Notes will be treated as fungible with the Original Notes and any Additional Notes issued for U.S. federal income tax purposes. The Additional Notes and the Trustee's certificate of authentication relating thereto shall be substantially in the forms of Exhibit A with all such necessary additions and deletions and shall have the same respective CUSIP number as the Original Securities. The Notes issued as Original Notes and the Notes issued as Additional Notes, if any, shall constitute one series for all purposes under this Indenture, including, without limitation, amendments, waivers and redemptions.

(e) The Notes shall be known and designated as the "Capital Efficient Notes due 2067" of the Company and shall have the terms described in Section 2.02 above.

(f) Interest and principal will be payable in Dollars at the agency of the Trustee's New York corporate trust office, which is located at 100 Wall Street, Suite 1600, New York, New York 10005 or, at the Company's option, in the case of payments of Interest, by check mailed to the respective addresses of the registered holders or by wire transfer.

(g) The Notes shall not have the benefit of any sinking fund obligations.

(h) The Trustee may appoint an Authenticating Agent reasonably acceptable to the Company to authenticate the Notes. Unless otherwise provided in the appointment, an Authenticating Agent may authenticate the Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An Authenticating Agent has the same rights as an agent to deal with the Company.

Section 2.07. Trustee, Security Registrar and Paying Agent.

(a) The Company hereby appoints U.S. Bank National Association, as the Trustee hereunder and U.S. Bank National Association hereby accepts such appointment. The Trustee shall have the powers and authority granted to and conferred upon it in the Notes and hereby and such further powers and authority to act on behalf of the Company as may be mutually agreed upon by the Company and the Trustee, and the Trustee shall keep a copy of this Indenture available for inspection during normal business hours at its Corporate Trust Office.

(b) The Company shall maintain an office or agency (which shall be located in New York) where (a) Notes may be presented or surrendered for registration of transfer or for exchange ("**Security Registrar**"), (b) Notes may be presented or surrendered for payment and (c) notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Registrar shall keep a register of the Notes and of their transfers and exchanges. The Company, upon notice to the Trustee, may have one or more co-Security Registrars and one or more additional Paying Agents reasonably acceptable to the Trustee. The Company may change the Paying Agent or Security Registrar upon notice to all Holders.

(c) The Company shall enter into an appropriate agency agreement with any agent not a party to this Indenture. The Company shall notify the Trustee, in advance and in writing, of the name and address of any such agent. If the Company fails to maintain a Security Registrar or Paying Agent, or fails to give the foregoing notice, the Trustee shall act as such.

(d) The Company initially appoints the Trustee as Security Registrar and Paying Agent until such time as the Trustee has resigned or a successor has been appointed. Any of the Security Registrar, the Paying Agent or any other agent may resign upon 60 days' written notice to the Company.

(e) The Company or any of its Subsidiaries may act as Security Registrar or Paying Agent; *provided*, *however*, that none of the Company, its Subsidiaries or the affiliates of the foregoing shall act as Security Registrar or Paying Agent if a Default or Event of Default has occurred and is continuing. In addition, upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee shall serve as Paying Agent for the Notes.

(f) All of the terms and provisions with respect to such powers and authority contained in the Notes are subject to and governed by the terms and provisions hereof.

Section 2.08. Paying Agent to Hold Assets in Trust.

(a) The Company shall require each Paying Agent other than the Trustee to agree in writing that each Paying Agent shall hold in trust for the benefit of the Holders or the Trustee all assets held by the Paying Agent for the payment of principal of, premium, if any, or Interest on, the Notes (whether such assets have been distributed to it by the Company or any other obligor on such securities), and shall notify the Trustee of any default by the Company (or any other obligor on such securities) in making any such payment. The Company at any time may require a Paying Agent to distribute all assets held by it to the Trustee and account for any assets disbursed and the Trustee may at any time during the continuance of any payment Default, upon written request to a Paying Agent, require such Paying Agent to distribute all assets held by it to the Trustee and to account for any assets distributed. Upon distribution to the Trustee of all assets that shall have been delivered by the Company to the Paying Agent and the completion of any accounting required to be made hereunder, the Paying Agent shall have no further liability for such assets.

(b) If the Company or any of its Subsidiaries acts as Paying Agent, it shall segregate and hold in separate trust funds for the benefit of the Holders of the Notes all the money held by it as Paying Agent.

Section 2.09. Replacement Notes.

(a) If a mutilated Note is surrendered to the Trustee or if the Holder of a Note claims that such Note has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall authenticate a replacement security if the Trustee's requirements are met. If required by the Trustee or the Company, such Holder must provide an indemnity bond or other indemnity, sufficient in the reasonable judgment of the Company and the Trustee, to protect the Company, the Trustee or any agent from any loss which any of them may suffer if a Note is replaced. The Company and the Trustee may charge such Holder for its reasonable out-of- pocket expenses in replacing a Note. Every replacement Note shall constitute an additional obligation of the Company.

(b) The provisions of this Section 2.09 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement of mutilated, destroyed, lost or stolen Notes.

Section 2.10. Temporary Securities.

In lieu of formal printed Physical Notes, or until such Physical Notes are ready for delivery, the Company may prepare and the Trustee shall authenticate temporary securities upon a written order of the Company signed by two Officers of the Company ("Temporary Securities"). Temporary Securities shall be substantially in the form of Physical Notes but may have variations that the Company considers appropriate for such Temporary Securities and as shall be reasonably acceptable to the Trustee. At the Company's election, the Company may prepare and the Trustee shall authenticate Physical Notes in exchange for Temporary Securities. Unless and until any such exchange, Holders of Temporary Securities shall be entitled to all of the benefits of this Indenture.

Section 2.11. Cancellation. The Company at any time may deliver Notes to the Trustee for cancellation. The Security Registrar and the Paying Agent shall forward to the Trustee any Note surrendered to them for transfer, exchange or payment. The Trustee, or at the direction of the Trustee, the Security Registrar or the Paying Agent, and no one else, shall cancel and, at the written direction of the Company, shall dispose of all cancelled Securities in accordance with its customary procedures. Certification of the destruction of all cancelled Notes shall be delivered to the Company, upon written request, from time to time. The Company may not issue new Notes to replace Notes that the Company has paid or delivered to the Trustee for cancellation. If the Company shall acquire any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the Indebtedness represented by such Note unless and until the same are surrendered to the Trustee for cancellation pursuant to this Section 2.11.

Section 2.12. Defaulted Interest. Any Interest on any Note which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on a special record date (a "**Special Record Date**") for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall not be less than 10 days prior to the date of the proposed payment. The Trustee shall promptly

notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Notes at his address as it appears in the Note Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Notes in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

For avoidance of doubt, Defaulted Interest shall not include Deferred Interest (including Additional Interest thereon) during any Deferral Period, but shall include Deferred Interest (including Additional Interest thereon) to the extent such Deferred Interest (including Additional Interest thereon) is not paid when due under the terms of this Indenture.

Subject to the foregoing provisions of this section, each Note lawfully delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to Interest accrued and unpaid, and to accrue, which were carried by such other Note.

Section 2.13. Persons Deemed Owners.

Prior to due presentment for the registration of a transfer of any Note, the Trustee, the Company and any agent of the foregoing shall deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for all purposes (including the purpose of receiving payment of principal of and Interest on such Note; *provided* that Defaulted Interest shall be paid as set forth in Section 2.12), and none of the Trustee, the Company or any agent of the foregoing shall be affected by notice to the contrary.

Section 2.14. CUSIP Numbers.

The Company in issuing the Notes may use one or more "CUSIP" and/or "ISIN" numbers and, if so, the Trustee shall use the CUSIP and/or ISIN numbers in notices of redemption or exchange as a convenience to Holders; *provided*, *however*, that no representation is hereby deemed to be made by the Trustee as to the correctness or accuracy of the CUSIP or ISIN numbers printed in the notice or on the Notes, and that reliance may be placed only on the other identification numbers printed on the Notes. The Company shall promptly notify the Trustee of any change in the CUSIP or ISIN number.

Section 2.15. Deposit of Moneys.

(a) Prior to 10:00 a.m. New York time on each Interest Payment Date, Redemption Date, Repayment Date or Final Maturity Date or any other day on which payment is due on the Notes, the Company shall have deposited with the Paying Agent in immediately available funds money sufficient to make cash payments, if any, due on such Interest Payment Date, Redemption Date, Repayment Date or Final Maturity Date or such other day, as the case may be, in a timely manner which permits the Paying Agent to remit payment to the Holders on such Interest Payment Date, Redemption Date, Repayment Date or Final Maturity Date or such other day, as the case may be.

(b) The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Security Registrar, the Company shall furnish to the Trustee at least seven Business Days before each Interest Payment Date, and at such other times as the Trustee may request in writing, a list in such form and as of such record date as the Trustee may reasonably require of the names and addresses of the Holders.

Section 2.16. Transfer and Exchange.

(a) Subject to Section 2.17 and Section 2.18, when Notes are presented to the Security Registrar or a co-Security Registrar with a request to register the transfer of such securities or to exchange such securities for an equal principal amount of Notes of other authorized denominations, the Security Registrar or co-Security Registrar shall register the transfer or make the exchange as requested if its requirements for such transaction are met; *provided*, *however*, that the Notes presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar or co-Security Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing. To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Notes at the Security Registrar's or co-Security Registrar's written request. No service charge shall be made for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

(b) The Security Registrar or co-Security Registrar shall not be required to issue, or to register the transfer or exchange of, any Note (i) during a period beginning at the opening of business 15 days before the mailing of a Notice of Redemption pursuant to Section 11.04 and ending at the close of business on the day of such mailing and (ii) selected for redemption in whole or in part pursuant to Article 11, except the unredeemed portion of any Note being redeemed in part.

(c) All Notes issued upon any registration of transfer or exchange pursuant to the terms of this Indenture shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange.

(d) The Trustee shall authenticate Notes in accordance with the provisions of Section 2.06 hereof.

(e) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depositary Participants or beneficial owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(f) Any Holder of a beneficial interest in a Global Note shall, by acceptance of such beneficial interest, agree that transfers of beneficial interests in such Global Note may be effected only through a book entry system maintained by the Depository, and that ownership of a beneficial interest in the Note shall be required to be reflected in a book entry system.

Section 2.17. Book-Entry Provisions for Global Notes.

(a) Except as indicated below in this Section 2.17, the Notes shall be represented only by Global Notes. The Global Notes shall be deposited with a Depositary or its custodian for such securities (and shall be registered in the name of such Depositary or its nominee). The Depositary for the Notes shall be DTC unless the Company appoints a successor Depositary by delivery of a Company Order to the Trustee specifying such successor Depositary for the Notes.

(b) All payments on a Global Note will be made by the Trustee to DTC or its nominee, as the case may be, as the registered owner and Holder of such Global Note. In each case, the Company will be fully discharged by payment to or to the order of such Depositary from any responsibility or liability in respect of each amount so paid. Upon receipt of any such payment in respect of a Global Note, DTC will credit Depositary Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of DTC.

(c) Unless and until it is exchanged in whole or in part for Physical Notes, a Global Note may not be transferred except as a whole by the relevant Depositary or nominee thereof to another nominee of the Depositary or to a successor of the Depositary or a nominee of such successor.

(d) Owners of beneficial interests in Global Notes shall be entitled or required, as the case may be, but only under the circumstances described in Section 2.18(b), to receive physical delivery of Physical Notes.

Section 2.18. Restrictions on Transfer and Exchange of Notes.

(a) *Transfer and Exchange of Global Notes*. Notwithstanding any provisions of this Indenture or the Notes, transfers of a Global Note, in whole or in part, transfers and exchanges of interests therein of the kinds described in clauses (iii), (iv) through (vi) below and exchange of interests in Global Notes or of other Notes as described in clause (vii) below, shall be made only in accordance with this Section 2.18(a). Transfers and exchanges subject to this Section 2.18 shall also be subject to the other provisions of the Indenture that are not inconsistent with this Section 2.18.

(i) *General*. A Global Note may not be transferred, in whole or in part, to any Person other than DTC or a nominee thereof or a successor to DTC or its nominee, and no such transfer to any such other Person may be registered; *provided* that this clause (i) shall not prohibit any transfer of a Note that is issued in exchange for a Global Note but is not itself a Global Note. No transfer of a Note to any Person shall be effective under this Indenture or the Note unless and until such Note has been registered in the name of such Person. Nothing in this Section 2.18(a)(i) shall prohibit or render ineffective any transfer of a beneficial interest in a Global Note effected in accordance with the other provisions of this Section 2.18(a).

(ii) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Global Note in accordance with the transfer restrictions set forth in the legend; *provided*, *however*, that prior to the expiration of the Distribution Compliance Period, transfers of beneficial interests in the Regulation S Temporary Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). No written orders or instructions shall be required to be delivered to the Security Registrar to effect the transfers described in this Section 2.18(a)(ii).

(iii) *Rule 144A Global Note to Regulation S Temporary Global Note or Regulation S Permanent Global Note*. If a Holder of a beneficial interest in a Rule 144A Global Note deposited with DTC wishes at any time to exchange its interest in such Rule 144A Global Note for an interest in the corresponding Regulation S Temporary Global Note or Regulation S Permanent Global Note, as applicable, or to transfer its interest in such Rule 144A Global Note to a Person who wishes to take delivery thereof in the form of an interest in the corresponding Regulation S Temporary Global Note or Regulation S Permanent Global Note, as applicable, such Holder, provided such Holder or, in the case of a transfer, the transferee is not a U.S. person, may, subject to the immediately succeeding sentence and the Applicable Procedures, exchange or transfer, or cause the exchange or transfer of, such interest for an equivalent beneficial interest in the corresponding Regulation S Temporary Global Note or Regulation S Permanent Global Note, as applicable. Upon receipt by the Security Registrar of (A) written instructions (or notice from DTC of its receipt of such instruction) given in accordance with the Applicable Procedures from a Depositary Participant directing the Security Registrar to credit or cause to be credited to a specified Depositary Participant's account a beneficial interest in the corresponding Regulation S Temporary Global Note or Regulation S Permanent Global Note, as applicable, but not less than the minimum denomination applicable to such Holder's Notes, in an amount equal to the beneficial interest in the Rule 144A Global Note to be exchanged or transferred, (B) a written order (or notice from DTC of its receipt of such order) given in accordance with the Applicable Procedures containing information regarding the account of the Depositary Participant and the Euroclear or Clearstream account to be credited with, and the account of the

Depositary Participant and the Euroclear or Clearstream account, to be debited for, such beneficial interest and (C) a certificate in substantially the form of Exhibit C-1 attached hereto given by the transferor of such beneficial interest stating that the exchange or transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes, including that the transferor or the transferee, as applicable, is not a U.S. person, and pursuant to and in accordance with Regulation S, then the principal amount of the Rule 144A Global Note shall be reduced, and the principal amount of the Regulation S Temporary Global Note or the Regulation S Permanent Global Note, as applicable, shall be increased, by the principal amount of the beneficial interest in the Rule 144A Global Note to be so transferred, in each case by means of an appropriate adjustment on the records of the Security Registrar, and the Security Registrar shall instruct DTC or its authorized representative to make a corresponding adjustment to its records and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Regulation S Temporary Global Note or Regulation S Permanent Global Note, as applicable, having a principal amount equal to the amount so transferred.

(iv) *Rule 144A Global Note to Rule 144A Global Note*. If the Holder of a beneficial interest in a Rule 144A Global Note wishes at any time to transfer such interest to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Note, such transfer may be effected, subject to the Applicable Procedures, only in accordance with the provisions of this Section 2.18(a)(iv). Upon receipt by the Security Registrar of (A) written instructions (or notice from DTC of its receipt of such instruction) given in accordance with the Applicable Procedures from a Depositary Participant directing the Security Registrar, to credit or cause to be credited to a specified Depositary Participant's account a beneficial interest in a Rule 144A Global Note in a principal amount equal to that of the beneficial interest in a Rule 144A Global Note to be so transferred; (B) a written order (or notice from DTC of its receipt of such order) given in accordance with the Applicable Procedures containing information regarding the account of the Depositary Participant to be credited with, and the account of the Depositary Participant to be debited for, such beneficial interest and (C) a certificate in substantially the form set forth in Exhibit C-2 given by the transferor of such beneficial interest, the principal amount of a Rule 144A Global Note shall be reduced, and the principal amount of a Rule 144A Global Note shall be increased, by the principal amount of the beneficial interest in a Rule 144A Global Note to be so transferred, in each case by means of an appropriate adjustment on the records of the Security Registrar, and the Security Registrar shall instruct DTC or its authorized representative to make a corresponding adjustment to its records and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in a Rule 144A Global Note having a principal amount equal to the amount so transferred.

(v) *Regulation S Temporary Global Note or Regulation S Permanent Global Note to Rule 144A Global Note*. If the Holder of a beneficial interest in a Regulation S Temporary Global Note or a Regulation S Permanent Global Note, as applicable, wishes at any time to transfer such interest to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Note, such transfer may be effected after the Distribution Compliance Period, subject to the Applicable Procedures, only in accordance with this Section 2.18(a)(v). Upon receipt by the Security Registrar of (A) written instructions (or notice from DTC of its receipt of such instruction) given in accordance with the Applicable Procedures from an Depositary Participant directing the Security Registrar to credit or cause to be credited to a specified Depositary Participant's account a beneficial interest in a Rule 144A Global Note in a principal amount equal to that of the beneficial interest in a Regulation S Temporary Global Note or a Regulation S Permanent Global Note, as applicable, to be so transferred, (B) a written order (or notice from DTC of its receipt of such order) given in accordance with the Applicable Procedures containing information regarding the account of the Depositary Participant to be credited with, and the account of the Depositary Participant to be debited for, such beneficial interest and (C) with respect to a transfer of a beneficial interest in a Regulation S Global Note to a Person whom the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, a certificate in substantially the form set forth in Exhibit C-2 given by the transferor of such beneficial interest, the principal amount of a Rule 144A Global Note shall be increased, and the principal amount of a Regulation S Temporary Global Note or a Regulation S Permanent Global Note, as applicable, shall be reduced, by the principal amount of the beneficial interest in a Rule 144A Global Note to be so transferred, in each case by means of an appropriate adjustment on the records of the Security Registrar and the Security Registrar shall instruct DTC or its authorized representative to make a corresponding adjustment to its records and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Rule 144A Global Note having a principal amount equal to the amount so transferred.

(vi) *Regulation S Permanent Global Note to Regulation S Permanent Global Note*. Any exchange of a beneficial interest in a Regulation S Temporary Global Note for a Regulation S Permanent Global Note shall be permitted only as set forth in Section 2.04. If the Holder of a beneficial interest in Regulation S Permanent Global Note wishes at any time to transfer such interest to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Permanent Global Note, such transfer may be effected, subject to the Applicable Procedures, only in accordance with the provisions of this Section 2.18(a)(vi). Upon receipt by the Security Registrar of (A) written instructions (or notice from DTC of its receipt of instruction) given in accordance with the Applicable Procedures from a Depositary Participant directing the Security Registrar, to credit or cause to be credited to a specified Depositary Participant's account a beneficial interest in a Regulation S Permanent Global Note in a principal amount equal to that of the beneficial interest in a Regulation S Permanent Global Note to be so transferred; (B) a written order (or notice from DTC of its receipt of instruction) given in accordance with the Applicable Procedures containing information regarding the account of the Depositary Participant to be credited with, and the account of the Depositary Participant to be debited for, such beneficial interest and (C) a certificate in substantially the form set forth in Exhibit D; the principal amount of a Regulation S Permanent Global Note shall be reduced, and the principal amount of a Regulation S Permanent Global Note shall be increased, by the principal amount of the beneficial interest in a Regulation S Permanent Global Note to be so transferred, in each case by means of an appropriate adjustment on the records of the Security Registrar, and the Security Registrar shall instruct DTC or its authorized representative to make a corresponding adjustment to its records and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in a Regulation S Permanent Global Note having a principal amount equal to the amount so transferred.

(vii) *Exchanges of Global Note for Non-Global Note*. In the event that a Global Note or any portion thereof is exchanged for Notes other than Global Notes, such other Notes may in turn be exchanged (on transfer or otherwise) for Notes that are not Global Notes or for beneficial interests in a Global Note (if any is then outstanding) only in accordance with procedures which shall be substantially consistent with the provisions of clauses (i) and (iii) through (vi) above (including the certification requirements intended to insure that transfers and exchanges of beneficial interests in a Global Note comply with Rule 144A, Rule 144 or Regulation S, as the case may be) and any Applicable Procedures, as may be from time to time adopted by the Company and the Trustee. Notwithstanding anything to the contrary in this Indenture, definitive Notes shall not be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note except in accordance with Section 2.04.

(b) Global Notes. The provisions of clauses (i), (ii), (iii), and (iv) below shall apply only to Global Notes:

(i) *General*. Each Global Note authenticated under the Indenture shall be registered in the name of the appropriate Depositary or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefor.

(ii) *Transfer to Persons Other than Depositary*. Notwithstanding any other provision in the Indenture or the Notes, no Global Note may be exchanged in whole or in part for Notes registered, and no transfer of a Global Note in whole or in part may be registered, in the name of any person other than the appropriate Depositary or a nominee thereof, unless, (A) in the case of a Global Note, DTC notifies the Company that it is unwilling or unable to continue as Depositary for such Global Note, or DTC ceases to be a "clearing agency" (as such term is defined in Section 17A of the Exchange Act) registered under the Exchange Act, and a successor to DTC is not appointed by the Company within ninety (90) days, (B) the Company executes and delivers to the Trustee and Security Registrar an Officers' Certificate stating that such Global Note shall be so exchangeable, or (C) an Event of Default has occurred and is continuing with respect thereto and the owner of a beneficial interest therein requests such exchange or transfer. Any Global Note exchanged pursuant to Section 2.18(a)(i) above shall be so exchanged in whole and not in part and any Global Note exchanged pursuant to Section 2.18(a)(vii) above may be exchanged in whole or from time to time in part as directed by DTC. Any Note issued in exchange for a Global Note or any portion thereof shall be a Global Note, *provided* that any such Note so issued that is registered in the name of a Person other than the appropriate Depositary or a nominee thereof shall not be a Global Note.

(iii) *Global Note to Physical Note*. Subject to Section 2.18(a)(vii), Physical Notes in exchange for a Global Note or any portion thereof pursuant to clause (ii) above shall be issued in definitive, fully registered form without interest coupons, shall have an aggregate principal amount equal to that of such Global Note or portion thereof to be so exchanged, shall be registered in such names and be in such authorized denominations as the Depositary shall designate and shall bear any legends required hereunder. Any Global Note to be exchanged in whole shall be surrendered by the Depositary to the appropriate Security Registrar. With regard to any Global Note to be exchanged in part, either such Global Note shall be so surrendered for exchange or, in the case of a Global Note, if the Trustee is acting as custodian for DTC or its nominee with respect to such Global Note, the principal amount thereof shall be reduced, by an amount equal to the portion thereof to be so exchanged, by means of an appropriate adjustment made on the records of the Trustee, as Authenticating Agent, or of the Depositary. Upon any such surrender or adjustment, the Trustee shall authenticate and deliver the Note issuable on such exchange to or upon the order of the Depositary or an authorized representative thereof.

(iv) *Certificates*. In the event of the occurrence of any of the events specified in clause (ii) above, the Company will promptly make available to the Trustee a reasonable supply of Physical Notes in definitive, fully registered form, without interest coupons.

(v) *No Rights of Depositary Participants in Global Note*. No Depositary Participant, nor any other Persons on whose behalf Depositary Participants may act, shall have any rights under the Indenture with respect to any Global Note or under any Global Note, and the Depositary or its nominee, as the case may be, may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner and Holder of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or such nominee, as the case may be, or impair, as between DTC, their respective Depositary Participants and any other person on whose behalf a Depositary Participant may act, the operation of customary practices of such Persons governing the exercise of the rights of a Holder.

Section 2.19. Special Transfer Provisions.

(a) If a Holder proposes to transfer a Note pursuant to any exemption from the registration requirements of the Securities Act other than as provided for above, the Security Registrar shall only register such transfer or exchange if such transferor delivers to the Security Registrar and the Trustee an Opinion of Counsel satisfactory to the Company and the Security Registrar that such transfer is in compliance with the Securities Act and the terms of this Indenture; *provided* that the Company may, based upon the opinion of its counsel, instruct the Security Registrar by a Company Order not to register such transfer in any case where the proposed transferee is not a QIB or a Non-U.S. Person.

(b) By its acceptance of any Note bearing legends, each Holder of such Note acknowledges the restrictions on transfer of such Note set forth in this Indenture and in the legends and agrees that it will transfer such Note only as provided in this Indenture.

(c) The Security Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.17, 2.18 or this Section 2.19 for a period of two years, after which time such letters, notices and other written communications shall at the written request of the Company be delivered to the Company. The Company shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable prior written notice to the Security Registrar.

ARTICLE 3

Repayment of the Notes

Section 3.01. Repayment. The Company shall, not more than 30 and not less than 15 days prior to each Repayment Date, notify the Trustee in writing of the principal amount of Notes to be repaid on such date pursuant to Section 2.02(a), which notice shall have attached thereto the Notice of Repayment, which shall be given by the Trustee to the Holders as soon as practicable thereafter. If the Company anticipates that it will repay the Notes in part, and not in full, on any Repayment Date, the Company shall use its commercially reasonable efforts to deliver notice pursuant to this Section 3.01 to the Trustee 30 days prior to such Repayment Date.

Section 3.02. Selection of Securities to be Repaid. If less than all the Notes are to be repaid on any Repayment Date (unless such repayment affects only a single Note), the particular Notes to be repaid shall be selected not more than 30 days prior to such Repayment Date by the Trustee in accordance with Section 11.03.

The Trustee shall promptly notify the Company in writing of the Notes selected for partial repayment and the principal amount thereof to be repaid. For all purposes hereof, unless the context otherwise requires, all provisions relating to the repayment of Notes shall relate, in the case of any Note repaid or to be repaid only in part, to the portion of the principal amount of such Note which has been or is to be repaid. If the Company shall so direct, Notes registered in the name of the Company or any Subsidiary thereof shall not be included in the Notes selected for repayment.

Section 3.03. Notice of Repayment. Notice of repayment (each a "**Notice of Repayment**") shall be given by first-class mail, postage prepaid, mailed not earlier than the 15th Business Day, and not later than the 10th Business Day, prior to the Repayment Date, to each Holder of the Notes to be repaid, at the address of such Holder as it appears in the Security Register; *provided* that additional notices (each a "**Supplemental Notice**") may be given to the Holders specifying additional details relating to such repayment no later than the 5th Business Day prior to the Repayment Date.

Each Notice of Repayment, to the extent not specified thereafter by any applicable Supplemental Notice, shall identify the Notes to be repaid (including CUSIP number) and shall state:

(a) the Repayment Date, the price at which the Notes are to be repaid, and the amount of any accrued Interest (including Additional Interest) thereon as of the Repayment Date;

(b) if less than all Outstanding Notes are to be repaid, the identification (and, in the case of partial repayment, the respective principal amounts) of the particular Notes to be repaid;

(c) that on the Repayment Date, the principal amount of the Notes to be repaid shall become due and payable upon each such Note or portion thereof, and that Interest thereon shall cease to accrue on and after said date; and

(d) the place or places where such Notes are to be surrendered for payment of the principal amount thereof.

Notice of Repayment shall be given by the Trustee in the name and at the expense of the Company and shall be irrevocable. The notice if mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. In any case, a failure to give such notice by mail or any defect in the notice to the Holder of any Notes designated for repayment as a whole or in part shall not affect the validity of the proceedings for the repayment of any other Notes.

Section 3.04. Deposit of Repayment Amount. Prior to 10:00 a.m. New York City time on the Repayment Date specified in the Notice of Repayment, the Company shall deposit with the Trustee or with one or more Paying Agents (or if the Company is acting as its own Paying Agent, the Company shall segregate and hold in trust as provided in Section 10.03) an amount of money, in immediately available funds, sufficient to pay the principal amount of, and any accrued Interest (including Additional Interest thereon) on, all the Notes which are to be repaid on that date.

Section 3.05. Payment of Notes Subject to Repayment. If any Notice of Repayment has been given, the Notes or portion of the Notes with respect to which such notice has been given, or if any Supplemental Notice is given which identifies the particular Notes to be repaid, the Notes or portion thereof so identified, shall become due and payable on the date and at the place or places stated in such notice. On presentation and surrender of such Notes at a Place of Payment in said notice specified, the Notes or the specified portion thereof shall be paid by the Company at their principal amount, together with accrued Interest (including any Additional Interest thereon) to the Repayment Date.

If any date fixed for repayment is not a Business Day, then repayment of the principal amount of the Notes and accrued and unpaid interest shall be made on the next day that is a Business Day, without any Interest or other payment for delay.

Upon presentation of any Note repaid in part only, the Company shall execute and the Trustee, upon receipt of a Company Order to do so, shall authenticate and make available for delivery to the Holder thereof, at the expense of the Company, a new Note or Notes, of authorized denominations, in aggregate principal amount equal to the portion of the Note not repaid and so presented and having the same date of original issuance, Scheduled Maturity Date, Final Maturity Date and terms.

If any Note called for repayment shall not be so paid upon surrender thereof, the principal of such Note shall, until paid, bear Interest from the Repayment Date at the rate prescribed therefor in the Note.

ARTICLE 4

Satisfaction and Discharge

Section 4.01. Satisfaction and Discharge of Indenture. This Indenture shall upon Company Request cease to be of further effect with respect to the Notes (except as to (i) any surviving rights of registration of transfer or exchange of Notes herein expressly provided for, (ii) any rights under Sections 2.07, 2.09, 10.02 and 10.03, (iii) rights hereunder of Holders to receive payments of principal of, and premium, if any, and Interest on, Notes, and other rights, duties and obligations of the Holders as beneficiaries hereof with respect to the amounts, if any, so deposited with the Trustee and (iv) the rights and immunities of the Trustee hereunder, and the obligations of the Trustee under or as described in this Article 4), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture with respect to the Notes, when:

(1) either:

(A) all Notes theretofore authenticated and delivered (other than (i) Notes which have been mutilated, destroyed, lost or stolen and which have been replaced as provided in Section 2.09 and (ii) Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.03) have been delivered to the Trustee for cancellation; or

(B) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable, will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee and the Company has deposited or caused to be deposited with the Trustee as trust funds in trust

(i) money in U.S. dollars in an amount sufficient, or

(ii) (a) U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than one day before the due date of any payment referred to in clause (B) of this subparagraph money in an amount, or (b) a combination of such money and such U.S. Government Obligations, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee,

to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and Interest to the date of such deposit (in the case of Notes which have become due and payable) or to the Scheduled Maturity Date, the Final Maturity Date or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with and no deposit made under this Section 4.01 was made in violation of Section 12.02; *provided*, that, such Opinion of Counsel need not include an opinion as to the sufficiency of the funds deposited in trust and delivered to the Trustee pursuant to this Section 4.01.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 6.06, and, if money or U.S. Government Obligations shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section 4.01, the obligations of the Trustee under Section 4.02 and the next to last paragraph of Section 10.03, shall survive.

Section 4.02. Application of Trust Funds; Indemnification. Subject to the provisions of the next to last paragraph of Section 10.03, all money or U.S. Government Obligations deposited with the Trustee pursuant to Section 4.01 and all money received by the Trustee in respect of U.S. Government Obligations deposited with the Trustee pursuant to Section 4.01 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and Interest for whose payment such money has been deposited with or received by the Trustee, but such money need not be segregated from other funds except to the extent required by law.

(a) The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against U.S. Government Obligations deposited pursuant to Section 4.01, or the Interest and principal received in respect of such obligations other than any amount payable by or on behalf of Holders.

(b) The Trustee shall deliver or pay to the Company from time to time upon Company Request any U.S. Government Obligations or money held by it as provided in Section 4.01 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the same opinions given to the Trustee pursuant to Section 4.01), is then in excess of the amount thereof which then would have been required to be deposited for the purpose for which such obligations or money was deposited or received. Such accounting opinion shall not be required once all amounts outstanding under the Notes and due under this Indenture have been paid in full.

Section 4.03. Legal Defeasance and Discharge of Indenture. The Company shall be deemed to have paid and discharged the entire indebtedness on all the Outstanding Notes on the first date that all of the conditions set forth in the proviso below are satisfied, and the provisions of this Indenture, as it relates to such Outstanding Notes, shall no longer be in effect (and the Trustee, at the expense of the Company, shall at Company Request, execute proper instruments acknowledging the same), except as to:

(a) the rights of Holders of Notes to receive, from the trust funds described in Section 4.03(c) hereof, (x) payment of the principal of (and premium, if any) and each installment of principal of (and premium, if any) or Interest on the Notes when such principal or installment of principal or Interest is due and payable in accordance with the terms of this Indenture and the Notes and (y) the benefit of any mandatory sinking fund payments applicable to the Notes on the day on which such payments are due and payable in accordance with the terms of this Indenture and the Notes;

(b) the Company's obligations with respect to such Notes under Sections 2.07, 2.09, Section 3.05, 10.02 and 10.03; and

(c) the obligations of the Company to the Trustee under Section 6.06;

provided, *however*, that the following conditions shall have been satisfied:

(i) the Company has or caused to be irrevocably deposited (except as provided in Section 4.02) with the Trustee as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of the Notes,

(A) money in U.S. Dollars in an amount sufficient, or

(B) (1) U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than one day before the due date of any payment referred to in this Section 4.03(c) money in an amount or (2) a combination of such money and such U.S. Government Obligations, sufficient, in the opinion of a nationally recognized firm of independent certified public accountants expressed in a written certification thereof delivered to the Trustee,

to pay and discharge the principal of (and premium, if any) and each installment of principal of (and premium, if any) and Interest on the Outstanding Notes on the dates on which such payments are due and payable in accordance with the terms of this Indenture and the Notes of such principal or installment of principal or Interest or on the applicable Redemption Date;

(ii) such deposit shall not cause the Trustee with respect to the Notes to have a conflicting interest for purposes of the Trust Indenture Act with respect to the Notes;

(iii) such deposit will not result in a breach or violation of, or constitute a default under this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound;

(iv) no Event of Default or event which with notice or lapse of time would become an Event of Default with respect to the Notes shall have occurred and be continuing on the date of such deposit; and

(v) if the deposit referred to in subparagraph (i) of this Section 4.03 is to be made on or prior to one year from the Scheduled Maturity Date for payment of principal of the Outstanding Notes, the Company has delivered to the Trustee an Opinion of

Counsel with no material qualifications or a favorable ruling of the United States Internal Revenue Service, in either case to the effect that Holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to federal income tax on the same amount and in the same manner and at the same times, as would have been the case if such deposit, defeasance and discharge had not occurred, and such Opinion of Counsel, in the case of defeasance, must refer to and be based upon a letter ruling of the United States Internal Revenue Service received by the Company, a Revenue Ruling published by the United States Internal Revenue Service or a change in applicable federal income tax law occurring after the date of this Indenture.

Section 4.04. Defeasance of Certain Obligations. The Company shall be released from its obligations under Section 8.01, and the occurrence of an event specified in Section 5.03(1) shall not be deemed to be an Enforcement Event on and after the date the conditions set forth below are satisfied, ("**Covenant Defeasance**") if:

(i) the Company has deposited or caused to be irrevocably deposited with the Trustee as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of the Notes,

(A) money in U.S. dollars in an amount sufficient, or

(B) (1) U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than one day before the due date of any payment referred to in this Section 4.04 money in an amount, or (2) a combination of such money and such U.S. Government Obligation, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee,

to pay and discharge the principal of (and premium, if any) and each installment of principal (and premium, if any) and Interest on the Outstanding Notes on the dates on which such payments are due and payable in accordance with the terms of this Indenture and the Notes;

(ii) such deposit shall not cause the Trustee with respect to the Notes to have a conflicting interest for purposes of the Trust Indenture Act with respect to the Notes;

(iii) such deposit will not result in a breach or violation of, or constitute a default under this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound;

(iv) if the deposit referred to in subparagraph (i) of this Section, 4.04 is to be made on or prior to one year from the Scheduled Maturity Date or Final Maturity Date for payment of principal of the Outstanding Notes, the Company has delivered to the Trustee an Opinion of Counsel with no material qualifications or a favorable ruling of the United States Internal Revenue Service, in either case to the effect that Holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and defeasance of certain obligations and will be subject to federal income tax on the same amount and in the same manner and at the same times, as would have been the case if such deposit and defeasance had not occurred; and

(v) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the Covenant Defeasance contemplated by this Section 4.04 have been complied with.

ARTICLE 5

Remedies

Section 5.01. Events of Default. "**Event of Default**" with respect to the Notes whenever used herein means any one of the following events that has occurred and is continuing:

(1) default in the payment of Interest (including Additional Interest thereon) in full on any Note for a period of 30 days after the conclusion of a ten-year period following the commencement of any Deferral Period; or

(2) the failure to pay the principal of any Note when due and payable, whether on the Final Maturity Date, upon redemption or upon a declaration of acceleration; or

(3) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or for any substantial part of its property or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or

(4) the Company shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or for any substantial part of its property, or make any general assignment for the benefit of creditors.

Section 5.02. Acceleration of Maturity; Rescission and Annulment. If an Event of Default (other than an Event of Default under Section 5.01(3) or (4)) occurs and is continuing, then in every such case the Trustee or the Holders of at least 25% in aggregate principal amount of the Outstanding Notes may declare the principal amount of, and accrued Interest (including Additional Interest thereon) on, all the Notes to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable.

In case of an Event of Default under Section 5.01(3) or (4) which occurs and is continuing with respect to the Notes, then all unpaid principal of, and accrued Interest (including

Additional Interest thereon) on, all such Outstanding Notes shall become immediately due and payable without any notice or other action on the part of the Trustee or the Holders of any Notes. For the avoidance of doubt, no other default or circumstances other than the ones specifically set forth in Section 5.01(1), (2), (3) or (4) under the Indenture shall give the Holders or the Trustee the right to declare the principal amount of, and accrued Interest (including Additional Interest thereon) or any other amounts on the Notes immediately due and payable.

At any time after such a declaration of acceleration with respect to the Notes has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in aggregate principal amount of the Outstanding Notes, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue Interest on the Notes,

(B) the principal of (and premium, if any, on) any Notes which have become due otherwise than by such declaration of acceleration and Interest thereon at the rate or rates prescribed therefor in the Notes,

(C) to the extent that payment of such Interest is lawful, Interest on overdue Interest at the rate or rates prescribed therefor in the Notes, and

(D) all sums paid or advanced by the Trustee and any predecessor Trustee hereunder and all sums due the Trustee and any predecessor Trustee under Section 6.06; and

(2) all Events of Default with respect to the Notes, other than the non-payment of the principal of the Notes that have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.13.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.03. Enforcement Events. The term “**Enforcement Event**” whenever used herein means any one of the following events:

(1) default by the Company in the observance, satisfaction or performance of any of the covenants or agreements contained in this Indenture (other than a covenant or agreement in respect of the Notes a default in whose observance, satisfaction or performance is elsewhere in this Section or in Section 5.01 specifically dealt with) on the part of the Company in respect of the Notes that continues following a period of 60 days after the date on which written notice of such failure, requiring the Company to remedy the same and stating that it is a “**Notice of Enforcement Event**” hereunder, shall have been given to the Company by the Trustee by registered mail, or to the Company and the

Trustee by the Holders of at least a majority in the aggregate principal amount of the Notes at the time Outstanding; or

(2) unless the Scheduled Maturity Obligations shall have terminated in accordance with Section 2.02(a) and except under the circumstances set forth in Section 2.02(a)(viii), the Company's failure to use Commercially Reasonable Efforts to raise sufficient proceeds from the issuance of Qualifying Capital Securities to repay the Notes in full on a Repayment Date;

(3) the Company's failure to pay Interest on the Notes in accordance with the Alternative Payment Mechanism as required herein; or

(4) the Company's failure to raise Eligible Proceeds.

Except as provided in the last sentence of this paragraph, if any Enforcement Event with respect to the Notes occurs and is continuing, the Trustee may in its discretion, or at the written request of the Holders of at least a majority in principal amount of the Outstanding Notes after such Holders have provided the Trustee with reasonable indemnity or security as contemplated by Article 6 shall, subject to Article 6, proceed to protect and enforce its rights and the rights of the Holders of Notes by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific performance of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy. The Company acknowledges that any failure by the Company to comply with its obligations under Section 5.03(2) through (4) hereof may result in material irreparable injury to Holders, for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, any Holder may obtain such relief as may be required to specifically enforce the Company's obligations under Section 5.03(2) through (4) hereof.

For the avoidance of doubt, an Enforcement Event shall not constitute an Event of Default under the Indenture (other than as specifically set forth under Section 5.01(1)) and shall not give the Holders or the Trustee the right to declare the principal amount of, and accrued Interest (including Additional Interest thereon) or any other amounts on the Notes immediately due and payable under any circumstances.

Notwithstanding anything herein to the contrary, the Trustee shall have no responsibility, including any right or obligation to exercise remedies, with respect to a default by the Company with respect to any covenant contained herein, other than a covenant the violation of which constitutes, or with the giving of notice or the passage of time or both, would constitute, an Event of Default or an Enforcement Event; *provided*, that nothing in this paragraph shall impair the right of the Trustee to enforce the Company's obligations hereunder with respect to the Trustee's compensation, reimbursement of expenses and advances and indemnities.

Section 5.04. <u>Trustee May File Proofs of Claim</u>. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or the property of the Company or its creditors, the Trustee (irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal, premium or Interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and Interest owing and unpaid in respect of the Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding; and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.06.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 5.05. Trustee May Enforce Claims Without Possession of Notes. All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

Section 5.06. Application of Money Collected. Any money collected by the Trustee pursuant to this article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or Interest, upon presentation of the Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee and each predecessor Trustee under Section 6.06;

SECOND: Subject to Article 12, to the payment of the amounts then due and unpaid for principal of (and premium, if any) and Interest on the Notes in respect of which or for the benefit of which such money has been collected ratably, without preference or priority of any kind, according to the amounts due and payable on such Notes for principal (and premium, if any) and Interest, respectively; and

THIRD: To the Company.

Section 5.07. Limitation on Suits. No Holder of any Note shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) an Event of Default or Enforcement Event shall have occurred and be continuing, and such Holder has previously given written notice to the Trustee of such continuing Event of Default or Enforcement Event, as the case may be;

(2) the Holders of not less than 25% in principal amount of the Outstanding Notes in the case of an Event of Default, or a majority in principal amount of the Outstanding Notes in the case of an Enforcement Event, shall have made written request to the Trustee to institute proceedings in respect of such Event of Default or Enforcement Event, as the case may be, in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) in the case of an Event of Default, no direction inconsistent with such request shall have been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Notes;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

Section 5.08. Unconditional Right of Holders to Receive Principal, and Interest. Notwithstanding any other provision in this Indenture, the Holder of any Note shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 2.12 and to the limitation as to Interest specified in Section 2.02(d)(iv)) Interest on such Note at the times herein prescribed and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

Section 5.09. Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 5.10. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.09, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.11. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Notes to exercise any right or remedy accruing upon any Event of Default or Enforcement Event shall impair any such right or remedy or constitute a waiver of any such Event of Default or Enforcement Event or any acquiescence therein. Every right and remedy given by this article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 5.12. Control by Holders. The Holders of a majority in principal amount of the Outstanding Notes shall have the right (subject to the Trustee's right first to be indemnified for associated costs and liabilities as provided in Article 6) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes, provided, *however*, that

(1) such direction shall not be in conflict with any rule of law or with this Indenture, expose the Trustee to personal liability or be unduly prejudicial to Holders not joining therein; and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Nothing in this Indenture shall impair the right of the Trustee to take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 5.13. Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Notes may on behalf of the Holders of all the Notes waive any past default hereunder and its consequences, except that the consent of each Holder of Notes affected thereby is required to waive a default:

(1) in the payment of the principal of (or premium, if any) or Interest on any Note; or

(2) in respect of any provision hereof which under this Indenture cannot be modified or amended without the consent of the Holder of each Outstanding Note affected thereby.

Upon any such waiver, such default shall cease to exist, and any Event of Default or Enforcement Event arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 5.14. Undertaking for Costs. All parties to this Indenture agree, and each Holder of any Note by its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 5.14 shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Notes, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any) or Interest on any Notes on or after the Final Maturity Date expressed in such Note (or, in the case of redemption, on or after the Redemption Date).

Section 5.15. Waiver of Stay or Extension Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 5.16. Notice of Defaults. Within 90 days after the occurrence of a default or Event of Default or Enforcement Event hereunder is known to the Responsible Officer of the Trustee, the Trustee shall transmit by mail to all Holders of Notes, as their names and addresses appear in the Note Register, notice of such default hereunder, unless such default shall have been cured or waived; *provided*, *however*, that, except in the case of a default in the payment of the principal of (or premium, if any), or Interest (including Additional Interest) on, any Note, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interest of the Holders of Notes. For the purpose of this Section 5.16, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default or Enforcement Event.

ARTICLE 6

The Trustee

Section 6.01. Duties and Responsibilities of Trustee. With respect to the Holders of the Notes issued hereunder, the Trustee, prior to the occurrence of an Event of Default or an Enforcement Event with respect to the Notes known to the Trustee and after the curing or waiving of all Events of Default or Enforcement Events which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default or an Enforcement Event with respect to the Notes known to the Trustee has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(1) prior to the occurrence of an Event of Default or an Enforcement Event with respect to the Notes known to the Trustee and after the curing or waiving of all Events of Default or Enforcement Events which may have occurred: (a) the duties and obligations of the Trustee with respect to the Notes shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and (b) in the absence of bad faith, gross negligence or willful misconduct on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken, omitted or suffered to be taken by it in good faith in accordance with the direction of the holders of Notes pursuant to Section 5.12 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to Notes; and

(4) none of the provisions of this Indenture shall be construed as requiring the Trustee to expend or risk its own funds or otherwise to incur any personal financial liability in the performance of any of its duties hereunder, or in the exercise of any of its

rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 6.02. Reliance on Documents, Opinions, etc. Subject to the provisions of Section 6.01:

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any Board Resolution, Officers' Certificate, statement, instrument, Opinion of Counsel, opinion, report, notice, request, direction, consent, order, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an instrument signed in the name of the Company by the chief executive officer, its president or one of its vice presidents or its secretary, assistant secretary, treasurer or assistant treasurer (unless other evidence in respect thereof be herein specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a copy thereof certified by the Secretary, an Assistant Secretary or an attesting secretary of the Company (unless other evidence in respect thereof be herein specifically prescribed);

(3) the Trustee may consult with counsel and any advice of counsel or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, omitted or suffered to be taken by it hereunder in good faith and in accordance with such advice of counsel or Opinion of Counsel;

(4) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders, pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby;

(5) the Trustee shall not be liable for any action taken, omitted or suffered by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(6) the Trustee shall not be bound to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document unless requested in writing so to do by the Holders of a majority in aggregate principal amount of the Outstanding Notes; *provided*, *however*, that if the payment within a reasonable time to the Trustee of the costs and expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security conferred upon it by the terms of this Indenture, the Trustee may require reasonable indemnity against such costs, expenses or liabilities as a condition to so proceeding; and the reasonable expense of such investigation shall be paid

by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and

(8) the Trustee shall not be charged with knowledge of any default, Event of Default or Enforcement Event unless and except to the extent either (1) a Responsible Officer of the Trustee shall have actual knowledge of such default, Event of Default or Enforcement Event, or (2) written notice of such default, Event of Default or Enforcement Event shall have been given to the Trustee at the Corporate Trust Office, which notice makes reference to the Notes or this Indenture.

Section 6.03. No Responsibility for Recitals, etc. The recitals contained herein and in the Notes shall be taken as the statements of the Company (except in the Trustee's certificates of authentication), and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Notes, *provided* that the Trustee shall not be relieved of its duty to authenticate Notes only as authorized by this Indenture. The Trustee shall not be accountable for the use or application by the Company of any of the Notes or of the proceeds thereof.

Section 6.04. Ownership of Notes. The Trustee and any agent of the Company or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes with the same rights it would have if it were not Trustee or such agent.

Section 6.05. Reports by Trustee to Holders. As promptly as practicable after each May 15 beginning with the May 15 following the date of this Indenture, the Trustee shall mail to each Holder a brief report dated as of such May 15 that complies with 313(a) of the Trust Indenture Act, if required by such 313(a) of the Trust Indenture Act. The Trustee also shall comply with Section 313(b) of the Trust Indenture Act. The Trustee shall also transmit by mail all reports required by Section 313(c) of the Trust Indenture Act.

Section 6.06. Compensation and Indemnity. The Trustee shall be entitled to such compensation as shall be agreed with the Company for all services rendered by them hereunder, and the Company agrees promptly to pay such compensation and to reimburse the Trustee for the reasonable out-of-pocket expenses (including reasonable counsel fees and expenses) incurred by them in connection with or arising out of their services hereunder or the issuance of the Notes. The Company also agrees to indemnify the Trustee for, and to hold them harmless against, any loss, damages, claim, liability or expense (including reasonable counsel fees and expenses), incurred without negligence or bad faith, arising out of or in connection with their acting as Trustee hereunder, as well as the reasonable costs and expenses of defending against any claim of liability in the premises. The obligations of the Company under this Section 6.06 shall survive the termination of this Agreement, payment of all the Notes or the resignation or removal of the Trustee. The Trustee shall promptly notify the Company of any claim for which the Trustee may seek indemnity, including costs and expenses of defending the relevant party against any claim for liability arising from the exercise or performance of any of its powers or duties hereunder. The Company shall not be obligated to pay for any settlement of any such claim made without its consent. To secure the Company's payment obligations in this Section 6.06, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal of, premium, if any, and interest on particular Notes.

Section 6.07. Officers' Certificate as Evidence. Subject to the provisions of Sections 6.01 and 6.02, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking, omitting or suffering any action to be taken hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of gross negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such certificate, in the absence of gross negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, omitted or suffered by it under the provisions of this Indenture upon the faith thereof.

Section 6.08. Eligibility of Trustee. The Trustee hereunder shall at all times be a corporation organized and doing business under the laws of the United States or any state thereof or the District of Columbia, which (a) is authorized under such laws to exercise corporate trust powers and (b) is subject to supervision or examination by Federal or State authority and (c) shall have at all times a combined capital and surplus of not less than $50,000,000. If such corporation publishes reports of condition at least annually, pursuant to law, or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 6.07, the combined capital and surplus of such corporation at any time shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 6.07, the Trustee shall resign immediately in the manner and with the effect specified in Section 6.08.

Section 6.09. Resignation or Removal of Trustee. The Trustee may at any time resign by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective, *provided* that such date shall not be less than 60 days from the date on which such notice is given, unless the Company agrees to accept shorter notice. The Trustee hereunder may be removed at any time by the filing with it of an instrument in writing signed on behalf of the Company and specifying such removal and the date when it shall become effective. The Holders of a majority in aggregate principal amount of the Outstanding Notes may remove the Trustee as Trustee by notifying the removed Trustee and the Company. Notwithstanding the dates of effectiveness of resignation or removal, as the case may be, to be specified in accordance with the preceding sentences, such resignation or removal shall take effect only upon the appointment by the Company, as hereinafter provided, of a successor Trustee (which, to qualify as such, shall for all purposes hereunder be a corporation organized and doing business under the laws of the United States of America or any state thereof or the District of Columbia, in good standing and having and acting, either itself or through an affiliate, through an established place of business in the Borough of Manhattan, The City of New York, authorized under such laws to exercise corporate trust powers and having a combined capital and surplus in excess of $50,000,000) and the acceptance of such appointment by such successor Trustee. Upon its resignation or removal, the Trustee shall be entitled to payment by the Company pursuant to Section 6.06 hereof of compensation for services rendered and to reimbursement of reasonable out-of-pocket expenses incurred hereunder.

Section 6.10. Successors. In case at any time the Trustee (or any Paying Agent if such Paying Agent is the only Paying Agent located in a place where, by the terms of the Notes or this Indenture, the Company is required to maintain a Paying Agent) shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or shall file a voluntary petition in bankruptcy or make an assignment for the benefit of its creditors or consent to the appointment of a receiver of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they severally mature, or if a receiver of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered approving any petition filed by or against it under the provisions of applicable receivership, bankruptcy, insolvency or other similar legislation, or if any public officer shall take charge or control of it or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Trustee or Paying Agent, as the case may be, qualified as aforesaid, shall be appointed by the Company by an instrument in writing, filed with the successor Trustee or Paying Agent, as the case may be, and the predecessor Trustee or Paying Agent, as the case may be. Upon the appointment as aforesaid of a successor Trustee or Paying Agent, as the case may be, and acceptance by such successor of such appointment, the Trustee or Paying Agent, as the case may be, so succeeded shall cease to be Trustee or Paying Agent, as the case may be, hereunder. Within one year after the successor Trustee or Paying Agent, as the case may be, takes office, the Holders of a majority in aggregate principal amount of the Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company. If no successor Trustee or other Paying Agent, as the case may be, shall have been so appointed by the Company and shall have accepted appointment as hereinafter provided within 60 days after such resignation, removal or disqualification, and, in the case of such other Paying Agent, if such other Paying Agent is the only Paying Agent located in a place where, by the terms of the Notes or this Indenture, the Company is required to maintain a Paying Agent, then any Holder of a Note who has been a bona fide Holder of a Note for at least six months (which Note, in the case of such other Paying Agent, is referred to in this sentence), on behalf of himself and all others similarly situated, or the Trustee, may petition any court of competent jurisdiction for the appointment of a successor trustee or paying agent, as the case may be. The Company shall give prompt written notice to each other Paying Agent of the appointment of a successor Trustee.

Section 6.11. Acknowledgement. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Trustee hereunder and all provisions hereof shall be binding on such successor Trustee, and such predecessor, upon payment of its compensation and reimbursement of its disbursements then unpaid, shall thereupon become obligated to transfer, deliver and pay over, and such successor Trustee shall be entitled to receive, all monies, securities, books, records or other property on deposit with or held by such predecessor as Trustee hereunder.

Section 6.12. Merger, Consolidation, etc. Any bank or trust company into which the Trustee hereunder may be merged, or resulting from any merger or consolidation to which the Trustee shall be a party, or to which the Trustee shall sell or otherwise transfer all or substantially all of its corporate trust business, *provided* that it shall be qualified as aforesaid, shall be the successor Trustee under this Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Section 6.13. Appointment of Authenticating Agent. The Trustee may appoint an Authenticating Agent or Agents which shall be authorized to act on behalf of the Trustee to authenticate Notes issued upon original issue and upon exchange, registration of transfer, partial conversion or partial redemption or repayment or pursuant to Section 2.06, and Notes so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Notes by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section. Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders as their names and addresses appear in the Note Register. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

If an appointment is made pursuant to this Section, the Notes may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in the following form:

"This is one of the Notes referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ______________________________
As Authenticating Agent

By: ______________________________
Authorized Signatory"

ARTICLE 7

Delivery of Certain Information

Section 7.01. Delivery of Rule 144A Information and Annual Conference Call.

At any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act and for so long there be any Outstanding Notes, the Company shall, (i) upon the request of a Holder, promptly furnish or cause to be furnished Rule 144A Information to such Holder or to a prospective purchaser of such a Note who is designated by such Holder in order to permit compliance by such Holder with Rule 144A under the Act in connection with the resale of such Note by such Holder and (ii) no later than 90 days after the end of each fiscal year of the Company, conduct a conference call for Holders with respect to the Company's financial condition and results of operations for such fiscal year. The Company shall send notice to Holders in accordance with Section 1.06 regarding the time, date and access information for such conference call no fewer than 15 Business Days prior to such conference call.

Section 7.02. Reports.

(a) At any time when the Company is subject to Section 13 or 15(d) of the Exchange Act, the Company covenants and agrees to provide to the Trustee such reports, information and documents, if any, filed with the Commission.

(b) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

ARTICLE 8

Successors

Section 8.01. Merger, Consolidation, or Sale of Assets. As long as any Notes are outstanding, the Company shall not consolidate or merge with or into any other Person or convey, transfer, lease, sell or assign all or substantially all of its properties and assets to another Person, unless:

(i) either (A) the Company is the continuing Person or (B) both (x) the successor Person expressly assumes by an indenture supplemental hereto executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of, and premium, if any, and Interest on the Notes, and the performance of every other covenant of this Indenture on the part of the Company to be performed or observed; and (y) the Person formed by the consolidation or into which the Company is merged or the Person that acquires all or substantially all of the properties and assets of the Company is a corporation or limited liability company organized and validly existing under the laws of the United States, any State or the District of Columbia;

(ii) immediately after giving effect to such transaction, no Event of Default and no event that, after notice or lapse of time or both, would become an Event of Default shall have happened and be continuing; and

(iii) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such transaction and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 8.02. Successor Corporation Substituted. Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer, lease, sale or assignment of all or substantially all of the properties and assets of the Company in accordance with Section 8.01, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease or sale or assignment is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Notes.

ARTICLE 9

Amendments and Supplemental Indentures

Section 9.01. Supplemental Indentures Without Consent of Holders. Subject to Section 9.06, the Company, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for one or more of the following purposes:

(a) to evidence the succession of another Person to the Company, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Company under the Indenture and the Notes pursuant to Article 8 hereof; *provided* that the event giving rise to such succession was otherwise in accordance with the provisions set forth in this Indenture;

(b) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions for the benefit of the Holders of the Notes or to surrender any right or power herein conferred upon the Company;

(c) to amend the definition of "APM Securities" to eliminate Common Stock and/or Mandatorily Convertible Preferred Stock from such definition, subject to the conditions specified under the proviso of the definition of "APM Securities";

(d) to make any changes that would provide any additional rights or benefits to the Holders;

(e) to increase the Share Cap;

(f) to provide for the issuance of Additional Notes in accordance with the provisions of this Indenture;

(g) to evidence and provide for the acceptance of appointment by a successor trustee with respect to the Notes;

(h) to provide any guarantee of the Notes;

(i) to cure any ambiguity or omission, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein; or

(j) to make any other provisions with respect to matters or questions arising under this Indenture, in each case, which shall not be inconsistent with the provisions herein, *provided* such action shall not adversely affect the interests of the Holders in any material respect.

No amendment to this Indenture or the Notes made solely to conform this Indenture to the description of the Notes contained in the Offering Memorandum will be deemed to adversely affect the interests of the Holders.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer and assignment of any property thereunder, but the Trustee shall not be obligated to, but may in its discretion, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Any supplemental indenture authorized by the provisions of this Section 9.01 may be executed by the Company and the Trustee without the consent of the Holders of any of the Notes at the time Outstanding, notwithstanding any of the provisions of Section 9.02.

After an amendment under this Section 9.01 becomes effective, the Company shall mail to Holders of the Notes a notice briefly describing such amendment. The failure to give such notice to all Holders of Notes, or any defect therein, shall not impair or affect the validity of an amendment under this Section 9.01.

Section 9.02. Supplemental Indentures With Consent of Holders. Subject to Section 9.06, with the consent (evidenced as provided in Section 1.04) of the Holders of not less than a majority in the aggregate principal amount of the Notes at the time Outstanding, the Company and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or any supplemental indenture or of modifying in any manner the rights of the Holders of the Notes, and the Company shall not modify or supplement the Replacement Capital Covenant in a manner to impose additional restrictions on the type or amount of Qualifying Capital Securities that the Company may include for purposes of determining when repayment, redemption or purchase of the Notes is permitted without obtaining the consent of at least a majority of the Holders of the Notes. However, no such supplemental indenture shall, with respect to each Note held by a non-consenting Holder:

(a) change the Scheduled Maturity Date or the Final Maturity Date of the principal of, or any installment of Interest on, any Note, or reduce the principal amount thereof or the rate of interest thereon, alter the manner of calculation of Interest payable or extend the time for payment of Interest on any Note;

(b) reduce the percentage in principal amount of the Notes the consent of whose Holders of Outstanding Notes is required for any supplement or amendment to this Indenture, or the consent of whose Holders of Outstanding Notes is required for any waiver provided for in this Indenture;

(c) modify the interest rate reset provisions of any Note;

(d) reduce the Redemption Price of the Notes, or change the time at which the Notes may or must be redeemed or purchased, or change any place of payment where any Note or Interest thereon is payable;

(e) make any change to the abilities of Holders to enforce their rights under this Indenture or the Notes; or

(f) make any change in the provisions of the Indenture relating to waivers of past defaults or the rights of holders of Notes to receive payments of principal of, premium, if any, or Interest, or Additional Interest, if any, on the Notes,

without, in the case of each of the foregoing clauses (a) through (f), the consent of the Holder of each Note so affected.

Upon the request of the Company, accompanied by a Board Resolution authorizing the execution and delivery of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

After an amendment under this Section 9.02 becomes effective, the Company shall mail to Holders of the Notes a notice briefly describing such amendments. The failure to give such notice to all Holders of Notes, or any affect therein, shall not impair or affect the validity of any amendment under this Section 9.02.

Section 9.03. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture pursuant to the provisions of this Article 9, this Indenture shall be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders of the Notes shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 9.04. Notation on Notes. Notes authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 9 may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Notes so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may be prepared and executed by the Company, authenticated by the Trustee and delivered in exchange for the Notes then Outstanding.

Section 9.05. Evidence of Compliance of Supplemental Indenture to Be Furnished Trustee. The Trustee, subject to the provisions of Sections 6.01 and 6.02, may require delivery to it, and shall be protected from liability in relying upon, an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant hereto complies with the requirements of this Article 9.

Section 9.06. Prohibition on Certain Amendments and Supplements. Notwithstanding any provision contained in this Article 9, neither the Company nor the Trustee may amend or supplement the Indenture or the Notes to add Events of Default or other acceleration events.

ARTICLE 10

Covenants

Section 10.01. Payment of Principal and Interest. Subject to Section 2.02(d), the Company covenants and agrees for the benefit of the Notes that it will duly and punctually pay the principal of (and premium, if any) and Interest on the Notes in accordance with the terms of the Notes and this Indenture. At the option of the Company, payment of principal (and premium, if any) and Interest on the Notes may be made either by wire transfer or (subject to collection) by check mailed to the address of the Person entitled thereto at such address as shall appear in the Note Register; *provided* that, in connection with payment by wire transfer, the Paying Agent shall have received appropriate wire transfer instructions at least five Business Days prior to the applicable payment date.

Section 10.02. Maintenance of Office or Agency. The Company will maintain in each Place of Payment an office or agency where the Notes may be presented or surrendered for payment, registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company hereby initially appoints the Trustee its office or agency for each of said purposes. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 10.03. Money for Notes; Payments to Be Held in Trust. If the Company shall at any time act as its own Paying Agent with respect to the Notes, it will, on or before each due date of the principal of (and premium, if any) or Interest on the Notes, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (and premium, if any) or Interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for the Notes, it will, on or prior to each due date of the principal of (and premium, if any) or Interest on the Notes, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or Interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal (and premium, if any) or Interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent other than the Trustee to execute and deliver to the Trustee a written instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (and premium, if any) or Interest on the Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Notes) in the making of any payment of principal (and premium, if any) or Interest on the Notes; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and premium, if any) or Interest on any Note and remaining unclaimed for two years after such principal (and premium, if any) or Interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look, only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in the City, County and State of New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such mailing or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 10.04. Maintain Existence. Subject to Article 8, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; *provided*, *however*, that the Company shall not be required to preserve any such right or franchise if the Board of Directors or senior management of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

Section 10.05. Statement by Officers as to Default. The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, a certificate of the principal executive officer, principal financial officer or principal accounting officer of the Company stating whether or not to the best knowledge of the signer thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture, and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

ARTICLE 11

Redemption of Notes

Section 11.01. General. The Notes shall be redeemable in accordance with Section 2.02(g) and this Article 11. Repayment of the Notes under Section 2.02(a) shall be in accordance with Article 3 of this Indenture. In addition, the Company may purchase, acquire or otherwise hold Notes.

Section 11.02. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Notes shall be evidenced by a Board Resolution. In case of any redemption of the Notes in whole or in part under Section 2.02(g) of this Indenture, the Company shall, at least 2 Business Days prior to the date that Notice of Redemption is required to be given to Holders under Section 11.04 (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee in writing of such Redemption Date and of the principal amount of Notes to be redeemed, such notice to be accompanied by an Officers' Certificate stating that no defaults in the payment of Interest or Events of Default with respect to the Notes have occurred (which have not been waived or cured). In the case of any redemption of Notes (x) prior to the expiration of any restriction on such redemption provided in the terms of such Notes or elsewhere in this Indenture or (y) pursuant to an election of the Company which is subject to a condition specified in the terms of such Notes or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction or condition.

Section 11.03. Selection by Trustee of Notes to Be Redeemed. If less than all the Notes are to be redeemed, the particular Notes to be redeemed shall be selected not more than 30 days prior to the Redemption Date by the Trustee, from the Outstanding Notes not previously called for redemption, by such method as the Trustee in its sole discretion shall deem fair and appropriate and which may provide for the selection or redemption of portions (equal to authorized denominations for Notes) of the principal amount of Notes of a denomination larger than the minimum authorized denomination for Notes.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Notes shall relate, in the case of any Notes redeemed or to be redeemed only in part, to the portion of the principal amount of such Notes which has been or is to be redeemed.

Section 11.04. Notice of Redemption. Notice of Redemption shall be given by first-class mail, postage prepaid, or by facsimile electronic transmission, mailed or transmitted not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Notes to be redeemed, at the Holder's address appearing in the Note Register ("**Notice of Redemption**"). Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice. Failure to give notice by mail, or any defect in the notice to any such Holder in respect of any Note, shall not affect the validity of the proceedings for the redemption of any other Note.

All notices of redemption shall state:

(1) the Redemption Date;

(2) the Redemption Price and any accrued Interest, or if the Redemption Price is not then ascertainable, the manner of calculation thereof;

(3) if less than all the Outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Notes to be redeemed;

(4) that on the Redemption Date, the Redemption Price and any accrued Interest will become due and payable upon each such Note to be redeemed;

(5) the place or places where such Notes are to be surrendered for payment of the Redemption Price; and

(6) the CUSIP number and, if applicable, the ISIN number, of the Notes being redeemed.

Notice of Redemption of Notes to be redeemed at the election of the Company shall be given by the Company or, upon Company Request, by the Trustee to each Holder of the Notes to be redeemed in the name and at the expense of the Company, *provided* that the Company makes such request to the Trustee in writing at least 2 Business Days prior (unless the Trustee agrees to a shorter period) to the date by which such Notice of Redemption must be given to Holders in accordance with this Section 11.04.

Section 11.05. Deposit of Redemption Price. Prior to 10:00 a.m. New York City time, on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in

Section 10.03) an amount of money, in funds immediately available on the due date, sufficient to pay the Redemption Price. Promptly after the calculation of the Redemption Price, the Company will give the Trustee and any Paying Agent written notice thereof.

Section 11.06. Notes Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price) such Notes shall cease to bear Interest. Upon surrender of any such Note for redemption in accordance with said notice, such Note shall be paid by the Company at the Redemption Price and in accordance with Section 2.02(c).

If any Note called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear Interest from the Redemption Date at the rate prescribed therefor in the Note.

The Trustee shall not redeem any Notes pursuant to this Article (unless all Outstanding Notes are to be redeemed) or mail or give any notice of redemption of Notes during the continuance of an Event of Default hereunder known to the Trustee, except that, where the mailing of notice of redemption of any Notes shall theretofore have been made, the Trustee shall redeem or cause to be redeemed such Notes, *provided*, *however*, that it shall have received from the Company a sum sufficient for such redemption. Except as aforesaid, any moneys theretofore or thereafter received by the Trustee shall, during the continuance of such Event of Default, be deemed to have been collected under Article 5 and held for the payment of all Notes. In case such Event of Default shall have been waived as provided in Section 5.13 or the default cured on or before the 60th day preceding the Redemption Date, such moneys shall thereafter be applied in accordance with the provisions of this Article.

Section 11.07. Notes Redeemed in Part. Any Note which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Note so surrendered.

ARTICLE 12

Subordination

Section 12.01. Agreement to Subordinate.

(a) The Company covenants and agrees, and each Holder of Notes issued hereunder by such Holder's acceptance thereof likewise covenants and agrees, that all Notes shall be issued subject to the provisions of this Article 12; and each Holder of a Note, whether upon original issue or upon transfer or assignment thereof, accepts and agrees to be bound by such provisions.

(b) The payment by the Company of the principal of (and premium, if any), and Interest (including Deferred Interest) on, and all other amounts owing in respect of the Notes issued hereunder, which amounts shall not include certain amounts of Interest upon a Bankruptcy Event as set forth in Section 2.02(d)(iv), shall, to the extent and in the manner hereinafter set forth, be subordinated and junior in right of payment to the prior payment in full in cash of the principal of, Interest on and all other amounts owing in respect of all Senior Indebtedness of the Company, whether outstanding at the date of this Indenture or thereafter incurred, and shall rank *pari passu* with the Company's trade accounts payable, accrued liabilities arising in the ordinary course of business and any debt that by its terms ranks *pari passu* with the Notes.

(c) No provision of this article shall prevent the occurrence of any default or Event of Default or Enforcement Event hereunder.

Section 12.02. Default on Senior Indebtedness.

(a) No payment of any kind or character by or on behalf of the Company with respect to principal of (and premium, if any), Interest on or other amounts owing in respect of the Notes or to acquire any of the Notes for cash, property or otherwise, whether pursuant to the terms of the Notes on the Final Maturity Date or upon acceleration, by way of repurchase, redemption, defeasance or otherwise, will be made if, at the time of such payment, any default occurs and is continuing in the payment when due, whether at maturity, upon any redemption, by declaration or otherwise, of principal of, interest on, unpaid drawings for letters of credit issued in respect of, or regularly accruing fees with respect to, any Senior Indebtedness, and such default shall not have been cured or waived or the benefits of this Section 12.02(a) waived by or on behalf of the holders of such Senior Indebtedness.

(b) In the event that, notwithstanding the foregoing, any payment shall be received by the Trustee when such payment is prohibited by Section 12.02(a), such payment shall be held in trust for the benefit of, and shall be paid over or delivered to, the holders of such Senior Indebtedness or their respective representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing such Senior Indebtedness may have been issued, as their respective interests may appear, as calculated by the Company, to the extent necessary to pay such Senior Indebtedness in full, in cash, after giving effect to any concurrent payment or distribution to or for the benefit of the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders or to the Trustee.

Section 12.03. Liquidation; Dissolution; Bankruptcy.

(a) Upon any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, to creditors upon any total or partial dissolution, winding-up, liquidation or reorganization of the Company, whether voluntary or involuntary, assignment for the benefit of creditors or marshalling of the Company's assets, or in bankruptcy, insolvency, receivership or other similar proceedings relating to the Company or its assets, whether voluntary or involuntary, all principal, premium, if any, and interest and all other amounts due or to become due regarding all Senior Indebtedness of the Company shall first be paid in full in cash, or such payment duly provided for to the satisfaction of the holders of the Senior Indebtedness, before any payment or distribution of any kind or character is made on account of any principal of (premium, if any), Interest on or other amounts owing in respect of the Notes, or for the acquisition of any of the Notes for cash, property or otherwise; and upon any such dissolution, winding-up, liquidation or reorganization, any payment by the Company, or distribution of assets of the Company of any kind or character whether in cash, property or securities, which the Holders or the Trustee would be entitled to receive from the Company, except for the provisions of this Article, shall be paid by the Company or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other Person making such payment or distribution, or by the Holders or by the Trustee under this Indenture if received by them or it, directly to the holders of Senior Indebtedness of the Company or their respective representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing such Senior Indebtedness may have been issued, as their respective interests may appear, as calculated by the Company, to the extent necessary to pay such Senior Indebtedness in full in cash, or to cause such payment to be duly provided for to the satisfaction of the holders of the Senior Indebtedness, after giving effect to any concurrent payment or distribution to or for the benefit of the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders or to the Trustee;

(b) In the event that, notwithstanding Section 12.03(a), any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, prohibited by Section 12.03(a), shall be received by the Trustee before all Senior Indebtedness of the Company is paid in full, or provision is made for such payment in money in accordance with its terms, such payment or distribution shall be held in trust for the benefit of, and shall be paid over or delivered to, the holders of such Senior Indebtedness or their respective representatives, or to the trustee or trustees under any indenture pursuant to which any instruments evidencing such Senior Indebtedness may have been issued, as their respective interests may appear, as calculated by the Company, to the extent necessary to pay such Senior Indebtedness in full, in cash, after giving effect to any concurrent payment or distribution to or for the benefit of the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders or to the Trustee.

(c) For purposes of this Article 12, the words “cash, property or securities” shall not be deemed to include shares of stock of the Company as reorganized or readjusted, or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment, the payment of which is subordinated at least to the extent provided in this Article with respect to the Notes to the payment of all Senior Indebtedness of the Company that may at the time be outstanding; *provided*, *however*, that (i) such Senior Indebtedness is assumed by the new corporation, if any, resulting from any such reorganization or readjustment, and (ii) the rights of the holders of such Senior Indebtedness are not, without the consent of such holders, altered by such reorganization or readjustment. The consolidation of the Company with, or the merger of the Company into, another corporation or limited liability company or the liquidation or dissolution of the Company following the conveyance, transfer, sale or assignment of all or substantially all of the properties and assets of the Company, to another corporation or limited liability company upon the terms and conditions provided for in Article 8 of this Indenture shall not be deemed a dissolution, winding-up, liquidation or reorganization for the purposes of this

Section 12.03 if such other corporation or limited liability company shall, as part of such consolidation, merger, conveyance, transfer, sale or assignment, comply with the conditions stated in Article 8 of this Indenture. Nothing in Section 12.02 or in this Section 12.03 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 6.06 of this Indenture.

Section 12.04. Subrogation.

(a) Subject to the payment in full of all Senior Indebtedness of the Company then outstanding, the rights of the Holders shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company applicable to such Senior Indebtedness until the principal of and premium, if any, and Interest on the Notes shall be paid in full; and, for the purposes of such subrogation, no payments or distributions to the holders of such Senior Indebtedness of any cash, property or securities to which the Holders or the Trustee would be entitled except for the provisions of this Article 12, and no payment over pursuant to the provisions of this Article 12 to or for the benefit of the holders of such Senior Indebtedness by Holders or the Trustee, shall, as between the Company, its creditors other than holders of Senior Indebtedness, and the Holders, be deemed to be a payment by the Company to or on account of such Senior Indebtedness. It is understood that the provisions of this Article 12 are and are intended solely for the purposes of defining the relative rights of the Holders, on the one hand, and the holders of such Senior Indebtedness, on the other hand.

(b) Nothing contained in this Article 12 or elsewhere in this Indenture or in the Notes is intended to or shall impair, as between the Company, its creditors other than the holders of Senior Indebtedness, and the Holders, the obligation of the Company, which is absolute and unconditional, to pay to the Holders the principal of (premium, if any) and Interest on the Notes as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the Holders and the creditors of the Company other than the holders of Senior Indebtedness nor shall anything herein or therein prevent the Trustee or any Holder of Notes from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article of the holders of such Senior Indebtedness in respect of cash, property or securities of the Company received upon the exercise of any such remedy.

(c) Upon any payment or distribution of assets of the Company referred to in this Article 12, the Trustee, subject to the provisions of Section 6.01 of this Indenture, and the Holders shall be entitled to rely conclusively upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding-up, liquidation or reorganization proceedings are pending, or a certificate of the receiver, trustee in bankruptcy, liquidation trustee, agent or other Person making such payment or distribution, delivered to the Trustee or the Holders, for the purposes of ascertaining the Persons entitled to participate in such distribution, the holders of Senior Indebtedness and other indebtedness of the Company the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this article.

Section 12.05. Trustee to Effectuate Subordination. Each Holder of Notes by such Holder’s acceptance thereof authorizes the Trustee on such Holder’s behalf, if so directed by the

Company, to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article 12 and appoints the Trustee such Holder's attorney-in-fact for any and all such purposes.

Section 12.06. Notice by the Company.

(a) The Company shall give prompt written notice to a Responsible Officer of the Trustee of any fact known to the Company that would prohibit the making of any payment of monies to or by the Trustee in respect of the Notes pursuant to the provisions of this Article 12. Notwithstanding the provisions of this Article 12 or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment of monies to or by the Trustee in respect of the Notes pursuant to the provisions of this Article 12, unless and until a Responsible Officer of the Trustee shall have received written notice thereof from the Company or a Holder or holders of Senior Indebtedness or from any representative or trustee therefor; and before the receipt of any such written notice, the Trustee, subject to the provisions of Section 6.01 of this Indenture, shall be entitled in all respects to assume that no such facts exist; *provided*, *however*, that if the Trustee shall not have received the notice provided for in this Section 12.06(a) at least two Business Days prior to the date upon which by the terms hereof any money may become payable for any purpose (including, without limitation, the payment of the principal of or Interest on any Note), then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such money and to apply the same to the purposes for which such money was received, and shall not be affected by any notice to the contrary that may be received by it within two Business Days prior to such date.

(b) The Trustee, subject to the provisions of Section 6.01 of this Indenture, shall be entitled to conclusively rely on the delivery to it of a written notice by a Person representing himself to be a holder of Senior Indebtedness (or a trustee or representative on behalf of such holder), to establish that such notice has been given by a holder of such Senior Indebtedness or a trustee or representative on behalf of any such holder or holders. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of such Senior Indebtedness to participate in any payment or distribution pursuant to this Article 12, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of such Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 12.07. Rights of the Trustee; Holders of Senior Indebtedness.

(a) The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article 12 in respect of any Senior Indebtedness at any time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture shall deprive the Trustee of any of its rights as such holder.

(b) With respect to the holders of Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Article 12 and no implied covenants or obligations with respect to the holders of such Senior Indebtedness shall be read into this Indenture against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of such Senior Indebtedness and, subject to the provisions of Section 6.01 of this Indenture, the Trustee shall not be liable to any holder of such Senior Indebtedness if it shall pay over or deliver to Holders, the Company or any other Person money or assets to which any holder of such Senior Indebtedness shall be entitled by virtue of this Article 12 or otherwise.

(c) Nothing in this Article 12 shall be applicable to any payments made or owing to the Trustee pursuant to or as described in Section 6.06.

Section 12.08. Subordination May Not Be Impaired.

(a) No right of any present or future holder of any Senior Indebtedness of the Company to enforce subordination provided in this Article 12 shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act, in good faith, by any such holder, or by any noncompliance by the Company with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof that any such holder may have or otherwise be charged with.

(b) Without in any way limiting the generality of the foregoing paragraph, the holders of Senior Indebtedness of the Company may, at any time and from time to time, without the consent of or notice to the Trustee or the Holders, without incurring responsibility to the Holders and without impairing or releasing the subordination provided in this Article 12 or the obligations hereunder of the Holders to the holders of such Senior Indebtedness, do any one or more of the following: (i) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, such Senior Indebtedness, or otherwise amend or supplement in any manner such Senior Indebtedness or any instrument evidencing the same or any agreement under which such Senior Indebtedness is outstanding; (ii) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing such Senior Indebtedness; (iii) release any Person liable in any manner for the collection of such Senior Indebtedness; and (iv) exercise or refrain from exercising or waive any rights against the Company and any other Person.

(c) Each present and future holder of Senior Indebtedness shall be entitled to the benefit of the provisions of this Article notwithstanding that such holder is not a party to this Indenture.

Section 12.09. Article Applicable to Paying Agents. In case at any time any Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term **"Trustee"** as used in this Article 12 shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article 12 in addition to or in place of the Trustee; *provided*, *however*, that this Section 12.09 shall not apply to the Company or any affiliate of the Company if it or such affiliate acts as Paying Agent.

Section 12.10. Defeasance of this Article. Notwithstanding anything contained herein to the contrary, payments from cash or the proceeds of U.S. Government Obligations held in trust under Article 4 hereof by the Trustee and which were deposited in accordance with the terms of Article 4 hereof and not in violation of Section 12.02 hereof for the payment of principal of and premium, if any, and Interest on the Notes shall not be subordinated to the prior payment of any Senior Indebtedness or subject to the restrictions set forth in this Article, and none of the Holders or the Trustee shall be obligated to pay over any such amount to the Company or any holder of Senior Indebtedness or any representative or trustee therefor or any other creditor of the Company.

Section 12.11. Subordination Language to Be Included in Notes. Each Note shall contain a subordination provision which will be substantially in the following form:

> "The Notes are subordinated in right of payment, in the manner and to the extent set forth in the Indenture, to the prior payment in full in cash of all Senior Indebtedness (as defined in the Indenture). Each Holder of this Note, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes the Trustee on his behalf, if so directed by the Company, to take such actions as may be necessary or appropriate to effectuate the subordination so provided and (c) appoints the Trustee his attorney-in-fact for any and all such purposes. Each Holder hereof, by his acceptance hereof, waives all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such holder upon said provisions."

ARTICLE 13

Calculation Agency

Section 13.01. Appointment of Calculation Agent. Upon the terms and subject to the conditions set forth herein, the Company hereby appoints the Trustee as the Calculation Agent hereunder and the Trustee hereby accepts such appointment. The Calculation Agent hereby agrees to calculate the interest rates (the "Interest Rates") on the Notes in the manner and at the times provided in this Indenture. The Calculation Agent shall exercise due care to determine the Interest Rates on the Notes and shall communicate the same to the Company, the Depositary or other applicable depositary and any paying agent identified to it in writing promptly after each such determination. The Calculation Agent will, upon the written request of a Holder of a Note, provide (i) the Interest Rate then in effect with respect to such Note and (ii) if determined, the Interest Rate with respect to such Note which will become effective for the next Interest Period.

Section 13.02. Status of the Calculation Agent. Any acts taken by the Calculation Agent under this Article 13, including specifically, but without limitation, the calculation of any Interest Rate for the Notes, shall be deemed to have been taken by the Calculation Agent solely in its capacity as an agent acting on behalf of the Company and shall not create or imply any obligation to, or any agency or trust relationship with, any of the Holders of the Notes.

Section 13.03. Fees and Expenses. The Calculation Agent shall be entitled to such compensation for all services as Calculation Agent rendered under this Agreement in accordance with its schedule of fees and charges provided to the Company on or before the date hereof. The Company agrees to pay such fees and charges and shall reimburse the Calculation Agent for all reasonable out-of-pocket expenses, disbursements and advances (including reasonable legal fees and expenses) incurred or made by the Calculation Agent in connection with the services rendered by it under this Article 13.

Section 13.04. Rights and Liabilities of the Calculation Agent. In the absence of gross negligence or willful misconduct, the Calculation Agent, its directors, officers, employees and agents shall be protected and shall incur no liability for or in respect of, any action taken, omitted to be taken or suffered by it in reliance upon the terms of the Notes or any order, written instruction, notice, request, direction, statement, certificate, consent, report, affidavit or other instrument, paper, document or communication (each a "**Communication**") reasonably believed by it in good faith to be genuine. Any Communication from the Company or given by it and sent, delivered or directed to the Calculation Agent under, pursuant to or as permitted by any provision of this Article 13 shall be sufficient for purposes of this Article 13 if such Communication is in writing and signed by any officer of the Company. The Calculation Agent may consult with counsel satisfactory to it and the written advice of such counsel shall constitute full and complete authorization and protection of the Calculation Agent with respect to any action taken, omitted to be taken or suffered by it hereunder in good faith and in accordance with and in reliance upon the written advice of such counsel. The Calculation Agent shall not be liable for any error resulting from use of or reliance on a source or publication required to be used by the Calculation Agent in determining an Interest Rate as provided in this Indenture. Neither the Calculation Agent nor its directors, officers, employees or agents shall be liable to the Company for any action taken, omitted to be taken or suffered by it hereunder, except in the case of gross negligence or willful misconduct.

Section 13.05. Duties of the Calculation Agent. The duties and obligations of the Calculation Agent shall be determined solely by the express provisions of this Article 13 and no implied covenants or obligations shall be read into this Article 13 against the Calculation Agent. The Calculation Agent may perform any duties hereunder directly or by or through agents or attorneys and the Calculation Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 13.06. Termination, Resignation or Removal of the Calculation Agent. The Calculation Agent may at any time terminate its appointment as Calculation Agent by giving written notice to the Company specifying the date on which its desired resignation shall become effective; *provided*, *however*, that such notice shall be given no less than sixty (60) days prior to said effective date unless the Calculation Agent and the Company otherwise agree in writing. The Company may terminate the appointment of the Calculation Agent at any time by giving written notice to the Calculation Agent and specifying the effective date of such termination which shall be at least thirty (30) days after the date of notice and shall not be less than fifteen (15) days prior to the next Interest Payment Date. No termination by either the Calculation Agent or the Company shall become effective prior to the date of the appointment by the Company of a successor Calculation Agent and the acceptance of such appointment by such successor Calculation Agent as provided in Section 13.07 hereof. Upon termination by either party pursuant to the provisions of this Section, the Calculation Agent shall be entitled to the payment of any compensation owed to it by the Company hereunder and to the reimbursement of all reasonable out-of-pocket expenses incurred in connection with the services rendered by it hereunder, as provided by Section 13.03 hereof. The provisions of Section 13.04 and Section 13.08 hereof shall remain in effect following termination by either party.

Section 13.07. Appointment of Successor Calculation Agent. In the event of the termination of the appointment of the Calculation Agent pursuant to Section 13.06 hereof, the Company shall promptly appoint a successor Calculation Agent. Any successor Calculation Agent appointed by the Company shall execute and deliver to the original Calculation Agent and the Company an instrument accepting such appointment. Thereupon, such successor Calculation Agent shall, without any further act, deed or conveyance, become vested with all the authority, rights, powers, immunities, duties and obligations of the Calculation Agent with like effect as if originally named as Calculation Agent hereunder. Upon the acceptance of such appointment, the original Calculation Agent shall be obligated to transfer and deliver to the successor Calculation Agent such relevant records or copies thereof maintained by the Calculation Agent in connection with the performance of its obligations hereunder. In the event of a change in the Calculation Agent, holders of the Notes will be informed of such change in the manner provided for in this Indenture.

Section 13.08. Indemnification. The Corporation shall indemnify and hold harmless the Calculation Agent and its officers, directors, employees, representatives and agents to the same extent provided in Section 6.05 hereof.

Section 13.09. Merger, Consolidation or Sale of Business by the Calculation Agent. Any Person into which the Calculation Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which Calculation Agent shall be a party, or any Person succeeding to all or substantially all of the corporate trust business of the Calculation Agent, shall be successor to the Calculation Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned have caused this Indenture to be duly executed as of the day and year first before written.

SYMETRA FINANCIAL CORPORATION

By: ______________________________

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

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: ______________________________

Name: Carolyn Whalen
Title: Vice President

EXHIBIT A-1

FORM OF RULE 144A GLOBAL NOTE OR REGULATION S PERMANENT NOTE

(FACE OF NOTE)

[Restricted Securities Legend][1]
[Global Securities Legend]

[CUSIP No. 87151QAB2 ISIN No. US87151QAB23] [2]	[CUSIP No. U79664AB1 ISIN No. USU79664AB19][3]

SYMETRA FINANCIAL CORPORATION

CAPITAL EFFICIENT NOTES DUE 2067

No. __________

SYMETRA FINANCIAL CORPORATION, a corporation organized under the laws of the State of Delaware (hereinafter called the "**Company**," which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay [Cede & Co.] or its registered assigns, the principal amount of $, which amount may be increased or decreased from time to time on Schedule I hereto on October 15, 2067 (the "**Final Maturity Date**"); *provided* that the principal amount of, and all accrued and unpaid Interest on, this Security shall be payable in full on October 15, 2037 (the "**Scheduled Maturity Date**") or any subsequent Interest Payment Date to the extent, and subject to the conditions, set forth in the Indenture; *provided* further that, if any date fixed for redemption or repayment is not a Business Day, redemption or repayment of the principal amount will be made on the next day that is a Business Day, without any Interest or other payment as a result of such delay.

1 To be inserted in any Regulation S Global Security or Rule 144A Global Note unless pursuant to its terms, the legend may be removed.

2 To be inserted in any Rule 144A Global Note.

3 To be inserted in any Regulation S Global Note.

The Company further promises to pay Interest on said principal amount from October 10, 2007 or from the most recent Interest Payment Date for which Interest has been paid or duly provided for. This Security shall bear Interest (i) from and including October 10, 2007 to but excluding October 15, 2017 (or if earlier, until the principal hereof is paid in full), at the annual rate of 8.300%, payable, and subject to deferral, in each case as set forth in the Indenture, and (ii) from and including October 15, 2017 to but excluding the Final Maturity Date (or if earlier, until the principal hereof is paid in full), at an annual rate equal to Three-month LIBOR plus 4.177%, payable, and subject to deferral, in each case as set forth in the Indenture.

The Company shall have the right, at any time and from time to time prior to the Final Maturity Date to defer the payment of Interest on this Security as set forth in, and subject to the conditions specified in, the Indenture.

Each Holder, by such Holder's acceptance hereof, agrees that if a Bankruptcy Event shall occur prior to the redemption or repayment of this Security, such Holder shall not have a claim for, and shall have no right to receive, unpaid Deferred Interest (including Additional Interest thereon) to the extent that such Deferred Interest (including Additional Interest thereon) exceeds the sum of (x) Interest that relates to the earliest two years of the portion of the Deferral Period for the Notes for which Interest has not been paid (including Additional Interest thereon) and (y) an amount equal to such Holder's *pro rata* share of the excess, if any, of the Preferred Stock Cap over the aggregate amount of net proceeds from the sale of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock and unconverted and outstanding Mandatorily Convertible Preferred Stock that the Company has applied to pay Interest on the Notes pursuant to the Alternative Payment Mechanism. To the extent that such claim for unpaid Deferred Interest (including Additional Interest thereon) exceeds the amount set forth in clause (x), the Holders shall be deemed to agree that the amount they receive in respect of such excess shall not exceed the amount they would have received had such claim ranked *pari passu* with the claims of the holders, if any, of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock.

The Company may, at its option and subject to the terms and conditions of the Indenture and Article 11 of the Indenture, redeem this Security (A) in whole or in part on October 15, 2017 and on each Interest Payment Date thereafter at a Redemption Price equal to 100% of the principal amount of this Security plus accrued and unpaid Interest to the Redemption Date, and (B) prior to October 15, 2017, (i) in whole or in part, at a Redemption Price equal to 100% of the principal amount of this Security or, if greater, a Make-Whole Price specified in the Indenture, in either case plus accrued and unpaid Interest to the Redemption Date, and (ii) in whole but not in part, within 90 days after the occurrence of a Special Event, at a Redemption Price equal to 100% of the principal amount of this Security or, if greater, a Special Event Make-Whole Price specified in the Indenture, in either case plus accrued and unpaid Interest to the Redemption Date.

The Securities are subordinated in right of payment, in the manner and to the extent set forth in the Indenture, to the prior payment in full of all Senior Indebtedness (as defined in the Indenture). Each Holder of this Security, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes the Trustee on his behalf, if so directed by the Company, to take such actions as may be necessary or appropriate to effectuate the subordination so provided and (c) appoints the Trustee his attorney-in-fact for any and all such purposes. Each Holder hereof, by his acceptance hereof, waives all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such holder upon said provisions.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

This Security is a duly authorized security of the Company (herein called the "**Security**"), issued under an Indenture, dated as of October 10, 2007 (herein called the "**Indenture**"), between the Company and U.S. Bank National Association, as Trustee (herein called the "**Trustee**," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Trustee, the Company and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture, as the case may be.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

SYMETRA FINANCIAL CORPORATION

By: ______________________________
Name:
Title:

Dated: October 10, 2007

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: ______________________________
Authorized Signatory

Dated: October 10, 2007

REVERSE OF SECURITY

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer or exchange at the office or agency of the Company maintained under Section 10.02 of the Indenture duly endorsed by, or accompanied by written instrument of transfer in form satisfactory to the Company and the Security Registrar or co-Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Security is issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

The Company and, by its acceptance of this Security or a beneficial interest therein, the Holder of, and any Person that acquires beneficial interest in, this Security agree that, for United States federal, state and local tax purposes, it is intended that this Security constitute indebtedness.

THE INDENTURE AND THIS SECURITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SCHEDULE I

SCHEDULE OF INCREASES OR DECREASES

Principal amount of Note outstanding represented by this Security as of October 10, 2007: $[ ]

Thereafter, the following increases or decreases have been made:

Date of Redemption or Repurchase	Increase in Principal Amount	Decrease in Principal Amount	Principal Amount Remaining	Notation Made by or on Behalf of the Trustee

FORM OF REGULATION S TEMPORARY GLOBAL NOTE

(FACE OF NOTE)

[Temporary Global Security Legend]
[Global Securities Legend]

CUSIP No.
ISIN No.

SYMETRA FINANCIAL CORPORATION

CAPITAL EFFICIENT NOTES DUE 2067

No. __________

SYMETRA FINANCIAL CORPORATION, a corporation organized under the laws of the State of Delaware (hereinafter called the "**Company**," which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay [Cede & Co.] or its registered assigns, the principal amount of $, which amount may be increased or decreased from time to time on Schedule I hereto on October 15, 2067 (the "**Final Maturity Date**"); *provided* that the principal amount of, and all accrued and unpaid Interest on, this Security shall be payable in full on October 15, 2037 (the "**Scheduled Maturity Date**") or any subsequent Interest Payment Date to the extent, and subject to the conditions, set forth in the Indenture; *provided further* that, if any date fixed for redemption or repayment is not a Business Day; redemption or repayment of the principal amount will be made on the next day that is a Business Day, without any Interest or other payment as a result of such delay.

The Company further promises to pay Interest on said principal amount from October 10, 2007 or from the most recent Interest Payment Date for which Interest has been paid or duly provided for. This Security shall bear Interest (i) from and including October 10, 2007 to but excluding October 15, 2017 (or if earlier, until the principal hereof is paid in full), at the annual rate of 8.300%, payable, and subject to deferral, in each case as set forth in the Indenture, and (ii) from and including October 15, 2017 to but excluding the Final Maturity Date (or if earlier, until the principal hereof is paid in full), at an annual rate equal to Three-month LIBOR plus 4.177%, payable, and subject to deferral, in each case as set forth in the Indenture.

The Company shall have the right, at any time and from time to time prior to the Final Maturity Date to defer the payment of Interest on this Security as set forth in, and subject to the conditions specified in, the Indenture.

Each Holder, by such Holder's acceptance hereof, agrees that if a Bankruptcy Event shall occur prior to the redemption or repayment of this Security, such Holder shall not have a claim for, and shall have no right to receive, unpaid Deferred Interest (including Additional Interest thereon) to the extent that such Deferred Interest (including Additional Interest thereon) exceeds the sum of (x) Interest that relates to the earliest two years of the portion of the Deferral Period for the Notes for which Interest has not been paid (including Additional Interest thereon) and (y) an amount equal to such Holder's *pro rata* share of the excess, if any, of the Preferred Stock Cap over the aggregate amount of net proceeds from the sale of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock and unconverted and outstanding Mandatorily Convertible Preferred Stock that the Company has applied to pay Interest on the Notes pursuant to the Alternative Payment Mechanism. To the extent that such claim for unpaid Deferred Interest (including Additional Interest thereon) exceeds the amount set forth in clause (x), the Holders shall be deemed to agree that the amount they receive in respect of such excess shall not exceed the amount they would have received had such claim ranked *pari passu* with the claims of the holders, if any, of the Company's Qualifying Non-Cumulative Perpetual Preferred Stock.

The Company may, at its option and subject to the terms and conditions of the Indenture and Article 11 of the Indenture, redeem this Security (A) in whole or in part on October 15, 2017 and on each Interest Payment Date thereafter at a Redemption Price equal to 100% of the principal amount of this Security plus accrued and unpaid Interest to the Redemption Date, and (B) prior to October 15, 2017, (i) in whole or in part, at a Redemption Price equal to 100% of the principal amount of this Security or, if greater, a Make-Whole Price specified in the Indenture, in either case plus accrued and unpaid Interest to the Redemption Date, and (ii) in whole but not in part, within 90 days after the occurrence of a Special Event, at a Redemption Price equal to 100% of the principal amount of this Security or, if greater, a Special Event Make-Whole Price specified in the Indenture, in either case plus accrued and unpaid Interest to the Redemption Date.

The Securities are subordinated in right of payment, in the manner and to the extent set forth in the Indenture, to the prior payment in full of all Senior Indebtedness (as defined in the Indenture). Each Holder of this Security, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes the Trustee on his behalf, if so directed by the Company, to take such actions as may be necessary or appropriate to effectuate the subordination so provided and (c) appoints the Trustee his attorney-in-fact for any and all such purposes. Each Holder hereof, by his acceptance hereof, waives all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such holder upon said provisions.

On any exchange or purchase, as applicable, and cancellation of any of the Securities represented by this Temporary Global Note, details of such purchase and cancellation shall be entered by or on behalf of the Company in the records of the Trustee and the Depositary, and cancellation shall be signed by or on behalf of the Company. Upon any such exchange or purchase, as applicable, and cancellation, the principal amount of this Temporary Global Note and the Securities represented by this Temporary Global Note shall be reduced by the principal amount so exchanged or purchased and cancelled.

An owner of a beneficial interest in this Regulation S Temporary Global Note (or a Person acting on behalf of such an owner) may provide to Euroclear or Clearstream, as applicable, (and Euroclear or Clearstream will accept) a duly completed Certificate of Beneficial Ownership at any time after the termination of the Distribution Compliance Period (it being understood that Euroclear or Clearstream, as applicable, will not accept any such certificate during the Distribution Compliance Period). Promptly after receipt by the Trustee of a Certificate of Beneficial Ownership from DTC on behalf of Euroclear or Clearstream, as applicable (or other appropriate confirmation to such effect in accordance with the Applicable Procedures), with respect to such a beneficial interest, the Trustee will cause such beneficial interest to be exchanged for an equivalent beneficial interest in a Regulation S Permanent Global Note, and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of this beneficial interest and (y) increase the principal amount of such Regulation S Permanent Global Note by the amount of such beneficial interest, in each case subject to the Applicable Procedures. Notwithstanding the previous two sentences, if after the Distribution Compliance Period any Initial Purchaser owns a beneficial interest in this Regulation S Temporary Global Note, such Initial Purchaser may, upon written request to the Trustee accompanied by a certification as to its status as an Initial Purchaser and as the owner of such beneficial interest (but without any requirement to deliver a Certificate of Beneficial Ownership), exchange such beneficial interest for an equivalent beneficial interest in a Regulation S Permanent Global Note, and the Trustee will comply with such request and will (x) permanently reduce the principal amount of such Regulation S Temporary Global Note by the amount of such beneficial interest and (y) increase the principal amount of such Regulation S Permanent Global Note by the amount of such beneficial interest, in each case subject to the Applicable Procedures.

Upon the receipt by the Trustee of a written certificate from DTC, together with copies of certificates from Euroclear and Clearstream certifying that they have received Certificates of Beneficial Ownership representing 100% of the aggregate principal amount of this Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Distribution Compliance Period pursuant to another exemption from registration under the Securities Act and who shall take delivery of a beneficial ownership interest in a Rule 144A Global Note) (or, in any such case, offer appropriate confirmation to such effect in accordance with the Applicable Procedures), the Trustee shall cancel this Regulation S Temporary Global Note.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

This Security is a duly authorized security of the Company (herein called the “**Security**”), issued under an Indenture, dated as of October 10, 2007 (herein called the “**Indenture**”), between the Company and U.S. Bank National Association, as Trustee (herein called the “**Trustee**,” which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Trustee, the Company and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture, as the case may be.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

SYMETRA FINANCIAL CORPORATION

By: ______________________________
Name:
Title:

Dated: October 10, 2007

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: ______________________________
Authorized Signatory

Dated: October 10, 2007

REVERSE OF SECURITY

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer or exchange at the office or agency of the Company maintained under Section 10.02 of the Indenture duly endorsed by, or accompanied by written instrument of transfer in form satisfactory to the Company and the Security Registrar or co-Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Security is issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

The Company and, by its acceptance of this Security or a beneficial interest therein, the Holder of, and any Person that acquires beneficial interest in, this Security agree that, for United States federal, state and local tax purposes, it is intended that this Security constitute indebtedness.

THE INDENTURE AND THIS SECURITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SCHEDULE I

SCHEDULE OF INCREASES OR DECREASES

Principal amount of Note outstanding represented by this Security as of October 10, 2007: $[ ]

Thereafter, the following increases or decreases have been made:

Date of Redemption or Repurchase	Increase in Principal Amount	Decrease in Principal Amount	Principal Amount Remaining	Notation Made by or on Behalf of the Trustee

EXHIBIT B

FORM OF LEGENDS FOR NOTES

[Global Securities Legend]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY OR A SUCCESSOR DEPOSITORY. THIS SECURITY IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SECURITY (OTHER THAN A TRANSFER OF THIS SECURITY AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES. DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE DEPOSITORY OR A NOMINEE OF THE DEPOSITORY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO ITS NOMINEE OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, A NOMINEE OF THE DEPOSITORY, HAS AN INTEREST HEREIN.

[Restricted Securities Legend]

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OF THIS SECURITY, THE HOLDER: (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (2) AGREES THAT IT WILL NOT, PRIOR TO EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THIS SECURITY UNDER RULE 144(k) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO SYMETRA FINANCIAL CORPORATION OR ANY SUBSIDIARY THEREOF, (B) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE

SECURITIES ACT, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (D) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT (AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER), OR (E) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT; AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IF THE PROPOSED TRANSFEREE IS A PURCHASER WHO IS NOT A QUALIFIED INSTITUTIONAL BUYER OR A U.S. PERSON, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO U.S. BANK NATIONAL ASSOCIATION AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE), SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THIS LEGEND WILL BE REMOVED UPON THE EARLIER OF THE TRANSFER OF THIS SECURITY PURSUANT TO CLAUSE 2(D) ABOVE OR UPON ANY TRANSFER OF THIS SECURITY UNDER RULE 144(k) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION). AS USED IN THIS SECURITY, THE TERMS “OFFSHORE TRANSACTION,” “UNITED STATES” AND “U.S. PERSON” HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

[Temporary Global Security Legend]

THIS SECURITY IS A TEMPORARY GLOBAL SECURITY. PRIOR TO THE EXPIRATION OF THE DISTRIBUTION COMPLIANCE PERIOD APPLICABLE HERETO, BENEFICIAL INTERESTS HEREIN MAY NOT BE HELD BY ANY PERSON OTHER THAN (1) A NON-U.S. PERSON OR (2) A U.S. PERSON WHO PURCHASED SUCH INTEREST IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT PURSUANT TO RULE 144A THEREUNDER. BENEFICIAL INTERESTS HEREIN ARE NOT EXCHANGEABLE FOR PHYSICAL SECURITIES OTHER THAN A PERMANENT GLOBAL SECURITY IN ACCORDANCE WITH THE TERMS OF THE INDENTURE. TERMS IN THIS LEGEND ARE USED AS USED IN REGULATION S UNDER THE SECURITIES ACT.

NO BENEFICIAL OWNERS OF THIS TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF PRINCIPAL OR INTEREST HEREON UNTIL SUCH BENEFICIAL INTEREST IS EXCHANGED OR TRANSFERRED FOR AN INTEREST IN ANOTHER NOTE.

EXHIBIT C-1

FORM OF TRANSFER CERTIFICATE
TRANSFER TO
REGULATION S TEMPORARY GLOBAL SECURITY
OR
REGULATION S PERMANENT GLOBAL SECURITY
(Transfers pursuant to Sections 2.18(a)(iii) and (iv)
of the Indenture)

U.S. Bank National Association
Corporate Trust Services
1420 5th Avenue, 7th Floor
Seattle, WA 98101
Attention: Symetra Financial Corporation, Capital Efficient Notes due 2067

Attn: Symetra Financial Corporation Administrator

Re: SYMETRA FINANCIAL CORPORATION
Capital Efficient Notes due 2067 (the "Securities")

Reference is hereby made to the Indenture dated as of October 10, 2007 (the "Indenture") between Symetra Financial Corporation, as Company, and U.S. Bank National Association, as Trustee. Terms used but not defined herein and defined in Regulation S under the U.S. Securities Act of 1933 (the "Securities Act") or in the Indenture shall have the meanings given to them in Regulation S or the Indenture, as the case may be.

This certificate relates to U.S.$ __________ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s). U79664AB1

ISIN No(s). USU79664AB19

CERTIFICATE No(s). __________

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that either (i) it is the sole beneficial owner of the Specified Securities or (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so. Such beneficial owner or owners are referred to herein collectively as the "Owner." If the Specified Securities are represented by a Global Security, they are held through the appropriate Depositary or a Depositary Participant in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the "Transferee") who will take delivery in the form of an interest in a Regulation S Global Security. In connection with such transfer, the Owner hereby certifies that such transfer is being effected in accordance with Regulation S under the Securities Act and with all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

1. the offer of the Specified Securities was not made to a person in the United States;

2. either: (a) at the time the buy order was originated, the Transferee was outside the United States or the Owner and any person acting on its behalf reasonably believed that the Transferee was outside the United States; or (b) the transaction is being executed in, on or through the facilities of the Eurobond market, as regulated by the Association of International Bond Dealers, or another designated offshore securities market and neither the Owner nor any person acting on its behalf knows that the transactions have been prearranged with a buyer in the United States;

3. no directed selling efforts have been made in the United States by or on behalf of the Owner or any affiliate thereof;

4. the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and

In addition, if the sale is made during a restricted period and the provisions of Rule 903(b)(3) or Rule 904(b)(l) of Regulation S are applicable thereto, the Owner confirms that such sale has been made in accordance with the applicable provisions of Rule 903(b)(3) or Rule 904(b)(1), as the case may be.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Initial Purchasers under the Purchase Agreement.

Dated:

____
(Print the name of the Undersigned, as such term is defined in the second paragraph of this certificate.)

By: ____________________________
Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

EXHIBIT C-2

FORM OF TRANSFER CERTIFICATE
TRANSFER TO
RULE 144A GLOBAL SECURITY
(Transfers to QIBs Pursuant to Sections 2.18(a)(v) and (vi)
of the Indenture)

U.S. Bank National Association
Corporate Trust Services
1420 5th Avenue, 7th Floor
Seattle, WA 98101
Attention: Symetra Financial Corporation, Capital Efficient Notes due 2067

Attn: Symetra Financial Corporation Administrator

Re: SYMETRA FINANCIAL CORPORATION
Capital Efficient Notes due 2067 (the "Securities")

Reference is hereby made to the Indenture dated as of October 10, 2007 (the "Indenture") between Symetra Financial Corporation, as Company, and U.S. Bank National Association , as Trustee. Terms used but not defined herein and defined in Regulation S under the U.S. Securities Act of 1933 (the "Securities Act") or in the Indenture shall have the meanings given to them in Regulation S or the Indenture, as the case may be.

This certificate relates to U.S.$ __________ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s). 87151QAB2

ISIN No(s). US87151QAB23

CERTIFICATE No(s). __________

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that either (i) it is the sole beneficial owner of the Specified Securities or (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so. Such beneficial owner or owners are referred to herein collectively as the "Owner." If the Specified Securities are represented by a Global Security, they are held through the appropriate Depositary or a Depositary Participant in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the "Transferee") who will take delivery in the form of an interest in a Rule 144A Global Security. In connection with such transfer, the Owner hereby certifies that such transfer is being effected in accordance with Rule 144A under the Securities Act and with all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

(1) the Specified Securities are being transferred to a person that the Owner and any person acting on its behalf reasonably believe is a “qualified institutional buyer” within the meaning of Rule 144A, acquiring for its own account or for the account of a qualified institutional buyer; and

(2) the Owner and any person acting on its behalf have taken reasonable steps to ensure that the Transferee is aware that the Owner may be relying on Rule 144A in connection with the transfer.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Initial Purchasers under the Purchase Agreement.

Dated:

(Print the name of the Undersigned, as such term is defined in the second paragraph of this certificate.)

By:

Name:

Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

EXHIBIT D

Certificate of Beneficial Ownership

To: [Euroclear Bank S.A./N.V., as operator of the Euroclear System] OR

[Clearstream Banking, *société anonyme*]

Re: Symetra Financial Corporation
Capital Efficient Notes due 2067 (the "Notes")
Issued under the Indenture dated as of
October 10, 2007 relating to the Notes

Ladies and Gentlemen:

We are the beneficial owner of $ __________ principal amount of Notes issued under the Indenture and represented by a Regulation S Temporary Global Note (as defined in the Indenture).

We hereby certify as follows:

[CHECK A OR B AS APPLICABLE.]

o A. We are a non-U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended).

o B. We are a U.S. person (within the meaning of Regulation S under the Securities Act of 1933, as amended) that purchased the Notes in a transaction that did not require registration under the Securities Act of 1933, as amended.

You and the Company are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF BENEFICIAL OWNER]

By: ______________________________
Name:
Title:
Address:

Date: ______________________________

EXHIBIT E

REPLACEMENT CAPITAL COVENANT

REPLACEMENT CAPITAL COVENANT, dated as of October 10, 2007 (this ***"Replacement Capital Covenant"),*** by Symetra Financial Corporation, a Delaware corporation (together with its successors and assigns, the ***"Corporation"),*** in favor of and for the benefit of each Covered Debtholder (as defined below).

RECITALS

A. On the date hereof, the Corporation is issuing $150,000,000 aggregate principal amount of its Capital Efficient Notes due 2067 (the ***"CENts").***

B. This Replacement Capital Covenant is the ***"Replacement Capital Covenant"*** referred to in the Corporation's Offering Memorandum dated October 10, 2007 relating to the CENts.

C. The Corporation is entering into and disclosing the content of this Replacement Capital Covenant in the manner provided below with the intent that the covenants provided for in this Replacement Capital Covenant be enforceable by each Covered Debtholder and that the Corporation be estopped from disregarding the covenants in this Replacement Capital Covenant, in each case to the fullest extent permitted by applicable law.

D. The Corporation acknowledges that reliance by each Covered Debtholder upon the covenants in this Replacement Capital Covenant is reasonable and foreseeable by the Corporation and that, were the Corporation to disregard its covenants in this Replacement Capital Covenant, each Covered Debtholder would have sustained an injury as a result of its reliance on such covenants.

NOW, THEREFORE, the Corporation hereby covenants and agrees as follows in favor of and for the benefit of each Covered Debtholder.

SECTION 1. Definitions

Capitalized terms used in this Replacement Capital Covenant (including the Recitals) have the meanings set forth in **Schedule I** hereto.

SECTION 2. Limitations on Repayment, Redemption and Purchase of CENts

The Corporation hereby promises and covenants to and for the benefit of each Covered Debtholder that the Corporation shall not repay, redeem or purchase, nor shall any Subsidiary of the Corporation purchase, any of the CENts prior to the Termination Date except to the extent that the principal amount repaid or the applicable redemption or purchase price does not exceed the sum of the Applicable Percentages of the following amounts:

(i) the aggregate amount of net cash proceeds received by the Corporation and its Subsidiaries since the most recent Measurement Date (without double counting proceeds received in any prior Measurement Period) from the sale of Replacement Capital Securities to Persons other than the Company and its Subsidiaries, plus

(ii) the product of the Current Stock Market Price of any Common Stock that the Corporation and its Subsidiaries have issued (determined as of the date of issuance) to Persons other than the Company and its Subsidiaries in connection with the conversion of any convertible or exchangeable securities, other than securities for which the Corporation or any of its Subsidiaries has received equity credit from any NRSRO, multiplied by the number of shares of Common Stock so issued, since the most recent Measurement Date (without double counting proceeds received in any prior Measurement Period).

For purposes of this Replacement Capital Covenant, the terms “repay” and “repayment” include the defeasance by the Corporation of the CENts as well as the satisfaction and discharge of its obligations under the Indenture with respect to the CENts.

SECTION 3. Covered Debt

(a) The Corporation represents and warrants that the Initial Covered Debt is Eligible Debt.

(b) On or during the 30-day period immediately preceding any Redesignation Date with respect to the Covered Debt then in effect, the Corporation shall identify the series of Eligible Debt that will become the Covered Debt on and after such Redesignation Date in accordance with the following procedures:

(i) the Corporation shall identify each series of its then-outstanding long-term indebtedness for money borrowed that is Eligible Debt;

(ii) if only one series of the Corporation’s then outstanding long-term indebtedness for money borrowed is Eligible Debt, such series shall become the Covered Debt commencing on the related Redesignation Date;

(iii) if the Corporation has more than one outstanding series of long-term indebtedness for money borrowed that is Eligible Debt, then the Corporation shall identify the series that has the latest occurring final maturity date as of the date the Corporation is applying the procedures in this Section 3(b) and such series shall become the Covered Debt on the related Redesignation Date;

(iv) the series of outstanding long-term indebtedness for money borrowed that is determined to be Covered Debt pursuant to clause (ii) or (iii) above shall be the Covered Debt for purposes of this Replacement Capital Covenant for the period commencing on the related Redesignation Date and continuing to but excluding the Redesignation Date as of which a new series of outstanding long-term indebtedness for money borrowed is next determined to be the Covered Debt pursuant to the procedures set forth in this Section 3(b); and

(v) in connection with such identification of a new series of Covered Debt, the Corporation shall, as provided for in Section 3(c), (i) if the Corporation is a reporting company under the Securities Exchange Act (a ***“Reporting Company”***), give a notice and file with the Commission a current report on Form 8-K (or any successor form) including or incorporating by reference this Replacement Capital Covenant as an exhibit, and (ii) if the Corporation is not a Reporting Company, follow the procedures provided in Section 3(c)(iv) , each within the time frame *provided* for in Section 3(c).

(c) *Notice.* In order to give effect to the intent of the Corporation described in Recital C, the Corporation covenants that:

(i) simultaneously with the execution of this Replacement Capital Covenant or as soon as practicable after the date hereof, it shall (x) give notice to the Holders of the Initial Covered Debt, in the manner provided in the indenture relating to the Initial Covered Debt, of this Replacement

Capital Covenant and the rights granted to such Holders hereunder and (y) cause a notice of the execution of this Replacement Capital Covenant to be posted on the Bloomberg screen for the Initial Covered Debt and each similar third-party vendor's screen the Corporation reasonably believes is appropriate (each an ***"Investor Screen"***) and cause a hyperlink to a definitive copy of this Replacement Capital Covenant to be included on the Investor Screen for the Initial Covered Debt, in each case to the extent permitted by Bloomberg or such similar third-party vendor, as the case may be;

(ii) if the Corporation is a Reporting Company, the Corporation shall include in each annual report filed with the Commission on Form 10-K (or any successor form) under the Securities Exchange Act a description of the covenant set forth in Section 2 and identify the series of long-term indebtedness for borrowed money that is Covered Debt as of the date such Form 10-K (or such successor form) is filed with the Commission;

(iii) if a series of the Corporation's long-term indebtedness for money borrowed (1) becomes Covered Debt or (2) ceases to be Covered Debt, the Corporation shall give notice of such occurrence within 30 days to the holders of such long-term indebtedness for money borrowed in the manner provided for in the indenture, fiscal agency agreement or other instrument under which such long-term indebtedness for money borrowed was issued and, if the Corporation is a Reporting Company, report such change in a current report on Form 8-K (or any successor form) including or incorporating by reference this Replacement Capital Covenant, and in the Corporation's next annual report on Form 10-K (or any successor form) , as applicable;

(iv) if, and only if, the Corporation is not a Reporting Company, the Corporation shall (x) post on its website the information otherwise required to be included in Securities Exchange Act filings pursuant to clauses (ii) and (iii) of this Section 3(c) and (y) cause a notice of the execution of this Replacement Capital Covenant to be posted on the applicable Investor Screen and cause a hyperlink to a definitive copy of this Replacement Capital Covenant to be included on the Investor Screen for each series of Covered Debt, in each case to the extent permitted by Bloomberg or such similar third-party vendor, as the case may be; and

(v) promptly upon request by any Holder of Covered Debt, the Corporation shall provide such Holder with a copy of this Replacement Capital Covenant as executed.

(d) The Corporation agrees that, if at any time the Covered Debt is held by a trust (for example, where the Covered Debt is part of an issuance of trust preferred securities), a holder of the securities issued by such trust may enforce (including by instituting legal proceedings) this Replacement Capital Covenant directly against the Corporation as though such holder owned Covered Debt directly, and such holder shall be deemed to be a holder of ***"Covered Debt"*** for purposes of this Replacement Capital Covenant for so long as the indebtedness held by such trust remains Covered Debt hereunder.

SECTION 4. Termination, Amendment and Waiver

(a) The obligations of the Corporation pursuant to this Replacement Capital Covenant shall remain in full force and effect until the earliest date (the ***"Termination Date")*** to occur of:

(i) the date, if any, on which the Holders of a majority in principal amount of the then-effective series of Covered Debt consent or agree in writing to the termination of this Replacement Capital Covenant and the obligations of the Corporation hereunder;

(ii) the date on which the Corporation ceases to have any series of outstanding Eligible Senior Debt or Eligible Subordinated Debt (in each case without giving effect to the rating requirement in clause (b) of the definition of each such term);

(iii) October 15, 2047 or, if earlier, the date on which the CENts are otherwise repaid, redeemed or purchased in full in accordance with this Replacement Capital Covenant; and

(iv) the date on which the CENts become accelerated due to the occurrence of an event of default.

From and after the Termination Date, the obligations of the Corporation pursuant to this Replacement Capital Covenant shall be of no further force and effect.

(b) This Replacement Capital Covenant may be amended or supplemented from time to time by a written instrument signed by the Corporation with the consent of the Holders of at least a majority in principal amount of the then-effective series of Covered Debt, *provided* that this Replacement Capital Covenant may be amended or supplemented from time to time by a written instrument signed only by the Corporation (and without the consent of any Covered Debtholder) if:

(i) such amendment or supplement eliminates Common Stock, Warrants, Mandatorily Convertible Preferred Stock and/or Debt Exchangeable for Common Equity as a Replacement Capital Security and, in the case of this clause (i), after the date of this Replacement Capital Covenant, an accounting standard or interpretive guidance of an existing accounting standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective such that there is more than an insubstantial risk that failure to eliminate Common Stock, Warrants, Mandatorily Convertible Preferred Stock and/or Debt Exchangeable for Common Equity as a Replacement Capital Security would result in a reduction in the Corporation's earnings per share as calculated in accordance with generally accepted accounting principles in the United States;

(ii) such amendment or supplement is not adverse to the Holders of the then-effective series of Covered Debt and an officer of the Corporation has delivered to the Holders of the then-effective series of Covered Debt in the manner provided for in the indenture, fiscal agency agreement or other instrument with respect to such Covered Debt a written certificate stating that, in his or her determination, such amendment or supplement is not adverse to the Holders of the then-effective series of Covered Debt; or

(iii) the effect of such amendment or supplement is solely to impose additional restrictions on, or eliminate (subject to clause (i) in the circumstances where it applies) certain of, the types of securities qualifying as Replacement Capital Securities, and an officer of the Corporation has delivered to the Holders of the then-effective series of Covered Debt in the manner provided for in the indenture, fiscal agency agreement or other instrument with respect to such Covered Debt a written certificate to that effect.

For the avoidance of doubt, an amendment or supplement that adds new types of Qualifying Capital Securities or modifies the requirements of the Qualifying Capital Securities described herein would not be adverse to the rights of the Covered Debtholders if, following such amendment or supplement, this Replacement Capital Covenant would satisfy clause (ii) of the definition of Qualifying Replacement Capital Covenant.

(c) For purposes of Sections 4(a) and 4(b), the Holders whose consent or agreement is required to terminate, amend or supplement the obligations of the Corporation under this Replacement Capital Covenant shall be the Holders of the then-effective Covered Debt as of a record date established by the Corporation that is not more than 30 days prior to the date on which the Corporation proposes that such termination, amendment or supplement becomes effective.

SECTION 5. Miscellaneous

(a) This Replacement Capital Covenant shall be governed by and construed in accordance with the laws of the State of New York.

(b) This Replacement Capital Covenant shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of the Covered Debtholders as they exist from time-to-time (it being understood and agreed by the Corporation that any Person who is a Covered Debtholder shall retain its status as a Covered Debtholder for so long as the series of long-term indebtedness for borrowed money owned by such Person is Covered Debt and if such Person initiates an action, claim or proceeding to enforce its rights under this Replacement Capital Covenant after the Corporation has violated its covenants in Section 2 and before the series of long-term indebtedness for money borrowed held by such Person is no longer Covered Debt, such Person's rights under this Replacement Capital Covenant shall not terminate by reason of such series of long-term indebtedness for money borrowed no longer being Covered Debt).

(c) All demands, notices, requests and other communications to the Corporation under this Replacement Capital Covenant shall be deemed to have been duly given and made if in writing and (i) if served by personal delivery upon the Corporation, on the day so delivered (or, if such day is not a Business Day, the next succeeding Business Day), or (ii) if delivered by registered post or certified mail, return receipt requested, or sent to the Corporation by a national or international courier service, on the date of receipt by the Corporation (or, if such date of receipt is not a Business Day, the next succeeding Business Day), and in each case to the Corporation at the address set forth below, or at such other address as the Corporation may thereafter notify to Covered Debtholders or post on its website as the address for notices under this Replacement Capital Covenant:

Symetra Financial Corporation
PO Box 34690
Seattle, Washington 98124-1690
Attention: [ ]

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Corporation has caused this Replacement Capital Covenant to be executed by its duly authorized officer, as of the day and year first above written.

SYMETRA FINANCIAL CORPORATION

By: ________________________________

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

SCHEDULE I

DEFINITIONS

"Alternative Payment Mechanism" means, with respect to any Qualifying Capital Securities, provisions in the related transaction documents permitting the Corporation, in its sole discretion, to defer or skip in whole or in part payment of Distributions on such Qualifying Capital Securities for one or more consecutive Distribution Periods not to exceed ten years and requiring the Corporation to issue (or use Commercially Reasonable Efforts to issue) one or more types of APM Qualifying Securities raising eligible proceeds at least equal to the deferred Distributions on such Qualifying Capital Securities and apply the proceeds to pay unpaid Distributions on such Qualifying Capital Securities, commencing on the earlier of (x) the first Distribution Date after commencement of a deferral period on which the Corporation pays current Distributions on such Qualifying Capital Securities and (y) the fifth anniversary of the commencement of such deferral period, and that:

(i) define ***"eligible proceeds"*** to mean, for purposes of such Alternative Payment Mechanism, the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuance or sale of the relevant securities, where applicable, and including the fair market value of property received by the Corporation or any of its Subsidiaries as consideration for such APM Qualifying Securities) that the Corporation has received during the 180 days prior to the related Distribution Date from the issuance of APM Qualifying Securities, up to the Preferred Cap in the case of APM Qualifying Securities that are Qualifying Non-Cumulative Preferred Stock or Mandatorily Convertible Preferred Stock;

(ii) permit the Corporation to pay current Distributions on any Distribution Date out of any source of funds but (x) require the Corporation to pay deferred Distributions only out of eligible proceeds and (y) prohibit the Corporation from paying deferred Distributions out of any source of funds other than eligible proceeds;

(iii) if deferral of Distributions continues for more than one year (or such shorter period as provided for in the terms of such securities), require the Corporation and its Subsidiaries not to repay, redeem or purchase any of its securities that rank junior to or *pari passu* with any APM Qualifying Securities on a bankruptcy or liquidation of the Corporation the proceeds of which were used to settle deferred interest during the relevant deferral period until at least one year after all deferred Distributions have been paid *(a* ***"Repurchase Restriction"***), other than the following (none of which shall be restricted or prohibited by a Repurchase Restriction):

(A) purchases of such securities by the Corporation's Subsidiaries in connection with the distribution thereof or market-making or other secondary-market activities;

(B) purchases, redemptions or other acquisitions of Common Stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants; or

(C) purchases of Common Stock pursuant to a contractually binding requirement to buy Common Stock entered into prior to the beginning of the related deferral period, including under a contractually binding stock repurchase plan;

(iv) may include a provision that, notwithstanding the Common Cap and the Preferred Cap, for purposes of paying deferred Distributions, limits the Corporation's ability to sell Common Stock, Warrants or Mandatorily Convertible Preferred Stock above the Share Cap;

(v) in the case of Qualifying Capital Securities other than Qualifying Non-Cumulative Preferred Stock, include a Bankruptcy Claim Limitation Provision;

(vi) permit the Corporation, at its option, to provide that if it is involved in a merger, consolidation, amalgamation, binding stock exchange or conveyance, transfer or lease of assets substantially as an entirety to any other person or a similar transaction *(a **"Business Combination"**)* where immediately after the consummation of the Business Combination more than 50% of the voting stock of the surviving entity of the Business Combination or the Person to whom all or substantially all of the Corporation's assets have been transferred, conveyed or leased is owned, directly or indirectly, by the stockholders of the other party to the Business Combination, then clauses (i) through (iii) of this definition will not apply to any deferral period that is terminated on the next Distribution Date following the date of the Business Combination;

(vii) limit the obligation of the Corporation to issue (or use Commercially Reasonable Efforts to issue) APM Qualifying Securities that are Common Stock and Warrants to settle deferred Distributions pursuant to the Alternative Payment Mechanism either (A) during the first five years of any deferral period or (B) before an anniversary of the commencement of any deferral period that is not earlier than the fifth such anniversary and not later than the ninth such anniversary (as designated in the terms of such Qualifying Capital Securities) with respect to deferred Distributions attributable to the first five years of such deferral period, either:

(X) to an aggregate amount of such securities, the net proceeds from the issuance of which is equal to 2% of the product of the average of the Current Stock Market Price of the Common Stock on the ten consecutive trading days ending on the fourth trading day immediately preceding the date of issuance multiplied by the total number of issued and outstanding shares of Common Stock as of the date of the Corporation's most recent publicly available consolidated financial statements; or

(Y) to a number of shares of Common Stock and Warrants, in the aggregate, not in excess of 2% of the outstanding number of shares of Common Stock (such limitation set forth in (X) or (Y), the ***"Common Cap"***); and

(viii) limit the right of the Corporation to issue APM Qualifying Securities that are Qualifying Non-Cumulative Preferred Stock and Mandatorily Convertible Preferred Stock to settle deferred Distributions pursuant to the Alternative Payment Mechanism to an aggregate amount of Qualifying Non-Cumulative Preferred Stock and still-outstanding Mandatorily Convertible Preferred Stock, the net proceeds from the issuance of which with respect to all deferral periods is equal to 25% of the liquidation or principal amount of such Qualifying Capital Securities (the ***"Preferred Cap"***);

provided (and it being understood) that:

(A) the Corporation shall not be obligated to issue (or use Commercially Reasonable Efforts to issue) APM Qualifying Securities for so long as a Market Disruption Event has occurred and is continuing;

(B) if, due to a Market Disruption Event or otherwise, the Corporation is able to raise and apply some, but not all, of the eligible proceeds necessary to pay all deferred Distributions on any Distribution Date, the Corporation will apply any available eligible proceeds to pay accrued and unpaid Distributions on the applicable Distribution Date in chronological order subject to the Common Cap, Preferred Cap and Share Cap, as applicable; and

(C) if the Corporation has outstanding more than one class or series of securities under which it is obligated to sell a type of APM Qualifying Securities and apply some part of the proceeds to the payment of deferred Distributions, then on any date and for any period the amount of net proceeds received by the Corporation from those sales and available for payment of deferred Distributions on such securities shall be applied to such securities on a *pro rata* basis up to the Common Cap, the Preferred Cap and the Share Cap, as applicable, in proportion to the total amounts that are due on such securities.

"APM Qualifying Securities" means, with respect to an Alternative Payment Mechanism, or any Mandatory Trigger Provision, one or more of the following (as designated in the transaction documents for any Qualifying Capital Securities that include an Alternative Payment Mechanism or a Mandatory Trigger Provision, as applicable):

(i) Common Stock;

(ii) Warrants;

(iii) Qualifying Non-Cumulative Preferred Stock; or

(iii) Mandatorily Convertible Preferred Stock;

provided (and it being understood) that (i) if the APM Qualifying Securities for any Alternative Payment Mechanism or Mandatory Trigger Provision include both Common Stock and Warrants, such Alternative Payment Mechanism or Mandatory Trigger Provision may permit, but need not require, the Corporation to issue Warrants and (ii) such Alternative Payment Mechanism or Mandatory Trigger Provision may permit, but need not require, the Corporation to issue Mandatorily Convertible Preferred Stock.

"Applicable Percentage" means:

(i) in the case of any Common Stock or Warrants, (a) 133.33% with respect to any repayment, redemption or purchase prior to October 15, 2017, (b) 200% with respect to any repayment, redemption or purchase on or after October 15, 2017 and prior to October 15, 2037 and (c) 400% with respect to any repayment, redemption or purchase on or after October 15, 2037;

(ii) in the case of any Mandatorily Convertible Preferred Stock, Debt Exchangeable for Common Equity, Debt Exchangeable for Preferred Equity or any Qualifying Capital Securities described in clause (i) of the definition of such term, (a) 100% with respect to any repayment, redemption or purchase prior to October 15, 2037 and (b) 300% with respect to any repayment, redemption or purchase on or after October 15, 2037;

(iii) in the case of any Qualifying Capital Securities described in clause (ii) of the definition of such term, (a) 100% with respect to any repayment, redemption or purchase prior to October 15, 2037 and (b) 200% with respect to any repayment, redemption or purchase on or after October 15, 2037; and

(iv) in the case of any Qualifying Capital Securities described in clause (iii) of the definition of such term, 100%.

"Bankruptcy Claim Limitation Provision" means, with respect to any Qualifying Capital Securities that have an Alternative Payment Mechanism or a Mandatory Trigger Provision, provisions that, upon any liquidation, dissolution, winding up or reorganization or in connection with any insolvency, receivership or proceeding under any bankruptcy law with respect to the issuer, limit the claim of the holders of such securities to Distributions that accumulate during (A) any deferral period, in the case of securities that have an Alternative Payment Mechanism or (B) any period in which the issuer fails to satisfy one or more financial tests set forth in the terms of such securities or related transaction agreements, in the case of securities that have a Mandatory Trigger Provision, to:

(i) in the case of Qualifying Capital Securities that have an Alternative Payment Mechanism or Mandatory Trigger Provision with respect to which the APM Qualifying Securities do not include Qualifying Non-Cumulative Preferred Stock or Mandatorily Convertible Preferred Stock, 25% of the stated or principal amount of such Qualifying Capital Securities then outstanding; and

(ii) in the case of any other Qualifying Capital Securities, an amount not in excess of the sum of (x) the first two years of accumulated and unpaid Distributions and (y) an amount equal to the excess, if any, of the Preferred Cap over the aggregate amount of net proceeds from the sale of Qualifying Non-Cumulative Preferred Stock and Mandatorily Convertible Preferred Stock that is still outstanding that the issuer has applied to pay such Distributions pursuant to the Alternative Payment Mechanism or the Mandatory Trigger Provision; *provided* that the holders of such Qualifying Capital Securities are deemed to agree that, to the extent the remaining claim exceeds the amount set forth in clause (x), the amount they receive in respect of such excess shall not exceed the amount they would have received the claim for such excess ranked *pari passu* with the interests of the holders, if any, of Qualifying Non-Cumulative Preferred Stock.

"Business Combination" has the meaning specified in clause (vi) of the definition of Alternative Payment Mechanism.

"Business Day" means each day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed.

"CENts" has the meaning specified in Recital A.

"Commercially Reasonable Efforts" means, for purposes of selling APM Qualifying Securities, commercially reasonable efforts to complete the offer and sale of APM Qualifying Securities to third parties that are not Subsidiaries of the Corporation, which in the event the Corporation is not publicly traded shall include the Corporation's existing stockholders, in public offerings or private placements. The Corporation shall not be considered to have made Commercially Reasonable Efforts to effect a sale of APM Qualifying Securities if it determines not to pursue or complete such sale solely due to pricing, coupon, dividend rate or dilution considerations.

"Commission" means the United States Securities and Exchange Commission.

"Common Cap" has the meaning specified in clause (vii) of the definition of Alternative Payment Mechanism.

"Common Stock" means (i) common stock of the Corporation, including common stock issued pursuant to any dividend reinvestment plan or employee benefit plan of the Corporation, (ii) a security of the Corporation, ranking upon the Corporation's liquidation, dissolution or winding up junior to its Qualifying Non-Cumulative Preferred Stock and *pari passu* with its Common Stock, that tracks the performance of, or relates to the results of, a business, unit or division of the Corporation, and (iii) any securities issued in exchange for the securities described in clause (i) or (ii) above in connection with a Business Combination.

"Corporation" has the meaning specified in the introduction to this instrument.

"Covered Debt" means (a) at the date of this Replacement Capital Covenant and continuing to but excluding the first Redesignation Date, the Initial Covered Debt and (b) thereafter, commencing with each Redesignation Date and continuing to but excluding the next succeeding Redesignation Date, the Eligible Debt identified pursuant to Section 3(b) as the Covered Debt for such period.

"Covered Debtholder" means each Person to the extent that that Person holds (whether as a Holder or a beneficial owner holding through a participant in a clearing agency) long-term indebtedness for money borrowed of the Corporation during the period that such long-term indebtedness for money borrowed is Covered Debt.

"Current Stock Market Price" means, with respect to the Common Stock on any date:

(i) the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions by the New York Stock Exchange;

(ii) if the Common Stock is not then listed on the New York Stock Exchange, as reported by the principal U.S. securities exchange on which the Common Stock is traded or quoted on the relevant date;

(iii) if the Common Stock is not listed on any U.S. securities exchange on the relevant date, the last quoted bid price for the Common Stock in the over-the-counter market on the relevant date as reported by Pink Sheets LLC or similar organization;

(iv) if the Common Stock is not so quoted, the average of the mid-point of the last bid and ask prices for the Common Stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Corporation for this purpose; or

(v) if the Common Stock has no bid and ask price, the price per share determined by a nationally recognized independent investment banking firm selected by the Corporation for this purpose.

"Debt Exchangeable for Common Equity" means a security or combination of securities that:

(i) gives the holder a beneficial interest in (a) subordinated debt securities of the Corporation that are not redeemable prior to the settlement date of a related stock purchase contract and (b) a fractional interest in the related stock purchase contract for a share of Common Stock that will be settled in three years or less, with the number of shares of Common Stock purchasable pursuant to such stock purchase contract to be within a range established at the time of issuance of such subordinated debt securities, subject to customary anti-dilution adjustments;

(ii) provides that the holders directly or indirectly grant the Corporation a security interest in such subordinated debt securities and their proceeds (including any substitute collateral permitted under the transaction documents) to secure the holders' direct or indirect obligation to purchase Common Stock pursuant to such stock purchase contracts;

(iii) includes a remarketing feature pursuant to which such subordinated debt securities are remarketed to new investors commencing not later than the last Distribution Date that is at least one month prior to the settlement date of the stock purchase contract; and

(iv) provides for the proceeds raised in the remarketing to be used to purchase Common Stock under the stock purchase contracts and, if there has not been a successful remarketing by the settlement date of the stock purchase contract, provides that the stock purchase contracts will be settled by the Corporation exercising its remedies as a secured party with respect to the subordinated debt securities or other collateral directly or indirectly pledged by holders in the Debt Exchangeable for Common Equity.

"Debt Exchangeable for Preferred Equity" means a security or combination of securities (together in this definition, ***"such securities")*** that:

(i) gives the holder a beneficial interest in (a) subordinated debt securities of the Corporation or one of its Subsidiaries (in this definition, the "**issuer**") that include a provision permitting the issuer to defer Distributions in whole or in part on such securities for one or more Distribution Periods of up to at least seven years without any remedies other than Permitted Remedies and that are the most junior subordinated debt of the issuer (or rank *pari passu* with the most junior subordinated debt of the issuer) and (b) an interest in a stock purchase contract that obligates the holder to acquire a beneficial interest in the Company's Qualifying Non-Cumulative Preferred Stock;

(ii) provides that the holders directly or indirectly grant to the Corporation a security interest in such subordinated debt securities and their proceeds (including any substitute collateral permitted under the transaction documents) to secure the investors' direct or indirect obligation to purchase Qualifying Non-Cumulative Preferred Stock pursuant to such stock purchase contracts;

(iii) includes a remarketing feature pursuant to which such subordinated debt securities are remarketed to new investors commencing not later than the first Distribution Date that is at least five years after the date of issuance of such securities or earlier in the event of an early settlement event based on (a) the dissolution of the issuer of such Debt Exchangeable for Preferred Equity or (b) one or more financial tests set forth in the terms of the instrument governing such Debt Exchangeable for Preferred Equity;

(iv) provides for the proceeds raised in the remarketing to be used to purchase Qualifying Non-Cumulative Preferred Stock under the stock purchase contracts and, if there has not been a successful remarketing by the first Distribution Date that is six years after the date of issuance of such securities, provides that the stock purchase contracts will be settled by the Corporation exercising its rights as a secured creditor with respect to the subordinated debt securities or other collateral directly or indirectly pledged by investors in the Debt Exchangeable for Preferred Equity;

(v) includes a Qualifying Replacement Capital Covenant that will apply to such securities and to any Qualifying Non-Cumulative Preferred Stock issued pursuant to the stock purchase contracts; *provided* that such Qualifying Replacement Capital Covenant will not include Debt Exchangeable for Common Equity or Debt Exchangeable for Preferred Equity as ***"Replacement Capital Securities";*** and

(vi) if applicable, after the issuance of such Qualifying Non-Cumulative Preferred Stock, provides the holders with a beneficial interest in such Qualifying Non-Cumulative Preferred Stock.

"Distribution Date" means, as to any Qualifying Capital Securities, Debt Exchangeable for Common Equity or Debt Exchangeable for Preferred Equity, the dates on which Distributions on such securities are scheduled to be made.

"Distribution Period" means, as to any Qualifying Capital Securities, Debt Exchangeable for Common Equity or Debt Exchangeable for Preferred Equity, each period from and including a Distribution Date for such securities to but excluding the next succeeding Distribution Date for such securities.

"Distribution Rate Step-Up" means, as to any Qualifying Capital Securities, Debt Exchangeable for Common Equity or Debt Exchangeable for Preferred Equity, that the rate at which Distributions accrue or are paid on such securities increases over time (including by an increase in the fixed rate of Distributions in the case of securities that accrue and pay Distributions at a fixed rate or by an increase in the margin above the applicable index in the case of securities that accrue and pay Distributions based upon a margin above an index, but not including an increase in the rate of Distributions merely because the index used in calculating such rate increases).

"Distributions" means, as to any Qualifying Capital Securities, Debt Exchangeable for Common Equity or Debt Exchangeable for Preferred Equity, dividends, interest or other income distributions to the holders thereof that are not Subsidiaries of the Corporation.

"Eligible Debt" means, at any time, Eligible Subordinated Debt or, if no Eligible Subordinated Debt is then outstanding, Eligible Senior Debt.

"Eligible Senior Debt" means, at any time in respect of any issuer, each series of outstanding unsecured long-term indebtedness for money borrowed of such issuer that:

(a) upon a bankruptcy, liquidation, dissolution or winding up of the issuer, ranks most senior among the issuer's then outstanding classes of unsecured indebtedness for money borrowed;

(b) is then assigned a rating by at least one NRSRO (provided that this clause (b) shall apply on a Redesignation Date only if on such date the issuer has outstanding senior long-term indebtedness for money borrowed that satisfies the requirements of clauses (a), (c) and (d) that is then assigned a rating by at least one NRSRO);

(c) has an outstanding principal amount of not less than $100,000,000; and

(d) was issued through or with the assistance of a commercial or investment banking firm or firms acting as underwriters, initial purchasers or placement or distribution agents.

For purposes of this definition as applied to securities with a CUSIP number, each issuance of long-term indebtedness for money borrowed that has (or, if such indebtedness is held by a trust or other intermediate entity established directly or indirectly by the issuer, the securities of such intermediate entity that have) a separate CUSIP number shall be deemed to be a series of the issuer's long-term indebtedness for money borrowed that is separate from each other series of such indebtedness.

"Eligible Subordinated Debt" means, at any time in respect of any issuer, each series of the issuer's then-outstanding unsecured long-term indebtedness for money borrowed that:

(a) upon a bankruptcy, liquidation, dissolution or winding up of the issuer, ranks subordinate to the issuer's then outstanding series of unsecured indebtedness for money borrowed that ranks most senior and ranks senior to the CENts;

(b) is then assigned a rating by at least one NRSRO (provided that this clause (b) shall apply on a Redesignation Date only if on such date the issuer has outstanding subordinated long-term indebtedness for money borrowed that satisfies the requirements in clauses (a), (c) and (d) that is then assigned a rating by at least one NRSRO);

(c) has an outstanding principal amount of not less than $100,000,000; and

(d) was issued through or with the assistance of a commercial or investment banking firm or firms acting as underwriters, initial purchasers or placement or distribution agents.

For purposes of this definition as applied to securities with a CUSIP number, each issuance of long-term indebtedness for money borrowed that has (or, if such indebtedness is held by a trust or other intermediate entity established directly or indirectly by the issuer, the securities of such intermediate entity that have) a separate CUSIP number shall be deemed to be a series of the issuer's long-term indebtedness for money borrowed that is separate from each other series of such indebtedness.

"Holder" means, as to the Covered Debt then in effect, each holder of such Covered Debt as reflected on the securities register maintained by or on behalf of the Corporation with respect to such Covered Debt and each beneficial owner holding through a participant in a clearing agency.

"Indenture" means the Indenture, dated October 10, 2007, between the Corporation and U.S. Bank National Association, as Trustee.

"Initial Covered Debt" means the Corporation's 6.125% Senior Notes due April 1, 2016, which have CUSIP No. 87151QAA4.

"Intent-Based Replacement Disclosure" means, as to any Qualifying Non-Cumulative Preferred Stock or Qualifying Capital Securities, that the issuer has publicly stated its intention, either in the prospectus or other offering document under which such securities were initially offered for sale or in filings with the Commission made by the issuer under the Securities Exchange Act prior to or contemporaneously with the issuance of such securities, that the issuer and its subsidiaries, to the extent such securities provide the issuer with equity credit for purposes of rating by an NRSRO, will repay, redeem or purchase such securities only with the proceeds of replacement capital securities that have terms and provisions at the time of repayment, redemption or purchase that are as or more equity-like than the securities then being repaid, redeemed or purchased, raised within 180 days prior to the applicable repayment, redemption or purchase date.

"Investor Screen" has the meaning specified in Section 3(c)(i).

"Mandatorily Convertible Preferred Stock" means cumulative preferred stock with (a) no prepayment obligation on the part of the issuer thereof, whether at the election of the holders or otherwise, and (b) a requirement that such preferred stock convert into common stock of the issuer within three years from the date of its issuance at a conversion ratio within a range established at the time of issuance of such preferred stock, subject to customary anti-dilution adjustments.

"Mandatory Trigger Provision" means, as to any Qualifying Capital Securities, provisions in the terms thereof or of the related transaction agreements that:

(i) require the issuer of such securities to make payment of Distributions on such securities within two years of a failure of the issuer to satisfy one or more financial tests set forth in the terms of such securities or related transaction agreements, provided that such payment shall be made only with the net proceeds from the issue and sale of APM Qualifying Securities, such that the net proceeds of such issue and sale are at least equal to the amount of unpaid Distributions on such securities (including all deferred and accumulated amounts) and the terms of such securities or related transaction agreements require the application of the net proceeds of such issue and sale to pay such unpaid Distributions, provided further that (a) if the Mandatory Trigger Provision does not require the issuance and sale within one year of such failure, the amount of Common Stock and/or Warrants the net proceeds of which the issuer must apply to pay such Distributions pursuant to such provision may not exceed the Common Cap and (b) the amount of Qualifying Non-Cumulative Preferred Stock and still outstanding Mandatorily Convertible Preferred Stock the net proceeds of which the issuer may apply to pay such Distributions pursuant to such provision may not exceed the Preferred Cap;

(ii) if the provisions described in clause (i) above do not require such issuance and sale within one year of such failure, include a Repurchase Restriction;

(iii) prohibit the issuer of such securities from redeeming or purchasing any of its securities ranking upon the Corporation's liquidation, dissolution or winding up junior to or *pari passu* with any APM Qualifying Securities the proceeds of which were used to settle deferred interest during the relevant

Deferral Period prior to the date six months after the issuer applies the net proceeds of the sales described in (i) to pay such deferred Distributions in full; and

(iv) include a Bankruptcy Claim Limitation Provision;

provided (and it being understood) that:

(A) the issuer will not be obligated to issue (or use Commercially Reasonable Efforts to issue) APM Qualifying Securities for so long as a Market Disruption Event has occurred and is continuing;

(B) if, due to a Market Disruption Event or otherwise, the issuer is able to raise and apply some, but not all, of the eligible proceeds necessary to pay all deferred Distributions on any Distribution Date, the issuer will apply any available eligible proceeds to pay accrued and unpaid Distributions on the applicable Distribution Date in chronological order subject to the Common Cap, Preferred Cap and Share Cap, as applicable; and

(C) if the issuer has outstanding more than one class or series of securities under which it is obligated to sell a type of APM Qualifying Securities and applies some part of the proceeds to the payment of deferred Distributions, then on any date and for any period the amount of net proceeds received by the issuer from those sales and available for payment of deferred Distributions on such securities shall be applied to such securities on a *pro rata* basis up to the Common Cap and the Preferred Cap, as applicable, in proportion to the total amounts that are due on such securities.

No remedy other than Permitted Remedies will arise by the terms of such securities or related transaction agreements in favor of the holders of such Qualifying Capital Securities as a result of the issuer's failure to pay Distributions because of the Mandatory Trigger Provision until Distributions have been deferred for one or more Distribution Periods that total together at least ten years.

"Market Disruption Event" means the occurrence or existence of any of the following events or sets of circumstances:

(i) trading in securities generally, or shares of the Corporation's securities specifically, on the New York Stock Exchange or any other national securities exchange, or in the over-the-counter market on which APM Qualifying Securities are then listed or traded shall have been suspended or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or market by the Commission, the relevant exchange or by any other regulatory body or governmental agency having jurisdiction such that trading shall have been materially disrupted;

(ii) the Corporation would be required to obtain the consent or approval of the Corporation's shareholders or a regulatory body (including, without limitation, any securities exchange) or governmental authority to issue or sell APM Qualifying Securities pursuant to the Alternative Payment

Mechanism and that consent or approval has not yet been obtained notwithstanding the Corporation's Commercially Reasonable Efforts to obtain that consent or approval;

(iii) a banking moratorium shall have been declared by the federal or state authorities of the United States such that the issuance of, or market trading in, the APM Qualifying Securities has been disrupted or ceased;

(iv) a material disruption shall have occurred in commercial banking or securities settlement or clearance services in the United States such that the issuance of, or market trading in, the APM Qualifying Securities has been disrupted or ceased;

(v) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or there shall have occurred any other national or international calamity or crisis such that the issuance of, or market trading in, the APM Qualifying Securities has been disrupted or ceased;

(vi) there shall have occurred such a material adverse change in general domestic or international economic, political or financial conditions, including without limitation as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States shall be such that the issuance of, or market trading in, the APM Qualifying Securities has been materially disrupted;

(vii) an event occurs and is continuing as a result of which the offering document for the offer and sale of APM Qualifying Securities would, in the reasonable judgment of the Corporation, contain an untrue statement of a material fact or omit to state a material fact required to be stated in that offering document or necessary to make the statements in that offering document not misleading and either (a) the disclosure of that event at such time, in the reasonable judgment of the Corporation, is not otherwise required by law and would have a material adverse effect on the Corporation or (b) the disclosure relates to a previously undisclosed proposed or pending material business transaction, provided that no single suspension period described in this clause (vii) shall exceed 90 consecutive days and multiple suspension periods described in this clause (vii) shall not exceed an aggregate of 180 days in any 360-day period; or

(viii) the Corporation reasonably believes that the offering document for the offer and the sale of APM Qualifying Securities would not be in compliance with a rule or regulation of the Commission (for reasons other than those described in clause (vii) above) and the Corporation determines that it is unable to comply with such rule or regulation or such compliance is unduly burdensome, *provided* that no single suspension period described in this clause (viii) shall exceed 90 consecutive days and multiple suspension periods described in this clause (viii) shall not exceed an aggregate of 180 days in any 360-day period.

The definition of ***"Market Disruption Event"*** as used in any Replacement Capital Securities may include less than all of the paragraphs outlined above, as determined by the Corporation at the time of issuance of such securities, and in the case of clauses (i), (ii) and (iii) above, as applicable to a circumstance where the Corporation would otherwise endeavor to issue preferred stock, shall be limited to circumstances affecting markets where the Corporation's preferred stock traded or where a listing for their trading is being sought.

"Measurement Date" means (a) with respect to any repayment, redemption or purchase of the CENts on or prior to the Scheduled Maturity Date, the date that is 180 days prior to delivery of notice of such repayment or redemption or the date of such purchase; and (b) with respect to any repayment, redemption or purchase of the CENts after the Scheduled Maturity Date, the date that is 90 days prior to the date of such repayment, redemption or purchase, except that, if during the 90-day (or any shorter) period preceding the date that is 90 days prior to the date of such repayment, redemption or purchase, the Corporation or its Subsidiaries issued Replacement Capital Securities to Persons other than the Corporation and its Subsidiaries but no repayment, redemption or purchase was made pursuant to Section 2 in connection therewith, the date upon which such 90-day (or shorter) period began.

"Measurement Period" means, with respect to any date on which notice of repayment or redemption is delivered with respect to the CENts or on which the Corporation purchases, or any Subsidiary of the Corporation purchases, any CENts, the period beginning on the Measurement Date with respect to such notice or purchase date and ending on such notice or purchase date, as the case may be. Measurement Periods cannot run concurrently.

"No Payment Provision" means a provision or provisions in the transaction documents for securities (referred to in this definition as ***"such securities")*** that include the following:

(i) an Alternative Payment Mechanism; and

(ii) an Optional Deferral Provision modified and supplemented from the general definition of that term to provide that the issuer of such securities may, in its sole discretion, defer in whole or in part payment of Distributions on such securities for one or more consecutive Distribution Periods of up to five years or, if a Market Disruption Event has occurred and is continuing, ten years, without any remedy other than Permitted Remedies and the obligations (and limitations on obligations) described in the definition of "Alternative Payment Mechanism" applying.

"Non-Cumulative" means, with respect to any Qualifying Capital Securities, that the issuer may elect not to make any number of periodic Distributions without any remedy arising under the terms of the securities or related agreements in favor of the holders, other than one or more Permitted Remedies.

"NRSRO" means a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Securities Exchange Act.

"Optional Deferral Provision" means, as to any Qualifying Capital Securities, a provision in the terms thereof or of the related transaction agreements to the effect that:

(i) (a) the issuer of such Qualifying Capital Securities may, in its sole discretion, defer in whole or in part payment of Distributions on such securities for one or more consecutive Distribution Periods of up to five years or, if a Market Disruption Event is continuing, ten years, without any remedy other than Permitted Remedies and (b) such Qualifying Capital Securities are subject to an Alternative Payment Mechanism (provided that such Alternative Payment Mechanism need not apply during the first five years of any deferral period and need not include a Common Cap, Preferred Cap, Share Cap, Bankruptcy Claims Limitation Provision or Repurchase Restriction); or

(ii) the issuer of such Qualifying Capital Securities may, in its sole discretion, defer or skip in whole or in part payment of Distributions on such securities for one or more consecutive Distribution Periods of up to ten years without any remedy other than Permitted Remedies.

"Permitted Remedies" means, with respect to any securities, one or more of the following remedies:

(i) rights in favor of the holders of such securities permitting such holders to elect one or more directors of the issuer (including any such rights required by the listing requirements of any stock or securities exchange on which such securities may be listed or traded); and

(ii) complete or partial prohibitions on the issuer paying Distributions on or repurchasing common stock or other securities that rank *pari passu* with or junior as to Distributions to such securities for so long as distributions on such securities, including unpaid distributions, remain unpaid.

"Person" means any individual, corporation, partnership, joint venture, trust, limited liability company or corporation, unincorporated organization or government or any agency or political subdivision thereof.

"Preferred Cap" has the meaning specified in clause (viii) of the definition of Alternative Payment Mechanism.

"Qualifying Capital Securities" means securities or combinations of securities (other than Common Stock, Warrants, Mandatorily Convertible Preferred Stock, Debt Exchangeable for Common Equity and Debt Exchangeable for Preferred Equity) that, in the determination of the Corporation's Board of Directors reasonably construing the definitions and other terms of this Replacement Capital Covenant, meet one of the following criteria:

(i) in connection with any repayment, redemption or purchase of CENts prior to October 15, 2017:

(A) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon the liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 60 years and (3) either:

(x) (I) are subject to a Qualifying Replacement Capital Covenant and (II) have a No Payment Provision or are Non-Cumulative, or

(y) (I) have a Mandatory Trigger Provision and are subject to Intent-Based Replacement Disclosure and (II) have an Optional Deferral Provision or a No Payment Provision;

(B) preferred stock issued by the Corporation or its Subsidiaries that (1) are Non-Cumulative, (2) have no prepayment obligation on the part of the issuer thereof, whether at the election of the holders or otherwise, (3) have no maturity or a maturity of at least 60 years and (4) either:

(x) are subject to a Qualifying Replacement Capital Covenant, or

(y) have a Mandatory Trigger Provision and are subject to Intent-Based Replacement Disclosure; or

(C) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* or junior to the CENts upon the liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 40 years, (3) are subject to a Qualifying Replacement Capital Covenant and (4) have an Optional Deferral Provision and a Mandatory Trigger Provision; or

(ii) in connection with any repayment, redemption or purchase of CENts at any time on or after October 15, 2017 but prior to October 15, 2037:

(A) securities described under clause (i) of this definition that would be Qualifying Capital Securities prior to October 15, 2017;

(B) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 60 years, (3) are subject to a Qualifying Replacement Capital Covenant and (4) have an Optional Deferral Provision;

(C) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 60 years, (3) are Non-Cumulative or have a No Payment Provision and (4) are subject to Intent-Based Replacement Disclosure;

(D) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 40 years, (3) are Non-Cumulative or have a No Payment Provision and (4) are subject to a Qualifying Replacement Capital Covenant;

(E) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 40 years, (3) have an Optional Deferral Provision and a Mandatory Trigger Provision and (4) are subject to Intent-Based Replacement Disclosure;

(F) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding-up of the Corporation, (2) have no maturity or a maturity of at least 25 years, (3) are subject to a Qualifying Replacement Capital Covenant and (4) have an Optional Deferral Provision and a Mandatory Trigger Provision;

(G) cumulative preferred stock issued by the Corporation or its Subsidiaries that (1) have no prepayment obligation on the part of the issuer thereof, whether at the election of the holders or otherwise, (2) have no maturity or a maturity of at least 60 years and (3) are subject to a Qualifying Replacement Capital Covenant; or

(H) securities issued by the Corporation or its Subsidiaries that (1) rank (i) senior to the CENts and securities that are *pari passu* with the CENts but (ii) junior to all other debt securities of the Corporation (other than (x) the CENts and securities that are *pari passu* with the CENts and (y) securities that are *pari passu* with such Qualifying Capital Securities) upon its liquidation, dissolution or winding-up, and (2) either:

(x) have no maturity or a maturity of at least 60 years and either (I) are (a) Non-Cumulative or subject to a No Payment Provision and (b) subject to a Qualifying Replacement Capital Covenant or (II) have a Mandatory Trigger Provision and an Optional Deferral Provision and are subject to Intent-Based Replacement Disclosure, or

(y) have no maturity or a maturity of at least 40 years, are subject to a Qualifying Replacement Capital Covenant and have a Mandatory Trigger Provision and an Optional Deferral Provision; or

(iii) in connection with any repayment, redemption or purchase of CENts at any time on or after October 15, 2037:

(A) securities described under clause (ii) of this definition that would be Qualifying Capital Securities on or after October 15, 2017 but prior to October 15, 2037;

(B) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have an Optional Deferral Provision and (3) either:

(x) have no maturity or a maturity of at least 60 years and are subject to Intent-Based Replacement Disclosure, or

(y) have no maturity or a maturity of at least 40 years and are subject to a Qualifying Replacement Capital Covenant;

(C) securities issued by the Corporation or its Subsidiaries that (1) rank *pari passu* with or junior to the CENts upon a liquidation, dissolution or winding up of the Corporation, (2) have no maturity or a maturity of at least 40 years and are subject to Intent-Based Replacement Disclosure and (3) are Non-Cumulative or have a No Payment Provision;

(D) securities issued by the Corporation or its Subsidiaries that (1) rank senior to the CENts and securities that are *pari passu* with the CENts but junior to all other debt securities of the Corporation (other than (x) the CENts and securities that are *pari passu* with the CENts and (y) securities that are *pari passu* with such Qualifying Capital Securities) upon its liquidation, dissolution or winding-up, and (2) either:

(x) have no maturity or a maturity of at least 60 years and either (i) have an Optional Deferral Provision and are subject to a Qualifying Replacement Capital Covenant or (ii) (a) are Non-Cumulative or have a No Payment Provision and (b) are subject to Intent-Based Replacement Disclosure, or

(y) have no maturity or a maturity of at least 40 years and either (i) (a) are Non-Cumulative or have a No Payment Provision and (b) are subject to a Qualifying Replacement Capital Covenant or (ii) are subject to Intent-Based Replacement Disclosure and have a Mandatory Trigger Provision and an Optional Deferral Provision; or

(E) cumulative preferred stock issued by the Corporation or its Subsidiaries that either (1) have no maturity or a maturity of at least 60 years and are subject to Intent-Based Replacement Disclosure or (2) have a maturity of at least 40 years and are subject to a Qualifying Replacement Capital Covenant.

Notwithstanding the foregoing, no securities or combination of securities will be included in Qualifying Capital Securities if such securities (i) applying the tests set forth above, are required to include Intent-Based Replacement Disclosure and (ii) include a Distribution Rate Step-Up.

"Qualifying Non-Cumulative Preferred Stock" means non-cumulative preferred stock of the Corporation that rank *pari passu* with or junior to all other preferred stock of the Corporation, are perpetual and are subject to (a) a Qualifying Replacement Capital Covenant or (b) both (i) mandatory suspension of dividends in the event the Corporation breaches certain financial metrics specified in the offering documents relating to such preferred stock and (ii) Intent-Based Replacement Disclosure, provided that with respect to both clauses (a) and (b) the transaction documents shall provide for no remedies as a consequence of non-payment of Distributions other than Permitted Remedies.

"Qualifying Replacement Capital Covenant" means a replacement capital covenant that is substantially similar to this Replacement Capital Covenant or a replacement capital covenant, as identified by the Corporation's Board of Directors acting in good faith and in its reasonable discretion and reasonably construing the definitions and other terms of this Replacement Capital Covenant, (i) entered into by a company that at the time it enters into such replacement capital covenant is a reporting company under the Securities Exchange Act and (ii) that restricts the related issuer from repaying, redeeming or purchasing, and its Subsidiaries from purchasing, identified securities, except to the extent of the applicable percentage of the net proceeds from the issuance of specified replacement capital securities that have terms and provisions at the time of repayment, redemption or purchase that are as or more equity-like than the securities then being repaid, redeemed or purchased within the 180-day period prior to the applicable repayment, redemption or purchase date; *provided* that the term of such replacement capital covenant shall be determined at the time of issuance of the related Replacement Capital Securities taking into account the other characteristics of such securities but in no event shall be earlier than October 15, 2037.

"Redesignation Date" means, as to the Covered Debt in effect at any time, the earliest of (a) the date that is two years prior to the final maturity date of such Covered Debt, (b) if the Corporation elects to redeem, repay or purchase, or the Corporation or a Subsidiary of the Corporation elects to repurchase, such Covered Debt either in whole or in part with the consequence that after giving effect to such redemption, repayment, purchase or repurchase the outstanding principal amount of such Covered Debt is less than $100,000,000, the applicable redemption, repayment, purchase or repurchase date and (c) if such Covered Debt is not Eligible Subordinated Debt of the Corporation, the date on which the Corporation issues long-term indebtedness for money borrowed that is Eligible Subordinated Debt.

"Replacement Capital Covenant" has the meaning specified in the introduction to this instrument.

"Replacement Capital Securities" means Common Stock, Warrants, Mandatorily Convertible Preferred Stock, Debt Exchangeable for Common Equity, Debt Exchangeable for Preferred Equity and Qualifying Capital Securities.

"Reporting Company" has the meaning specified in Section 3(b).

"Repurchase Restriction" has the meaning specified in clause (iii) of the definition of Alternative Payment Mechanism.

"Scheduled Maturity Date" has the meaning specified in the Indenture.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Share Cap" means, with respect to any Qualifying Capital Securities, a limit on the total number of Common Stock that may be issued by the Corporation pursuant to the Alternative Payment Mechanism with respect to such Qualifying Capital Securities or on the total number of Common Stock underlying all Warrants and Mandatorily Convertible Preferred Stock that may be issued by the Corporation pursuant to such Alternative Payment Mechanism, *provided* that the product of such Share Cap and the Market Value of the Common Stock as of the date of issuance of such Qualifying Capital Securities shall not represent a lower proportion of the aggregate principal or liquidation amount, as applicable, of such Qualifying Capital Securities than the product of the Share Cap applicable to the CENts and the Current Stock Market Price of the Common Stock as of the date of issuance of such CENts represents of the aggregate principal amount of such CENts at the time of issuance.

"Subsidiary" means, at any time, any Person the shares of stock or other ownership interests of which having ordinary voting power to elect a majority of the board of directors or other managers of such Person are at the time owned, or the management or policies of which are otherwise at the time controlled, directly or indirectly through one or more intermediaries (including other Subsidiaries) or both, by another Person.

"Termination Date" has the meaning specified in Section 4(a).

"Warrants" means any net share-settled warrants to purchase the Common Stock that (i) have an exercise price greater than the Current Stock Market Price of the Common Stock as of their date of issuance, and (ii) the Corporation is not entitled to redeem for cash and the holders of which are not entitled to require the Corporation to purchase for cash in any circumstances. The Corporation will publicly state its intention, either in the prospectus or other offering document under which the Qualifying Capital Securities including an Alternative Payment Mechanism or Mandatory Trigger Provision with respect to which Warrants are an APM Qualifying Security were initially offered for sale or in filings with the Commission made by the issuer under the Securities Exchange Act prior to or contemporaneously with the issuance of such Qualifying Capital Securities, that any Warrants issued in accordance with such Alternative Payment Mechanism or Mandatory Trigger Provision will have exercise prices at least 10% above the Current Stock Market Price of its Common Stock on the date of issuance.

Exhibit 10.1

INFORMATION TECHNOLOGY SERVICES AGREEMENT

by and between

SYMETRA LIFE INSURANCE COMPANY

and

ACS COMMERCIAL SOLUTIONS, INC.

October 28, 2004

CONFIDENTIAL

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

TABLE OF CONTENTS

SCHEDULES

ATTACHMENTS

INFORMATION TECHNOLOGY SERVICES AGREEMENT

This Information Technology Services Agreement (the *"**Agreement**"*) is entered into as of this 28th day of October, 2004 (the *"**Effective Date**"*), by and between Symetra Life Insurance Company, a Washington corporation with corporate offices at 5069 154th Place NE, Redmond, Washington 98052 (*"**Symetra**"*), and ACS Commercial Solutions, Inc., a Nevada corporation with corporate offices at 2828 N. Haskell, Dallas, Texas 75204 *("**ACS**")* (Symetra and ACS sometimes are collectively referred to herein as the "**Parties**").

RECITALS

WHEREAS, on July 16, 2004, Symetra issued to ACS a Request for Proposal for Information Technology Outsourcing (the ***"RFP"*),**

WHEREAS, ACS submitted to Symetra a response dated September 17, 2004 (as the same may have been supplemented and/or revised, the ***"ACS Bid"*),** and represented to Symetra that it had the expertise, personnel, products, services and skills required to meet the requirements of Symetra as reflected in the RFP;

WHEREAS, in reliance on the representations made by ACS in the ACS Bid and subsequent discussions, Symetra selected ACS over other prospective technology providers to provide Symetra with outsourced IT services; and

WHEREAS, Symetra and ACS want to specify the terms and conditions under which ACS will provide such outsourced IT services to Symetra.

NOW, THEREFORE, in consideration of the representations, warranties, promises and covenants contained herein, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree to the foregoing and as follows:

ARTICLE 1
GUIDING PRINCIPLES, RELATIONSHIP MANAGEMENT AND INTERPRETATION

1.1 Guiding Principles. The principles identified below (**"***Guiding Principles***"**) include principles that the Parties have determined to be important to ensure the success of their relationship. The Guiding Principles function as "constitutional" statements regarding the Parties' overall intentions for this Agreement. If any term or condition of this Agreement is ambiguous or unclear, or if the Parties did not anticipate a particular issue, the Parties shall refer to and apply the Guiding Principles to resolve and/or address the ambiguous, unclear and/or unanticipated issue.

1.1.1 Enhanced IT Capabilities and Effectiveness. Services will be provided in a manner that enhances Symetra's ability to deliver high-quality, cost-effective services both internally within Symetra and externally to its customers with minimal interruptions in, and adverse impacts on, Symetra's delivery of services to its customers. Technology utilized by ACS will provide Symetra with industry-leading levels of functionality and performance.

1.1.2 Reduce IT Costs. Cost reduction is a key objective for Symetra in securing Services from ACS. ACS will continuously implement new, cost-effective technologies in order to further reduce the overall cost of Services to Symetra.

1.1.3 Improve and Maintain Technology. ACS will implement new technologies to deliver the Services to Symetra in order to maintain competitiveness in the quality and scope of Services available to Symetra and to take advantage of market cost efficiencies.

1.1.4 Focus on Core Competencies. By outsourcing the Services to ACS and leveraging ACS' core competencies, Symetra will be able to focus more of its internal resources on providing services to its market constituents and improve the levels of service in the outsourced areas.

1.1.5 Improve Business Processes. Symetra will learn best practices from ACS which will allow Symetra to improve its business processes, including improving the efficiencies of delivering services to its own customers.

1.2 Relationship Management. The relationship between the Parties shall be managed as described in this Section and in **Schedule 1.**

1.2.1 IT Outsourcing Committee. A joint IT outsourcing committee, comprised of senior business and technology staff from Symetra and ACS (the ***"IT Outsourcing Committee"***), shall be responsible for providing input and advice concerning the overall business and technology relationship between the Parties including, without limitation, the effectiveness and value of the Services provided by ACS and guidance to improve such effectiveness and value. The IT Outsourcing Committee shall be chaired by a Symetra representative, and the ACS members shall include the ACS Project Executive and appropriate ACS executives and managers. The IT Outsourcing Committee shall meet quarterly at a Symetra facility, or more often at Symetra's request, to discuss:

(a) the status of each Service Tower and any Problems or difficulties experienced by a Party in transitioning to and/or delivering the Services;

(b) ACS' compliance with the SLRs;

(c) all financial arrangements, including invoices submitted by ACS;

(d) Symetra's satisfaction with the ACS Key Personnel;

(e) in accordance with **Section 2.5.4,** innovative and emerging ideas and strategies for more effective use of IT and related business transformation services and how such innovative ideas and strategies can more effectively impact the enterprise transformation of Symetra's businesses;

(f) ACS' future financial and operational plans relating to the business unit that fulfills ACS' obligations to provide Services under this Agreement, to the extent discloseable under applicable law; and

(g) such other matters as one Party may bring to the other.

For each such meeting, ACS shall prepare a suggested agenda, with active input from the Symetra Project Executive. ACS shall make available its senior management personnel to answer questions from Symetra's senior management personnel regarding the agenda items for such meeting. Further, the IT Outsourcing Committee may invite industry thought leaders to participate in such meetings to facilitate information exchange and increase the value of the strategies discussed.

1.2.2 Project Executives. Each Party shall designate an individual (for Symetra, the ***"Symetra Project Executive",*** and for ACS, the ***"ACS Project Executive"***), who shall be each Party's primary point of contact for all matters relating to this Agreement throughout the Term. The ACS Project Executive shall be: (a) knowledgeable about the Services and each of ACS' and its Subcontractors' products and services; (b) experienced at running information technology systems and networks of a size and scope minimally equal in size and scope to those of Symetra; (c) otherwise acceptable to Symetra; and (d) assigned (in the case of each ACS Project Executive) to Symetra for a minimum period of twenty-four (24) months, except in cases involving: (i) a voluntary or For Cause termination; (ii) removal at Symetra's request; or (iii) inability to work due to death, disability or illness. Without limiting any other rights and remedies that may then be available to Symetra, if ACS fails to comply with the terms of the foregoing **subsection (d),** ACS represents to Symetra that Symetra shall have the right to communicate dissatisfaction and impact to ACS senior operations personnel through the customer satisfaction survey process. Symetra shall have the right to pre-approve any candidate proposed by ACS to serve as the ACS Project Executive, and to require ACS to remove and replace any previously appointed ACS Project Executive, and ACS promptly shall comply with any such Symetra request. The ACS Project Executive shall have overall responsibility for directing all of ACS' activities hereunder and shall be vested by ACS with all necessary authority to act for ACS in connection with all aspects of this Agreement. ACS and Subcontractor staff shall be managed in the performance of their duties by the ACS Project Executive. Upon ACS' request, Symetra will provide a written evaluation of the ACS Project Executive's performance that ACS may elect to consider when determining the ACS Project Executive's salary and bonus compensation.

1.2.3 Service Delivery Managers. Each Party shall designate an individual to serve as that Party's service delivery manager for each Service Tower (for Symetra, each, a ***"Symetra Service Delivery Manager",*** and for ACS, each, an ***"ACS Service Delivery Manager"***). The primary role of the service delivery managers is to take ownership of the day-to-day operational relationships between Symetra's information technology service delivery and Symetra's business. This involves managing and coordinating the appropriate Symetra resources across all information technology services, including resources and services provided by ACS, to ensure optimal service delivery and ensure that all issues raised are resolved promptly and in accordance with the applicable SLR. The Symetra Service Delivery Manager (or his or her designee) for a particular Service Tower shall be the only Symetra representative authorized to request chargeable services from ACS with respect to that Service Tower, and ACS acknowledges that it shall not have the right to bill or collect from Symetra or any of its Affiliates any amounts ACS claims it is owed for otherwise chargeable services provided without the written authorization of the applicable Symetra Service Delivery Manager.

1.2.4 Management Functions. At Symetra's request from time-to-time in order to more efficiently administer certain functional aspects of the Parties' relationship, each Party shall designate individual(s) to address various subject matters including, without limitation, performance and process management, architecture and technology management, finance/contract management, enterprise standards management, sourcing relationship management, quality assurance management, business unit management, and transition management, with such roles and responsibilities of these individuals as may be determined by the Parties at such time.

1.3 Agreement Structure.

1.3.1 Master Agreement. This Agreement provides a framework for, and the general terms that are applicable to, the Services that ACS will provide to Symetra under this Agreement.

1.3.2 Country Agreements. If Symetra wants to receive from ACS, and ACS agrees to provide to Symetra, Services in countries that are located outside the United States (each, a ***"New Country"*)**, the terms of this Agreement shall apply to Services delivered in such New Country, except that the local Affiliates of each Party in such New Country shall execute an agreement that identifies any country-unique terms (and/or deviations from the terms of this Agreement) that are required by local laws in such New Country and addresses appropriate pricing for the Services to be provided in such New Country (each, a **"*Country Agreement*")**.

1.3.3 Affiliates of Symetra. As of the Effective Date, ACS shall be responsible for providing to Symetra and those Symetra Affiliates identified in **Schedule 7** the Services contemplated to be received by Symetra and those Symetra Affiliates identified in **Schedule 7** under this Agreement as of the Effective Date. After the Effective Date, Symetra may add Affiliates and/or business ventures of Symetra and/or its Affiliates to the scope of this Agreement pursuant to **Section 6.2.4.** ACS is fully responsible for the performance of its obligations under this Agreement with respect to the Services provided by ACS to Symetra and its Affiliates. Symetra (and not its Affiliates) shall be responsible for paying all Fees to be paid to ACS hereunder.

1.3.4 Effect of Certain Provisions. The following Sections hereof shall be applicable to this Agreement only, and may not be applicable to certain Country Agreements where the Services may be provided: **14.4** and **14.5.**

1.4 Interpretation. If there is a conflict among the terms in the various contract documents including this Agreement, the Schedules, the Attachments, the Addenda, the Appendices and/or any other documents that comprise this Agreement:

(a) to the extent the conflicting terms can reasonably be interpreted so that such terms are consistent with each other, such consistent interpretation shall prevail; and

(b) to the extent **subsection (a)** does not apply, the following order of precedence will prevail:

(i) first, the terms set forth in **Attachment K** (including its addenda and appendices), excluding, however, the terms of any separately executed agreement containing the terms set forth in **Attachment K** pursuant to **Sections 9.2.4** and/or **14.4.1;**

(ii) second, the terms set forth in the body of this Agreement;

(iii) third, the terms set forth in the **Attachments A** through **Q** to this Agreement (including any attachments, addenda or appendices thereto), but excluding **Attachment K** and its addenda and appendices, provided that no order of precedence shall be given among them;

(iv) fourth, the terms set forth in the **Schedules 1** through **7** to this Agreement (including any attachments or addenda thereto), provided that no order of precedence shall be given among them; and

(v) fifth, the terms set forth in any other documents that comprise this Agreement, provided that no order of precedence shall be given among them.

(c) ACS and Symetra hereby acknowledge that they have drafted and negotiated the Agreement jointly, and the Agreement will be construed neither against nor in favor of either, but rather in accordance with its fair meaning.

Notwithstanding the foregoing terms of this **Section 1.4,** to the extent a defined term in **Attachment P** conflicts with a defined term in any **Schedule 2**, the defined term in such **Schedule 2** shall take precedence over the defined term in **Attachment P** for purposes of that **Schedule 2.**

Captions and titles to Schedules, Attachments, Addenda, Appendices and/or other documents that comprise this Agreement are used herein for convenience of reference only and shall not be used in the construction or interpretation of this Agreement. Any reference herein to a particular Section number *(e.g.*, "Section 2"), shall be deemed a reference to all Sections of this Agreement that bear sub-numbers to the number of the referenced Section *(e.g.*, Sections 2.1, 2.1.1, etc.). As used herein, the word "including" shall mean "including, without limitation" or "including, but not limited to".

ARTICLE 2
SERVICES

2.1 General.

2.1.1 Commencement of Services. Subject to Symetra's exercise of its management and oversight functions and prerogatives as identified in **Article 5** or elsewhere in this Agreement, ACS shall provide the Services to Symetra at or with respect to all Symetra Sites. Except as otherwise provided in this Agreement, ACS shall procure or otherwise provide all hardware, software, network facilities and other items required to provide the Services and otherwise perform its obligations hereunder, all of which shall be deemed included in the Fees. In accordance with the terms of this Agreement, ACS shall begin providing: (a) the transition and other Services described herein (excluding the Service Tower Services) at 12:01 a.m., Pacific time, on the Effective Date; and (b) each of the Service Tower Services at 12:01 a.m., Pacific time, on the Handover Date that is applicable to each of such Service Tower Services. Symetra shall not be precluded from obtaining services from any other provider that may be similar or identical to the Services.

2.1.2 Locations for Performance of Services. Without Symetra's prior written consent, ACS shall not perform any of the Services from locations, or using employees, agents and/or contractors (including Subcontractors), situated outside the United States. Notwithstanding the foregoing, Symetra acknowledges and agrees that the Services identified in **Attachment M** will be provided from the respective countries identified therein; however, ACS represents and warrants to Symetra that: (a) no Symetra Data will reside in any country other than the United States; and (b) except to the extent minimally necessary for ACS' employees, agents and/or contractors (including Subcontractors) to perform the Services under this Agreement, no Symetra Data, and no data, information and/or mechanisms (including, without limitation, sniffer traces), that would enable a Person to discover Symetra Data, will be accessible from any country other than the United States. ACS will provide to Symetra from time to time upon Symetra's request a written list of all ACS employees, agents and/or contractors (including Subcontractors), if any, who have had access to the Symetra Data, and the contents of such written list shall include, without limitation, the name and business location of each such employee, agent and/or contractor (including Subcontractors), the date of access of the Symetra Data and the type of Symetra Data accessed. If any law or regulation enacted after the Effective Date has, or is likely to have, an adverse impact on the desirability to either Party of having such Services provided from a location outside the United States including, without limitation, as a result of new tax and/or privacy laws, at the affected Party's request, the Parties shall engage in good faith negotiations to arrive at a mutually agreeable reasonable alternative.

2.2 Service Tower Services.

2.2.1 Initial Service Tower Services. **Schedules 2A, 2B, 2C, 2D, 2E, 2F, 2G** and **2H** (each, together with any additional Schedules relating to additional Services that may be added to this Agreement by mutual agreement of the Parties following the Effective Date, is sometimes referred to herein as "the applicable **Schedule 2**", or similar terminology) contain a detailed description of each of the following Service Tower Services provided by ACS that will be available to be purchased by Symetra from ACS:

(a) Cross-Functional Services **(Schedule 2A);**

(b) Data Center Services **(Schedule 2B);**

(c) Distributed Computing Services **(Schedule 2C);**

(d) Data Network Services **(Schedule 2D);**

(e) Voice Communications Services **(Schedule 2E);**

(f) Help Desk Services **(Schedule 2F);**

(g) Output Processing **(Schedule 2G**); and

(h) Content Management **(Schedule 2H).**

The Parties may develop additional Schedules relating to additional Services that will be provided by ACS to Symetra hereunder. Once approved in accordance with the terms herein, all such Schedules shall be deemed to be numbered sequentially and made a part of **Schedule 2.**

2.2.2 ***SLRs for Service Towers.***

(a) Commitment to SLRs. From and after each applicable Handover Date (or upon the occurrence of such other date or event as may be expressly set forth in a particular **Schedule 2** for a particular SLR), ACS shall perform the applicable Service Tower Services in accordance with, and in such a manner as to meet or exceed, the SLRs. ACS shall perform any Other Services in accordance with, and in such a manner as to meet or exceed, any SLRs that may be set forth in the applicable Out-of-Scope Work Order or otherwise agreed to by the Parties in writing.

(b) Measurement and Reporting. ACS shall measure its performance against the SLRs in accordance with the methodologies specified in the applicable **Schedule 2** and shall provide a detailed, comprehensive report of its performance against the SLRs during the applicable reporting period **("*SLR Reports*")** by the fifth (5th) Business Day following the end of the applicable reporting period. Such reports shall be provided in accordance with **Section 2.11.1** and in accordance with the SLR metrics set forth in the applicable **Schedule 2.** ACS shall meet with Symetra at least monthly, or more or less frequently if requested by Symetra, to review ACS' actual performance against the SLRs and shall recommend remedial actions to resolve any performance deficiencies.

(c) Root-Cause Analysis and Resolution. Promptly, but in no event later than five (5) calendar days after ACS' discovery of, or if earlier, ACS' receipt of a notice from Symetra regarding, ACS' failure to provide any of the Services in accordance with the SLRs, ACS shall, as applicable under the circumstances: (i) perform a Root-Cause Analysis to identify the cause of such failure; (ii) provide Symetra with a written report detailing the cause of, and procedure for correcting, such failure; and (iii) provide Symetra with satisfactory evidence that such failure will not recur. ACS' correction of any such failures shall be performed in accordance with the time frames set forth in the applicable **Schedule 2** entirely at ACS' expense unless it has been determined, by mutual agreement of the Parties or through the Problem-resolution process specified in this Agreement, that: (iv) Symetra (or one of its subcontractors, agents or Third Parties provided by Symetra and not managed by ACS) and/or its self-managed properties and/or systems was the predominant contributing cause of the failure and ACS could not have worked around the failure without expending a material amount of additional time or cost; or (v) Third Party software or firmware directly resulted in such failure; provided that such Third Party software or firmware: (A) was expressly approved by Symetra; (B) was implemented by ACS following its standard, rigorous, documented interoperability testing, quality assurance, user acceptance and change management processes; (C) was unknown, undocumented and unreported prior to ACS' implementation of such Third Party software or firmware; and (D) ACS could not have worked around the failure without expending a material amount of additional time or cost. In such event: (vi) ACS shall be entitled to temporary relief from its obligation to timely comply with the affected SLR, but only to the extent and for the duration so affected; and (vii) in the case of an event described in **subsection (iv),** Symetra shall reimburse ACS for ACS' expenses to correct such failure, but only to the extent Symetra caused such failure, unless the Parties otherwise mutually agree. For purposes hereof, any preexisting condition of those of Symetra's properties and systems that are used and managed by ACS to deliver the Services shall not be deemed a contributing cause of any failure if such condition was or reasonably should have been identified in ACS' reasonable, pre-implementation diligence processes, or as a result of ACS' post-implementation, industry-standard quality assurance processes; provided, however, that this exception specifically shall not apply to any hidden defect that was not identified following such diligence and quality assurance processes.

(d) Annual Review of SLRs. Symetra expects that SLRs will improve over time and that new SLRs may be added to reflect Symetra's changing and/or new business requirements. Accordingly, at least once annually, Symetra expects to review and reach agreement with ACS on, among other things: (a) adjustments to the SLRs to reflect such anticipated continuous improvements in the SLRs; and/or (b) the addition of new SLRs. Unless requested by Symetra, in no event will the SLRs be made less favorable to Symetra as a result of such reviews.

(e) Classifying an SLR as an SLA. Subject to limitations set forth in **Schedule 5,** upon sixty (60) calendar days' prior written notice to ACS, Symetra shall have the right to classify any SLR as an SLA and to re-allocate the SLA Weighting Factors so that a Weighting Factor is applicable to such newly classified SLA.

(f) Benchmarking. As part of the Services, ACS shall conduct benchmarking with Symetra in accordance with the terms, conditions and procedures described in **Attachment A.**

2.2.3 Symetra Sites. Attached hereto as **Attachment B** is a list of Symetra facilities (collectively, the ***"Symetra Sites"***) with respect to which ACS shall provide the Services.

2.2.4 Governance Regarding Relief Events. The Parties acknowledge and agree that from time to time during the Term, events and circumstances caused by the actions or inactions of Symetra may arise that have (or are reasonably anticipated to have) a material adverse impact on ACS' ability to achieve the SLRs, or otherwise provide the Services in the manner required by this Agreement, without expending a material amount of additional time or cost (such events and circum stances, ***"Relief Events"***). By way of example and without limiting the foregoing, the Parties acknowledge that a Relief Event may arise as a result of ACS' compliance with Symetra's instructions in connection with an Extraordinary Event under **Section 2.10** and/or as a result of Symetra's exercise of its retained authorities under **Article 5**. With respect to such Relief Events, the following terms and principles shall apply:

(a) If a Relief Event causing ACS to be unable to provide any of the Services in accordance with the SLRs has occurred, the terms of **Section 2.2.2(c)** shall apply.

(b) Without limiting ACS' obligations under **Section 2.2.2(c),** if a Relief Event has occurred, ACS shall nevertheless use commercially reasonably efforts to perform the Services and achieve the SLRs throughout the duration of such Relief Event using existing levels of resources dedicated to Symetra's account, and the Parties shall work together in good faith to address the impact of such Relief Event on the Services and the SLRs in a timely manner.

(c) To the extent that either Party anticipates or determines that a Relief Event is likely to occur, such Party shall notify the other Party of such determination, and the Parties shall work together in good faith in advance of the anticipated Relief Event to establish a plan for providing the Services during such Relief Event, taking into account the relevant specifics and details of the Relief Event. Where Symetra's actions or inactions are the predominant cause of the anticipated Relief Event, such plan may include the temporary suspension of SLRs associated with the affected Services, and/or additional fees or charges associated with Other Services provided by ACS that are designated to address the impact of the Relief Event or achieve the SLRs during the Relief Event.

(d) If an unanticipated Relief Event occurs, and Symetra's actions or inactions are the predominant cause of such Relief Event, or such Relief Event is the result of a Force Majeure Event, without limiting ACS' obligations under **Section 2.2.2(c)** and this Section, ACS shall be relieved from its obligations to meet or exceed the SLRs affected by the Relief Event (and its responsibility with respect to any related Fee Reductions) during the duration of such Relief Event.

2.3 Transition Services.

2.3.1 Transition Plan. **Attachment C** sets forth a preliminary, high-level transition plan (the ***"Transition Plan"***) that generally outlines the tasks, timelines, responsibilities, dependencies, major milestones, deliverables and acceptance testing procedures for each Service area. Within thirty (30) calendar days following the Effective Date, the Parties shall develop a detailed, complete Transition Plan, which shall replace and supersede the initial high-level Transition Plan. In accordance with the terms set forth in the Transition Plan, ACS shall accomplish the transparent, seamless, orderly and uninterrupted transition from the manner in which Symetra and its Affiliates received all services prior to the applicable Handover Date to the manner in which the Services will be provided as described herein.

2.3.2 Progress Reports. ACS shall provide to the Symetra Project Executive (or his/her designee) a weekly written report as to the progress of completion of the activities contained in the Transition Plan until each of ACS' responsibilities thereunder has been completed. Such reports shall be provided in accordance with **Section 2.11.1.**

2.3.3 Financial Responsibility. ACS shall assume financial responsibility for providing each of the Service Tower Services as of the applicable Handover Date. Further, at Symetra's option, ACS shall assume financial responsibility for providing each of the Service Tower Services irrespective of whether handover of the applicable Service Tower Service actually has been completed as of such date.

(a) If ACS is unable to provide any of the Service Tower Services as of the applicable Handover Date, "assume financial responsibility" means that:

(i) ACS shall reimburse Symetra for all costs and expenses incurred by Symetra to provide such Service Tower Services (including by way of example and not of limitation, salaries and other payments to in-scope Symetra employees, fees under in-scope third party contracts, etc.) or, in Symetra's sole discretion, Symetra may set off any such costs and expenses against the Fees, if any, due under the Agreement; and

(ii) ACS shall be entitled to invoice Symetra for such Service Tower Services as if ACS itself were providing such Service Tower Services.

(b) ACS shall not be required to assume financial responsibility for a particular Service Tower Service as described in the foregoing **subsection (a)** to the extent ACS' performance is excused due to a Force Majeure Event or to the extent the delay was requested by Symetra. Further, if ACS is unable to provide a particular Service Tower Service as of the applicable Handover Date, the SLRs shall not apply until ACS actually begins providing such Service Tower Service.

2.4 Purchasing Agent Services. Without limiting ACS' obligations to procure or otherwise provide all hardware, software, network facilities and other items required to provide the Services as described in this **Article 2**, and in addition to ACS' other responsibilities herein, as and when requested by Symetra, ACS shall procure hardware and software (such as, for example, personal office printers) ("***Procured Technology***") from a Symetra-approved product list on Symetra's behalf. ACS' procurement responsibilities in this **Section 2.4** shall include, without limitation, evaluating ACS qualifications and independence; negotiating Symetra-favorable pricing (including obtaining the most favorable prices, rates and discounts available); ordering, receiving, configuring, installing, testing, maintaining and distributing all Procured Technology. As between Symetra and ACS, all right, title and interest in and to each item of Procured Technology shall be vested in Symetra, and Symetra shall reimburse ACS for the purchase price for such Procured Technology.

2.5 Technology Management and Security Services.

2.5.1 General. ACS shall provide the technology management and security Services described in this **Section 2.5**. ACS shall obtain Symetra's prior written consent before acquiring, maintaining, upgrading or replacing any asset that is used by ACS to satisfy its obligations hereunder if such acquisition, maintenance, upgrade or replacement could result in any material change in, or adverse impact on, the method, manner, types or levels of Services that are then being provided to Symetra.

2.5.2 Technology Upgrades and Enhancements. ACS will keep all Services under this Agreement current with industry advances and leading technology standards. Without limiting the generality of the foregoing, all hardware and software used to provide the Services will be kept at levels supportable by the respective manufacturers, and equipment will be upgraded or replaced as required to meet the SLRs and manufacturer-recommended requirements. Additionally, ACS shall notify Symetra as soon as hardware and software upgrades and enhancements become available from their respective vendors, and the Parties thereafter will coordinate implementation of such upgrades and enhancements. ACS shall schedule all such upgrades and enhancements in advance and in such a way as to prevent any interruption or disruption of, or diminution in, the nature or level of any portion of the Services.

2.5.3 ACS' Technology Refresh Requirements. ACS shall replace and/or upgrade its own equipment and software periodically as specified in **Attachment F.** In purchasing new equipment and software, ACS shall conform to the Technology Plan as described in **Section 2.5.4.** ACS will review the proposed purchase strategies each year (or more frequently, if required) with Symetra in order to determine which technology strategies will provide optimal and/or improved Services to Symetra.

2.5.4 Technology Planning and Innovation. On or before June 1 and December 1 of each calendar year, or more frequently as requested by Symetra, ACS shall prepare for Symetra's review, comments and approval a technology plan (the ***"Technology Plan"***) that is comprised of both short-term and long-range plans that tie into Symetra's business goals. The short-term plan will include information technology budget development for the next fiscal year including, consistent with the requirements of **Section 2.5.3,** identification of software and hardware for which technology refresh may be needed in the next Contract Year, and a projected time schedule for procuring the necessary software, hardware and services and implementing the proposed changes. The long-range plan will include strategic and flexible use of information technology systems in light of Symetra's anticipated business goals, current mission, objectives, priorities and strategies. Once approved by Symetra, each Technology Plan will be deemed to be incorporated in and made a part of this Agreement. ACS will on a regular basis and prior to preparing each annual Technology Plan: (a) identify ACS and non-ACS products and technology services that may benefit Symetra and support the mission, goals and objectives of Symetra; (b) identify ACS or Symetra resources required to complete the short-term and long-range plans; and (c) upon Symetra's request, investigate the requirements, costs and benefits of new technology. Notwithstanding the development of the Technology Plan on an annual basis as described herein, ACS also shall have an ongoing responsibility to regularly provide Symetra with information regarding any newly improved or enhanced commercially available information technologies that reasonably could be expected to have a positive impact on Symetra including, without limitation, in the areas of increased efficiency, increased quality and/or reduced costs ***(“Enhanced Technology”***). At a minimum, at least once annually, or more frequently as requested by Symetra, ACS shall meet with the IT Outsourcing Committee and provide a written report to the IT Outsourcing Committee that identifies any Enhanced Technology that ACS and its principal Subcontractors are developing and IT trends of which Symetra should be made aware. Upon identifying any Enhanced Technology that the Parties believe would materially improve performance, capacity, bandwidth, or reduce the cost, of the Services, the Parties will meet and discuss in good faith the terms upon which such Enhanced Technology may be implemented into the Services, including detailed SLRs specific to each such enhancement.

2.5.5 Asset Management. Within ninety (90) calendar days following the Effective Date, ACS shall develop and thereafter maintain a comprehensive inventory of all: (a) equipment, software and network connections and infrastructure used by ACS to provide the Services; (b) equipment, software and network connections and infrastructure used by Symetra in connection with the Services; and (c) Procured Technology. ACS shall provide an electronic copy of such inventory to Symetra upon request. In addition, ACS shall provide Symetra with reports detailing software usage by Symetra and other activities by Symetra relating to Symetra’s compliance with software licenses that can be monitored by ACS in delivering the Services, provided that such responsibilities shall be detailed in each applicable **Schedule 2**. The Parties agree that ACS shall have no legal or financial responsibility for Symetra’s non-compliance with such software licenses except to the extent resulting from: (d) events subject to indemnification under **Section 15.1.8;** and (e) potential breach of contract liability under this Agreement based on ACS’ failure to comply with its obligations under this Agreement.

2.5.6 Shared Resources. Except as provided in **Attachment G,** ACS shall not use a shared hardware or software environment, or any shared network or platform (collectively, ***“Shared Resources”***) to provide the Services. If, following the Effective Date, ACS wants to migrate or relocate any Services to Shared Resources, ACS shall provide to Symetra for its review, comments and approval, which approval may be withheld in Symetra’s sole discretion, a proposal for such migration or relocation, including a listing of all shared use assets that will be used to provide the Services and a breakdown of the cost and price benefits and savings or risks to Symetra. As part of the Disentanglement, ACS shall identify and assist Symetra with procuring suitable functionally equivalent replacements for any Shared Resources used to provide the Services.

2.5.7 Disaster Recovery.

(a) Review of Symetra’s Disaster Recovery Plans. On or before the date specified in the Transition Plan, ACS shall review Symetra’s existing disaster recovery plan(s) and develop and deliver to Symetra for its review, comments and approval a detailed, complete, written analysis of such disaster recovery plan(s) that identifies, among other things, any deficiencies and gaps in such disaster recovery plan(s) and the changes, modifications and/or updates recommended by ACS in order to address such deficiencies and gaps. Without limiting the generality of the foregoing, ACS’ written analysis specifically shall address ways to safeguard the Symetra Data and to ensure the continuing availability of all Services, including the Service Tower Services, in accordance with the terms of this Agreement during any event that would otherwise adversely affect ACS’ ability to safeguard the Symetra

Data and/or deliver the Services. Following its receipt of ACS' analysis, Symetra promptly shall review and comment on the same, and ACS thereafter shall update Symetra's disaster recovery plan(s) accordingly and, on or before the date specified in the Transition Plan, deliver to Symetra fully updated paper and electronic copies of such disaster recovery plan(s). Thereafter, ACS shall re-assess Symetra's disaster recovery plan(s) as described herein once annually (or more frequently if necessary) and, not later than sixty (60) calendar days following commencement of the second and each subsequent Contract Year, provide to Symetra for its review, comments and approval proposed changes, modifications and/or updates to Symetra's disaster recovery plan(s) in order to address any identified deficiencies and gaps. Following its receipt of ACS' annual assessment, Symetra promptly shall review and comment on the same, and ACS thereafter shall update Symetra's disaster recovery plan(s) accordingly and, within thirty (30) days after receiving Symetra's comments, deliver to Symetra fully updated paper and electronic copies of such disaster recovery plan(s).

(b) Provision of Disaster Recovery Services. Subject to, and without limiting, the terms of this **Section 2.5.7**, ACS shall provide the disaster recovery Services set forth in the applicable **Schedules 2** in accordance with its own and Symetra's disaster recovery plan(s). ACS shall provide disaster recovery Services as described herein at all times irrespective of whether a Force Majeure Event has occurred, unless the Force Majeure Event prevents the performance of the disaster recovery Services. Further, ACS shall provide dis aster recovery Services if Symetra notifies ACS that a disaster has occurred. Upon the occurrence, and periodically for the duration, of any disaster, ACS shall provide regular reports and notices to Symetra regarding the status of ACS' response to, and recovery from, the disaster.

(c) Review and Testing of Disaster Recovery Plan. ACS' disaster recovery Services shall include regular (not less often than once annually) testing and updating of both its own and Symetra's disaster recovery plans (including plans for data backups, storage management and contingency operations), reserving capacity at alternate site facilities and annually testing network connectivity between such alternate site and the applicable Symetra Sites. Symetra shall have the right to participate fully in any disaster recovery testing conducted by ACS including being physically present at the facilities of ACS and/or any Third Parties involved in such testing.

(d) Fees. ACS' costs and expenses associated with performing the obligations set forth in this **Section 2.5.7** shall be included in the Annual Services Fee as a separate annual line item.

2.6 Standards and Procedures Manual.

2.6.1 Development of Manual. As ACS transitions and migrates Services in accordance with the terms of the Transition Plan, ACS shall develop and continuously update a detailed, Symetra-specific standards and procedures manual that minimally includes the contents specified in **Section 2.6.2** (the ***"Standards and Procedures Manual"***). ACS shall deliver the first draft of the Standards and Procedures Manual to Symetra for its review, comments and approval within ninety (90) calendar days following the Effective Date of the Agreement and shall, with respect to each draft of the Standards and Procedures Manual, incorporate all of Symetra's comments and suggestions. Not later than thirty (30) calendar days following completion of all activities under the Transition Plan, ACS shall deliver an updated draft of the Standards and Procedures Manual to

Symetra for its review, comments and approval and thereafter shall periodically (but not less often than quarterly) update the Standards and Procedures Manual to reflect changes in the operations or procedures described therein. All such updates to the Standards and Procedures Manual shall be provided to Symetra for its prior review, comments and approval. Delivery of the initial draft and the updated draft of the Standards and Procedures Manual as provided herein shall constitute Critical Milestones. Prior to completion of the Standards and Procedures Manual, ACS shall provide the Services in accordance with the standards and procedures generally used by Symetra.

2.6.2 Contents. ACS shall provide the Standards and Procedures Manual to Symetra electronically (and in a manner such that it can be accessed via either Symetra's intranet or the Internet) and communicate to all End-Users the availability of and methodology for accessing the Standards and Procedures Manual. The Standards and Procedures Manual shall describe, among other things, the manner in which ACS will provide the Services hereunder, including the equipment and software being and to be used, the documentation (including, *e.g.*, operations manuals, user guides, specifications, and End-User support) that provide further details of such activities and detailed problem and change management procedures. The Standards and Procedures Manual also shall describe the activities ACS will undertake in order to provide the Services including, where appropriate, direction, supervision, monitoring, staffing, quality assurance, reporting, planning and oversight activities, as well as the specific measures taken to comply with all laws and regulations that are applicable to ACS as an operator of its business or in performing its obligations under the Agreement. The Standards and Procedures Manual also shall identify those Services that ACS is to perform to assist Symetra in complying with its own regulatory obligations including, without limitation, those relating to the privacy and security of the Symetra Data, including HIPAA, the California Statute, GLB and any other laws and regulations applicable to the Symetra Data and/or identified by Symetra. Without limiting ACS' obligations to assist Symetra in complying with its own regulatory obligations as described above, it is expressly agreed and understood by the Parties that Symetra shall be responsible for compliance with all laws and regulations that are applicable to Symetra as an operator of its business, its receipt of the Services, its direct regulatory obligations relating to the Symetra Data and, if the terms of **Section 14.6** are applicable, its status as controller of the Symetra Data. The Standards and Procedures Manual shall describe how the Services will be performed and act as a guide to End-Users seeking assistance with respect to the Services offered hereunder. The Standards and Procedures Manual shall in no event be interpreted as an amendment to this Agreement or so as to relieve ACS of any of its performance obligations under this Agreement.

2.7 Service Compatibility. ACS shall ensure that all services, equipment, networks, software, enhancements, upgrades, modifications and other resources, including those provided by Symetra (collectively, the "***Resources***"), that are: (a) used by ACS to deliver the Services; or (b) approved by ACS for utilization by Symetra in connection with the Services, shall be successfully integrated and interfaced, and shall be compatible with the services, equipment, networks, software, enhancements, upgrades, modifications and other resources that are being provided to Symetra by Third Party service providers (collectively, the "***Third-Party Resources"***); provided, however, that any such responsibilities of ACS for Resources shall be detailed in the applicable **Schedules 2**. Further, ACS shall ensure that none of the Services or other items provided to Symetra by ACS shall be adversely affected by, or shall adversely affect, those of any such Third Party providers, whether as to functionality, speed, service levels, interconnectivity, reliability, availability, performance, response times or similar measures. To the extent that any interfaces need to be developed or modified in order for the Resources to integrate successfully, and be compatible with, the Third-Party Resources, ACS shall develop or modify such interfaces as part of the Services, pursuant to the process set forth in **Section 2.8.** If a question arises as to whether a particular defect, malfunction or other difficulty with respect to the Services was caused by Resources or by Third-Party Resources, ACS shall be responsible for correcting, at its cost, such defect, malfunction or difficulty, except to the extent that ACS can demonstrate, to Symetra's satisfaction, by means of a Root-Cause Analysis, that the cause was not caused by Resources. In addition, ACS shall cooperate with all Third Party service providers of Symetra to coordinate its provision of the Services with the services and systems of such Third Party service providers. Subject to reasonable confidentiality requirements, such cooperation shall include providing: (a) applicable written information concerning any or all of the systems, data, computing environment, and technology direction used in providing the Services; (b) reasonable assistance and support services to such Third Party providers; (c) access to systems and architecture configurations of Provider to the extent reasonably required for the activities of such Third Party providers; and (d) access to and use of the Resources.

2.8 In-Scope Service Requests. If Symetra requires the performance of work that is not being performed at a particular time but that is within the scope of the Services, Symetra shall deliver to the ACS Project Executive an "***In-Scope Service Request***" in the form set forth in **Attachment D** specifying the proposed work with sufficient detail to enable ACS to evaluate the request. If such In-Scope Service Request is a request for access to ACS personnel versus a request for a particular set of Services that are in the nature of a longer-term project, Symetra shall prioritize (and re-prioritize as deemed necessary by Symetra), and ACS shall respond to, such In-Scope Service Request as follows:

Symetra-Designated Priority	Response	
	Symetra Corporate Headquarters & ACS NWSC - Hillsboro	Symetra Remote Office Locations
Urgent	Immediate	ASAP, not to exceed 8 hours
Standard	2 Hours	2 Business Days
Low	8 Hours	5 Business Days

With respect to In-Scope Service Requests that are in the nature of a longer-term project, unless the Parties mutually agree in writing to proceed otherwise, within five (5) Business Days following the date of ACS' receipt of such In-Scope Service Request, ACS shall provide Symetra with a written proposal in response to the In-Scope Service Request that contains the following: (a) a detailed description of the Services to be performed; (b) specifications (if applicable); and/or (c) an implementation plan, with implementation to commence not later than thirty (30) calendar days after approval thereof, unless otherwise mutually agreed. All services requested in an In-Scope Service Request shall constitute Services for purposes of this Agreement. Following receipt of ACS' proposal, Symetra shall notify ACS in writing whether to proceed with the In-Scope Service Request, and ACS shall take no further action with respect to the In-Scope Service Request until it receives approval from Symetra. In-Scope Service Requests must be executed by the Symetra Project Executive, or his or her designee, in order to be effective.

2.9 Out-of-Scope Work Orders.

2.9.1 Requirements and Process. From time-to-time, Symetra may solicit a response from prospective providers to perform services that are outside the scope of the Services ("***Out-of-Scope Service(s)"***). At its own cost and expense, ACS shall submit a response ("***Out-of-***

Scope Work Order") to any such Out-of-Scope Services request that complies with the terms of this Section within ten (10) Business Days after ACS' receipt of Symetra's request, or, if the scope of the Out-of-Scope Services is such that ten (10) Business Days would be insufficient, within a mutually agreed period of time. ACS' proposed fees for performing each Out-of-Scope Work Order shall be at a fixed price (to the extent the Out-of-Scope Service consists of design, build or other development services) or at a fixed rate per unit of performance or other benefit to be received by Symetra (to the extent the Out-of-Scope Service consists of operational or other ongoing services), in either case based upon the lower of the Service Rates or the best rates, terms and conditions ACS is offering or has offered to other customers for services of a similar nature and scope. Each such response shall be in writing and shall contain the following items and be in conformance with the process set forth herein: (a) ACS' response to Symetra's description and specifications for the Out-of-Scope Services, including all services to be performed, categories of personnel (and number of personnel within each category) required to complete the Out-of-Scope Services, and an implementation plan; (b) the amount, schedule, and method of payment; (c) the timeframe for performance; (d) completion and acceptance criteria; and (e) any proposed SLRs for new services that would result from the Out-of-Scope Services. If Symetra selects ACS as its provider with respect to the Out-of-Scope Work Order, the obligations of ACS with respect to the Out-of- Scope Services shall be deemed Other Services under this Agreement, and the Out-of-Scope Services and the Out-of-Scope Work Order shall be governed by all the terms and conditions of this Agreement.

2.9.2 Potential Limitation on Future Contracts. If ACS, under the terms of this Agreement or through the performance of tasks hereunder, develops specifications or statements of work, and such specifications or statements of work are to be incorporated into a solicitation, at Symetra's option, ACS may be ineligible under Symetra's standard procurement rules or, if such rules do not exist, industry standard procurement rules, to bid on and perform the work described within that solicitation as a prime contractor or subcontractor under a future Symetra contract. Except for the foregoing, ACS shall have the ability to compete for future business with Symetra on an equal basis with other Persons.

2.10 Extraordinary Events or Circumstances. Symetra may, at any time, in a written notice signed by the Symetra Project Executive, or his or her designee, and as a result of an Extraordinary Event: (a) direct ACS, in accordance with **Section 2.8,** to perform Services in an extraordinary manner *(e.g.,* perform Services at service levels above or below the SLRs for a limited duration); or (b) direct ACS to prepare and submit a proposed Out-of-Scope Work Order more quickly than required under **Section 2.9.1;** (c) direct ACS to temporarily cease the performance of certain Services; or (d) obtain a Third Party to perform certain Services for the duration of the Extraordinary Event. If such Extraordinary Event results in ACS' performance of Other Services, to the extent incremental pricing for such Other Services is not set forth in this Agreement (including, in particular, in **Schedule 4**), the Parties shall engage in good faith negotiations in order to arrive at appropriate fees and expenses to be paid to ACS in consideration of its performance of such Other Services. If such Extraordinary Event results in ACS' performance of additional or fewer Services, as the case may be: (e) provided: (i) the upper Pricing Band limit or the lower Pricing Band limit, as applicable, for such Services as specified in **Schedule 3** has not been surpassed for more than ninety (90) calendar days, the applicable pricing set forth in **Schedule 3** shall apply; or (f) once the upper Pricing Band limit or the lower Pricing Band limit, as applicable, for such Services as specified in **Schedule 3** has been surpassed for more than ninety (90) calendar days, the Parties shall engage in good faith negotiations in order to arrive at new pricing for the affected Service Tower Services. The rights and obligations of the Parties under this **Section 2.10** shall be in addition to those under **Sections 2.5.7**, **9.2.3** and similar provisions of this Agreement addressing Force Majeure Events.

2.11 Reports and Other Resource Materials.

2.11.1 General. In addition to any reports that may be required to be furnished pursuant to any **Schedule 2**, ACS shall furnish reports to Symetra in the manner, format, and frequency, and containing contents, reasonably requested by Symetra from time to time. In addition to SLR Reports and reports relating to amounts invoiced to Symetra, ACS' reports shall include, among other things, annual security audit reporting, including reporting on unauthorized system access incidents, and reports regarding cost-management, Subcontractor relationships, End-User satisfaction, human resources matters and any other pertinent data requested by Symetra. ACS promptly shall (but not later than two (2) calendar days after gaining knowledge thereof) inform Symetra of any deficiencies, omissions or irregularities in Symetra's requirements or in ACS' performance of the Services that come to ACS' attention. ACS shall furnish Symetra with all existing and future research and development resources, such as published materials, and industry studies conducted for or by ACS, that pertain to the Services and that might assist Symetra in setting its IT policies or requirements. The ACS Project Executive also shall advise Symetra of all other matters of a material nature that he or she believes would be helpful to Symetra in setting or revising its IT policies or requirements.

2.11.2 Media. ACS shall furnish to Symetra all reports in both hard copy and electronic form per Symetra's specifications in effect on the Effective Date, as the same may be reasonably modified by Symetra from time-to-time thereafter.

2.12 Critical Milestones.

2.12.1 Designation of Critical Milestones. As of the Effective Date, the Parties have designated certain milestones, activities, actions and/or projects under this Agreement as Critical Milestones, and have identified (in the Transition Plan or elsewhere in this Agreement) dates for ACS to achieve such Critical Milestones. Following the Effective Date, the Parties may designate additional milestones, activities, actions and/or projects under this Agreement as Critical Milestones (such agreement not to be unreasonably withheld by either Party), and promptly following such designation, the Parties shall work together cooperatively and in good faith to agree upon appropriate dates for ACS to achieve such Critical Milestones.

2.12.2 Failure to Timely Achieve a Critical Milestone. If ACS fails to achieve any Critical Milestone by the corresponding date for achieving such Critical Milestone, without limiting any other rights and remedies that may be available to Symetra, Symetra shall have the right to: (a) if applicable to the Critical Milestone, reduce the Fees by an amount equal to the Fee Reduction calculated as provided in **Schedule 5;** and/or (b) declare an Event of Default. Notwithstanding the foregoing, the remedies described in **Sections 2.12.2(a)** and **(b)** shall not be available to Symetra if and to the extent ACS' failure to achieve any Critical Milestone by the corresponding date for achieving such Critical Milestone is due to: (c) the occurrence of a Force Majeure Event; (d) a delay by Symetra solely for its own convenience; or (e) Symetra's material failure to perform any of its responsibilities under this Agreement that were a pre-condition to ACS' ability to perform its obligations, provided that such failure previously was identified by ACS in writing.

2.13 End-User Satisfaction and Communication. In addition to any End-User satisfaction survey requirements set forth in **Schedule 2,** not less than once quarterly, ACS shall conduct End-User satisfaction surveys in accordance with this Section. The proposed surveys (including the underlying instrument(s), methodology and survey plan) shall be subject to Symetra's review, comments and approval and shall cover a representative sample of the End-Users including, as a separate sample category, senior management of Symetra. Symetra shall provide reasonable assistance to ACS to: (a) identify the appropriate sample of End-Users; (b) distribute the surveys; and (c) encourage participation by such End-Users in order to obtain meaningful results. ACS shall report the results of the surveys separately from each of the End-Users or groups of End-Users as may be specified by Symetra, and the ACS Project Executive shall review the results of each survey with Symetra within thirty (30) calendar days following the mutually agreed deadline for completion and return of the survey. During each such review session, ACS shall submit an End-User communication plan to Symetra for its review, comments and approval that shall include, at a minimum, updates to the End-Users regarding the results of the satisfaction surveys. Not later than thirty (30) calendar days following each review session, ACS shall provide to Symetra an action plan for addressing any problem areas identified in the survey results.

2.14 Cooperation with Symetra and Third Parties. ACS shall cooperate fully with Symetra and all Third Parties designated by Symetra, and shall disclose such information to Symetra and such Third Parties relating to ACS and its Subcontractors as may be reasonably required or necessary for delivery of the Services as required herein. All such disclosures shall be subject to the confidentiality provisions of **Article 13.**

2.15 Movement of an ACS Facility. Except as otherwise agreed to by the Parties in writing, if ACS moves, relocates, alters or changes any facility (including, without limitation, any ACS data center), such movement, relocation, alteration or change shall not: (a) result in any charges to Symetra; or (b) alter or excuse ACS' obligation to perform all Services in accordance with the SLRs.

ARTICLE 3
PERSONNEL

3.1 ACS Personnel.

3.1.1 ACS Key Personnel.

(a) Designation of ACS Key Personnel. Each of the ACS Key Personnel is designated on, and shall have the functions assigned to him or her as set forth in, **Attachment E**. This Schedule may be modified from time-to-time in accordance with this Agreement and shall be deemed modified upon any Symetra-approved replacement or substitution of a new person for any ACS Key Personnel. Prior to the assignment, hiring or designation of any person to fill the position or perform the duties provided by any ACS Key Personnel, Symetra shall have the right to interview and participate in the selection of such person to fill the position or perform the duties provided by the ACS Key Personnel to be replaced. ACS shall not hire, assign or designate any new person to fill the position or perform the duties provided by any ACS Key Personnel without Symetra's prior written consent, which consent may be given or withheld in Symetra's sole discretion. In addition, Symetra shall not be obligated to pay any Fees (or portion thereof) that are attributable to ACS Key Personnel until it determines, in its reasonable discretion, that such ACS Key Personnel have sufficient training, education and knowledge about Symetra's then-current status and project needs. ACS shall ensure that all ACS Key Personnel have at least one designated individual as his or her core knowledge backup, ACS acknowledging that cross-sharing of knowledge is critical to minimizing the potential impact to Symetra if any of the ACS Key Personnel become unavailable for any reason. ACS Key Personnel shall treat Symetra as their most favored customer and shall give Symetra priority over all of ACS' other customers. All other ACS employees who are assigned to Symetra shall treat Symetra as a priority customer.

(b) Removal/Replacement of ACS Key Personnel by ACS. All ACS Key Personnel shall be assigned to perform the Services on such basis *(e.g.*, full time assignment or otherwise) as needed to ensure that the Services contemplated hereunder are provided in an efficient and timely manner. Except as otherwise permitted in **Section 1.2.2(d),** without Symetra's prior written consent, ACS shall not: (i) undertake any action with respect to any ACS Key Personnel that would result in the alteration or reduction of time expended by such ACS Key Personnel in performance of ACS' duties hereunder; or (ii) transfer, reassign or otherwise re-deploy any ACS Key Personnel from performance of ACS' duties under this Agreement, except in cases involving: (i) a voluntary or For Cause termination; (ii) removal at Symetra's request; or (iii) inability to work due to death, disability or illness. If any one of the ACS Key Personnel comes unavailable to perform his/her duties for any reason, subject to the terms of **subsection (c)** below, within forty-eight (48) hours thereafter, ACS shall replace such person with another person approved by Symetra that is at least as well qualified as the person being replaced. For purposes of this Section, the movement of ACS Key Personnel from the employ of ACS to an Affiliate or a Subcontractor of ACS shall be considered a reassignment requiring Symetra's consent and not a cessation of employment. If ACS removes or temporarily reassigns the ACS Key Personnel in accordance with the terms of this Section, Symetra may withhold any and all payments due or that become due to ACS until the ACS Key Personnel vacancy is filled by a qualified replacement, as approved by Symetra.

(c) Removal of ACS Personnel by Symetra. Notwithstanding anything contained herein to the contrary, if Symetra believes that the performance or conduct of any Person employed or retained by ACS to perform ACS' obligations under this Agreement (including, without limitation, ACS Key Personnel) is unsatisfactory for any reason or is not in compliance with the requirements of this Agreement, Symetra shall so notify ACS in writing and ACS shall promptly address the performance or conduct of such person, or, at Symetra's request, immediately replace such Person with another Person acceptable to Symetra and with sufficient knowledge and expertise to perform the Services in accordance with this Agreement. Symetra shall not be responsible for any relocation expenses associated with ACS' compliance with this Section or any other term or condition of this Agreement.

(d) Transition. If: (i) ACS is obligated to replace an individual as provided in **subsection (c)** above; or (ii) ACS wants to replace or reassign any of the ACS Key Personnel, and either Symetra consents to such replacement or reassignment, or Symetra's consent to such replacement or reassignment is not required as provided in **subsection (b)** above, then: (1) the terms of **subsection (a)** above with respect to Symetra's right to select replacement personnel for any ACS Key Personnel shall apply; (2) the proposed replacement personnel shall be "qualified," meaning that the proposed replacement personnel shall possess comparable experience and training as the ACS personnel to be replaced; and (3) the replacement personnel shall work with the replaced personnel during a mutually agreed transition period, the duration of which shall be determined based on the duties and responsibilities of the person to be replaced, and all costs and expenses associated with educating and training the replacement personnel shall be borne by ACS. Without limiting the generality of the foregoing, the transition period for the ACS Project Executive shall be at least one (1) month in length. In addition, provided the replaced personnel remains employed by ACS, such individual shall continue to be available by telephone to answer any Services or Other Services-related questions.

3.1.2 Additional Personnel Requirements. In addition to ACS Key Personnel, ACS shall provide and make available such additional staff and personnel as ACS deems necessary to properly perform all of ACS' obligations under this Agreement, all of whom shall, prior to their assignment to perform Services, be subject to security clearances by ACS consistent with any applicable policies and/or practices as may be requested and/or approved by Symetra. All costs and expenses associated with providing, equipping and retaining ACS staff and other personnel is included within the Fees, including, without limitation, all wages (including overtime payments), benefits of employment, applicable payroll taxes, and all associated staffing costs such as training and education, office supplies, PC refreshment, travel and lodging costs and recruiting and relocation expenses. On the Effective Date and at the end of every six (6)-month period after the Effective Date, ACS shall provide Symetra with a written list of all ACS and Subcontractor personnel whose time is dedicated fifty percent (50%) or more to providing Services hereunder, and the contents of such written list shall include, without limitation, the employees' names, dates of placement, assignment addresses, assigned duties and responsibilities, and the names of the person to whom they are required to report.

3.1.3 Minimum Proficiency Levels. ACS Key Personnel, and all other personnel assigned by ACS or its Subcontractors to perform ACS' obligations under this Agreement, shall have experience, training and expertise sufficient to perform ACS' obligations under this Agreement including, without limitation, ACS' obligations with respect to the SLRs. Whenever ACS and/or an ACS Subcontractor indicates that a Person has a specific level of experience or expertise, such Person shall in fact possess such experience and expertise. Symetra shall not be required to pay for Services provided by any Person who does not possess the promised levels of experience and expertise.

3.1.4 Specialized Personnel. As part of its provision of Services, ACS shall ensure that all ACS personnel (and the personnel of any ACS Subcontractors) performing Services in work areas requiring specific health, regulatory (including, without limitation, HIPAA, the California Statute, GLB and other regulations identified by Symetra), security or safety-related expertise are trained, qualified, and available to perform the Services in such areas as such training is commercially appropriate for the Services performed by such personnel. As reasonably requested by ACS, Symetra shall make available to ACS personnel (and to the personnel of any ACS Subcontractor(s)) any regulatory training that Symetra makes available to its own personnel in such work areas, with all costs and expenses associated with such training (if any) to be borne by ACS.

3.1.5 Training. At its own cost and expense, ACS shall provide, and cause its Subcontractors to provide, all such training to the employees of ACS and its Subcontractors as may be necessary for them to perform all of ACS' duties under this Agreement (including technical training as well as training regarding applicable administrative matters such as training regarding Symetra-specific policies and SOPs), and, in any event, levels of training equal to or greater than the average levels of training given to other ACS and/or Subcontractor employees holding corresponding positions.

3.1.6 Supervision and Conduct of ACS Personnel. Except as expressly set forth herein, neither ACS, its Subcontractors, nor the employees of any of them, are or shall be deemed to be employees of Symetra. ACS or, with respect to Persons who work for an ACS Subcontractor, the applicable ACS Subcontractor(s), shall be responsible for their own staff assigned to provide Services under this Agreement, and, subject to this **Article 3,** ACS (directly or through ACS Subcontractors) shall have the sole right to direct and control the management of such staff. ACS and, in respect of Persons who work for ACS' Subcontractors, ACS' Subcontractors, shall: (a) determine and pay all applicable wages and salaries, including applicable overtime and other premium pay; (b) provide welfare and retirement benefits, as it deems necessary or desirable; (c) comply with applicable tax laws, including income tax and employment tax withholding laws; (d) comply with all applicable laws governing the relationship between ACS or ACS' Subcontractors and their respective employees, including laws relating to accommodation of disabilities, equal pay, provision of leave *(e.g.*, FMLA, jury duty, etc.), unlawful discrimination, as well as wage and hour law requirements; (e) comply with all workers' compensation insurance coverage laws; (f) file all applicable reports with federal, state and local agencies and authorities as required by law; (g) maintain all required employment records, including 1-9, personnel and medical files consistent with applicable law and customary business practices; and (h) comply with all applicable equal employment opportunity laws (including, without limitation, Executive Order 11246 as well as all other related laws and regulations). While at or on the premises of Symetra, personnel of ACS and ACS' Subcontractors shall: (i) conduct themselves in a businesslike manner; and (j) comply with the requests and standard rules of Symetra regarding safety and health and personal, professional and ethical conduct (including, without limitation, those contained in Symetra's employee manuals and other written policies and procedures) as may be required for such locations.

3.2 Symetra Personnel. The Symetra Project Executive shall act as the primary liaison between Symetra and the ACS Project Executive and have overall responsibility for the day-to-day oversight of ACS' performance under this Agreement and coordination of Symetra's retained authorities, as well as the additional personnel described in **Section 3.1,** in order to perform Symetra's responsibilities hereunder. If any one of such Symetra personnel is unable to perform the functions or responsibilities assigned to him or her in connection with this Agreement, or if he or she is no longer employed by Symetra, Symetra shall replace such person or reassign the functions or responsibilities to another Person.

3.3 Solicitation of Personnel. Except as provided in **Section 10.3.6,** during the Term and for a period of twelve (12) months thereafter, neither Party shall, without the prior written consent of the other Party, directly or indirectly solicit for employment any employee of the other who is involved in the performance of this Agreement. Notwithstanding the foregoing, a Party (the ***"Recruiting Party")*** will not have violated the terms set forth in the preceding sentence if an employee of the other Party: (a) responds to a general, non-targeted solicitation for employment issued by the Recruiting Party, such as a newspaper advertisement; or (b) is contacted by a recruiter for the Recruiting Party, where the recruiter has not been instructed by the Recruiting Party to target the employees of the other Party.

3.4 Personnel Restriction. With respect to any ACS Project Executive, provided such ACS Project Executive remains employed by ACS or one of its Affiliates, for a period of twelve (12) months following the date on which such ACS Project Executive last provided Services to Symetra hereunder, ACS shall restrict such ACS Project Executive from directly or indirectly, through the education of other persons or otherwise, providing services to any of the Symetra Competitors.

ARTICLE 4
ASSETS AND THIRD-PARTY CONTRACTS

4.1 Symetra Retained Equipment.

4.1.1 General. Symetra will furnish to ACS, for ACS' use at no charge, the equipment owned by Symetra (the ***"Symetra-Owned Equipment"),*** and the equipment leased by Symetra (the ***"Symetra-Leased Equipment")*** that are listed in the applicable **Schedule 2,** but for each such item of Symetra-Owned Equipment and Symetra-Leased Equipment, only for that portion of the Term occurring prior to the date on which, in the case of Symetra-Owned Equipment, Symetra fully depreciates such item of equipment and, in the case of Symetra-Leased Equipment, the lease expires for such item of Symetra-Leased Equipment, after which time ACS shall de-install and replace such item of equipment at ACS' own cost and comply with Symetra's reasonable directions regarding the disposal or other disposition of such item of equipment. The Symetra-Owned Equipment and Symetra-Leased Equipment will remain the property of Symetra and a Symetra-retained expense; however, ACS shall be responsible for managing all such equipment. The applicable **Schedule 2** shall be deemed to be updated to include any additional Symetra-Owned equipment and/or Symetra- Leased equipment made available by Symetra for ACS' use in providing the Services. Notwithstanding the location of any Symetra-Owned Equipment or Symetra Leased Equipment at an ACS or other non-Symetra facility, or the failure to list any item of Symetra-Owned Equipment or Symetra-Leased Equipment on the applicable **Schedule 2,** all right, title and interest in and to any Symetra-Owned Equipment and Symetra-Leased Equipment will be and remain in Symetra, and ACS will have no title or ownership interest in such Symetra-Owned Equipment and Symetra-Leased Equipment. ACS will provide Symetra with reasonable access to all Symetra-Owned Equipment or Symetra-Leased Equipment located at an ACS or other non-Symetra facility, and, notwithstanding any contrary terms that may be contained herein, will be responsible for all costs and expenses associated with repair or replacement of any Symetra-Owned Equipment or Symetra-Leased Equipment or any part thereof damaged (reasonable wear and tear excepted) by the employees, agents or invitees of ACS, its Affiliates and/or its Subcontractors (excluding Symetra).

4.1.2 Third-Party Approvals. ACS and Symetra shall work together to identify, and Symetra with ACS' assistance thereafter will take all actions reasonably necessary to obtain, any consents, approvals or authorizations from Third Parties as required for ACS to lawfully access, operate, and use (at or from any location where Services are to be provided) the Symetra-Owned Equipment and the Symetra-Leased Equipment. Symetra hereby appoints ACS to act as its single point of contact for all matters pertaining to the Symetra-Owned Equipment and the Symetra-Leased Equipment, and with Symetra's approval, ACS promptly will notify all appropriate Third Parties of such appointment. Symetra may at any time revoke such appointment and/or exercise control over ACS' actions with respect to such Third Parties.

4.1.3 Return of Symetra Equipment. Unless a later return date is requested by Symetra, thirty (30) calendar days following any expiration or termination of this Agreement, ACS will return each item of Symetra-Owned Equipment and Symetra-Leased Equipment to Symetra (excluding those items of equipment that previously were replaced by ACS as described in **Section 4.1.1)** in substantially the same condition it was in when initially provided to ACS, reasonable wear and tear excepted.

4.2 ACS Equipment. "ACS Equipment" means equipment owned, leased or otherwise held by ACS that is dedicated solely to ACS providing the Services. Notwithstanding the location of

ACS Equipment at a Symetra facility, all right, title and interest in and to any such ACS Equipment will be and remain in ACS, and Symetra will not have any title or ownership interest in the ACS Equipment.

4.2.1 Use of ACS Equipment by ACS Employees. ACS may provide ACS Equipment for use by ACS employees on behalf of Symetra, at no additional charge to Symetra.

4.2.2 Provision of ACS Equipment to Symetra. ACS may, upon mutual agreement with Symetra as to equipment and charges (if any), provide to Symetra certain ACS Equipment at mutually agreed location(s), and on a mutually agreed delivery schedule. With the advice of ACS, Symetra will prepare and maintain at Symetra's cost and expense any Symetra facility in which ACS Equipment will be installed in accordance with the manufacturers' specifications and all applicable codes, statutes, regulations and standards.

4.2.3 Installation of ACS Equipment. ACS will arrange for, and will determine the mode of transportation and installation of each item of ACS Equipment to such location(s) as may be mutually agreed to by the Parties. If Symetra relocates any Symetra facility in which ACS Equipment may be installed, Symetra will be responsible for the relocation costs of such ACS Equipment. If ACS requests the relocation of any ACS Equipment, ACS shall be responsible for the associated relocation costs.

4.2.4 Maintenance of ACS Equipment. ACS will be responsible for maintaining all ACS Equipment after installation at a Symetra location; provided, however, that Symetra will be responsible for all costs and expenses of repair or replacement to correct any damage to ACS Equipment or any part thereof (reasonable wear and tear excepted) caused by Symetra, or one of their employees, agents or invitees (exclusive of the employees, agents and/or invitees of ACS, its Affiliates and/or its Subcontractors).

4.3 Software.

4.3.1 ACS-Licensed Third Party Software.

(a) Category 1 Software. **Schedule L** to this Agreement sets forth the software that is owned by a Third Party and licensed by ACS and/or any of its Affiliates on an enterprise-wide basis (meaning pursuant to a license that is not specific to Symetra) that Symetra agrees ACS may use to provide the Services (together with all supporting documentation, media and related materials, including all modifications, enhancements, updates, replacements and other Derivative Works thereof, the ***"Category 1 Software").*** ACS shall grant to Symetra, its Affiliates and their employees and independent contractors the right to use, or receive the benefit of the use by ACS of, the Category 1 Software during the Term and during the Disentanglement Period. If and as requested by Symetra during the Disentanglement Period and at no additional charge to Symetra, ACS shall assist Symetra, its Affiliates and/or the Replacement Provider in procuring a license, and in securing maintenance and support, with respect to the Category 1 Software commencing on the Expiration Date and continuing thereafter for as long as Symetra requires at competitive rates (which license and maintenance and support fees shall be paid by Symetra). Except as provided in the preceding sentence, all costs and expenses associated with the Category 1 Software including, without limitation, license, maintenance and support, implementation and/or upgrade fees, shall be deemed to be included in the Fees. All right, title and interest in and to the Category 1 Software (excluding Derivative Works that contain Work Product) shall remain with the applicable Third Party.

(b) Category 2 Software. **Schedule L** to this Agreement sets forth the software that is owned by a Third Party and licensed by ACS and/or its Affiliates solely for use in performing its obligations under this Agreement (meaning pursuant to a license that is specific to Symetra) that Symetra agrees ACS may use to provide the Services (together with all supporting documentation, media and related materials, including all modifications, enhancements, updates, replacements and other Derivative Works thereof, the ***"Category 2 Software"*** **).** ACS shall obtain for Symetra a non-exclusive, non-transferable, fully paid license for Symetra, its Affiliates and their employees and independent contractors to use, or receive the benefit of the use by ACS, of the Category 2 Software during the Term and during the Disentanglement Period. If ACS is unable to procure such a license, ACS shall so notify Symetra in writing and Symetra may: (i) waive all or any portion of the foregoing license scope requirements in writing; or (ii) become directly involved in negotiations with the Third Party. ACS shall also procure the advance consent of each Third Party software vendor of Category 2 Software to an assignment to Symetra, its Affiliates and/or the Replacement Provider, of the license agreement between such Third Party software vendor and ACS during the Disentanglement Period. If such consent cannot be obtained from any Third Party software vendor, ACS shall so notify Symetra in writing, and Symetra may: (iii) waive this requirement in writing; or (iv) elect to license the applicable Category 2 Software directly from the applicable Third Party software vendor. If Symetra licenses such Category 2 Software directly from the Third Party software vendor, the software shall be deemed Category 3 Software for purposes of this Agreement. If and as requested by Symetra during the Disentanglement Period and at no additional charge to Symetra, ACS shall assist Symetra, its Affiliates and/or the Replacement Provider in procuring a license (if necessary) and securing maintenance and support with respect to the Category 2 Software commencing on the Expiration Date and continuing thereafter for as long as Symetra requires at competitive rates (which license (if any) and maintenance and support fees shall be paid by Symetra). All costs and expenses associated with the Category 2 Software including, without limitation, license, maintenance and support, implementation and/or upgrade fees (but excluding any assignment-related consent fees as described above), shall be deemed to be included in the Fees. All right, title and interest in and to the Category 2 Software (excluding Derivative Works that contain Work Product) shall remain with the applicable Third Party.

4.3.2 Symetra-Licensed Third Party Software.

(a) Category 3 Software. **Schedule L** sets forth certain Third Party software licensed by Symetra that ACS may access and/or use in providing the Services during the Term and during the Disentanglement Period **(*"Category 3 Software"*).** Symetra will attempt to secure the appropriate consents and approvals required to enable ACS to access and/or use the Category 3 Software, and if it is unable to do so, the terms of **Section 4.3.2(c)** shall apply. ACS will pay all required license, maintenance and support, implementation and upgrade fees with respect to the Category 3 Software (up to those amounts that ACS would have been required to pay if such Software constituted Category 2 Software), and Symetra shall pay all required costs and expenses (including, without limitation, license and consent charges imposed by software vendors) required to permit usage by ACS of the Category 3 Software under this Agreement. All right, title and interest in and to the Category 3 Software (excluding Derivative Works that contain Work Product) shall remain with the applicable Third Party.

(b) Category 4 Software. **Schedule L** sets forth certain Third Party software licensed by Symetra that ACS may access and/or use in providing the Services during the Term and during the Disentanglement Period **(*"Category 4 Software"*).** Symetra will attempt to secure the appropriate consents and approvals required to enable ACS to access and/or use the Category 4 Software, and if it is unable to do so, the terms of **Section 4.3.2(c)** shall apply. Symetra will pay all required: (i) license and maintenance fees, including fees associated with the purchase of any upgrades, with respect to the Category 4 Software; and (ii) all costs and expenses (including, without limitation, license and consent charges imposed by software vendors) required to permit usage by ACS of Category 4 Software under this Agreement. All right, title and interest in and to the Category 4 Software (excluding Derivative Works that contain Work Product) shall remain with the applicable Third Party.

(c) Consents and Approvals. If any consents or approvals under this **Section 4.3.2** are required to be obtained but are not reasonably available, Symetra will not be required to obtain them, and Symetra and ACS agree to negotiate in good faith as to the impact of the lack of consent and to produce a reasonable alternative.

4.3.3 Category 5 Software. **Schedule L** sets forth the software that is owned by ACS and/or any of its Affiliates that Symetra agrees ACS may use to provide the Services (together with all supporting documentation, media and related materials, including any and all modifications, enhancements, updates, replacements and other Derivative Works thereof, the ***"Category 5 Software"*).** ACS shall grant to Symetra a non-exclusive, non-transferable (except in accordance with **Section 19.5),** fully paid, license for Symetra, its Affiliates and their employees and independent contractors to use, or receive the benefit of the use by ACS of, such Category 5 Software during the Term and during the Disentanglement Period. All costs and expenses associated with the Category 5 Software including, without limitation, license, maintenance and support, implementation and/or upgrade fees, shall be deemed to be included in the Fees. All right, title and interest in and to the Category 5 Software (excluding Derivative Works that contain Work Product) shall remain with ACS.

4.3.4 Category 6 Software. **Schedule L** sets forth the software that is owned by Symetra and/or any of its Affiliates that Symetra may instruct ACS to use in connection with the Services (together with all supporting documentation, media and related materials, including any and all modifications, enhancements, updates, replacements and other Derivative Works thereof, the ***"Category 6 Software"*).** All right, title and interest in and to the Category 6 Software shall remain with Symetra and/or its Affiliates, and ACS will have no ownership interests or other rights in the Category 6 Software, provided that Symetra grants to ACS the right to access and use the Category 6 Software as necessary to provide the Services. The Category 6 Software will be made available to ACS in such form and on such media as ACS may reasonably request, together with existing documentation and other available materials. If ACS is authorized to make any changes to any Category 6 Software, such changes will be authorized by the change management procedure to be developed as part of the Standards and Procedures Manual. ACS will document any such changes, and all such changes shall constitute Category 6 Software and shall be treated as Work Product for purposes of this Agreement. Without Symetra's prior written permission, ACS will not access or use the Category 6 Software for any purpose other than the provision of Services hereunder.

4.4 Assigned Contracts. **Attachment H** sets forth the written support, maintenance and other agreements that are expected to be assigned to ACS for use in providing the Services. If any agreement inadvertently was omitted from such Schedule, at Symetra's request, the Parties shall work together in a cooperative manner to effectuate the assignment of such agreement to ACS. If Symetra is unable to effectuate an assignment of any of such agreements, such agreements shall become subject to the terms of **Section 4.5.**

4.5 Managed Contracts. **Attachment I** sets forth the support, maintenance and other agreements that will be managed by ACS as part of the Services (collectively, the ***"Managed Contracts"*** **).** If any agreement inadvertently was omitted from such Schedule, at Symetra's request, the Parties shall add such agreement to **Attachment I.** Symetra will attempt to secure the appropriate consents and approvals required to enable ACS to perform its obligations relating to the Managed Contracts. If any such consents or approvals are not reasonably available, Symetra will not be required to obtain them, and Symetra and ACS agree to negotiate in good faith as to the impact of the lack of consent and to produce a reasonable alternative. Symetra hereby appoints ACS to act during the Term as its single point of contact for all matters pertaining to the Managed Contracts, and with Symetra's approval, ACS promptly will notify all appropriate Third Parties of such appointment. Symetra may at any time revoke such appointment and/or exercise reasonable control over ACS' actions with respect to such Third Parties as it relates to the provision of Services.

4.6 Further Assurances. Symetra and ACS agree to execute and deliver such other instruments and documents as either Party reasonably requests to evidence or effect the transactions contemplated by this **Article 4.**

4.7 Use of Symetra Facilities. Symetra shall make reasonably necessary office space, furnishings, and storage space (the ***"Symetra Facilities")*** available to ACS' on-site personnel performing Services at any Symetra Site throughout the Term and shall maintain Symetra Facilities in areas and at a level similar to that which it maintains for its own employees performing similar work. Office space, furnishings, storage space, and assets installed or operated on Symetra premises, and supplies allocated, are provided "AS IS, WHERE IS," and "WITH ALL FAULTS". Symetra shall provide ACS reasonably unencumbered access to such facilities as is reasonably required for ACS to provide the Services. Any furnishings (other than basic office furnishings) and office supplies for the use of ACS' (and its Subcontractors') personnel are the exclusive responsibility of ACS. ACS shall be entitled to make improvements and/or structural, mechanical and/or electrical changes to any space where ACS' personnel are performing Services on-site at any Symetra Site, provided that: (i) such improvements shall have been previously approved in writing by Symetra (which approval may be withheld in Symetra's sole discretion); (ii) such improvements shall be made at no cost or expense to Symetra; (iii) any contractors used by ACS to perform such improvements shall have been identified or otherwise approved in writing by Symetra; and (iv) Symetra shall be granted, without further consideration, all rights of ownership in such improvements.

4.7.1 Specific Hardware and Carrier Charges. ACS shall provide and be responsible for all such telephone and modem lines, telephones, computers and peripheral devices, computer connections, and network access, as may be necessary for ACS to provide the Services. ACS shall be responsible for all usage-based carrier charges incurred by ACS personnel and all usage-based carrier charges incurred to provide a telecommunications link between ACS and any Symetra Site.

4.7.2 Access to Personnel and Information. The Parties shall cooperate with each other in all matters relating to ACS' performance of the Services. With respect to Symetra, such cooperation shall be limited to providing, as reasonably required by ACS for the performance of the Services, access to Symetra's administrative and technical personnel, other similar personnel, and network management records and information.

4.7.3 Other Facility-Related Obligations. Except as expressly provided in this Agreement, ACS shall use Symetra Facilities for the sole and exclusive purpose of providing the Services to Symetra. Use of such facilities by ACS does not constitute a leasehold interest in favor of ACS. ACS shall use Symetra Facilities in a reasonably efficient manner. The employees and agents of ACS, and its Subcontractors shall keep the Symetra Facilities in good order, shall not commit or permit waste or damage to such facilities, and shall not use such facilities for any unlawful purpose or act. ACS shall comply, and shall cause its employees and the employees of its Subcontractors to comply, with all applicable laws and regulations, including all of Symetra's standard policies and procedures that are provided to ACS in writing regarding access to and use of Symetra Facilities, including procedures for the physical security of the Symetra Facilities. When Symetra Facilities are no longer required for performance of the Services, ACS shall return such facilities to Symetra in substantially the same condition as when ACS began use of such facilities, subject to reasonable wear and tear. ACS shall not cause the breach of any lease agreements governing use of Symetra Facilities.

ARTICLE 5
RETAINED AUTHORITIES

5.1 General. Symetra shall retain the exclusive right and authority to set Symetra's IT strategy and to determine, alter, and define any or all of Symetra's requirements and operational and/or business processes and procedures. Symetra shall have the right to approve or reject any or all proposed decisions regarding infrastructure design, technical platform, architecture and standards and, subject to the change management procedures that will be developed as part of the Standards and Procedures Manual, will have the right and authority to cause ACS at any time to change any or all of the foregoing. If ACS can demonstrate that a particular exercise of Symetra's rights and authorities as stated in this Section may interfere with or degrade ACS' provision of the Services or have a materially detrimental impact on ACS' cost of providing the Services or time for delivery of the Services, the Parties shall mutually agree to any proposed exercise of such right or authority pursuant to the terms of change management procedures that will be developed as part of the Standards and Procedures Manual prior to the implementation thereof. Symetra shall consult with ACS to inform ACS of significant changes in Symetra's IT strategy and changes in its requirements and business processes relating to the Services. ACS shall actively participate in any of the foregoing as Symetra requests and shall provide Symetra with advice, information and assistance in identifying and defining IT projects and future IT requirements to meet Symetra's objectives.

5.2 Specific Retained Authorities. Without limiting the generality of **Section 5.1,** Symetra shall retain exclusive authority, discretion and rights of approval with respect to the activities described in this **Section 5.2,** and ACS shall obtain Symetra's prior written approval before undertaking any such activities.

5.2.1 Strategic and Operational Planning. Symetra shall retain exclusive authority, discretion and rights of approval with respect to strategic and operational planning, which includes the following:

(a) developing a series of comprehensive standards and planning guidelines pertaining to the development, acquisition, implementation, and oversight and management of IT systems;

(b) identifying and implementing opportunities for reducing costs for IT systems considering alternatives suggested by ACS;

(c) approving or disapproving, in accordance with guidelines established by Symetra, each proposed acquisition of hardware or software for an IT system;

(d) approving or disapproving, in accordance with guidelines established by Symetra, all requests or proposed contracts for consultants for IT systems;

(e) defining and evaluating IT services, including service availability and minimum acceptable service levels; service specifications and standards; selection of suppliers; security requirements; scheduling, prioritization, and service conflict resolution among End-Users; help desk rules; and general operational management guidelines; and

(f) service-provider strategy, including selection of providers; specialized provider relationships *(e.g.,* telecommunications); and quality assurance standards.

5.2.2 Service Design and Delivery. Symetra shall retain exclusive authority, discretion and rights of approval with respect to service design and delivery, which includes the following:

(a) selecting designs of specific technologies and services from alternatives suggested by ACS;

(b) selecting specific technologies, hardware and software from alternatives suggested by ACS for implementation of such designs;

(c) selecting providers of specific technologies, hardware and software from alternatives suggested by ACS; and

(d) selecting implementation schedules and activities from alternatives suggested by ACS.

5.2.3 Moves, Adds and Changes. Symetra shall retain exclusive authority, discretion and rights of approval with respect to ordering move, add and change activities.

5.2.4 Business Process Reengineering. Symetra shall retain exclusive authority, discretion and rights of approval with respect to any business process reengineering opportunities identified by ACS. The Parties shall ensure that performance metrics related to any business process reengineering are accurately and appropriately developed. Notwithstanding anything contained in this **Section 5.2.4** or anywhere else in this Agreement to the contrary, Symetra shall retain sole control over its business operations.

5.2.5 Contract Management. Symetra shall retain exclusive authority, discretion and rights of approval with respect to managing this Agreement and Symetra's relationship with ACS.

5.2.6 Budget Management. Symetra shall retain exclusive authority, discretion and rights of approval with respect to managing Symetra's annual budget for all Symetra operations, utilizing ACS' estimates for Services included in the scope of this Agreement and for additional services planned or anticipated throughout the Term.

5.2.7 Validation and Verification. Symetra shall retain exclusive authority, discretion and rights of approval with respect to performing validation and verification activities in relation to key projects and operational processes.

5.2.8 Review and Acceptance.

(a) General. Symetra shall have the right to review and accept or reject all components, deliverables and systems to be provided by ACS to Symetra under this Agreement, pursuant to the methodology set forth in this Section.

(b) Acceptance Testing. Following ACS' notification to Symetra that ACS has completed any component or deliverable identified in this Agreement, including In- Scope Service Requests and Out-of-Scope Work Orders, at a mutually agreed scheduled time thereafter, Symetra shall begin testing the component or deliverable to determine whether such component or deliverable conforms to the applicable specifications and/or standards (collectively, the ***"Acceptance Criteria").*** After Symetra has completed such testing or upon expiration of the agreed-upon testing period (the ***"Acceptance Testing Period"),*** Symetra shall notify ACS in writing either that: (i) the component or deliverable meets the Acceptance Criteria and that acceptance of such component or deliverable has occurred ("***Acceptance");*** or (ii) the Acceptance Criteria have not been met and, in accordance with **subsection (c)** below, the reasons therefor. If the component or deliverable is identified as being part of a larger, integrated system being developed thereunder, then any Acceptance under the terms of this subsection shall be understood as being conditional acceptance ("***Conditional Acceptance"),*** and such component or deliverable shall be subject to Final Acceptance in accordance with **subsection (d)** below.

(c) Cure. If Symetra determines that a component or deliverable does not conform to the applicable Acceptance Criteria, Symetra promptly shall deliver to ACS an exception report describing the nonconformity (the ***"Exception Report").*** Within thirty (30) calendar days following receipt of the Exception Report, ACS shall: (i) perform a Root- Cause Analysis to identify the cause of the nonconformity; (ii) provide Symetra with a written report detailing the cause of, and procedure for correcting, such nonconformity; (iii) provide Symetra with satisfactory evidence that such nonconformity will not recur; and (iv) cure the nonconformity; provided, however, that if the nonconformity is incapable of cure within such thirty (30) calendar day period then, within such thirty (30) calendar day period, ACS shall present to Symetra a mutually agreeable plan to cure such nonconformity within a reasonable amount of time. Upon ACS' notice to Symetra that ACS has cured any such nonconformity, Symetra shall re-test the defective component or deliverable for an additional testing period of up to thirty (30) calendar days or such other period as the Parties may mutually agree upon in writing, at the end of which period the process described in **subsection (b)** above shall be repeated.

(d) Final Acceptance. Upon achievement of Conditional Acceptance for all identified components or deliverables, Symetra shall begin testing the system that is comprised of such components or deliverables using the applicable test procedures and standards to determine whether such system performs as an integrated whole in accordance with the Acceptance Criteria. After Symetra has completed such testing or upon expiration of the testing period (the *"**Final Acceptance Testing Period**")*, Symetra shall notify ACS in writing that: (i) the system, and all components and deliverables that are a part thereof, meet the Acceptance Criteria and that final acceptance of the system and such components and deliverables has occurred ("***Final Acceptance***"*);* or (ii) that the Acceptance Criteria have not been met and, in accordance with **subsection (b)** above, the reasons therefor. If Symetra determines that the Acceptance Criteria have not been so met, the process described in **subsection (b)** above shall be initiated, with all references to "component or deliverable" being references to the "system," and all references to the "Acceptance Testing Period" being references to the "Final Acceptance Testing Period." Neither Conditional Acceptance, Acceptance, nor Final Acceptance by Symetra shall constitute a waiver by Symetra of any right to assert claims based upon defects not discernable through conduct of the applicable test procedures and subsequently discovered in a component or deliverable or the system following Symetra's Final Acceptance thereof. Nothing else, including Symetra's use of the system, or any component thereof, shall constitute Final Acceptance, affect any rights and remedies that may be available to Symetra and/or constitute or result in "acceptance" under general contract law, any state uniform commercial code or any other law.

ARTICLE 6
FEES AND PAYMENT TERMS

6.1 Fees.

6.1.1 General. As the sole and entire financial consideration for all of the Services to be performed by ACS hereunder and for all of the other tasks, services and obligations of ACS, Symetra shall pay to ACS the amounts set forth in this **Article 6.** Except as otherwise expressly stated in this **Article 6,** and as otherwise provided in this Agreement, Symetra shall not be obligated to pay ACS any additional fees, assessments, reimbursements or labor and/or general business expenses (including travel, meals and overhead expenses) for the Services and other obligations of ACS hereunder.

6.1.2 Transition Services. For and in consideration of ACS' provision of the transition Services pursuant to the terms of the Transition Plan, Symetra shall pay to ACS the Fees for transition Services specified in **Schedule 3** in accordance with the payment terms set forth therein.

6.1.3 Annual Services Fees. The ***"Annual Services Fees"*** for the Services are set forth in **Schedule 3** and, subject to the terms of **Sections 2.3.3** and **6.3,** shall be invoiced monthly in twelve (12) equal payments commencing, for each of the Service Tower Services, on the applicable Handover Date.

6.1.4 Service Rates. Services not included in the Services or otherwise designated in this Agreement as "**other services**" (collectively, ***"Other Services")*** that are available from ACS on a time-and-materials basis, will be provided at rates that do not exceed the hourly service rates set forth in **Schedule 4** ***("Service Rates").*** The Service Rates may be increased by ACS once annually commencing on the first anniversary of the Effective Date; provided, however, that such annual increases shall not exceed the lesser of: (a) the most recent increase in the CPI; and (b) three percent (3%), in each case of the then-current Service Rates. ACS shall not increase the billing rate for a particular individual who is assigned to a Symetra project as a result of a promotion, change in job classification or otherwise without Symetra's prior written consent, it being the understanding of the Parties that Symetra does not expect any rate changes during the course of a particular project. Additionally, ACS shall bill Symetra in increments of not more than one (l)-hour for all Other Services provided, and shall in no event bill Symetra for travel time.

6.1.5 Taxes.

(a) ACS' Taxes. The Fees to be paid by Symetra are inclusive of taxes legally imposed on ACS, including: (i) all applicable sales, use, gross-receipts or value- added, excise, personal property or other similar taxes based upon or measured by ACS' cost in acquiring or providing equipment, materials, supplies or third party services furnished to or used by ACS in providing and performing the Services; (ii) all taxes payable by ACS with respect to its net worth, net income or profits; and (iii) other taxes legally imposed on ACS such as franchise taxes, ad valorem taxes on its owned or leased property, employment taxes with respect to its employees, intangibles taxes on property it owns or licenses, and the Washington business and occupation tax.

(b) Symetra's Taxes. Notwithstanding **Section 6.1.5(a),** if any sales, use, privilege, value added, excise, gross receipts, services and/or similar tax that ACS is authorized by law to collect from or otherwise pass through to Symetra is imposed on, based on, or measured by any consideration for the provision of the Services by ACS to Symetra under this Agreement, Symetra shall be responsible for and pay the amount of any such tax to ACS, or to the appropriate tax authority as the law may otherwise require, in addition to the Fees.

(c) Cooperation to Minimize Tax Liability. The Parties agree to reasonably cooperate with each other in good faith to more accurately determine and reflect each Party's tax liability and to minimize such liability to the extent legally permissible. Each Party shall provide and make available to the other any resale certificates, multi-state benefit certificates, exemption certificates or other evidence of exemption from tax reasonably requested by either Party. The Parties will also work together to segregate the Fees and other amounts payable hereunder into separate payment accounts charged under separate invoices, as appropriate, for Services and the components of the Services (i.e., components that are taxable and nontaxable, including those for which a sales, use or similar tax has already been paid by ACS and for which ACS functions merely as a paying agent for Symetra in receiving goods, supplies or services including licensing arrangements that otherwise are nontaxable or have previously been subjected to tax, components that are capitalized, and components that are expensed).

6.1.6 Currency. Except as set forth herein, all pricing in **Schedule 3** and **Schedule 4** shall be expressed in United States Dollars. Any payments made in local currency other than United States Dollars (a ***"Local Currency")*** shall be converted into United States Dollars based on the official exchange rate posted in the U.S. morning edition of the Wall Street Journal on the thirtieth (30^{th}) day of the month preceding the month in which the currency transaction occurs. By way of example, if a transaction involving a conversion of Local Currency into United States Dollars takes place on February 15, 2005, the Local Currency shall be converted into United States Dollars at the exchange rate set forth in the US morning edition of the Wall Street Journal on January 30,2005.

6.2 Adjustments to Fees.

6.2.1 Terminated Services. If, in accordance with the terms set forth in **Sections 9.2** and/or **9.5**, Symetra terminates or reduces all or any portion of the Services to be provided here-under, then the Fees relating to such terminated Services shall be appropriately reduced, and such reduction shall apply as of the applicable Termination Date(s).

(b) 6.2.2

(a) General. **Schedule 5**, as the same will be updated as provided in **subsections (b)** and **(c)** below, specifies certain Fee Reductions that will be applicable with respect to ACS' actual performance as measured against the Critical Milestones and the SLAs. The Parties agree that the Fee Reductions reflect the diminished value of the Services as a result of any ACS failure to timely achieve a Critical Milestone and/or to provide the Services in accordance with the SLAs, and accordingly do not constitute, shall not be construed or interpreted as, and shall not be argued by ACS to be, penalties. Fee Reductions shall in no event be the sole and exclusive remedy of Symetra with respect to any failure of ACS as described in this Section.

(b) Weighting Factors. Symetra shall have the right to: **[***]** and (iii) for any new Critical Milestones that will be applicable during the upcoming Contract Year, establish Weighting Factors for each such Critical Milestone.

***(c) Calculation of Fee Reductions*.** All Fee Reductions will be calculated on a monthly basis in accordance with the terms set forth in **Schedule 5** and reflected on the next monthly invoice to Symetra following such calculation. Additionally, in the first month of each Contract Year commencing with the second Contract Year, the Parties shall calculate the total of all actual fees for the prior Contract Year and re-calculate all Fee Reductions incurred during the prior Contract Year based on such amount. The resulting amount shall be compared to the actual Fee Reductions that were applied to Symetra's invoices during the prior Contract Year, and if such resulting amount demonstrates that additional Fee Reductions are owed to Symetra, then a credit for the difference in such amounts shall be applied by ACS to the first month's invoice in the then-current Contract Year, and if the resulting amount demonstrates that ACS overpaid Fee Reductions, then ACS shall invoice Symetra for the difference on the first month's invoice in the then-current Contract Year.

6.2.3 Baselines and ARCs and RRCs. The initial Baselines for each of the Service Tower Services are set forth in **Schedule 3.** Promptly following ACS' completion of an initial asset inventory as provided in **Section 2.5.5,** the Parties shall meet to review the accuracy of the initial Baselines set forth in **Schedule 3** and, if appropriate, agree upon any necessary adjustments to such Baselines and associated pricing. Thereafter, on an annual basis commencing on the first anniversary of the last Handover Date to occur under this Agreement, the Parties shall adjust all such Baselines to be equal to Symetra's actual average resource consumption for each such Baseline over the prior twelve (12) month period, with an appropriate corresponding adjustment to the then-current Annual Services Fees. Further, upon the addition or divestiture of a Symetra Affiliate as described in **Section 6.2.4,** the Parties shall appropriately adjust all Baselines, and the then-current Annual Services Fees, to reflect the new Symetra Services volumes associated with such addition or divestiture. ARCs and RRCs that are applicable to each of the Service Tower Services, and the methodology for applying such ARCs and RRCs, are set forth in **Schedule 3.**

6.2.4 Addition or Divestiture of Affiliates and Business Ventures. ACS acknowledges that, following the Effective Date, Symetra may want to add additional Affiliates and/or business ventures of Symetra and/or its Affiliates (including adding new lines of business, adding new services and products, and acquiring additional blocks of business from Third Parties that complement Symetra's current businesses and services) to the scope of this Agreement and/or reduce the number of Affiliates or existing business ventures included within the scope of this Agreement, in each case as a result of Symetra's and/or its Affiliates' acquisition and divestiture activities. If Symetra wants to add an additional Affiliate or an additional business venture of Symetra and/or its Affiliates to the scope of this Agreement, provided such additional Affiliate or business venture is not an ACS Competitor, the Parties shall work together cooperatively and in good faith to incorporate such Affiliate or business venture within the scope of this Agreement including, without limitation, by developing an appropriate transition plan; however:

(a) if ACS will be providing Services to such new Affiliate and/or business venture that are included within the scope of the Service Tower Services that are then being provided to Symetra and/or its Affiliates hereunder and: (i) the addition of such Affiliate and/or business venture will not result in ACS' provision of a volume of any such Services that surpasses the upper Pricing Band limit for such Services as specified in **Schedule 3,** the pricing for Service Tower Services set forth in **Schedule 3** shall apply; or (ii) the addition of such Affiliate and/or business venture will result in the provision of a volume of any such Services that surpasses the upper Pricing Band limit for such Services as specified in **Schedule 3,** the Parties shall engage in good faith negotiations in order to arrive at new pricing for the affected Service Tower Services;

(b) if ACS will be providing Services to such new Affiliate and/or business venture that are not included within the scope of the Service Tower Services that are then being provided to Symetra and/or its Affiliates hereunder, the Parties shall engage in good faith negotiations in order to arrive at pricing for such new Service Tower Services; and

(c) Symetra shall be responsible for mutually agreed, reasonable set-up costs and expenses required to accommodate such addition including, without limitation, resource expenses, software license and consent fees and other similar expenses incurred by ACS in effecting such request.

Symetra (and not its Affiliates) shall be responsible for paying all Fees to be paid to ACS hereunder. Any SLRs that will be applicable to such new Affiliate and/or business venture shall become effective not later than ninety (90) calendar days following conclusion of the applicable transition period. If Symetra divests an Affiliate or exits an existing business venture and wants to reduce the number of Affiliates or scope of Services included within the scope of this Agreement, then: (d) Symetra shall so notify ACS and, at Symetra's option, all or any portion of the terms of **Article 10** shall apply with respect to such divested Affiliate or business venture; and (e) neither Symetra nor any of its Affiliates shall be obligated to pay a Termination Fee to ACS as a result of any such scope reduction; however, if and to the extent the divestiture of such Affiliate and/or business venture will result in ACS providing a volume of any Service Tower Services that surpasses the lower Pricing Band limit for such Services as specified in **Schedule 3,** the Parties shall engage in good faith negotiations in order to arrive at new pricing for the affected Service Tower Services.

6.2.5 Set Off. Symetra may set off against any and all amounts otherwise payable to ACS pursuant to any of the provisions hereof any and all amounts owed by ACS to it including, without limitation, any Fee Reductions. Within twenty (20) calendar days following any such set off, Symetra shall provide to ACS a written accounting of such set off and a written statement of the reasons therefor.

6.3 Invoices.

6.3.1 Services. As of the Effective Date, ACS shall be required to submit monthly invoices to Symetra for the Services provided hereunder. Invoices shall be in the format as set forth in **Attachment J**, and any changes in the monthly invoice formats shall be approved by Symetra in advance of such changes. All invoices will be subject to Symetra's review and approval prior to payment. ACS shall not submit invoices: (a) for Fixed Charges, prior to the first day of the month in which the invoiced Services will be provided; and (b) for Variable Charges, prior to the last day of the month in which the invoiced Services were provided. Invoices must provide detailed and customized information as requested by Symetra. Such detailed and customized information may include, without limitation, general fee visibility and billing requirements that are consistent with Symetra's specific financial requirements and practices. Invoices shall be accompanied by the SLR Reports and other information and data that support the invoiced Fees, including ARCs and RRCs, as well as any Fee Reductions. Unless subject to a dispute as provided in **Section 6.4**, invoices for Fixed Charges are payable within thirty (30) calendar days after receipt of an invoice that complies with the requirements of this Agreement, and invoices for Variable Charges are payable within **[***]**

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

after receipt of an invoice that complies with the requirements of this Agreement. Late payments of undisputed and otherwise payable amounts will bear interest at the Interest Rate.

6.3.2 Other Services. The invoicing milestones for Other Services Fees will be determined by the Parties on a case-by-case basis. ACS' invoices for Other Services shall include documentation that references Symetra's authorizing documentation, Symetra's account number, charges and description. No invoice with respect to Other Services shall be paid unless such Other Services were pre-authorized in writing by Symetra.

6.4 Disputed Amounts. Symetra shall have the right to dispute any ACS invoice. Subject to and in accordance with the provisions of this **Section 6.4,** Symetra may withhold payment of any ACS invoice (or part thereof) for Variable Charges that it in good faith disputes as due or owing, but absent any termination of this Agreement, shall not be entitled to withhold any payments due and owing for Fixed Charges. In such case, Symetra shall pay any undisputed amounts and provide to ACS a written explanation of the basis for the dispute. The failure of Symetra to pay a disputed invoice for Variable Charges, or to pay the disputed part of an invoice for Variable Charges, shall not constitute a breach or default by Symetra, so long as Symetra complies with the provisions of this **Section 6.4.** Any dispute relating to amounts owed by a Party hereunder shall be considered a Problem and resolved pursuant to **Article 17.** All of ACS' obligations under this Agreement shall continue unabated during the dispute resolution process.

ARTICLE 7
RECORDKEEPING AND AUDIT RIGHTS

7.1 ***Recordkeeping.*** ACS shall maintain complete and accurate financial and accounting records and books of account relating to its performance of Services under this Agreement, including electronic copies of all such records and books, utilizing generally accepted accounting principles ***("GAAP")***, consistently applied. Further, ACS shall maintain transaction-level documentation, such as supporting invoices, purchase orders, bills of lading, tax returns, exemption certificates and other relevant documents, in each case to the extent relating to its performance of Services under this Agreement. Such records, books and documentation relating to ACS' performance of the Services under this Agreement, and the accounting controls related thereto, shall constitute ACS Confidential Information and shall be sufficient to provide reasonable assurances that:

(a) transactions are recorded so as to permit ACS to prepare its financial statements in accordance with GAAP and to maintain accountability for its assets; and

(b) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Such records, books and documentation relating to ACS' performance of Services under this Agreement shall be maintained by ACS at a location(s) made known to Symetra upon Symetra's request, and Symetra (or its designees) shall have the right to examine and make extracts of information and copy any part thereof at such times during normal business hours as ACS and Symetra shall mutually agree, but in no event later than ten (10) business days after Symetra's written request to ACS, unless a shorter time frame is necessary to enable Symetra to comply with any regulatory requirement. ACS shall retain and maintain accurate records, books and documentation relating to its performance of Services under this Agreement until the latest of: (i) seven (7) years after the final payment to ACS hereunder; (ii) one (1) year following the final resolution of all audits or the conclusion of any litigation with respect to this Agreement; or (iii) such longer time period as may be required by applicable federal, state, local and/or international laws or regulations, including tax laws.

7.2 Operational Audits. Upon Symetra's request, but no more often than once annually except: (a) as necessary for Symetra to respond to any regulatory requirement or inquiry; or (b) as deemed reasonably necessary by Symetra as a result of Symetra's good faith belief that ACS has breached any of its obligations hereunder and such breach has exposed, or in Symetra's reasonable judgment, is likely to expose, Symetra to financial or other liabilities in excess of **[***]**, ACS shall allow Symetra and/or any independent Third Party selected by Symetra from among the firms listed on **Attachment Q,** or any other firm that may then be agreed to by the Parties, to perform operational and/or security audits with respect to ACS' performance of its obligations hereunder. If a firm listed on **Attachment Q** might otherwise be ineligible to act as Symetra's auditor under this Section due to a conflict of interest arising from a former or current representation of ACS, ACS and Symetra agree that such conflict may be eliminated by the audit firm's creation of an ethical wall or other screening procedure satisfactory to both parties. ACS shall grant, and shall cause its Subcontractors to grant, Symetra and its Third Party representatives full and complete access to ACS' and its Subcontractors' facilities (including, without limitation, the Symetra-specific network and systems environments so that vulnerability and penetration assessments can be performed) and all books, records and other documents of ACS and its Subcontractors as they relate to this Agreement, or as they may be required in order for Symetra to ascertain any facts relative to ACS' performance hereunder. ACS shall provide Symetra, or its authorized Third Party representatives, such information and assistance as requested in order to perform such audits; provided, however, that the Parties shall endeavor to arrange such assistance in such a way that it does not interfere with ACS' performance of the Services. If any audit reveals a material inadequacy or deficiency in ACS' performance, the cost of such audit, up to a cap of **[***]**, shall be borne by ACS. ACS shall incorporate this paragraph verbatim into any Agreement into which it enters with any Subcontractor providing Services under this Agreement.

7.3 Financial Audits. Upon Symetra's request, but no more often than once annually except: (a) as necessary for Symetra to respond to any regulatory requirement or inquiry; or (b) as deemed reasonably necessary by Symetra as a result of Symetra's good faith belief that a billing error has occurred involving an amount in excess of **[***]**, ACS shall allow Symetra and/or any independent Third Party selected by Symetra from among the firms listed on **Attachment Q,** or any other firm that may then be agreed to by the Parties, to fully audit ACS' and/or its Subcontractors' books and records to the extent necessary to verify any amounts paid or payable hereunder. If a firm listed on **Attachment Q** might otherwise be ineligible to act as Symetra's auditor under this Section due to a conflict of interest arising from a former or current representation of ACS, ACS and Symetra agree that such conflict may be eliminated by the audit firm's creation of an ethical wall or other screening procedure satisfactory to both parties. Such auditors shall be provided with full access to such information, books and records as may be necessary to confirm the accuracy of ACS' invoices, documents, and other information supporting such invoices, and any pricing adjustment computations. All such audits shall be conducted during business hours, with reasonable advance notice, and shall include access to all proprietary and confidential information of ACS and its Subcontractors to the extent necessary to comply with the provisions of this **Section 7.3.** If any such audit reveals that ACS has overcharged Symetra five percent (5%) or more during the period to which the audit relates (as determined prior to the commencement of the audit), then ACS promptly shall refund such overcharges to Symetra together with interest thereon retroactive to the date of the overcharge(s) at the Interest Rate, and the cost of such audit (up to a cap of **[***]**), shall be borne by ACS. Similarly, if any such audit reveals that ACS has undercharged Symetra during the period to which the audit

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

relates (as determined prior to the commencement of the audit), then Symetra shall pay such undercharge(s) to ACS, together with interest thereon retroactive to the date of the undercharge(s) at the Interest Rate, up to an aggregate cap for all such undercharges (plus applicable interest) of **[***]**. ACS shall incorporate the auditing requirements set forth in this paragraph verbatim into any agreement into which it enters with any Subcontractor providing Services under this Agreement.

7.4 Sarbanes-Oxley Compliance.

7.4.1 General. ACS acknowledges that: (a) Symetra's management is now and/or in the future may be required under the SOX Laws to, among other things, assess the effectiveness of its internal controls over financial reporting and state in its annual report whether such internal controls are effective; (b) Symetra's independent auditor is now and/or in the future may be required to evaluate the process used by management to reach the assessment conclusions described in **subsection (a)** above to determine whether that process provides an appropriate basis for management's conclusions; and (c) because Symetra has outsourced certain functions to ACS as described in this Agreement, the controls used by ACS (including, without limitation, controls that restrict unauthorized access to systems, data and programs) are relevant to Symetra's evaluation of its internal controls. Having acknowledged the foregoing, ACS agrees to cooperate with Symetra and its independent auditor as reasonably necessary to facilitate Symetra's ability to comply with its obligations under the SOX Laws including, without limiting the generality of the foregoing, by complying with the further terms of this **Section 7.4.**

7.4.2 SAS 70 Type II Audits.

7.4.2.1 ACS Audits. At its sole cost and expense, ACS shall cause a reputable independent auditor to conduct SAS 70 Type II Audits, and to prepare and deliver to Symetra full and complete copies of written reports prepared following such audits, in July of each year during the Term (covering January through June of that year), and in January of each year during the Term (covering July through December of the prior year). All SAS 70 Type II Audits conducted by ACS pursuant to this **Section 7.4.2.1** shall include a review of all of ACS' internal controls as they relate to ACS' customers generally. If requested by Symetra, ACS shall cause its independent auditor to timely prepare and submit to Symetra for its review and approval a detailed description of the scope of the first SAS 70 Type II Audit to be conducted by ACS hereunder that specifically identifies therein, among other things, any limitations on the scope of the audit. Once approved by Symetra, and unless otherwise agreed to by the Parties in writing, such scope description shall be used for all SAS 70 Type II Audits to be conducted by ACS hereunder.

7.4.2.2 Symetra Audits. At its sole cost and expense and upon reasonable prior written notice to ACS, but no more frequently than twice annually (unless additional audits are necessary for Symetra and/or its Affiliates to address a SOX Laws requirement), Symetra shall have the right (either through its internal audit staff or through a reputable independent auditor) to conduct audits including, without limitation, SAS 70 Type II Audits, of ACS' internal controls as they affect Symetra and/or its Affiliates. In order to facilitate such audits, ACS shall collect and maintain appropriate books and records documenting ACS' internal controls (both for ACS' customers generally and as they affect Symetra and/or its Affiliates) (for purposes of this Section, collectively, ***"Records")***. Further, with respect to such audits, Symetra and/or its independent auditors shall have the right to: (a) examine and audit the Records; and (b) question and interview any ACS personnel, in each case as reasonably necessary or desirable to facilitate Symetra's and/or its Affiliates' ability to comply with the SOX Laws. ACS shall obtain Symetra's prior written consent before modifying any of its internal

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

controls as they affect Symetra and/or the Records if such modification will, or is likely to, affect Symetra's and/or its Affiliates' compliance under the SOX Laws.

7.4.3 Results of Inquiries and Corrective Plan. If any SAS 70 Type II Audit report and/or Symetra's (or its independent auditor's) inquiries pursuant to **Section 7.4.2.2** reveal any deficiencies and/or exceptions (including, without limitation, if it is determined that ACS' internal controls, in whole or in part, fail to constitute effective controls over financial reporting), ACS shall prepare and deliver to Symetra a detailed plan that is reasonably acceptable to Symetra for promptly correcting all such deficiencies and exceptions ***("Corrective Plan").*** ACS shall deliver such Corrective Plan to Symetra and its independent auditor within ten (10) calendar days following: (a) ACS' delivery to Symetra of the SAS 70 Type II Audit report containing the deficiencies and/or exceptions, if the deficiencies and/or exceptions were identified in a SAS 70 Type II Audit report prepared pursuant to **Section 7.4.2.1;** and/or (b) ACS' receipt of written notice from Symetra that contains a description of such deficiencies and/or exceptions, if the deficiencies and/or exceptions were identified by Symetra (or its independent auditor) through the exercise of the rights described in **Section 7.4.2.2.** ACS shall bear all costs and expenses associated with correcting all deficiencies and exceptions identified in the Corrective Plan if such deficiencies and/or exceptions affect ACS' customers generally. If the deficiencies and/or exceptions do not affect ACS' customers generally, but rather are unique to Symetra, ACS may activate the change management procedures developed by the Parties pursuant to **Section 2.6.2** with respect to the correction of such deficiencies and exceptions.

7.4.4 Subcontractors. To the extent any ACS Subcontractor will perform any function that affects Symetra's financial reporting (irrespective of whether Symetra's consent to such subcontract arrangement is required as provided in **Section 18.1),** the agreement entered into by ACS and the Subcontractor shall include: (a) substantially the same terms as those appearing in this **Section 7.4** (with any substantive deviations being preapproved in writing by Symetra); and (b) a provision identifying Symetra as a direct and intended third-party beneficiary of the agreement between ACS and the Subcontractor.

7.4.5 Confidential Information. Notwithstanding anything that may be contained herein to the contrary, Symetra shall have the right to: (a) disclose all ACS Confidential Information received by Symetra and its independent auditor pursuant to the terms of this **Section 7.4** to its employees, independent auditors, attorneys and other Persons with a reasonable need to know; and (b) use such information as necessary or desirable to facilitate its ability to comply with the SOX Laws.

ARTICLE 8
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 ACS Representations, Warranties and Covenants.

8.1.1 Performance of the Services. ACS represents and warrants to Symetra that it has the skills, resources and expertise to provide, and shall provide, all Services in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, ACS represents and warrants to Symetra that all Services and Other Services provided under this Agreement shall be provided in a timely, professional and workmanlike manner consistent with the highest industry standards of quality and integrity provided, however, that where this Agreement specifies a particular standard or criteria for performance, including, without limitation, applicable SLRs, this warranty is not intended to and does not diminish that standard or criteria for performance.

8.1.2 Viruses and Disabling Devices. ACS shall implement and use industry best practices to identify, screen, and prevent, and shall not introduce, any Disabling Device in hardware, software or other resources utilized by ACS, Symetra or any Third Party in connection with the Services. A ***"Disabling Device"*** is any virus, timer, clock, counter, time lock, time bomb, Trojan horse, worms, file infectors, boot sector infectors or other limiting design, instruction or routine and surveil lance software or routines or data gathering or collecting software or devices that could, if triggered, erase data or programming, have an adverse impact on the Services, cause the hardware, software or other resources to become inoperable or otherwise incapable of being used in the full manner for which such hardware, software or other resources were intended to be used, or that collect data or information. Without limiting any other rights and remedies that may then be available to Symetra, at no cost or expense to Symetra and without adversely impacting the Services or any Other Services, ACS shall reduce and/or eliminate the effects of any Disabling Device including, without limitation, by restoring and/or bearing the cost to re-create any lost data and/or software programming.

8.1.3 Conflicts of Interest.

(a) No Financial Interest. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates has, shall have, or shall acquire, any contractual, financial, business or other interest or advantage, direct or indirect, that would: (a) materially conflict with, in a manner that would materially, adversely impact, ACS' performance of its duties and responsibilities to Symetra under this Agreement; or (b) result in a breach of ACS' performance of its duties and responsibilities to Symetra under this Agreement. ACS promptly shall inform Symetra of any such improper interest or advantage that may be incompatible with the interests of Symetra.

(b) No Abuse of Authority for Financial Gain. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates has used or shall use the authority provided or to be provided under this Agreement to improperly obtain financial gain, advantage or benefit for ACS and/or any of its Affiliates.

(c) No Use of Information for Financial Gain. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates has used or shall use any Symetra Confidential Information acquired in connection with this Agreement to improperly obtain financial gain, advantage or benefit for ACS and/or any of its Affiliates.

(d) Independent Judgment. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates has accepted or shall accept another Symetra contract to perform auditing or other services as described in **Section 2.9.2** that would impair the independent judgment of ACS in the performance of this Agreement.

(e) No Influence. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates: (a) has accepted or shall accept, in a manner that is inconsistent with Symetra's standard procurement policies or, if such policies do not exist, industry standard procurement policies, anything of value, or an inducement that would provide a financial gain, advantage or benefit, based on an understanding that the actions of ACS or any such Affiliates on behalf of Symetra would be influenced thereby; and (b) shall attempt to influence, in a manner that is inconsistent with Symetra's standard procurement policies or, if such policies do not exist, industry standard procurement policies, any Symetra employee by the direct or indirect offer of anything of value.

(f) No Payment Tied to Award. ACS represents and warrants to Symetra that neither ACS nor any of its Affiliates has paid or agreed to pay any Person, other than bona fide employees working solely for ACS or such Affiliates or any of ACS' Subcontractors, any fee, commission, percentage, brokerage fee, gift or any other consideration in a manner that is inconsistent with Symetra's standard procurement policies or, if such policies do not exist, industry standard procurement policies.

(g) No Collusion. ACS represents and warrants to Symetra that the prices presented in the ACS Bid were arrived at independently, without consultation, communication or agreement with any other proposer for the purpose of restricting competition; the prices quoted were not knowingly disclosed by ACS to any other proposer; and no attempt was made by ACS to induce any other Person to submit or not to submit a proposal for the purpose of restricting competition.

(h) Training. ACS represents and warrants to Symetra that it regularly provides ethics training to its employees on matters such as those covered by this **Section 8.1.3.**

8.1.4 Financial Condition and Information.

(a) Financial Condition. ACS represents and warrants to Symetra that it now possesses, and covenants that it shall maintain throughout the Term, sufficient financial resources to comply with the requirements of this Agreement. If ACS experiences a change in its financial condition that may adversely affect its ability to perform under this Agreement, then it immediately shall notify Symetra of such change.

(b) Accuracy of Information. ACS represents and warrants to Symetra that all financial statements, reports, and other information furnished by ACS to Symetra as part of the ACS Bid or otherwise in connection with the award of this Agreement fairly and accurately represent the business, properties, financial condition and results of operations of ACS as of the respective dates, or for the respective periods, covered by such financial statements, reports or other information. Since the respective dates or periods covered by such financial statements, reports or other information, there has been no material adverse change in the business, properties, financial condition or results of operations of ACS.

8.1.5 Litigation and Service of Process. ACS represents and warrants to Symetra that as of the Effective Date there is no pending or anticipated claim, suit or proceeding that involves ACS or any of its Affiliates or Subcontractors that might adversely affect ACS' ability to perform its obligations under this Agreement including, without limitation, actions pertaining to the proprietary rights described in **Section 8.1.6.** ACS shall notify Symetra, within fifteen (15) calendar days of ACS' knowledge of any such actual or anticipated claim, suit or proceeding. Without limiting the further terms **of Section 13.4,** ACS shall notify Symetra, within forty-eight (48) hours, if process is served on ACS in connection with this Agreement, including any subpoena for ACS' records, and shall send a written notice of the service together with a copy of the same to Symetra within seventy- two (72) hours of such service.

8.1.6 Proprietary Rights Infringement. ACS represents and warrants to Symetra that: (a) it owns, or has the right to use, on its own behalf or on Symetra's behalf, as applicable, any and all services, techniques or products provided or used by ACS to provide the Services; and (b) such services, techniques and products provided or used by ACS to provide the Services do not and shall not knowingly infringe upon any Third Parry's patent, and do not and shall not infringe upon any Third Party's trademark, copyright or other intellectual-property rights, nor make use of any misappropriated trade secrets.

8.1.7 Legal and Corporate Authority. ACS represents and warrants to Symetra that: (a) it is a Nevada corporation and is qualified and registered to transact business in all locations where the performance of its obligations hereunder would require such qualification; (b) it has all necessary rights, powers and authority to enter into and perform this Agreement and to bind its organization with respect to the same, and the execution, delivery, and performance of this Agreement by ACS have been duly authorized by all necessary corporate action; (c) the execution and performance of this Agreement by ACS shall not violate any law, statute or regulation and shall not breach any agreement, covenant, court order, judgment or decree to which ACS is a party or by which it is bound; (d) it has, and promises that it shall maintain in effect, all governmental licenses and permits necessary for it to provide the Services contemplated by this Agreement; (e) it owns or leases and promises that it shall own or lease, free and clear of all liens and encumbrances, other than lessors' interests, or security interests of ACS' lenders, all right, title, and interest in and to the tangible property and technology and the like that ACS intends to use or uses to provide the Services, and in and to the related patent, copyright, trademark, and other proprietary rights, or has received appropriate licenses, leases or other rights from Third Parties to permit such use; and (f) this Agreement constitutes a valid, binding, and enforceable obligation of ACS.

8.1.8 Violations. ACS represents and warrants to Symetra that it: (a) is not, and covenants that it shall not be, in violation of any laws, ordinances, statutes, rules, regulations or orders of governmental or regulatory authorities to which it is subject as an operator of its business or in performing its obligations under the Agreement; and (b) has not failed, and shall not fail, to obtain any licenses, permits, franchises or other governmental authorizations necessary for the ownership of its properties or the conduct of its business, which violation(s) under the foregoing **subsection (a)** or failure(s) under the foregoing **subsection (b),** either individually or in the aggregate, might substantially adversely affect ACS' ability to consummate the transactions contemplated by this Agreement, or to perform its obligations hereunder.

8.1.9 Information Furnished to Symetra. ACS represents and warrants to Symetra that all written information furnished to Symetra prior to the Effective Date by or on behalf of ACS in connection with this Agreement, including in the ACS Bid, and all the information made a part of this Agreement is true, accurate, and complete, and contains no untrue statement of a material fact or omits any material fact necessary to make such information not misleading.

8.1.10 Previous Contracts. ACS represents and warrants to Symetra that neither it, nor any of its Affiliates or Subcontractors, is in default or breach of any other contract or agreement related to information systems facilities, equipment or services that it or they may have with Symetra or any of its Affiliates. ACS further represents and warrants that neither it, nor any of its Affiliates or Subcontractors, has been a party to any contract for information system facilities, equipment or services with Symetra or any of its Affiliates that was finally terminated within the previous five (5) years for the reason that ACS or such Person failed to perform or otherwise breached an obligation of such contract.

8.1.11 Completeness of Due Diligence Activities. ACS acknowledges that it has been provided with sufficient access to Symetra facilities, information and personnel, and has had sufficient time in which to conduct and perform a thorough due diligence of Symetra's operations and business requirements and those assets currently used to provide the services. In light of the foregoing, ACS will not seek any adjustment in the Fees based on any incorrect assumptions made by ACS in arriving at the Fees.

8.2 Symetra's Representations, Warranties and Covenants.

8.2.1 Legal Authority. Symetra represents and warrants to ACS that it has all necessary rights, powers and authority to enter into and perform this Agreement and that the execution, delivery and performance of this Agreement by Symetra has been duly authorized by all necessary corporate action.

8.2.2 Warranty Disclaimer. Symetra does not make any representation or warranty, express or implied, with respect to the Services or any component thereof. All hardware, software, networks, and other assets made available or conveyed by Symetra to ACS under this Agreement are made available or conveyed to ACS "AS **IS, WHERE IS AND WITH ALL FAULTS,"** and there are no representations or warranties of any kind with respect to the condition, capabilities or other attributes of such items.

8.2.3 Proprietary Rights Infringement. Symetra represents and warrants to ACS that: (a) it owns the Category 6 Software; and (b) the Category 6 Software does not and shall not knowingly infringe upon any Third Party's patent, and does not and shall not infringe upon any Third Party's trademark, copyright or other intellectual-property rights, nor make use of any misappropriated trade secrets.

8.3 General Warranty Disclaimer. **EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY EXPRESS WARRANTIES TO THE OTHER, AND THERE ARE NO IMPLIED WARRANTIES OR CONDITIONS, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

8.4 Material Misstatements or Omissions. No representation or warranty by ACS that is contained in this Agreement or that may be contained in any Schedule, Attachment, or other document that may comprise this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements and facts contained herein or therein not materially misleading.

ARTICLE 9
TERM AND TERMINATION

9.1 Term.

9.1.1 Initial Term. The period during which ACS shall be obligated to provide the Services hereunder shall commence as provided in **Section 2.1.1** and, unless extended as provided in **Section 9.1.2** or terminated earlier in accordance with the terms of this Agreement, shall end at 12:01 am, local time, on the date of the fifth (5th) anniversary of the last Handover Date to occur under this Agreement (the ***"Initial Term").***

9.1.2 Renewal Terms. Symetra shall have the right to extend the Initial Term for up to two (2) successive renewal periods of twelve (12) months each (each, a ***"Renewal Term")*** by providing written notice to ACS in accordance with the terms of **Section 19.6** at least three (3) months before the end of the Initial Term or the then-current Renewal Term, as applicable. At Symetra's request, the Parties shall meet within sixty (60) calendar days of ACS' receipt of Symetra's notice to proceed with a Renewal Term to negotiate modifications to the terms of this Agreement. If: (a) such negotiations are not requested by Symetra; or (b) the negotiations do not result in an agreement on different terms and Symetra elects not to withdraw its renewal notice, the then-existing terms and conditions of this Agreement shall remain unchanged and in full force and effect during each such Renewal Term.

9.1.3 Symetra-Initiated Annual Renegotiation. At Symetra's request, Symetra and ACS shall meet at least thirty (30) days prior to each anniversary of the Effective Date of this Agreement to review the status of the performance of the Agreement and, if requested by Symetra, to negotiate modifications to the terms hereof. If such modifications are not requested by Symetra, or if the negotiations with respect to such modifications do not result in an agreement on different terms, the then-existing terms and conditions of this Agreement shall remain unchanged and in full force and effect during the following Contract Year.

9.2 Early Termination.

9.2.1 For Convenience. Symetra shall have the right to terminate for its convenience all of the Services in one (1) or more countries, terminate for its convenience one (1) or more Service Towers in one (1) or more countries and/or to end the Term of this Agreement for its convenience, in each case by delivering to ACS a Termination Notice at least ninety (90) calendar days before the Termination Date. If Symetra terminates all or any portion of the Services and/or terminates this Agreement in its entirety as provided in this **Section 9.2.1,** upon completion of ACS' Disentanglement obligations with respect to the terminated Services, Symetra shall pay to ACS an amount determined in accordance with **Schedule 6** (the ***"Termination Fee").*** Notwithstanding the foregoing, Symetra shall be obligated to pay to ACS only fifty percent (50%) of the otherwise applicable Termination Fee if any one (1) or more of the following events (each, a ***"Triggering Event")*** occurred on or prior to the date of Symetra's Termination Notice provided that, in the case of a **subsection (a)** Triggering Event, Symetra gives ACS a Termination Notice within six (6) months following the occurrence of such Triggering Event:

(a) ACS failed to achieve any Critical Milestone on or before the mutually agreed date for achieving such Critical Milestone; or

(b) ACS failed to provide the Services in accordance with the SLRs such that any of the circumstances described in **Section 9.3(a)** had occurred.

9.2.2 ***Change in Control of ACS.*** Without in any way limiting Symetra's rights under **Section 9.2.1,** Symetra shall have the right to terminate all of the Services in one (1) or more countries, terminate one (1) or more Service Towers in one (1) or more countries and/or to end the Term of this Agreement, in each case by delivering to ACS a Termination Notice at least ninety (90) calendar days prior to the Termination Date, in the event of a Change in Control of ACS involving an entity (the ***"Acquiring Entity"):*** (a) that is a Symetra Competitor; or (b) with respect to which one (1) or more of Symetra's Third Party vendors fails or refuses to promptly consent to having the

Acquiring Entity act as Symetra's outsourcing services provider (excluding, if paid by ACS and/or the Acquiring Entity, those Third Party vendors that will provide such consent upon payment of an approval or consent fee), provided that in either of the foregoing cases, Symetra gives ACS written notice of such termination within one (1) year following receipt of written notice from ACS of the occurrence of such Change in Control event. If Symetra terminates all or any portion of the Services in one (1) or more countries, terminates one (1) or more Service Towers in one (1) or more countries and/or ends the Term of this Agreement pursuant to this Section, ACS shall perform its Disentanglement obligations hereunder until they are fulfilled. Any termination pursuant to this Section shall not constitute a termination for convenience and: (c) Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination; and (d) except for those terms that survive any expiration or termination of this Agreement, Symetra shall have no further liability or obligation to ACS under this Agreement.

9.2.3 Termination for Force Majeure Event.

(a) Symetra Force Majeure Events. If: (i) a Force Majeure Event occurs with respect to Symetra; (ii) such Force Majeure Event substantially prevents, inhibits and/or frustrates Symetra's ability to receive the Services from ACS under circumstances when ACS is otherwise able to provide the Services to Symetra; and (iii) such Force Majeure Event continues for seven (7) consecutive calendar days or more, or for ten (10) consecutive or non-consecutive calendar days or more during any thirty (30) calendar day period, then Symetra shall have the right to terminate the Services affected by the Force Majeure Event by delivering to ACS a Termination Notice specifying the Termination Date; provided, however, that ACS shall remain obligated to perform its Disentanglement obligations hereunder until such obligations have been fulfilled. During such period, Symetra shall remain obligated to pay the Annual Services Fees and other fees to ACS in accordance with the terms of this Agreement until such Services are terminated in accordance with this Section. Any termination pursuant to this Section shall not constitute a termination for convenience or for cause, and Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination.

(b) ACS Force Majeure Events. If a Force Majeure Event substantially prevents, hinders, or delays ACS' performance of all or any portion of the Services for seven (7) consecutive calendar days or more, or for ten (10) consecutive or non-consecutive calendar days or more during any thirty (30) calendar day period, thereby causing an adverse impact on Symetra's business operations, then:

(i) with Symetra's reasonable cooperation, ACS at its sole cost and expense immediately shall procure the affected Services from an alternate provider, and thereafter provide such Services to Symetra through the use of the alternate provider until ACS is able to resume performance of the affected Services in accordance with the terms of this Agreement, provided that ACS' obligations under this **subsection (i)** shall continue for a period that shall not exceed one-hundred eighty (180) calendar days plus the length of any Disentanglement Period, and during such period Symetra shall remain obligated to pay the Annual Services Fees and other fees to ACS in accordance with the terms of this Agreement; and *(ii)* once the affected Services have been stabilized with the alternate provider, ACS shall be obligated to provide such Services to Symetra in accordance with the SLRs and other terms of this Agreement; and

(iii) notwithstanding the foregoing, if ACS is unable to provide the Services through an alternate provider within seven (7) calendar days following commencement of the Force Majeure Event, or the one-hundred eighty (180) calendar day time period described in **subsection (i)** above expires without ACS having resumed performance of the affected Services in accordance with the terms of this Agreement, then Symetra shall have the right to terminate all of the Services in one (1) or more countries, terminate one (1) or more Service Towers in one (1) or more countries and/or to end the Term, in each case by delivering to ACS a Termination Notice specifying the Termination Date; provided, however, that ACS shall remain obligated to perform its Disentanglement obligations hereunder until such obligations have been fulfilled.

Any termination pursuant to this Section shall not constitute a termination for convenience nor cause, and Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination.

9.2.4 HIPAA. ACS acknowledges that the HIPAA terms set forth in **Attachment K** (and the HIPAA terms set forth in any separate HIPAA agreement as contemplated under **Section 14.4.1),** as applicable, include the right under the circumstances described therein for Symetra (and/or the applicable Symetra Affiliate) to terminate this Agreement. Having acknowledged the foregoing, ACS agrees that Symetra shall have the right to terminate this Agreement for cause upon the occurrence of such circumstances, all in accordance with the terms set forth in **Attachment K** and/or the applicable separate HIPAA agreement, as applicable. Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination.

9.3 Events of Default. The following events shall constitute ***"Events of Default,"*** **and** the occurrence of any one (1) or more of such Events of Default by or with respect to a Party shall constitute a material breach of this Agreement that shall afford the non-breaching Party, as applicable, the rights and remedies set forth in this **Article 9:**

(a) In the case of ACS, ACS: (i) fails to achieve any SLR in a manner that constitutes an Event of Default as specified in the applicable Schedule; (ii) fails to achieve any particular SLA that adversely impacts Symetra's business operations for: (A) four (4) or more hours on two (2) consecutive calendar days or more; or (B) four (4) or more hours on five (5) non-consecutive calendar days or more during any thirty (30) calendar day period; (iii) has incurred Fee Reductions equal to thirty-five percent (35%) or more of the Annual At-Risk Amount within: (A) in the case of the first Contract Year, the period between the Effective Date and the first six (6) months following the last to occur of the Hand-over Dates; and (B) in the case of all other Contract Years, the first six (6) months of any such Contract Year; (iv) has incurred Fee Reductions equal to the Annual At-Risk Amount at any time during any Contract Year; or (v) fails to comply with any SLA, and such failure causes a material adverse effect on Symetra's business;

(b) In the case of ACS, ACS fails to achieve any Critical Milestone on or before the mutually agreed date for achieving such Critical Milestone, provided that such failure is not due to: (i) the occurrence of a Force Majeure Event; (ii) a delay by Symetra solely for its own convenience; or (iii) Symetra's material failure to perform any of its responsibilities under this Agreement that were a pre-condition to ACS' ability to perform its obligations, provided that such failure previously was identified by ACS in writing;

(c) In the case of ACS, ACS' material breach of any warranty that, if curable, is not cured within the time frames, if any, specified in this Agreement for curing any such breach, or if none is specified elsewhere in this Agreement, then within thirty (30) calendar days, in each case following ACS' receipt of written notice of such breach from Symetra;

(d) In the case of ACS, ACS' failure to maintain insurance coverage as specified in **Article 16,** provided that such failure is not cured within thirty (30) calendar days following ACS' receipt of written notice of such failure from Symetra;

(e) In the case of ACS, the institution of bankruptcy, receivership, insolvency, reorganization or other similar proceedings by or against ACS under any section or chapter of the United States Bankruptcy Code, as amended, or under any similar laws or statutes of the United States (or any state thereof), if such proceedings have not been dismissed or discharged within thirty (30) calendar days after they are instituted; the insolvency or making of an assignment for the benefit of creditors or the admittance by ACS of any involuntary debts as they mature; the institution of any reorganization arrangement or other readjustment of debt plan of ACS not involving the United States Bankruptcy Code; or any corporate action taken by the Board of Directors of ACS in furtherance of any of the above actions;

(f) In the case of ACS, ACS makes an assignment of all or substantially all of its assets for the benefit of creditors, or ACS' Board of Directors takes any corporate action in furtherance of the above action;

(g) In the case of Symetra, Symetra fails to timely make any undisputed payment in accordance with the terms of **Section 6.3,** provided Symetra fails to cure such failure within thirty (30) calendar days after Symetra has received written notice of such failure from ACS;

(h) In the case of either Party, that Party's failure to comply with the provisions of **Article 13,** provided that such failure is not cured, or substantial progress is not made towards a cure, within seven (7) calendar days following that Party's receipt of written notice of such failure from the other Party; or

(i) In the case of either Party, that Party's material breach of any of its other obligations under this Agreement that is not cured within thirty (30) calendar days following its receipt of written notice of such breach from the other Party.

9.4 Rights and Remedies of ACS Upon Default of Symetra. Upon the occurrence of an Event of Default by or with respect to Symetra, subject to **Section 9.6,** ACS shall be entitled to the following remedies:

(a) subject to Symetra's rights as set forth below in this Section, terminate all of the Services, terminate one (1) or more Service Towers and/or end the Term; and/or *(b)* subject to the terms of **Section 11.1,** seek to recover damages from Symetra; and/or

(c) if applicable, obtain the additional rights and remedies set forth in **Section 17.4;** and/or

(d) any additional remedies that may be set forth in this Agreement or in any Schedule, Attachment or Addendum.

Upon the occurrence of a Symetra Event of Default with respect to which ACS exercises a termination remedy as described in **Section 9.4(a),** ACS shall effectuate such termination by delivering to Symetra a Termination Notice specifying the Termination Date, whereupon the terms set forth in **Section 10.2** shall apply; provided, however, that ACS shall remain obligated to perform its Disentanglement obligations hereunder until they are fulfilled, subject, upon ACS' request, and only if such termination is a result of a **Section 9.3(g)** Symetra Event of Default, to Symetra's payment of all: (e) invoices for Fixed Charges monthly in advance; (f) undisputed amounts then due and owing; and (g) invoices for Variable Charges including, if applicable, Disentanglement Services, as incurred. Any termination pursuant to this Section shall not constitute a termination for convenience, and Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination.

9.5 Rights and Remedies of Symetra Upon Default of ACS. Upon the occurrence of an Event of Default by or with respect to ACS, subject to **Section 9.6,** Symetra shall be entitled to:

(a) subject to Symetra's rights as set forth below in this Section, terminate all of the Services, terminate one (1) or more Service Towers and/or end the Term; and/or

(b) subject to the terms of **Section 11.2,** seek to recover damages from ACS; and/or

(c) if applicable, obtain the additional rights and remedies set forth in **Section 17.4;** and/or

(d) any additional remedies that may be set forth in this Agreement or in any Schedule, Attachment or Addendum.

Upon the occurrence of an ACS Event of Default with respect to which Symetra exercises a termination remedy as described in **Section 9.5(a),** Symetra shall effectuate such termination by delivering to ACS a Termination Notice specifying the Termination Date; provided, however, that ACS shall remain obligated to perform its Disentanglement obligations hereunder until they are fulfilled. Any termination pursuant to this Section shall not constitute a termination for convenience, and Symetra shall in no event be required to pay a Termination Fee to ACS with respect to any such termination.

9.6 Non-Exclusive Remedies. The remedies provided in **Sections 9.4** and **9.5** and else where in this Agreement are neither exclusive nor mutually exclusive, and the Parties shall be entitled to any and all such remedies, and any and all other remedies that may be available to the Parties at law or in equity, by statute or otherwise, individually or in any combination thereof.

9.7 Survival. The provisions **of Articles 10, 11, 15, 16, 18 and 19 and Sections 1.1, 1.3, 1.4, 3.3, 3.4, 4.1.3, 6.1, 6.4, 7.1, 9.2-9.7, 12.1.3, 12.5, 13.2-13.6, 14.4** and any other Sections, Schedules, Attachments, Addenda or Appendices to this Agreement that, by their nature, may reasonably be presumed to survive any termination or expiration of this Agreement, shall so survive.

ARTICLE 10
DISENTANGLEMENT

10.1 General Obligations. Upon ***any*** termination or expiration of this Agreement, ACS shall provide the Disentanglement (as defined herein) services as set forth in this Article. ACS shall accomplish a complete transition of any terminated Services from ACS and its Subcontractors to Symetra, its Affiliates and/or to any replacement provider(s) designated by Symetra (collectively, the ***"Replacement Provider"),*** without causing any unnecessary interruption of, or causing any unnecessary adverse impact on, the Services, any Other Services and/or services provided by Third Parties (the ***"Disentanglement").*** Without limiting the generality of the foregoing, ACS shall: (a) cooperate with Symetra, its Affiliates and/or the Replacement Provider, including by promptly taking all steps required to assist Symetra in effecting a complete Disentanglement; (b) provide to Symetra, its Affiliates and/or the Replacement Provider all information regarding the Services as needed for Disentanglement including, without limitation, data conversions, interface specifications and related professional services; (c) provide for the prompt and orderly conclusion of all work, as Symetra may direct, including completion or partial completion of Other Services and/or Out-of-Scope Services, documentation of work in process, and other measures to provide an orderly transition to Symetra, its Affiliates and/or the Replacement Provider; and (d) accomplish the other specific obligations de scribed in this **Article 10.** ACS and Symetra shall discuss in good faith a plan for determining the nature and extent of ACS' Disentanglement obligations and for the transfer of Services in process; provided, however, that ACS' obligation under this Agreement to provide all Services necessary for Disentanglement shall not be lessened in any respect. ACS' obligation to provide the Services shall not cease until a Disentanglement that is satisfactory to Symetra has been completed, including the performance by ACS of all asset transfers, if any, and other obligations of ACS set forth in this **Article 10.**

10.2 Disentanglement Period. The process to effectuate the Disentanglement shall begin on any of the following dates: (a) the date designated by Symetra in connection with expiration of the Term, which date shall not be earlier than one hundred eighty (180) calendar days prior to the end of the Term; or (b) the Termination Date specified in any Termination Notice delivered by Symetra to ACS, if Symetra elects to terminate any or all of the Services pursuant to **Sections 9.2** or **9.5** (unless ACS in good faith disputes such termination); or (c) the Termination Date specified in any Termination Notice delivered by ACS to Symetra pursuant to **Section 9.4** (unless Symetra in good faith disputes such termination), and shall continue: (d) in the case **of subsection (a),** until expiration of the Term; or (e) in all other cases, for a period of up to twelve (12) months thereafter, at Symetra's option (with the applicable date under **subsection (d) or subsection (e)** above on which ACS' obligation to perform the Services expires being referred to as the ***"Expiration Date").*** If requested by Symetra, ACS shall perform its Disentanglement obligations on an expedited basis if Symetra terminates this Agreement pursuant to **Sections 9.2.4 or 9.5.**

10.3 Specific Obligations. Disentanglement shall include, without limitation, the performance of the specific obligations described in this Section and those described in **Section 4.3.** In connection with **Sections 10.3.3 and 10.3.4** below, ACS shall as soon as reasonably possible following its issuance or receipt of a Termination Notice, but in no event longer than ten (10) Business Days thereafter, provide to Symetra a complete and accurate list of all items that will be subject to conveyance or re-conveyance to Symetra as provided in such Sections. ACS agrees that its agreements with all Third Parties relating to this Agreement, including Subcontractors, shall not include any terms that would prohibit or otherwise restrict such Third Parties, including Subcontractors, from entering into agreements with Symetra, its Affiliates and/or the Replacement Provider (whether directly or through an assignment) as provided herein.

10.3.1 Full Cooperation, Information and Knowledge Transfer. During Disentanglement, the Parties shall cooperate fully with one another to facilitate a smooth transition of the terminated Services from ACS and its Subcontractors to Symetra, its Affiliates and/or the Replacement Provider. ACS shall provide such cooperation both before and after the Expiration Date, and such cooperation shall include, without limitation, provision of full, complete, detailed, and sufficient information (including all information then being utilized by ACS with respect to programs, tools, utilities and other resources used to provide the Services, as well as the information and assistance required pursuant to **Section 2.5.6**, if applicable) and knowledge transfer with respect to all such information in order to enable Symetra's, its Affiliates' and/or the Replacement Provider's personnel (or that of Third Parties) to fully assume, become self-reliant with respect to, and continue without interruption, the provision of the Services. ACS shall cooperate with Symetra and all of Symetra's other service providers to provide a smooth transition at the time of Disentanglement, with no unnecessary interruption of Services, no unnecessary adverse impact on the provision of Services or Symetra's activities and no unnecessary interruption of, or unnecessary adverse impact on, any services provided by Third Parties.

10.3.2 Third-Party Authorizations. Without limiting the obligations of ACS pursuant to **Section 12.2** and subject to the terms of any Third Party contracts, if requested by Symetra as part of the Disentanglement, ACS shall procure at no charge to Symetra any Third Party authorizations necessary to grant Symetra the use and benefit of any Third Party contracts between ACS and Third Party contractors used to provide the Services, pending their assignment to Symetra pursuant to **Section 10.3.4.**

10.3.3 Transfer of Assets. If and as requested by Symetra as part of the Disentanglement, ACS shall convey to Symetra, its Affiliates and/or the Replacement Provider from among those assets used by ACS to provide the Services (including ACS Equipment), such assets (other than software assets otherwise covered by the terms of **Section 4.3)** as Symetra might select from the list provided by ACS pursuant to **Section 10.3** at a price for each such asset that is the lesser of: (a) the net book value as reflected on ACS' books and records; and (b) a fair market value price determined by a mutually agreed Third Party, or the then-remaining lease value; provided, however, that to the extent Symetra has paid all or any portion of the purchase price for any such assets, ACS shall convey such assets to Symetra at a price equal to the original purchase price less the applicable amounts paid by Symetra. At mutually agreed times during Disentanglement, ACS shall remove from Symetra's premises any ACS assets (including ACS Equipment) that Symetra, its Affiliates and/or the Replacement Provider elect not to purchase. In addition, although Symetra acknowledges that ACS does not control Third-Party equipment vendors (if any), if requested by Symetra, ACS shall assist Symetra, its Affiliates, and/or the Replacement Provider in securing maintenance (including all enhancements and upgrades) and support with respect to any such assets for so long as Symetra requires at competitive rates.

10.3.4 Assignment of Contracts. If and as requested by Symetra as part of the Disentanglement, ACS shall assign to Symetra, its Affiliates and/or the Replacement Provider from among those leases, maintenance, support and other contracts used by ACS, Symetra or any other Person in connection with the Services, such contracts as Symetra might select from the list provided by ACS pursuant to **Section 10.3.** ACS' obligation under this **Section 10.3.4** shall include ACS' performance of all obligations under such leases, maintenance, support and other contracts to be performed by it with respect to periods prior to the date of assignment, and ACS shall reimburse Symetra for any Losses resulting from any claim that ACS did not perform any such obligations.

10.3.5 Delivery of Documentation and Data. If and as requested by Symetra, ACS shall deliver to Symetra, its Affiliates, and/or the Replacement Provider all documentation and data related to ACS' provision of the Services, including the Symetra Data, all results of ACS' processing activities and use of Symetra's Data, as well as all procedures, standards and operating schedules (including the Standards and Procedures Manual), held by ACS. Notwithstanding the foregoing, ACS may retain one (1) copy of such documentation and data, excluding Symetra Data, for archival purposes or warranty support. ACS shall delete all data storage media used in its processing activities following completion of its Disentanglement obligations. All test and data processing material shall be destroyed or turned over to Symetra without undue delay.

10.3.6 Hiring of Employees. ACS shall as soon as reasonably possible following its issuance or receipt of a Termination Notice, but in no event later than ten (10) Business Days thereafter, provide to Symetra a complete and accurate list of all Substantially Dedicated Resources who were involved in providing the Services during the six (6) month period preceding ACS' issuance or receipt of such Termination Notice. ACS shall cooperate with and assist (and shall cause its Subcontractors to cooperate with and assist) Symetra, its Affiliates and/or the Replacement Provider in offering employment, at the sole discretion of Symetra, to any or all of such employees, whether such offers are made at the time of, after or in anticipation of the Expiration Date. ACS shall be solely responsible for and shall pay to any such employees of ACS who are hired by Symetra, its Affiliates, and/or the Replacement Provider, all severance and related payments, if any are payable pursuant to ACS' standard policies, and shall cause relevant Subcontractors to pay severance and related payments to any such employee of a Subcontractor who is hired by Symetra or its designee, if any are payable pursuant to such Subcontractors' standard policies. ACS shall release (and shall cause its Subcontractors to release) from any restrictive covenants including, without limitation, non-compete agreements, any of the employees hired by Symetra, its Affiliates and/ by the Replacement Provider. Notwithstanding any agreements that ACS may have with its employees, ACS shall not take or fail to take any actions that would interfere with or prevent Symetra, its Affiliates and/or the Replacement Provider from hiring any or all of such Substantially Dedicated Resources. ACS shall not (and shall ensure that its Subcontractors do not) in any manner communicate disparaging information about Symetra, its Affiliates, and/or the Replacement Provider, or any of their employees, to transitioning employees or existing employees of Symetra, its Affiliates and/or the Replacement Provider.

10.4 Preparation for Disentanglement.

10.4.1 Complete Documentation. In addition to and/or as part of the Standards and Procedures Manual, at all times during the Term, ACS shall provide to Symetra complete information, including complete documentation, in accordance with the standards and methodologies to be implemented by ACS, for all software (including applications developed as part of the Services) and hardware, that is sufficient to enable Symetra, its Affiliates, and/or the Replacement Provider, to fully assume the provision of the Services to Symetra.

10.4.2 Maintenance of Assets. ACS shall maintain all of the hardware, software, systems, networks, technologies, and other assets utilized in providing Services to Symetra (including leased and licensed assets) in good condition and in such locations and configurations as to be readily identifiable and transferable to Symetra or its designees in accordance with the provisions of this Agreement; in addition, ACS shall insure such assets in accordance with the requirements of **Article 16.**

10.4.3 Advance Written Consents. At all times during the Term, ACS shall seek to obtain advance written consents from all licensors (in accordance with **Section 4.3),** lessors and other contract parties to the conveyance or assignment of licenses, leases and other contracts to Symetra, its Affiliates, and/or the Replacement Provider upon Disentanglement. If any such consent cannot be obtained, ACS shall so notify Symetra in writing, and Symetra may: (a) as to the affected contract(s), waive this requirement in writing; or (b) elect to enter into the applicable license, lease or other contract directly with the applicable Third Party. ACS also shall obtain for Symetra the right, upon Disentanglement, to obtain maintenance (including all enhancements and upgrades) and support with respect to the assets that are the subject of such leases, licenses and other contracts at the price at which, and for so long as, such maintenance and support is made commercially available to other customers of such Third Parties.

10.4.4 All Necessary Cooperation and Actions. ACS shall provide all cooperation, take such additional actions, and perform such additional tasks, as may be necessary to ensure a timely Disentanglement in compliance with the provisions of this **Article 10.**

10.4.5 Payment for Disentanglement Services. Symetra shall be required to pay (at the Service Rates, unless other rates are then agreed to by the Parties) for any Disentanglement Services that are both outside the scope of the Services and cannot be accomplished by the Substantially Dedicated Resources without adversely impacting ACS' ability to comply with the SLRs. Notwithstanding the foregoing: (a) the ACS Key Personnel shall exercise all commercially reasonable efforts to minimize the costs and expenses associated with such Disentanglement services; and/or (b) Symetra may require ACS to re-focus the work efforts of the Substantially Dedicated Resources toward Disentanglement activities and waive any resulting failure of ACS to comply with the SLRs. ACS shall not: (y) in anticipation of sending or receiving a Termination Notice or the expiration of the Term, reduce the number of Substantially Dedicated Resources, nor change the identities of the Substantially Dedicated Resources; or (z) without Symetra's prior written consent, reduce the number, or change the identities, of the Substantially Dedicated Resources during the Disentanglement Period. For purposes of this Agreement, ***"Substantially Dedicated Resources"*** means those employees, agents and/or contractors of ACS and/or its Subcontractors that dedicate fifty percent (50%) or more of their work time to providing Services to Symetra and/or the Affiliates of Symetra, all of whom shall be identified periodically by ACS pursuant to the requirements set forth in **Section 3.1.2.**

ARTICLE 11
LIMITATIONS ON LIABILITY

Subject to the further terms of this **Article 11,** a breaching Party shall be liable to the other Party for all damages incurred by such Party as a result of the breaching Party's failure to perform its obligations under this Agreement.

11.1 Cap On Liability. **EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 11.4 AND 11.5, THE AGGREGATE CUMULATIVE MONETARY LIABILITY OF EITHER**

PARTY (INCLUDING THE AFFILIATES OF EACH PARTY) FOR ALL CLAIMS ARISING UNDER OR RELATING TO THIS AGREEMENT AND/OR ANY COUNTRY AGREEMENTS, NOTWITHSTANDING THE FORM IN WHICH ANY ACTION IS BROUGHT, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED IN THE AGGREGATE TO THE TOTAL FEES PAID AND/OR PAYABLE UNDER THIS AGREEMENT AND/OR ANY COUNTRY AGREEMENTS DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE DATE ON WHICH THE FIRST CLAIM AROSE (IT BEING THE UNDERSTANDING OF THE PARTIES THAT IDENTIFYING THE "FIRST" CLAIM WILL ESTABLISH THE BEGINNING POINT FOR ANY TIME PERIOD DESCRIBED IN THIS SECTION 11.1), EXCEPT THAT IF SUCH EVENT ARISES AT ANY TIME FOLLOWING EXPIRATION OR TERMINATION OF THIS AGREEMENT, THEN SUCH AMOUNT SHALL BE EQUAL TO THE FEES PAID BY SYMETRA UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING SUCH EXPIRATION OR TERMINATION DATE (THE *"CAP"*).

NOTWITHSTANDING ANYTHING THAT MAY BE CONTAINED HEREIN TO THE CONTRARY, FEE REDUCTIONS PAID OR PAYABLE TO SYMETRA SHALL NOT COUNT TOWARD SATISFACTION OF THE CAP.

11.2 ***Recoverable Damages.*** **WITHOUT LIMITING THE GENERALITY OF SECTION 11.1, AND NOTWITHSTANDING ANY CONTRARY TERMS IN SECTION 11.3, ACS AGREES THAT THE FOLLOWING TYPES OF DAMAGES (BY WAY OF EXAMPLE AND NOT OF LIMITATION) SHALL BE INTERPRETED AND CONSTRUED TO CONSTITUTE DIRECT DAMAGES RECOVERABLE BY SYMETRA PURSUANT TO SECTION 11.1, AND ACS SHALL NOT CLAIM OTHERWISE:**

A. COSTS AND EXPENSES INCURRED TO SELECT, PROCURE, MIGRATE TO AND IMPLEMENT SUBSTANTIALLY EQUIVALENT REPLACEMENT SERVICES (FROM AN IN-HOUSE OR REPLACEMENT PROVIDER) INCLUDING, WITHOUT LIMITATION, COSTS AND EXPENSES INCURRED: (i) FOR EMPLOYEES (WAGES AND SALARIES, BOTH STRAIGHT TIME AND OVERTIME, AND RELATED EXPENSES, INCLUDING OVERHEAD ALLOCATIONS), CONTRACTORS, TRAVEL EXPENSES, TELECOMMUNICATIONS CHARGES AND OTHER SIMILAR CHARGES; AND (ii) TO RE-CREATE, RELOAD AND/OR CONVERT ANY OF SYMETRA'S DATA, AND TO CREATE AND TEST INTERFACES;

B. REGULATORY FINES AND/OR PENALTIES INCLUDING, WITHOUT LIMITATION, THOSE ASSOCIATED WITH DELAYS IN ELECTRONIC TRANSFERS OR FAILURES TO COMPLY WITH REGULATORY DEADLINES; AND

C. IN THE EVENT OF AN ACS CHANGE IN CONTROL PERMITTING SYMETRA TO TERMINATE THIS AGREEMENT UNDER SECTION 9.2.2(b): (I) IF SYMETRA ELECTS NOT TO EXERCISE ITS RIGHT OF TERMINATION UNDER SUCH SECTION, ALL COSTS AND EXPENSES INCURRED AS A RESULT OF ANY SUCH CHANGE OF CONTROL INCLUDING, IF APPLICABLE UNDER THE CIRCUMSTANCES, THE COSTS AND EXPENSES ASSOCIATED WITH SELECTING, PROCURING, MIGRATING TO AND IMPLEMENTING SUBSTAN-

TIALLY EQUIVALENT REPLACEMENT THIRD PARTY APPLICATION SYSTEMS IF ONE OR MORE OF SYMETRA'S APPLICATION VENDORS WILL NOT CONSENT TO HAVING AN ACQUIRING ENTITY ACT AS SYMETRA'S OUTSOURCING PROVIDER PLUS ANY APPROVAL AND/OR CONSENT FEES NOT PAID UNDER THE TERMS OF SECTION 9.2.2 (THE "CHANGE IN CONTROL EXPENSES"); AND (II) IF SYMETRA ELECTS TO EXERCISE ITS RIGHT OF TERMINATION UNDER SUCH SECTION, ALL CHANGE IN CONTROL EXPENSES LESS ANY COSTS AND EXPENSES AVOIDED BY SYMETRA AS A RESULT OF ITS TERMINATION OF ONE OR MORE CONTRACTS WITH THOSE APPLICATION VENDORS THAT FAIL TO CONSENT TO HAVING AN ACQUIRING ENTITY ACT AS SYMETRA'S OUTSOURCING PROVIDER.

11.3 Non-Direct Damages. **EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 11.4 AND 11.5, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY CLAIMING BY OR THROUGH THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES WITH RESPECT TO ANY CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM IN WHICH ANY ACTION IS BROUGHT.**

11.4 Symetra Exceptions from the Limitations on Liability. **THE LIMITATION ON SYMETRA'S LIABILITY SET FORTH IN SECTIONS 11.1 AND 11.3 SHALL NOT APPLY TO LOSSES ARISING OUT OF OR RELATING TO: (A) SYMETRA'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 15.2 (INDEMNIFICATION BY SYMETRA); (B) SYMETRA'S FAILURE TO COMPLY WITH THE PROVISIONS OF ARTICLE 13 (SECURITY AND CONFIDENTIALITY); (C) THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF SYMETRA OR ANY ENTITY TO WHICH SYMETRA HAS SUBCONTRACTED ITS OBLIGATIONS UNDER THIS AGREEMENT; OR (D) SYMETRA'S FAILURE TO COMPLY WITH THE PROVISIONS OF ARTICLE 12 (PROPRIETARY RIGHTS). FURTHER, THE LIMITATION ON SYMETRA'S LIABILITY SET FORTH IN SECTION 11.1 SHALL NOT APPLY TO LOSSES ARISING OUT OF OR RELATING TO SYMETRA'S OBLIGATION TO MAKE ANY PAYMENTS THEN DUE AND OWING.**

11.5 ACS Exceptions from the Limitations on Liability. **THE LIMITATION ON ACS' LIABILITY SET FORTH IN SECTIONS 11.1 AND 11.3 SHALL NOT APPLY TO LOSSES ARISING OUT OF OR RELATING TO: (A) ACS' INDEMNIFICATION OBLIGATIONS UNDER SECTION 15.1 (INDEMNIFICATION BY ACS), EXCLUDING ACS' INDEMNIFICATION OBLIGATIONS UNDER SECTION 15.1.8 (NON-PERFORMANCE); (B) ACS' FAILURE TO COMPLY WITH THE PROVISIONS OF ARTICLE 13 (SECURITY AND CONFIDENTIALITY); (C) ACS' REPUDIATION OF, OR UNEXCUSED REFUSAL TO PERFORM, THE SERVICES IN VIOLATION OF SECTION 17.2 (CONTINUED PERFORMANCE; NO TOLLING OF CURE PERIODS); (D) THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF ACS AND/OR ITS SUBCONTRACTORS; (E) ACS' FAILURE TO COMPLY WITH THE PROVISIONS OF ARTICLE 12 (PROPRIETARY RIGHTS); OR (F) ACS' INDEMNIFICATION OBLIGATIONS UNDER ATTACHMENT K FOR A VIOLATION OF THE NON-DISCLOSURE AND/OR USE OBLIGATIONS RELATING TO SYMETRA PHI. FURTHER, THE LIMITATION ON ACS' LIABILITY SET FORTH IN SECTION 11.3 SHALL NOT APPLY TO ACS' INDEMNIFICATION OBLIGATIONS UNDER ATTACHMENT K FOR A VIOLATION OF ANY OBLIGATIONS**

THEREUNDER EXCEPT FOR THOSE DESCRIBED IN THE FOREGOING SUBSECTION (F), BUT ONLY UNTIL SUCH TIME AS THE DOLLAR VALUE OF THE CAP HAS BEEN ACHIEVED.

11.6 Costs of Cure. To the extent a Party elects to cure any failure by it to comply with its obligations under the Agreement, all costs and expenses associated with such cure shall be borne solely by the curing party and shall in no event count toward satisfaction of the CAP.

11.7 Attorneys' Fees. If a Party brings an action, suit or proceeding (including, without limitation, any arbitration proceeding under **Section 19.13)** against the other Party to this Agreement arising out of or relating to this Agreement, or pertaining to a declaration of rights under this Agreement, the trier of fact may, in the exercise of its discretion, award the Party it finds to be the prevailing party in such action, suit or proceeding that portion or all of its attorneys' fees, costs and expenses that it deems to be appropriate under the facts and circumstances.

ARTICLE 12
PROPRIETARY RIGHTS

12.1 Work Product.

12.1.1 Symetra Sole Owner. Symetra shall be the sole and exclusive owner of all Work Product, and of all copyright, patent, trademark, trade secret and other proprietary rights in and to the Work Product. Ownership of the Work Product shall inure to the benefit of Symetra from the date of conception, creation or fixation of the Work Product in a tangible medium of expression (whichever occurs first). Each copyrightable aspect of the Work Product shall be considered a "work-made-for-hire" within the meaning of the Copyright Act of 1976, as amended. If and to the extent such Work Product, or any part thereof, is not considered a "work-made-for-hire" within the meaning of the Copyright Act of 1976, as amended, ACS hereby expressly assigns to Symetra all exclusive right, title and interest in and to the Work Product, and all copies thereof, and in and to the copyright, patent, trademark, trade secret, and all other proprietary rights therein, whether in the United States or any other country, territory or jurisdiction, that ACS may have or obtain, without further consideration, free from any claim, lien for balance due, or rights of retention thereto on the part of ACS. ACS shall obtain similar written undertakings from all Subcontractors, employees and consultants who will perform any Services, so as to ensure Symetra's ownership of the Work Product as provided herein, and shall not commence the deployment of any such Subcontractor, employee or consultant until such a written undertaking has been obtained from such Subcontractor, employee or consultant and delivered to ACS. ACS acknowledges that the Parties do not intend ACS to be a joint author of the Work Product within the meaning of the Copyright Act of 1976, as amended, and that ACS shall in no event be deemed the joint author of any Work Product. Symetra shall have unrestricted access to all ACS materials, premises and computer files containing the Work Product. The Parties will cooperate with each other and execute such other documents as may be appropriate to achieve the objectives in this Section.

12.1.2 ACS License to Use. Symetra hereby grants to ACS a non-transferable, non-exclusive, royalty-free, fully paid-up license to use any Work Product solely as necessary to provide the Services to Symetra and/or its Affiliates. Except as provided in this Section, neither ACS nor any Subcontractor shall have the right to use the Work Product in connection with the provision of services to its other customers without the prior written consent of Symetra, which consent may be withheld or given in Symetra's sole discretion.

12.1.3 Intellectual Property. ACS promptly and fully shall disclose in writing and deliver to Symetra all Work Product, which delivery, in the case of computer programs, shall include both source code and object code and all available user manuals and other documentation, including any documentation specifically requested by Symetra. ACS shall execute and deliver any and all patent, copyright or other applications, assignments, and other documents that Symetra requests for protecting the Work Product, whether in the United States or any other country, territory or jurisdiction. Symetra shall have the full and sole power to prosecute such applications and to take all other action concerning the Work Product, and ACS shall cooperate, at Symetra's expense, in the preparation and prosecution of all such applications and in any legal actions and proceedings concerning the Work Product. ACS shall provide to Symetra's Office of the General Counsel, on a quarterly basis, a written report with appropriate information to enable Symetra to pursue all intellectual property registrations or other protections for Symetra's interests in the Work Product.

12.1.4 ACS Underlying and Derivative Works. Notwithstanding anything to the contrary contained in this Agreement, including in this **Section 12.1,** ACS shall be the sole and exclusive owner of all ACS Underlying Works and all Derivative Works thereof that do not contain Work Product **(*"ACS Derivative Works"*).**

12.1.5 Third-Party Underlying and Derivative Works. Notwithstanding anything to the contrary contained in this Agreement, including this **Section 12.1,** the sole and exclusive owner of any Third Party's Underlying Works and of all Derivative Works thereof that are created, invented, conceived, and fixed in a tangible medium of expression by such Third Party (such Derivative Works, collectively with the Third Party's Underlying Works, the ***"Third-Party Works"*)** shall be the applicable Third Party; provided, however, that ACS shall not implement or utilize any Third-Party Works in the provision of any Services unless the Third-Party Works are commercially available or ACS shall have used commercially reasonable efforts to cause such Third Party to agree to grant to Symetra (at Symetra's cost and expense) a perpetual, irrevocable, non-exclusive, fully-paid license to use, copy, modify, and sublicense the Third-Party Works in connection with the conduct of Symetra's business.

12.2 Rights and Licenses. ACS shall obtain from Third Parties all rights and licenses required to perform the Services.

12.3 Symetra Data. Symetra shall permit ACS to have access to Symetra Data solely to the extent ACS requires access to such data to provide the Services in accordance with the terms of this Agreement. ACS may only access and process Symetra Data in connection herewith or as directed by Symetra in writing and may not otherwise modify Symetra Data, merge it with other data, commercially exploit it or engage in any other practice or activity that may in any manner adversely affect the integrity, security or confidentiality of such data, other than as specifically permitted herein or as directed by Symetra in writing. ACS understands and agrees that Symetra owns all right, title, and interest in and to the Symetra Data and in and to any modification, compilation or Derivative Works therefrom (collectively, ***"Data and Modified Data"*),** and also owns all copyright, trademark, trade secrets, and other proprietary rights in and to the Data and Modified Data.

12.4 Infringement. Each of the Parties shall perform its responsibilities under this Agreement in a manner that does not infringe, or constitute an infringement or misappropriation of, any patent, trade secret, copyright or other proprietary right of any Third Party, or a violation of the other Party's software license agreements or intellectual property rights disclosed to or known by such Party.

12.5 Cooperation. If at any time Symetra brings, or investigates the possibility of bringing, any claim against any Person for infringement of any patent, trademark, copyright or similar proprietary right of Symetra, including misappropriation of trade secrets and misuse of confidential information, then ACS, upon the request and at the expense of Symetra, shall cooperate with and assist Symetra in the investigation or pursuit of such claim, and provide Symetra with any information in the possession of ACS that may be of use to Symetra in the investigation or pursuit of such claim.

ARTICLE 13
SECURITY AND CONFIDENTIALITY

13.1 Security.

13.1.1 General. ACS shall provide all Services utilizing security technologies and techniques in accordance with industry best practices and Symetra's security policies, procedures and requirements, including those relating to the prevention and detection of fraud or other inappropriate use or access of systems and networks. Without limiting the generality of the foregoing, ACS shall implement and/or use network management and maintenance applications and tools and appropriate fraud prevention and detection and encryption technologies. In no event shall ACS' actions or inaction result in any situation that is less secure than: (a) the security provided to Symetra as of the Effective Date; or (b) the security ACS then provides for its own systems and data, whichever is greater.

13.1.2 Information Access. Prior to performing any Services, ACS and its employees, agents and Subcontractors who may access Symetra Data and software shall execute the Parties' agreements and forms concerning access protection and data/software security consistent with the terms and conditions of this Agreement. ACS and its employees, agents and Subcontractors shall comply with all policies and procedures of Symetra and its Affiliates regarding data access, privacy and security, including those prohibiting or restricting remote access to Symetra systems and data. Symetra shall authorize, and ACS shall issue, any necessary information-access mechanisms, including access IDs and passwords, and ACS agrees that the same shall be used only by the personnel to whom they are issued. ACS shall provide to such personnel only such level of access as is minimally necessary to perform the tasks and functions for which such personnel are responsible. ACS shall from time-to-time, upon request from Symetra but in the absence of any request from Symetra at least quarterly, provide Symetra with an updated list of those ACS personnel having access to Symetra's and/or its Affiliate's systems, software, and data, and the level of such access. Computer data and software, including Symetra Data, provided by Symetra or accessed (or accessible) by ACS personnel or ACS' Subcontractor personnel, shall be used by such personnel only in connection with the obligations provided hereunder, and shall not be commercially exploited by ACS or its Subcontractors in any manner whatsoever. Without limiting the terms of **Section 9.6,** failure of ACS or ACS' Subcontractors to comply with the provisions of this **Article 13** may result in Symetra restricting offending personnel from access to Symetra computer systems or Symetra Data. It shall be ACS' obligation to maintain and ensure the confidentiality and security of Symetra Data.

13.1.3 Background Checks. If ACS assigns Persons (whether employees, contractors (including Subcontractors) and/or agents) to perform work at any Symetra Site, ACS shall conduct a background check on all such Persons and review the results of the background check of each

Person to verify that the Person meets ACS' standards for employment before presenting the results of the background check to Symetra and requesting that Symetra grant access to any such Person to any Symetra Site. No Person shall have access to any Symetra Site prior to delivery of the written background check to Symetra and Symetra's approval of such Person. Symetra shall be permitted, at its sole option, to refuse access of any Person to any Symetra Site. Such background check shall be in the form generally used by ACS in its initial hiring of employees or contracting for contractors (including Subcontractors and/or agents) or, as applicable, during the employment-screening process but, at a minimum, must have been performed within the preceding twelve (12) month period and detail the individual's arrest record, credit history and employment history. ACS shall obtain all releases, waivers or permissions required for the release of such information to Symetra. Prior to presenting any Person to Symetra, with verification on an annual basis, ACS' human resources manager for this Agreement shall certify that the background check required by this **Section 13.1.3** has been conducted with respect to all Persons assigned by ACS to perform work at any Symetra Site.

13.1.4 Other Policies. ACS shall, and shall cause its employees, contractors (including Subcontractors) and agents to, abide by all policies and procedures of Symetra and its Affiliates that may be established from time-to-time, and which are provided to ACS in writing including, without limitation, rules and requirements for the protection of premises, materials, equipment and personnel. Without limiting the terms of **Section 9.6,** any violations or disregard of these rules shall be cause for denial of access by such personnel to properties of Symetra and/or its Affiliates. The operation of ACS vehicles or private vehicles of ACS personnel on Symetra's property shall conform to posted regulations and safe driving practices. Vehicular accidents on Symetra's and/or its Affiliates property and involving ACS personnel shall be reported promptly to the appropriate Symetra security personnel.

13.2 Confidential Information.

13.2.1 Non-Disclosure.

(a) All Confidential Information disclosed by the Disclosing Party to the Receiving Party shall be deemed the sole property of the Disclosing Party and/or its Affiliates and shall be used solely by the Receiving Party and its employees, contractors (including Subcontractors) and agents for purposes of performing the Receiving Party's obligations and/or exercising the Receiving Party's rights under this Agreement, and, except as permitted under **Sections 13.2.3** and **13.3,** shall not be published, transmitted, released or disclosed by the Receiving Party or its employees, contractors (including Subcontractors) or agents to any other Person without the prior written consent of the Disclosing Party, which consent shall not be unreasonably withheld.

(b) The Receiving Party shall implement and maintain appropriate policies and procedures to safeguard the confidentiality of the Disclosing Party's Confidential Information in accordance with **subsection (a)** above. The Receiving Party shall require as a condition of any subcontract that the Subcontractor expressly acknowledges and agrees to be bound by confidentiality requirements that are no less restrictive than the requirements to which the Receiving Party is bound under this Agreement.

13.2.2 Disclosure Requests. Except to the extent Confidential Information is permitted to be disclosed pursuant to **Sections 13.2.3** or **13.3,** any and all requests, from whatever source, for copies of, access to, or disclosure of the Disclosing Party's Confidential Information shall be promptly submitted to the Disclosing Party for disposition.

13.2.3 Permitted Disclosures. The Disclosing Party shall require each of its contractors (including Subcontractors) and agents providing Services hereunder or otherwise having access, in whatever form or function, to the Disclosing Party's Confidential Information, to execute, prior to any such activity or access, a confidentiality agreement, the terms of which shall be no less stringent than the confidentiality requirements to which the Receiving Party is bound under this Agreement and under which such contractors (including Subcontractors) and agents agree to protect and maintain as confidential all of the Disclosing Party's Confidential Information (including, without limitation, following any termination of the Disclosing Party's relationship with any such contractor (including Subcontractors) and/or agents). The Receiving Party may disclose the Disclosing Party's Confidential Information only to those of such employees, contractors (including Subcontractors) and agents who have a need to know the Disclosing Party's Confidential Information in order to perform their duties and/or exercise their rights under this Agreement, as determined by an appropriate official of the Disclosing Party, and only to the extent minimally necessary. Regardless of the form of any agreement executed with Receiving Party's contractors (including Subcontractors) and agents, ACS shall retain liability for all breaches of this Agreement and for the acts or omissions of its officers, employees (including former employees), contractors (including Subcontractors), agents and the like, including the unauthorized use or disclosure of the Disclosing Party's Confidential Information, by its officers, employees (including former employees), contractors (including Subcontractors), agents and the like. Notwithstanding any contrary terms that may be contained herein, the Receiving Party shall have the right to disclose the Disclosing Party's Confidential Information to the Receiving Party's accountants, attorneys, financial advisors, banks and other financing sources and other similar advisors who have a need to know such Confidential Information, and Symetra shall have the right to disclose ACS' Confidential Information to a Replacement Provider to the extent strictly necessary.

13.3 Legally Required Disclosures. The Receiving Party may disclose the Confidential Information of the Disclosing Party to the extent disclosure is based on the good faith written opinion of the Receiving Party's legal counsel that disclosure is required by law or by order of a court or governmental agency or in order to comply with applicable Securities and Exchange Commission (***"SEC"***) requirements; provided, however, that the Receiving Party shall give advance notice of such requested disclosure and legal opinion to the Disclosing Party prior to any such disclosure (except in the case of SEC-required disclosures or when a judicial or other binding governmental order or decree or binding written instruction of a governmental regulator may prevent such notice) and shall use all commercially reasonable efforts to obtain a protective order or otherwise protect the confidentiality of the Disclosing Party's Confidential Information. Notwithstanding the foregoing, the Dis-closing Party reserves the right to obtain a protective order or otherwise protect the confidentiality of such Confidential Information. For purposes of this Section, the Office of General Counsel of each Party may act as that Parry's legal counsel.

13.4 Notification and Mitigation. In the event of any impermissible disclosure, loss or destruction of Confidential Information, the Receiving Party shall immediately notify the Disclosing Party and take all reasonable steps to mitigate any potential harm or further disclosure, loss or destruction of such Confidential Information.

13.5 Return of Confidential Information. Upon the expiration or termination of the Term, and at any other time upon written request by the Disclosing Party, the Receiving Party promptly shall return to the Disclosing Party all Confidential Information (and all copies thereof) of the Disclosing Party then in its possession or control, in whatever form, or, in the case of a written request by the Disclosing Party, the Confidential Information specified in such request as then in the Receiving Party's possession or control, in whatever form. In addition, unless the Disclosing Party otherwise consents in writing, the Receiving Party also shall deliver to the Disclosing Party or, if requested by the Disclosing Party, shall delete or destroy, any copies, duplicates, summaries, abstracts or other representations of any such Confidential Information or any part thereof, in whatever form, then in the possession or control of the Receiving Party. Notwithstanding the foregoing: (a) ACS may retain one (1) copy of documentation and data, excluding Symetra Data, for archival purposes or warranty support; provided, however, that any subsequent disclosure of such archived data shall comply with this **Article 13;** and (b) Symetra may retain ACS' Confidential Information (excluding any Category 5 Software) to the extent required by law or regulation, to the extent otherwise permitted under this Agreement and for legal archival purposes.

13.6 Injunctive Relief. If the Receiving Party or anyone acting on its behalf or operating under its control, including employees, Subcontractors and other Third Parties, publishes, transmits, releases, discloses or uses any Confidential Information of the Disclosing Party in violation of this **Article 13,** or if the Disclosing Party anticipates that the Receiving Party may violate or continue to violate any restriction set forth in this **Article 13,** then the Disclosing Party shall have the right to have the provisions of this **Article 13** specifically enforced by any court having equity jurisdiction, without being required to post bond or other security and without having to prove the inadequacy of available remedies at law, it being acknowledged and agreed that any such violation shall cause irreparable injury to the Disclosing Party and that monetary damages shall not provide an adequate remedy.

ARTICLE 14
LEGAL COMPLIANCE

14.1 Compliance with All Laws and Regulations. ACS shall perform its obligations hereunder in compliance with all laws and regulations throughout the world that are applicable to it as an operator of its business and/or in connection with performance of its obligations hereunder, including, without limitation, all laws and regulations relating to the collection, dissemination, transfer and use of data, specifically including, without limitation, the privacy and security of confidential, personal, sensitive or other protected data. ACS acknowledges and agrees that it may be required to modify the manner in which it provides the Services to Symetra in order to be compliant with policies and procedures developed by Symetra that are designed to assure compliance with HIPAA, the California Statute, GLB and all other applicable laws and regulations. Without limiting the generality of the foregoing, such policies and procedures may require ACS to cause its employees and those of its Subcontractors with access to the Symetra Data to execute confidentiality and non-disclosure agreements. Any such change required under this **Section 14.1** shall be effected through the applicable change management process, and Symetra shall be responsible for any additional costs or expense resulting from such change, provided that ACS use all commercially reasonable efforts to mitigate any such additional costs and expenses. No provision of this Agreement, including any InScope Service Request, shall have any force or effect if it would cause a violation of any law or regulation, or would require any consent or approval to prevent any such violation.

14.2 ACS Permits, Licenses and Assistance. ACS shall obtain and maintain, and shall cause its Subcontractors to obtain and maintain, at no cost to Symetra, all approvals, permissions, permits, licenses, and other forms of documentation required in order to comply with all foreign or domestic statutes, ordinances, and regulations or other laws that may be or become applicable to performance of Services hereunder. Symetra reserves the right to reasonably request and review all such applications, permits, and licenses prior to the commencement of any Services hereunder. If requested, Symetra shall cooperate with ACS, at ACS' cost and expense, to obtain any such approvals, permits and licenses. Similarly, and without additional charge or fee, ACS shall provide relevant assistance to Symetra in its attempt to fully comply with any domestic or foreign laws concerning data protection, including any obligation to certify or respond to any data protection authority regarding such matters.

14.3 Hazardous Materials. In providing the Services, ACS shall be responsible for compliance with all Environmental Laws and all other laws, rules, regulations, and requirements regarding Hazardous Materials, health and safety, notices and training. ACS shall not store any Hazardous Materials at any Symetra Site. ACS agrees to take, at its expense, all actions necessary to protect Third Parties including, without limitation, employees and agents of Symetra, from any exposure to Hazardous Materials generated or utilized in its performance under this Agreement. ACS agrees to report to the appropriate governmental agencies all discharges, releases, and spills of Hazardous Materials that are required to be reported by any Environmental Law and to immediately notify Symetra of same. ACS shall not be liable to Symetra for Symetra's failure to comply with, or violation of, any Environmental Law.

14.4 HIPAA.

14.4.1 General. In order to address certain requirements that are now or will become applicable to Symetra and/or one (1) or more of its Affiliates pursuant to regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (as the same may have been and/or may be amended from time-to-time, ***"HIPAA"),*** ACS shall comply with the requirements set forth in **Attachment K** and shall, if and as requested by Symetra, execute with any such Affiliate a separate agreement that contains terms and conditions that are substantially the same as those set forth in **Attachment K.** Notwithstanding anything contained herein to the contrary, ACS agrees that **Attachment K** (and any separate agreements that may be entered into by ACS and any Symetra Affiliate) shall be modified appropriately if Symetra determines that such modifications are necessary for Symetra and/or its Affiliates to comply with any and all modifications to HIPAA and/or its implementing regulations.

14.4.2 Security Requirements. ACS acknowledges that certain Security and Electronic Signature Standards have been issued by the Secretary (as the same may have been and/or may be modified from time-to-time, the ***"Security Standards")*** and that such Security Standards will affect the manner in which ACS provides the Services to Symetra hereunder. Having acknowledged the foregoing, ACS agrees that it will cooperatively work with Symetra and, as part of the Services, take all actions that may be necessary to ensure Symetra's and/or it Affiliates' ability to comply with the Security Standards. ACS agrees that this provision shall equally apply with any other security or privacy standards as may be promulgated under domestic or foreign law concerning such matters.

14.5 California Personal Information Statute. ACS acknowledges that Symetra Confidential Information may include personal information pertaining to California residents. ACS shall ensure that the system and/or the network complies with the requirements of California Civil Code §1798.82 et. seq.; or any similar federal or state statute that may enacted (the ***"California Statute"),*** including the encryption of all personally-identifiable Symetra Confidential Information. If ACS believes that personally-identifiable Symetra Confidential Information has been subject to unauthorized access, ACS shall provide written notice to Symetra within twenty-four (24) hours. If Symetra determines that actions must be taken to comply with the California Statute, ACS shall fully cooperate with Symetra to achieve such compliance and all such compliance-related activities by both Symetra and ACS shall be performed at ACS' cost. Nothing contained herein shall be deemed to release ACS from its indemnification obligations as set forth in **Section 15.1.**

14.6 Data Protection. The terms of this Section shall be applicable in European Union countries where this Agreement may be performed, and shall be "localized", as necessary, to address local requirements and considerations.

(a) General Compliance. ACS shall during the Term comply with all applicable laws, regulations, regulatory requirements and codes of practice in connection with all processing of personal data by ACS pursuant to its obligations under this Agreement, including, without limitation, by complying with all the provisions of the applicable country's data protection act and its amendments if any (the ***"Act"***) and any regulations or instruments thereunder, and of Directive 95/46/EC of the European Parliament and of the Council on the Protection of Individuals with Regard to the Processing of Personal Data and on the Free Movement of Such Data and any relevant recommendation issued by Article 29 working group and/or the data protection authority in the applicable country (together with the Act, the ***"Data Protection Laws"***), and shall not do, or cause or permit to be done, anything which may cause or otherwise result in a breach by Symetra of the same. ACS will oblige its employees and Subcontractors (if any) to comply with applicable Data Protection Laws and to undertake in writing only to collect, process or use any personal data received from Symetra for purposes of providing the Services and not to make personal data received from Symetra available to any Third Parties.

(b) Security. ACS warrants and undertakes that, as part of the Services provided to Symetra, it shall take, implement and maintain all such technical and organizational security procedures and measures necessary or appropriate to preserve the security and confidentiality of personal data processed by it and protect such personal data against unauthorized or unlawful disclosure, access or processing, accidental loss, destruction or damage, including any technical and organizational security procedures and measures as may be required or directed by Symetra from time to time. Having regard to the state of the art and the cost of their implementation, ACS shall ensure that such measures will provide a level of security appropriate to the risks represented by the Services to the processing and in consideration of the nature of the data to be protected. In addition, and without limiting the foregoing, ACS agrees, at Symetra's request, to provide relevant assistance to Symetra to devise appropriate technical and organization measures. By executing this Agreement, Symetra appoints ACS as a data processor of Symetra Data. As a processor of such data, ACS will process Symetra Data as specified in this Agreement. ACS may perform such processing as it reasonably considers necessary or appropriate to perform the Services. Upon expiration or termination of this Agreement and, if necessary, Symetra will give the data protection authority prompt notice of the termination of the appointment of ACS as Symetra's data processor.

(c) Trans-border Data Flows. ACS will not transfer any Symetra Data across a country border unless ACS reasonably considers such transfer necessary for ACS' performance of the Services and obtains Symetra's prior written consent.

(d) ACS as a Data Processor. ACS understands and acknowledges that, to the extent that performance of its obligations hereunder involves or necessitates the processing of personal data, it shall act only on instructions and directions from Symetra. ACS shall comply promptly with all such instructions and directions received by ACS from Symetra from time to time. ACS undertakes to keep the Symetra Data confidential and not to disclose personal data to any Third Party in any circumstances other than at Symetra's specific written request or in compliance with legal obligation. If ACS subcontracts any of its obligations under this Agreement, it shall ensure contractually that the provisions agreed hereunder also apply towards the subcontractor before any Symetra Data is transmitted to the subcontractor. ACS undertakes to monitor its subcontractors' compliance with such provisions as often as it deems necessary.

(e) Transfer Outside of the European Union or Outside of a Country Considered as Providing an Adequate Level of Protection Pursuant to Article 25 of the EU Directive 95/46 of 24 October 1995. As part of the Services provided to Symetra under this Agreement, ACS undertakes to transfer Symetra's personal data to its Affiliates, which may be located in countries considered as not providing an adequate level of protection only if necessary for the performance of the Services. With respect to trans-border data flows mentioned under **Section 14.6(c)** above, ACS also undertakes to execute, as part of the Services provided to Symetra, any documents, including any data transfer agreement, that may be required for Symetra to comply with the Data Protection Laws.

(f) Data Subject Right of Access and Rectification. If Symetra is required to provide information to a data subject regarding that individual's personal data, ACS will reasonably cooperate with Symetra in providing such information to the full extent necessary to comply with Data Protection Laws, and where a request by a data subject is made directly to ACS, it shall as soon as reasonably practicable notify Symetra upon receipt of a request (whether oral or in writing) from such an individual providing sufficient details and information as are required by Symetra to comply with its obligations under the Data Protection Laws. If further to this request the personal data must be rectified, ACS undertakes to amend the personal data as instructed by Symetra.

ARTICLE 15
INDEMNIFICATION

15.1 By ACS.

15.1.1 Intellectual Property. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay all settlements, judgments, awards, fines, penalties, interest, liabilities, losses, costs, damages and expenses, including attorneys' fees and disbursements and court costs (collectively, ***"Losses"***), sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of them for actual or alleged infringement of any patent, trademark, copyright or other proprietary right, including misappropriation of trade secrets, arising out of or relating to technology (excluding the Category 6 Software) and/or methods or processes used by ACS to provide the Services (an ***"Infringement Claim").*** If Symetra's right to use any such technology or enjoy continued use of any method or process is enjoined or appears likely to be enjoined, at its sole cost and expense, ACS shall either procure a license to enable Symetra to continue such use or replace or modify the technology, method or process so that it no longer is subject to any such claim, suit or proceeding while maintaining equivalent or better functionality and performance capabilities in a form acceptable to Symetra.

15.1.2 Personal Injury, Property and Other Damage. ACS shall indemnify, defend, and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party, ACS employee or Symetra employee against any of the Symetra Indemnitees for actual or alleged bodily injury or death, damage to tangible personal or real property including computer data, data loss or any other damage, notwithstanding the form in which any such action is brought *(e.g.*, contract, tort or otherwise), to the extent such injuries or damages arise directly or indirectly from acts, errors or omissions that constitute negligence, willful misconduct or violations of law, by ACS and/or its employees, agents and/or Subcontractors.

15.1.3 Third-Party Contracts. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees for: (a) actual or alleged breach by ACS of any agreement with any Third Party; and (b) actual or alleged breach by Symetra of any agreement with any Third Party, to the extent the claim, suit or proceeding arises out of, relates to or is a result of ACS': (i) failure to fulfill its obligations under this Agreement; and/or (ii) breach of any term or condition of this Agreement.

15.1.4 ACS Employees. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any ACS employee against any of the Symetra Indemnitees based upon any act by ACS, its employees, agents and/or its Subcontractors on or after the Effective Date (or in connection with services provided by ACS prior to the Effective Date) including, without limitation, any claim relating to the non-hire of employees by ACS, claims for wages, benefits, discrimination or harassment of any kind, wrongful termination and/or denial of severance or termination payments upon leaving ACS' employ. In connection therewith, ACS shall retain for an appropriate length of time in light of applicable statutes of limitation and make available to Symetra upon request any and all employment records relating to any such claim, suit or proceeding.

15.1.5 Hazardous Material. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees as a result of: (a) ACS' failure to comply with any applicable Environmental Laws; or (b) the presence of any Hazardous Material upon, above or beneath ACS' facilities or locations.

15.1.6 Information Disclosure. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees as a result of any failure by ACS, its employees, agents and/or Subcontractors to comply with the obligations set forth in this Agreement relating to Symetra Confidential Information or the protection of the security or privacy of data.

15.1.7 Security Breaches. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees as a result of any failure by ACS, its employees, agents and/or Subcontractors to comply with the security obligations set forth in this Agreement relating to protection against fraudulent or other inappropriate or unauthorized use of or access to the systems and/or networks described herein.

15.1.8 Non-Performance. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees as a result of ACS' breach or default of any term of this Agreement.

15.1.9 Taxes. ACS shall indemnify, defend and hold harmless the Symetra Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the Symetra Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the Symetra Indemnitees as a result of ACS' failure to pay applicable taxes including, without limitation, payroll and other employment-related taxes.

15.2 By Symetra.

15.2.1 Intellectual Property. Symetra shall indemnify, defend and hold harmless the ACS Indemnitees from and against, and shall pay any and all Losses sustained or incurred by any of the ACS Indemnitees, arising out of any claim, suit or proceeding brought by any Third Party against any of them for actual or alleged infringement of any patent, trademark, copyright or similar proprietary right, including misappropriation of trade secrets, arising out of or relating to the Category 6 Software. If ACS' right to use such software is enjoined, Symetra may, in its reasonable discretion and at Symetra's sole expense, either procure a license to enable ACS to continue use of such software or develop or obtain a non-infringing replacement. Symetra shall have no obligation with respect to any claim or action to the extent it is based solely upon: (a) modification of the software by ACS or any of its Affiliates or Subcontractors; or (b) ACS' combination, operation or use of such software with other apparatus, data or programs; provided, however, that this sentence and therefore this exception shall not be applicable to any such combination, modification, operation or use required or specified in writing by Symetra.

15.2.2 Managed and Assigned Contracts. Symetra shall indemnify, defend, and hold harmless the ACS Indemnitees from and against, and shall pay any and all Losses sustained or incurred by the ACS Indemnitees, based upon or relating to any claim, suit or proceeding brought by any Third Party against any of the ACS Indemnitees as a result of an actual or alleged breach by Symetra of: (a) any Managed Contract (to the extent not caused by ACS); or (b) any Assigned Contract (to the extent not caused by ACS) occurring prior to the date the Assigned Contract was assigned to ACS.

15.2.3 Hazardous Materials. Symetra shall indemnify, defend, and hold harmless the ACS Indemnitees from and against, and shall pay any and all Losses sustained or incurred by the ACS Indemnitees upon or relating to any claim, suit or proceeding brought by any Third Party against any of the ACS Indemnitees as a result of: (a) Symetra's failure to comply in all material respects with any applicable Environmental Laws; or (b) the presence of any Hazardous Material upon, above or beneath Symetra's facilities or locations, provided such Hazardous Material was not introduced to such facilities or locations by ACS or any of its Subcontractors or released into the environment by ACS or any of its Subcontractors.

15.3 Indemnification Procedures.

15.3.1 General. If any legal action governed by this **Article 15** is commenced against an Indemnified Party, such Indemnified Party shall give written notice thereof to the Indemnifying Party promptly after such legal action is commenced; provided, however, that failure to give prompt notice shall not reduce the Indemnifying Party's obligations under this **Article 15,** except to the extent the Indemnifying Party is prejudiced thereby. After such notice, if the Indemnifying Party acknowledges in writing to the Indemnified Party that the right of indemnification under this Agreement applies with respect to such claim, then the Indemnifying Party shall be entitled, if it so elects in a written notice delivered to the Indemnified Party not fewer than ten (10) Business Days prior to the date on which a response to such claim is due, to take control of the defense and investigation of such claim and to employ and engage attorneys of its choice, that are reasonably satisfactory to the Indemnified Party, to handle and defend same, at the Indemnifying Party's expense. The Indemnified Party shall cooperate in all reasonable respects with the Indemnifying Party and its attorneys, at the Indemnifying Party's expense, in the investigation, trial, and defense of such claim and any appeal arising therefrom; provided, however, that the Indemnified Party may participate, at its own expense, through its attorneys or otherwise, in such investigation, trial, and defense of such claim and any appeal arising therefrom. If a court of competent jurisdiction later determines, without right of further appeal, that a claim, suit or proceeding for which the Indemnifying Party assumed defense was not eligible for indemnification under this **Article 15,** within thirty (30) calendar days following such determination, the Indemnified Party shall reimburse the Indemnifying Party in full for all judgments, settlements, costs and expenses (including attorneys' fees) incurred in connection with such claim, suit or proceeding.

15.3.2 Settlement of Claims. No settlement of a claim that involves a remedy other than the payment of money by the Indemnifying Party along with standard settlement terms, specifically including a dismissal of all claims with prejudice as well as a non-admission of liability or other wrongdoing, shall be entered into by the Indemnifying Party without the prior written consent of the Indemnified Party, which consent may be withheld in the Indemnified Party's sole discretion. In no event shall an adverse judgment be entered against the Indemnified Party as part of a settlement without its express written consent.

15.3.3 Defense Declined. If the Indemnifying Party declines to assume defense of a claim as provided in this Section: (a) the Indemnified Party may assume such defense and, if such defense is assumed, unless the Parties otherwise agree in writing, the Indemnifying Party thereafter shall be barred from assuming such defense at a later time; and (b) if it is later determined by a court of competent jurisdiction, without right of further appeal, that such claim was eligible for indemnification by the Indemnifying Party under this **Article 15,** within thirty (30) calendar days following such determination, the Indemnifying Party shall reimburse the Indemnified Party in full for all settlements, judgments, costs and expenses (including attorneys' fees) incurred by the Indemnified Party in connection with such claim.

15.3.4 Defense Accepted. Notwithstanding anything contained herein to the contrary, if the Indemnifying Party accepts defense of a claim as provided in this Section, the Indemnified Party shall have the right to engage independent counsel to monitor and participate in the defense of the matter as such counsel or the Indemnified Party deems fit to protect its interests. The Indemnifying Party and its counsel must reasonably cooperate with the Indemnified Party's counsel to enable such counsel to adequately represent the interests of the Indemnified Party.

ARTICLE 16
INSURANCE

16.1 Required Insurance Coverages. During the Term and for such other periods as may be required herein, at its sole expense, ACS shall provide and maintain insurance consistent with acceptable and prudent business practices including, at a minimum, the types of insurance and the amounts described in **Attachment N**. The fact that ACS has obtained the insurance required in this **Article 16** shall in no manner lessen nor otherwise affect ACS' other obligations or liabilities set forth in this Agreement including, without limitation, its obligations under **Article 15.** If ACS retains any Subcontractors, ACS shall require all such Subcontractors to carry the same coverages at the same limits set forth herein.

16.2 General Provisions.

16.2.1 Evidence of Insurance. On or before the Effective Date and thereafter at Symetra's request, ACS shall deliver to Symetra certificates of insurance evidencing the insurance required hereunder, together with appropriate separate endorsements. In addition, upon reasonable notice, ACS grants Symetra the right to examine its underlying policies solely for the purpose of confirming ACS' compliance with the terms of this **Article 16.**

16.2.2 Claims-Made Coverage. If any coverage is written on a "claims-made" basis, the certificate of insurance shall clearly so state. In addition to the coverage requirements specified above, ACS will make all commercially reasonable efforts with respect to any such policies to provide that:

(a) the policy's retroactive date shall coincide with or precede ACS' commencement of performance of Services (including subsequent policies purchased as renewals or replacements);

(b) similar insurance is maintained during the required extended period of coverage following expiration of the Agreement for a minimum of two (2) years;

(c) if insurance is terminated for any reason, ACS shall purchase a replacement claims-made policy with the same or an earlier retroactive date or shall purchase an extended reporting provision to report claims arising in connection with this Agreement for a minimum of two (2) years following termination or completion of the Services; and

(d) all claims-made policies shall allow the reporting of circumstances or incidents that might give rise to future claims.

16.2.3 Notice of Cancellation or Change of Coverage. All certificates of insurance provided by ACS must evidence that the insurance ACS will give Symetra forty-five (45) calendar days' written notice in advance of any cancellation, lapse, reduction or other adverse change in respect of such insurance.

16.2.4 Qualifying Insurers. All policies of insurance required hereby shall be issued by companies that have been approved to do business in the State of Washington, unless prior written approval is obtained from Symetra's risk manager. All providers of insurance shall have an AM Best rating of A- and Financial Size Category VI or better.

16.2.5 Waiver of Subrogation. All policies of insurance required hereby shall include a waiver of subrogation in favor of Symetra and its Affiliates, a copy of which shall be provided to Symetra upon request. ACS does hereby exercise its waiver of subrogation in favor of Symetra and its Affiliates for any insurance proceeds payable under any policies of insurance required hereby.

ARTICLE 17
PROBLEM RESOLUTION

17.1 Problem Resolution Process.

17.1.1 Administrative-Level Performance Review. If a Problem arises between the Parties, the Symetra Project Executive and the ACS Project Executive shall meet and attempt to resolve the Problem. Written minutes of such meetings shall be kept. If the Parties are unable to resolve the Problem within ten (10) calendar days after the initial request for a meeting, then the Parties shall seek to resolve the Problem through the IT Outsourcing Committee Performance Review as provided in **Section 17.1.2.**

17.1.2 IT Outsourcing Committee Performance Review. Upon receipt of a written Problem referral from the Parties' representatives as provided in **Section 17.1.1**, the IT Outsourcing Committee shall meet within five (5) Business Days thereafter in an effort to resolve the Problem. If the IT Outsourcing Committee is unable to resolve the Problem within ten (10) calendar days after the Problem was referred to it or fifteen (15) calendar days have passed since the Problem resolution process was begun, then the IT Outsourcing Committee shall forward the written Problem referral to the Parties' executives as provided in **Section 17.1.3** along with a statement of any actions taken or recommendation made by the respective members of the IT Outsourcing Committee.

17.1.3 Executive-Level Performance Review. For Problems that are not resolved as described in **Section 17.1.2,** negotiations shall be conducted by the Chief Information Officer or higher-level officer of Symetra and the Western Region Vice President or higher-level officer of ACS. If such representatives are unable to resolve the Problem within five (5) Business Days after the Parties have commenced negotiations, or fifteen (15) calendar days have passed since the initial request for negotiations at this level, then the Parties shall be entitled to discontinue negotiations, to seek to resolve the Problem through mediation as hereinafter provided or, if the Parties do not agree to submit the Problem to mediation, to seek any and all rights and remedies that may be available to them as provided in this Agreement.

17.1.4 Voluntary, Non-Binding Mediation. If executive-level performance review is not successful in resolving the Problem, the Parties may, but shall not be obligated to, mutually agree in writing to submit the Problem to non-binding mediation. Mediation must occur within five (5) Business Days after the Parties agree to submit the Problem to mediation. The Parties mutually shall select an independent mediator experienced in IT systems, and each shall designate a representative(s) to meet with the mediator in good faith in an effort to resolve the Problem. The specific format for the mediation shall be left to the discretion of the mediator and the designated Party representatives and may include the preparation of agreed-upon statements of fact or written statements of position furnished to the other Party.

17.2 Continued Performance; No Tolling of Cure Periods. The Parties agree to continue performing their obligations under this Agreement while the Problem is being resolved as provided in this **Article 17**, unless and until the Problem is resolved or until this Agreement is terminated. The time frame for a Party to cure any breach of the terms of this Agreement shall not be tolled by the pendency of any Problem resolution procedures.

17.3 De Minimis Problems. Notwithstanding anything to the contrary in this **Article 17** or elsewhere in this Agreement, if: (a) Symetra requests services, products and/or resources from ACS and the Parties disagree as to whether any such request is within the scope of the Services; and (b) the financial impact on ACS of satisfying such request is less than **[***]**, then the disagreement shall not be deemed a Problem, but absent mutual agreement of the Parties through the IT Outsourcing Committee, shall be deemed resolved in Symetra's favor. The maximum financial impact on ACS pursuant to this Section shall not exceed **[***]** in the aggregate during any Contract Year.

17.4 Equitable Relief. Notwithstanding anything contained in this Agreement to the contrary, the Parties shall be entitled to seek injunctive or other equitable relief whenever the facts or circumstances would permit a Party to seek equitable relief in a court of competent jurisdiction.

ARTICLE 18
USE OF SUBCONTRACTORS

18.1 Approval; Key Subcontractors. Except as hereinafter provided in this Section, ACS shall not perform or provide the Services through Subcontractors, including providers of hardware and software, without the prior written consent of the Symetra Project Executive as to the selection of the Subcontractor, which consent may be withheld by Symetra in its sole discretion. Any such consent, or ACS' subcontracting to the wholly owned subsidiaries of Affiliated Computer Services, Inc. (which shall not require Symetra's prior consent) shall be contingent on ACS' compliance with the terms of **Section 7.4.4** (when applicable) and **Section 13.2.3** before the Subcontractor (including any wholly owned subsidiary) begins providing any Services to ACS or Symetra. Symetra consents to the Subcontractors identified in **Attachment O,** provided that ACS complies with the terms of **Section 7.4.4** (when applicable) and **Section 13.2.3** before the Subcontractor begins providing any Services to ACS or Symetra. ACS shall ensure that each Subcontractor has obtained and maintains all licenses required in connection with the Services for which such Subcontractor is responsible. ACS agrees that it shall continue throughout the Term to retain the Subcontractors identified as ***"Key Sub contractors"*** in **Attachment O** and that such Persons shall continue to provide the Services initially provided, unless ACS has obtained Symetra's prior written consent to any changes, which consent may be withheld in Symetra's sole discretion.

18.2 Subcontractor Agreements. ACS will provide to Symetra copies of all agreements between ACS and its Subcontractors related to the performance of this Agreement within thirty (30) calendar days after such contracts are executed by ACS and its Subcontractors. Such subcontracts will contain materially the same terms and conditions as this Agreement, to the extent such terms and conditions are relevant to the Services to be provided by the Subcontractor (including, without limitation, a restriction on the subcontractor's right to further subcontract its obligations without Symetra's prior written consent), and shall identify Symetra as a direct and intended third-party beneficiary

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

thereof. ACS represents and warrants that the copies of Subcontractor agreements required to be provided to Symetra hereunder will be true and complete copies thereof.

18.3 Liability and Replacement. In no event shall ACS be relieved of its obligations under this Agreement as a result of its use of any Subcontractors. ACS shall supervise the activities and performance of each Subcontractor and shall be jointly and severally liable with each such Subcontractor for any act or failure to act by such Subcontractor. If Symetra determines that the performance or conduct of any Subcontractor is unsatisfactory, Symetra may notify ACS of its determination in writing, indicating the reasons therefor, in which event ACS promptly shall take all necessary actions to remedy the performance or conduct of such Subcontractor or, subject to the terms **of Section 18.1,** replace such Subcontractor by another Third Party or by ACS personnel.

18.4 Direct Agreements. Upon expiration or termination of the Term for any reason, Symetra shall have the right to enter into direct agreements with any Subcontractors. ACS represents, warrants, and covenants to Symetra that its arrangements with such Subcontractors shall not prohibit or restrict such Subcontractors from entering into direct agreements with Symetra.

ARTICLE 19
MISCELLANEOUS

19.1 Defined Terms. Capitalized terms used in this Agreement (including in any Schedules, Attachments, Addenda and other documents attached to this Agreement), shall have the meanings ascribed to them in **Attachment P.** Other capitalized terms used in this Agreement are defined in the context in which they are used and shall have the meanings ascribed to them therein. The terms defined in **Attachment P** include the plural as well as the singular.

19.2 Third-Party Beneficiaries. The applicable agreements are agreements between the applicable Parties and, except for the Symetra Indemnitees and the ACS Indemnitees, confer no rights upon any of such Parties' employees, agents, or contractors, or upon any other Person.

19.3 Use of Symetra Name. Except as necessary to deliver the Services in accordance with this Agreement, ACS shall have no right to use, and shall not use, the name of Symetra and/or any of its officials or employees, or logos or trademarks in any manner without the prior written consent of Symetra, which consent may be withheld in Symetra's sole discretion.

19.4 Captions; References; Terminology. Captions and titles to Schedules, Exhibits, Appendices, Attachments and/or Addenda are used herein for convenience of reference only and shall not be used in the construction or interpretation of this Agreement. Any reference herein to a particular Section number *(e.g.*, "Section 2"), shall be deemed a reference to all Sections of this Agreement that bear sub-numbers to the number of the referenced Section *(e.g.*, Sections 2.1, 2.1.1, etc.). As used herein, the word "including" shall mean "including, without limitation."

19.5 Assignment. Except for: (a) subcontracting permitted under the terms of **Article 18;** (b) any initial public offering by Symetra; and (c) Symetra's assignment, transfer or delegation to a Symetra Affiliate, neither Party shall assign, transfer or delegate its duties under this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of the other Party, which shall not be unreasonably withheld. Any assignment in contravention of this Section *(e.g.*, without the consent of the other Party, where such consent is required) shall be voidable by the non-assigning Party. Without limiting the generality of the foregoing, the phrase "by operation of law" shall include a Change in Control. Subject to all other provisions herein contained, this Agreement shall be binding on the Parties and their successors and permitted assigns. Notwithstanding the foregoing, the assigning party shall remain liable for the performance of the assigned or delegated obligations hereunder.

19.6 Notices. Any written notice, request, consent, approval or other communication required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given: (a) upon delivery if delivered personally; (b) upon transmission if sent viafacsimile (with the original sent by recognized overnight courier); or (c) one (1) business day after deposit with a national overnight courier, in each case addressed to the following addresses/telecopier numbers, or to such other addresses/telecopier numbers as may be specified by a Party upon written notice to the other in accordance with the terms of this Section:

If to Symetra:

Symetra Life Insurance Company
5069 154th Place NE
Redmond, WA 98052-9669
Attention: Chief Information Officer
Telecopier No.: (425) 376-6080

with a copy to:

Symetra Life Insurance Company
5069 154th Place NE
Redmond, WA 98052-9669
Attention: Legal Counsel
Telecopier No.: (425) 376-6080

If to ACS:

ACS Commercial Solutions, Inc.
3935 NW Aloclek Place
Suite A-100
Hillsboro, OR 97124
Attention: Symetra SBU Manager
Telecopier No.: (503) 466-6774

with a copy to:

ACS Commercial Solutions, Inc.
2828 N. Haskell Avenue, Bldg 1, 9th Floor
Dallas, Texas 75204
Attention: Group Counsel for Commercial Solutions
Telecopier No.: (214) 584-5525

19.7 Amendments; Waivers. This Agreement may be modified only pursuant to a writing executed by Symetra and ACS. ACS expressly agrees that all amendments to this Agreement executed by the Parties after the Effective Date must be signed by a Vice President or higher-level officer of Symetra in order to be effective. The Parties expressly disclaim the right to claim the enforce-ability or effectiveness of: (a) any amendments to this Agreement that are not executed by a Vice President or higher-level officer of Symetra; (b) any oral modifications to this Agreement; and (c) any other amendments, based on course of dealing, waiver, reliance, estoppel or other similar legal theory. The Parties expressly disclaim the right to enforce any rule of Washington law that is contrary to the terms of this Section.

19.8 Relationship Between the Parties. Neither Party (nor any employee, subcontractor or agent thereof) shall be deemed or otherwise considered a representative, agent, employee, partner or joint venturer of the other. Further, neither Party (nor any employee, subcontractor or agent thereof) shall have the authority to enter into any agreement, nor to assume any liability, on behalf of the other Party, nor to bind or commit the other Party in any manner, except as expressly provided in this Agreement.

19.9 Access to Personnel and Information. If reasonably required by ACS for the performance of the Services, Symetra shall provide ACS with reasonable access to Symetra's administrative, technical and other similar personnel and network management records and information.

19.10 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, that provision shall be deemed stricken and the remainder of this Agreement shall continue in full force and effect insofar as it remains a workable instrument to accomplish the original intent and purposes of the Parties, and, if possible, the Parties shall replace the severed provision with a provision that reflects the intention of the Parties with respect to the severed provision but that will be valid and enforceable.

19.11 Counterparts; Faxed Signatures. This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original and both of which together shall constitute but one and the same instrument. Counterparts may be executed in either original or faxed form, and the Parties hereby adopt as original any signatures received via facsimile.

19.12 Governing Law and Venue. This Agreement shall in all respects be interpreted under, and governed by, the internal laws of the State of Washington, U.S.A., including, without limitation, as to validity, interpretation and effect, without giving effect to its conflicts of laws principles. Except as provided in **Section 17.1.4, Section 19.13** and hereafter in this Section, **ANY LEGAL ACTION, SUIT OR PROCEEDING BROUGHT BY A PARTY IN ANY WAY ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT SOLELY AND EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN KING COUNTY, STATE OF WASHINGTON, U.S.A., AND EACH PARTY IRREVOCABLY ACCEPTS AND SUBMITS TO THE SOLE AND EXCLUSIVE PERSONAL JURISDICTION OF SUCH COURTS IN PERSONAM, GENERALLY AND UNCONDITIONALLY WITH RESPECT TO ANY ACTION, SUIT OR PROCEEDING BROUGHT BY OR AGAINST IT BY THE OTHER PARTY. EXCEPT AS PROVIDED IN SECTION 17.1.4, SECTION 19.13 AND HEREAFTER IN THIS SECTION, NEITHER PARTY SHALL BRING ANY LEGAL ACTION, SUIT OR PROCEEDING IN ANY WAY ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY OTHER COURT OR IN ANY OTHER JURISDICTION AND SHALL NOT ASSERT ANY CLAIM, WHETHER AS AN ORIGINAL ACTION OR AS A COUNTERCLAIM OR OTHERWISE, AGAINST THE OTHER IN ANY OTHER COURT OR JURISDICTION.** Each Party irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any objection that it may now or hereafter have to the venue of any of the aforesaid actions, suits or proceedings in the courts referred to above, and further waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court. As the only exceptions to any of the above, if a Party is entitled to seek injunctive or other equitable relief which is not available in the venue specified in this Section, this Section shall not be deemed to be a bar to the Party seeking such relief if such relief is wholly non-monetary injunctive or other equitable relief.

19.13 Arbitration. At Symetra's sole and absolute discretion and election, a dispute that arises from or relates to this Agreement may be submitted for resolution to binding arbitration, and if Symetra makes such an election, such dispute shall be decided exclusively by binding arbitration in King County in the State of Washington, U.S.A., under the Commercial Arbitration Rules of the American Arbitration Association (the ***"Rules"),*** before a sole arbitrator, who shall be a retired or former judge or attorney with at least twenty (20) years of experience and mutually acceptable to the parties. Each party will bear one half of the arbitrator's fees and other administrative fees of the arbitration; provided, however, that the arbitrator may award recovery of such fees to the party whom the arbitrator reasonably believes is the prevailing party, if the arbitrator reasonably believes that an award of such fees is appropriate. The parties agree that the arbitrator's award shall be final, and may be filed with and enforced as a final judgment by any court of competent jurisdiction. The arbitrator shall have no power to: (a) award damages (including any attorney's fees) in excess of the amount or other than the types allowed by **Article 11;** or (b) alter any of the provisions of this Agreement. The parties consent and agree to the jurisdiction of the tribunals mentioned in this paragraph, and waive any and all objections to such forums, including but not limited to objections based on improper venue or inconvenient forum.

19.14 Expenses. Each Party shall bear all expenses paid or incurred by it in connection with the planning, negotiation and consummation of this Agreement.

19.15 Import/Export. The computer hardware, software and technical data which are the subject of this Agreement are acknowledged to be subject to any then-applicable United States laws, regulations, orders or other restrictions regarding export of computer hardware, software, technical data or Derivative Works thereof. Neither Party shall, in violation of any applicable laws, regulations, orders or other restrictions, directly or indirectly export (or re-export) any computer hardware, software, technical data or Derivative Works thereof, or permit the shipment of same: (a) into (or to a national or resident of) Cuba, North Korea, Iran, Iraq, Libya, Syria or any other country to which the United States has embargoed goods; or (b) to anyone on the United States Treasury Department's List of Specially Designated Nationals, List of Specially Designated Terrorists and List of Specially Designated Narcotics Traffickers or the United States Commerce Department's Denied Parties List; or (c) to any country or destination for which the United States government or a United States governmental agency requires export license or other approvals for export without first having obtained such license or other approval. This obligation shall survive the expiration or early termination of this Agreement.

19.16 Waiver of UCITA. **THE PARTIES AGREE THAT THE UNIFORM COMPUTER INFORMATION TRANSACTIONS ACT OR ANY VERSION THEREOF, ADOPTED BY ANY STATE IN ANY FORM *("UCITA")*, SHALL NOT APPLY TO THIS AGREEMENT AND, TO THE EXTENT THAT UCITA IS APPLICABLE, THE PARTIES**

AGREE TO OPT-OUT OF THE APPLICABILITY OF UCITA PURSUANT TO THE OPT-OUT PROVISION(S) CONTAINED THEREIN.

19.17 Benefits of Agreement. All rights and benefits granted hereunder to Symetra may be exercised and enjoyed by any Symetra Affiliate, provided that Symetra shall be and remain responsible for the compliance of the terms and conditions of this Agreement with respect to such Symetra Affiliate and will be such Symetra Affiliate's agent for all purposes of this Agreement and any claims or actions arising from such Symetra Affiliate shall be pursued solely by Symetra. Further, for purposes of calculating discounts (if any) available under this Agreement that are based on volume, quantity or other measurement factor, the total volume of all Symetra Affiliates shall be counted to determine whether the applicable volume, quantity or other measurement factor has been achieved.

19.18 Entire Agreement. This Agreement and all Schedules, Attachments, Exhibits and Addenda hereto are incorporated herein by this reference and are an integral part of the Agreement and shall be read and interpreted together with the Agreement as a single document. This Agreement, consisting of all of the pages of this instrument, together with all Schedules, Attachments, Exhibits and Addenda hereto sets forth the entire, final and exclusive agreement between the Parties and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, between the Parties related to the subject matter herein.

IN WITNESS WHEREOF, the Parties have executed this Information Technology Services Agreement as of the Effective Date.

SYMETRA LIFE INSURANCE COMPANY		**ACS COMMERCIAL SOLUTIONS, INC.**	
By:		By:	
Title:		Title:	
Date:		Date:	

AFFILIATED COMPUTER SERVICES, INC. GUARANTY

For value received, Affiliated Computer Services, Inc. ***("Parent"),*** a Delaware corporation with a place of business at 2828 N. Haskell, Dallas, Texas 75204, absolutely and unconditionally guarantees the obligations and performance of its wholly-owned subsidiary, ACS Commercial Solutions, Inc. ***("ACS")***, under that certain Information Technology Services Agreement by and between ACS and Symetra Life Insurance Company ***("Symetra")*** dated October 28, 2004 (inclusive of all Exhibits, Schedules, Attachments, Addenda, Appendices and any country agreements executed thereunder (whether in effect on the effective date of such agreement or in effect in the future), as the same may hereafter be amended, modified, renewed or extended from time to time (the ***"Guaranteed Obligations").*** If ACS fails to perform the Guaranteed Obligations, Parent shall perform such obligations. This Guaranty shall continue in force until all Guaranteed Obligations have been performed and/or satisfied. Parent shall not be discharged from liability under this Guaranty so long as any claim by Symetra, or any of its Affiliates (as defined in the above-described ACS/Symetra agreement), against ACS remains outstanding. This Guaranty shall be binding on Parent and on its successors and assigns.

Notwithstanding anything in this Guaranty to the contrary, the obligations of Parent under this Guaranty shall be subject to the rights, privileges and defenses otherwise available to ACS under the above-described ACS/Symetra agreement with respect to the Guaranteed Obligations. Nothing in this Guaranty shall be deemed to expand or otherwise extend the Guaranteed Obligations or limit any defenses available to ACS (or to Parent by virtue of this Guaranty) under the Agreement. This Guaranty shall be expressly subject to the conditions that: (a) Symetra may resort to Parent for performance of the Guaranteed Obligations only if in Symetra's reasonable judgment efforts to obtain performance of the Guaranteed Obligations against ACS are not likely to result in the full and timely performance of such Guaranteed Obligations; and (b) Parent may satisfy its performance obligations under this Guaranty either directly or indirectly by causing one of its Affiliates to perform such obligations.

IN WITNESS WHEREOF, Affiliated Computer Services, Inc. has, by a duly authorized officer, executed this Guaranty as of the 28th day of October 2004.

AFFILIATED COMPUTER SERVICES, INC.

____

Table of Contents

SCHEDULE 1

RELATIONSHIP MANAGEMENT

for

SYMETRA LIFE INSURANCE COMPANY

October 28, 2004

Table of Contents

Table of Contents

Table of Contents

1.0 Relationship Management Services and ACS Proposed Staffing

1.1 Personnel and Organization Overview

ACS' strategic business unit ("***SBU***") model, performance-based compensation and corporate client satisfaction directive ensure that every ACS employee understands that ACS' success depends on its ability to serve and support each client's needs. In summary, Symetra is guaranteed more focused service from ACS than our peers through these benefits:

- ☐ Account structure focuses on Symetra with resources that are aligned with Symetra's objectives.
- ☐ Compensation is directly tied to Symetra's satisfaction and ACS' ability to exceed performance measurements.

A communication strategy is in place to facilitate a structured approach to ongoing communication and navigating through both organizations.

Table of Contents

1.2 ACS Account Team Organization and Staffing

1.2.1 Organization Chart

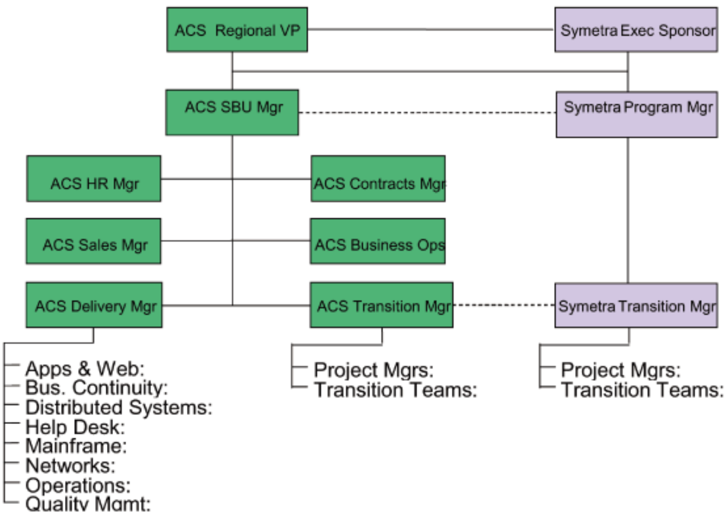


Figure 1—Symetra Organizational Account

1.2.2 Key Account Team Management Organization and Roles

The SBU manager (a/k/a ACS Project Executive) has significant business knowledge and management experience and a solid understanding of the role IT plays in achieving short-range and long-range business objectives. SBU managers are responsible for ensuring that everyone at ACS is working to support Symetra's critical business systems. Ultimately, the SBU manager's role is to communicate and promote Symetra's point of view within ACS—to be a Symetra advocate.

The ACS Service Delivery Manager is responsible for receiving, scheduling and delivering on service requests and day-to-day issues. The ACS Service Delivery Manager works directly with Symetra to clarify requests, discuss timing, develop specific project plans (if necessary) and provide project status.

SBU Account Focus

ACS' SBU management structure puts Symetra at the center of ACS business philosophy. New initiatives are qualified by evaluating the benefits to our clients. The SBU manager, working directly with Symetra, becomes the conduit through which Symetra takes advantage of ACS' technical resources.

Account Governance and Account Governance Board ("*AGB*")

Key to establishing a successful governance board is ensuring that ACS' proposed governance board structure is appropriately mapped to the structural and functional requirements specified by Symetra. ACS will collaborate with Symetra in establishing a jointly defined and mutually beneficial account governance program. The AGB is also known as the IT Outsourcing Committee. The descriptions and rights and responsibilities of the Parties related to the AGB and its associated boards and teams as set forth in this Schedule shall not diminish the rights and responsibilities of the Parties related to the IT Outsourcing Committee as set forth in **Section 1.2** of the Agreement.

Account Governance Board Structure

Co-chairs, one each from Symetra and ACS, will lead the AGB, which will comprise four standard teams and one special team. The four standard teams are the governance team, audit team, finance team, and operations team. The four standard teams will meet regularly. The special team is the executive team and will meet at least annually and as needed to provide strategic direction or resolve problems that have been escalated to them by the AGB chair(s).

Governance Team Purpose

The governance team will oversee activities associated with the Agreement. This team is responsible for ensuring the overall effectiveness of the Agreement governance processes and communicating to Symetra and ACS stakeholders. The management and resolution of financial and operational issues is the responsibility of the governance team. Contract interpretation is the responsibility of the governance team. The governance team provides direction to the audit, finance and operations teams.

Audit Team Purpose

The audit team assists the governance team in fulfilling contract oversight responsibilities through participation in daily, weekly, monthly, quarterly, annual and ad hoc review processes. This team is responsible for monitoring compliance with the financial and operational deliverables associated with the Agreement. It ensures that financial statements are accurate and consumption measurement methods, and that SLA/SLR measurement methods are consistent with the Agreement.

Finance Team Purpose

The finance team assists the governance board with rationalizing the portfolio of Services being provided or which may be added to the Agreement. This team works to ensure that the pricing is competitive and oversees benchmarking activities. This team provides consumption forecasts and acts as the project management office (PMO) for Services. This team oversees the intake processes and new business proposal processes. This team coordinates internal chargeback related activities.

Operations Team Purpose

The operations team assists the governance board with ensuring that day-to-day operational processes such as problem management, change management, asset management and

Table of Contents

SLA/SLR management are executed effectively. This team provides the day-to-day oversight of operational processes being delivered via the Agreement.

SBU Manager Selection

Without limiting any of its rights in **Article 3** of the Agreement, Symetra will be involved in the selection process of this SBU manager to ensure the best fit culturally, technically and strategically. ACS recruits the SBU manager through several channels. Working with Symetra, ACS will determine which approach and characteristics will deliver the best candidate. Some of the methods used include the following:

- ☐ Recruiting internally within the SBU management team
- ☐ Leveraging the salesperson's knowledge gained throughout the sales process to continue delivery of the Services

In addition to these selection methods, ACS will qualify candidates based on established criteria. These criteria include areas such as industry knowledge, technology experience within specific Service Towers and leadership ability applicable to the account size.

Because the SBU manager will become "embedded" in Symetra, this is an important factor in the success of the relationship.

Communication Strategy

An ACS customer service cornerstone is a defined communication strategy between ACS and our clients. At ACS, we would rather over-communicate than make an assumption.

We recommend weekly and monthly service review meetings with different parties as an opportunity to discuss the relationship status at a technical and business level, as depicted in Figure 2.

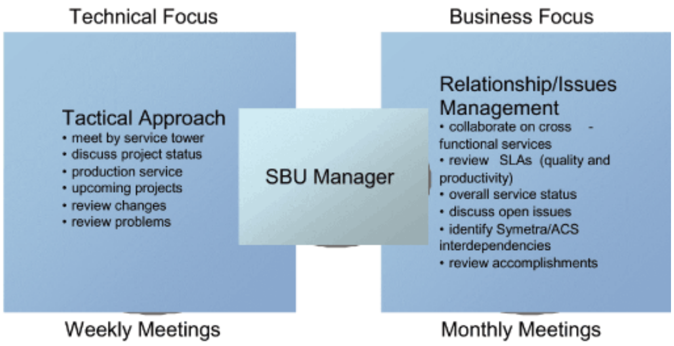


Figure 2—SBU Communication Strategy

ACS maintains contractual performance statistics that the SBU manager will review monthly with Symetra management. This information will be presented graphically with a rolling 12-month history to help identify trends. We also provide a client portal where service

Table of Contents

agreements (including, without limitation, the Agreement) and invoices with supporting detail are maintained.

Without limiting the rights and obligations set forth in the Agreement, including without limitation **Section 2.2** of the Agreement, ACS will work to identify areas for improvement and, where a problem exists, establish the root cause and present procedures for prevention. A scorecard is provided quarterly that grades ACS on Service delivery, communication and overall account management.

In addition to these reviews, ACS will use the following methods to provide the responsiveness and flexibility Symetra requires:

☐ Daily interaction between Symetra functional leaders and the ACS SBU manager and the ACS Service Delivery Manager will keep the lines of communication and understanding open.

☐ Regular status meetings will be conducted to review and discuss activities or issues related to the provision of Services.

☐ Annual technology reviews will discuss Symetra's business directions and ACS' new products and services relative to Symetra's environment.

1.2.3 Key Executive Team Roles

SBU managers are responsible for making sure that everyone at ACS is working with Symetra personnel to support Symetra's critical business systems. Table 1 outlines the roles and responsibilities, as well as the business profile, for an SBU manager.

Table 1 SBU Manager's Roles and Responsibilities

SBU Manager (a/k/a ACS Project Executive)

Roles and Responsibilities	Business Profile
• Direct activities of SBU management team • Perform active role in migration process • Regularly review quality of delivered service • Coordinate recurring and ad hoc meetings • Prepare and present management reports • Oversee contract agreements • Escalate problems • Perform strategic planning	• Strong IT infrastructure knowledge with a clear understanding of IT as an enabler to accomplishing business objectives • Experience in developing and maintaining client relationships and developing solutions to meet client needs • Expertise in project management, new business support, proposal support and IT consulting • Management experience • Team leadership skills • Creative thinker • Superior technology strategist • Negotiation skills • Experienced in motivating and managing high performance staffs • Financial management experience

Table 2 shows the profile for the ACS Service Delivery Manager.

Table 2 ACS Service Delivery Manager's Roles and Responsibilities

ACS Service Delivery Manager

Roles and Responsibilities	Business Profile
• Oversee day-to-day operations of the Services • Collect and track SLA/SLR metrics • Coordinate and manage service changes • Prioritize special service requests • Manage special and large projects • Keep lines of communication open between Symetra and ACS • Communicate changes that may affect both organizations and ensure that interested parties are informed	• Superior analytical skills • Technical expertise in the very areas of concern to ACS' clients • Experience from several operational areas • Understanding of technology and the outsourcing environment • Experience in assisting clients achieve their technology plans • Operations management experience • Project management skills • Leadership qualities • Effective communicator • Team-building skills

1.3 Additional ACS Team Roles

1.3.1 ACS Business Operations Manager

The ACS business operations manager serves as the primary financial contact between Symetra and ACS. This individual is responsible for developing and maintaining client billing and invoicing operations, establishing and maintaining procurement operations for ACS on behalf of the Symetra program, and for ensuring that all financial accounting for Services provided to Symetra is accurate and well documented. Prepares daily, weekly and monthly management and status reporting based upon measured statistics, SLR/SLA data, and consumption usage.

1.3.2 ACS Contracts Manager

The ACS contracts manager serves as the primary contractual management point between Symetra and ACS. This individual is responsible for developing and maintaining client contracts and any required contractual modifications (as well as requisite legal reviews and approvals). Furthermore, the ACS contracts manager ensures that contracts (including, without limitation, the Agreement) remain compliant with applicable contractual or business laws and policies based upon guidance from the compliance and audit teams.

1.3.3 ACS Technical Service Tower Service Delivery Manager(s)

Serve as the primary technical contact between Symetra and ACS for specific Services Towers. Responsible for developing and maintaining client relationships and developing technical solutions to meet Symetra's needs for each Service Tower. Manage the account P&L and provide general direction for the technical services team. Prepare daily, weekly and monthly management and status reporting.

1.3.4 ACS Sales Executive

The ACS sales executive serves as the primary sales and new-business contact point between Symetra and ACS. This individual is responsible for understanding the Symetra business structure, and for identifying how ACS services map to and can enhance Symetra operations. The ACS sales executive manages all sales-related activities for Symetra and ensures that sales opportunities are well-communicated and understood, and driven through appropriate ACS channels efficiently and effectively.

1.3.5 Other ACS Key Account Team Management Personnel

ACS Senior Project Manager—Transition Management Office

ACS senior project managers are responsible for oversight and coordination of transition management related activities. They are responsible for developing, obtaining sign-off, executing and maintain the detailed Transition Plan, project schedules and supplemental management plans. They serve as the primary interface to Symetra and the ACS transition team and develop and publish applicable transition status reports as well as conduct required daily and weekly transition status meetings. Executing formal project closure processes, including acceptance sign-offs, satisfaction surveys and lessons learned feedback sessions are also a key requirement of this position. In addition, they will obtain and maintain appropriate ACS transition team staffing throughout the transition.

ACS Project Manager—Project Management Office

ACS project manager(s) will manage the planning, execution, and close phases for assigned transition projects. They will also work with ACS IT management to obtain the required ACS IT transition team staffing for assigned transition projects. Managing and maintaining the transition program portal for assigned projects is a key responsibility. The ACS project manager will ensure assigned transition projects are executed on time, with a high degree of quality, and according to the approved approach.

1.3.6 Other relevant ACS personnel

ACS Quality and Compliance Manager

This individual is responsible for establishing and maintaining ACS quality management programs with respect to Symetra. The ACS quality and compliance manager oversees collection and analysis of quality metrics and reports such statistics. Additionally, the ACS quality and compliance manager oversees compliance auditing and operations, ensuring operational compliance with industry and accounting standards and relevant legal requirements.

1.3.7 Account Team Position Descriptions

SBU Senior Staff

Location: Symetra HQ (<10%) and NWSC (>90%)

Members of the SBU senior staff, including the ACS human resources manager, the ACS business operations manager, the ACS contracts manager, the ACS sales support manager, and the various ACS Service Tower managers, will all work primarily out of the NWSC with visits to Symetra HQ as necessary.

SBU Operations Onsite Staff

Location: Symetra HQ (100%)

Key, identified ACS operational staff will be located at the Symetra HQ facility full-time.

SBU Manager

Location: Symetra Financial HQ (50%) and NWSC (50%)

SBU Operations Data Center Staff

Location: NWSC (100%)

All remaining ACS operational staff will work out of the NWSC.

ACS' SBU management structure puts Symetra at the center of ACS' business philosophy. All new initiatives are qualified by evaluating the benefits to our clients. The SBU manager, working directly with Symetra, becomes the conduit through which Symetra takes advantage of ACS' technical resources.

ACS recognizes the location percentages for the SBU Service Delivery Manager and ACS senior staff are estimates and that there will be times when it will be necessary for them to be onsite at Symetra 100%.

SCHEDULE 2A

CROSS-FUNCTIONAL SERVICES SOW

for

SYMETRA LIFE INSURANCE COMPANY (SYMETRA)

October 28, 2004

Table of Contents

TABLE OF CONTENTS

List of Tables

1.0 **Cross Functional Services Overview and Objectives**

1.1 Services Overview

Cross functional Services include a number of common IT life cycle support and management services that ACS will provide across all Symetra IT Service Towers. Services, activities and roles and responsibilities described in this Cross-Functional Services SOW are considered within the scope of each Service Tower (**Schedules 2B** through **2H**). In addition, the Services described in this Cross-Functional Services SOW shall be included within the IT Services Tower charges as specified in **Schedule 3** – Fees.

Cross Functional SOW

Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional View

1.2 Service Objectives

The following are the key high-level service objectives Symetra expects to achieve through this Cross Functional Services SOW:

- Ensure that critical IT life cycle and service management functions are included in all IT Services Tower SOWs
- Receive IT services that consider an end-to-end enterprise view across all IT Service Towers

Service Environment

Scope of the Infrastructure to be Supported

The service environment section in each IT Services Tower SOW Schedule describes the computing environment to be supported/complied with. The service environment includes such things as hardware and software, facilities and locations, personnel, policies and procedures, licenses and agreements, work-in-progress and future initiatives. As such, this Cross Functional Services SOW shall apply to the service environments as specified in each IT Service Tower SOW. The service environments for each IT Service Tower will be documented in SOW Appendices and are to be maintained by ACS and made available to Symetra quarterly.

3.0 Cross Functional Services Requirements

ACS is responsible for providing the cross functional Services defined in **Section 3.1** of this Schedule for IT Service Towers defined in the following documents:

- Schedule 2B – Data Center Services SOW

- Schedule 2C – Distributed Computing Services SOW
- Schedule 2D – Data Network Management Services SOW
- Schedule 2E – Voice Communication Services SOW
- Schedule 2F – Help Desk Services SOW
- Schedule 2G – Output Processing Services SOW
- Schedule 2H – Content Management Services SOW

3.1 Service Descriptions and Roles & Responsibilities

3.1.1 General Responsibilities

The following table identifies general roles and responsibilities associated with this SOW. An “X” is placed in the column under the Party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled “ACS.”

General Roles and Responsibilities

General Roles and Responsibilities	ACS	Symetra
Provide Services that support Symetra business needs and End-User requirements	X	
Comply with Symetra policies and standards and industry regulations applicable to Symetra for information, information systems, personnel, physical and technical security	X	
Conform to changes in laws, regulations and policies. Major changes shall be proposed on a project-by-project effort basis to alter the environment to conform to the new requirements	X	
Report performance against SLRs	X	
1. Coordinate all changes to the IT infrastructure that may affect the service levels of any other service area	X	
Provide timely creation, updating, maintenance and provision of all appropriate project plans, project time and cost estimates, technical specifications, management documentation and management reporting in a form/format that is acceptable to Symetra for all Service Tower projects and major Service activities	X	

3.1.2 Planning & Analysis

Planning and analysis Services are the research of new technical trends, products and services, such as hardware components, system software, and networks that offer opportunities to improve the efficiency and effectiveness of the Service Towers. Planning Services can also help support competitive business advantage and mitigate risks by reducing defects and improving the quality of IT services.

The following table identifies the roles and responsibilities that ACS and Symetra will perform, and that are associated with planning and analysis activities.

Planning and Analysis Roles and Responsibilities

Planning and Analysis Roles and Responsibilities	ACS	Symetra
1. Define services, standards and timeframes for planning and analysis activities		X
2. Participate in defining services and standards for planning and analysis activities	X	
3. Review and approve services and standards for planning and analysis activities		X
4. Define Symetra requirements at the enterprise level for all Service Towers (e.g. business, technology strategy, functional, availability, capacity, performance, backup and IT continuity service)		X
5. Perform infrastructure, configuration, technical and service planning and analysis based on Symetra requirements (e.g. availability, capacity, performance, backup and IT continuity service)	X	
6. Provide infrastructure installation and upgrade recommendations	X	
7. Approve infrastructure planning, analysis and recommendations for new applications, infrastructure and services		X
8. Provide management reports required for planning and analysis activities (e.g. utilization and capacity trend reports)	X	
9. Recommend data backup and retention policies for all Service Towers	X	
10. Define and approve Symetra data backup and retention policies and requirements for all Service Towers		X
11. Continuously monitor technical trends through independent research; document and report on products and services with potential use for Symetra as it aligns with Symetra's business and technology strategy	X	
12. Perform feasibility studies for the implementation of new technologies that best meet Symetra business needs and meet cost, performance and quality objectives	X	
13. Define enterprise-level project management policies, procedures and requirements (e.g. project feasibility analysis, cost benefit analysis, scheduling, costing, resource planning, communication planning, procurement, risk management and quality management)		X
14. Perform project management function	X	
15. Perform project management oversight and liaison function to the business and customers		X
16. Conduct technical and business planning sessions to establish standards, architecture and project initiatives per the planning and analysis policies and procedures		X
17. Participate in technical and business planning sessions to establish standards, architecture and project initiatives	X	
18. Conduct regular planning for technology refresh and upgrades	X	
19. Participate in regular planning for technology refresh and upgrades		X
20. Conduct technical reviews and provide recommendations for improvements to the infrastructure that increase efficiency and effectiveness per the planning and analysis policies and procedures	X	

[Table of Contents](#)

3.1.3 Requirements Definition

Requirements definition Services are the activities associated with the assessment and definition of functional, performance, IT continuity, and security requirements that also comply with regulatory and Symetra policies. These requirements drive the technical design for the environment. The following table identifies requirements definition roles and responsibilities that ACS and Symetra will perform.

Requirements Definition Roles and Responsibilities

Requirements Definition Roles and Responsibilities	ACS	Symetra
1. Define requirements and standards	X	
2. Participate in defining requirements and standards		X
3. Ensure requirements meet security policies	X	
4. Conduct interviews, group workshops, and surveys to determine user functional, performance, availability, maintainability and IT continuity requirements.	X	
5. Participate in appropriate requirements gathering activities		X
6. Provide ACS with written information in sufficient detail pertaining to the requirements definition to enable ACS to create the appropriate requirements documentation (e.g. business requirements documentation)		X
7. Document all requirements in mutually agreed formats (e.g., system specifications, data models, network design schematics)	X	
8. Approve all requirements documents		X
9. Define system and network acceptance test criteria	X	
10. Participate in defining system and network acceptance test criteria		X
11. Review and approve all system and network acceptance test criteria		X

3.1.4 Design Specifications

Design specification Services are the activities and deliverables that translate user and information system requirements into detailed technical specifications. The following table identifies design specifications roles and responsibilities that ACS and Symetra will perform.

Design Specifications Roles and Responsibilities

Design Specification Roles and Responsibilities	ACS	Symetra
1. Develop and document technical design plans and environment configuration based on Symetra standards, architecture, functional, performance, availability, maintainability, security and IT continuity requirements.	X	
2. Determine required system and network upgrade, replacement and/or conversion requirements (e.g. hardware, software, networks)	X	
3. Review and approve design plans through coordination with the appropriate Symetra technology standards group and design architects		X
4. Conduct site surveys for design efforts as required	X	

Design Specification Roles and Responsibilities	ACS	Symetra
5. Provide ACS with written information in sufficient detail pertaining to the design specifications to enable ACS to create the appropriate design documents		X
6. Document and deliver design specifications	X	
7. Review and approve design specifications		X

3.1.5 Acquisition and Management

Acquisition and management Services are the activities associated with the pricing, evaluation (technical and costing), selection, acquisition, and ongoing management of new and upgraded system and network components (e.g. hardware, software, circuits). Symetra reserves the right to negotiate certain contracts for Symetra purchased/leased components. Symetra will manage its acquisition life cycle. The following table identifies acquisition and management roles and responsibilities that ACS and Symetra will perform.

Acquisition and Management Roles and Responsibilities

Acquisition and Management Roles and Responsibilities	ACS	Symetra
1. Establish acquisition and tracking policies and procedures		X
2. Review and approve acquisition and tracking policies and procedures		X
3. Develop and maintain list of ACS-preferred suppliers/vendors	X	
4. Approve list of ACS-preferred suppliers/vendors		X
5. Develop and issue acquisition bid requests as required and approved by Symetra	X	
6. Establish audit procedures to ensure compliance with best practices		X
7. Assist in periodic audits of procurement procedures	X	
8. Evaluate proposals against clearly defined objective criteria	X	
9. Negotiate contracts for ACS purchased/leased Service Tower-related components	X	
10. Manage the ordering, procurement and delivery processes in compliance with Symetra procurement and acceptance processes	X	
11. Manage and track ACS purchase orders and service orders	X	
12. Coordinate delivery and installation of new products and services, as required	X	
13. Ensure that new equipment/hardware complies with established Symetra IT standards and architectures	X	
14. Review and approve selection of hardware to be installed in Symetra facilities and software to be installed on Symetra hardware		X
15. Review and approve acquisition acceptance process		X
16. Adhere to Symetra acquisition acceptance process	X	
17. Provide tracking data on Symetra Owned Equipment/hardware and software licenses installed in the Symetra environment		X
18. Track ACS and Symetra Owned Equipment/hardware, circuits and software licenses installed in the Symetra environment	X	
19. Review tracking methodology		X

Table of Contents

Acquisition and Management Roles and Responsibilities	ACS	Symetra
20. Review and approve tracking methodology		X
21. Install and configure assets	X	
22. Establish, update, and maintain an asset inventory database and system and network configuration charts (e.g. location, asset ID, serial number) and ensure service contracts are in force as needed to meet SLRs	X	
23. Track and advise Symetra in a timely manner of expiration and renewal requirements of device/software licenses	X	
24. Provide asset inventory and services reports as requested	X	
25. Provide ability for Symetra inquiry into the asset database	X	
26. Periodic review/audit asset inventory management procedures		X
27. Terminate, dispose of, and relocate assets as needed/specified and provide disposition reports as needed	X	

3.1.6 Engineering/Development

Engineering/development Services are the activities associated with the engineering and development of the technical infrastructure, tools and utilities that enhance the IT Service Towers. The following table identifies engineering/development roles and responsibilities that ACS and Symetra will perform.

Engineering/Development Roles and Responsibilities

Engineering/Development Roles and Responsibilities	ACS	Symetra
1. Establish engineering/development policies and procedures	X	
2. Participate in developing and review engineering/development policies and procedures, as appropriate		X
3. Develop engineering/development plans where there is an impact on Symetra entities/facilities and/or other Third-Party agreements.	X	
4. Approve engineering/development plans where there is an impact on Symetra entities/facilities and/or other Third-Party agreements		X
5. Perform engineering functions required to implement design plans for additional or new products and services	X	
6. Perform engineering functions required to implement and manage Service Tower Services on Symetra owned/leased facilities	X	
7. Manage engineering/development efforts using formal project management tools and methodologies	X	
8. Review and approve engineering/development plans and procedures where there is an impact on other Symetra entities/facilities/Third-Party agreements		X

3.1.7 Integration and Testing

Integration and testing Services are the activities that ensure that all individual Symetra infrastructure components configured with, or added to, the infrastructure work together cohesively to achieve the intended results. The following table identifies integration and testing roles and responsibilities that ACS and Symetra will perform.

Integration and Testing Roles and Responsibilities

Integration and Testing Roles and Responsibilities	ACS	Symetra
1. Develop integration and testing policies and procedures	X	
2. Review and approve integration and testing policies and procedures and deliverables		X
3. Manage integration test environment	X	
4. Maintain software release matrices across development, quality assurance, and production environments and networks	X	
5. Validate and approve the software release matrix		X
6. Conduct integration and security testing for all new and upgraded equipment, networks, software or services to include unit, system, integration and regression testing	X	
7. Evaluate all new and upgraded equipment, networks, software or services for compliance with Symetra security policies, regulations and procedures	X	
8. Assess and communicate the overall impact and potential risk to systems and networks prior to implementing changes	X	
9. Define user acceptance test requirements		X
10. Stage new and upgraded equipment, software or services to smoothly transition into existing environment	X	
11. Perform modifications and performance-enhancement adjustments to Symetra system software and utilities as a result of changes to architectural standards	X	
12. Test new releases of supported hardware and software to ensure conformance with Symetra SLRs	X	
13. Provide middleware	X	
14. Provide integration of application software		X
15. Perform configuration management and change management activities	X	

3.1.8 Implementation and Migration

Implementation and migration Services are the activities associated with the installation of new and upgraded hardware, software and network components. The following table identifies implementation and migration roles and responsibilities that ACS and Symetra will perform.

Implementation and Migration Roles and Responsibilities

Implementation and Migration Roles and Responsibilities	ACS	Symetra
1. Define system and network implementation and migration policies and procedures	X	
2. Review and approve system and network implementation and migration policies and procedures		X
3. Notify ACS of equipment migration and redeployment plans		X
4. Coordinate and review all implementation and migration plans and schedules with Symetra in advance in accordance with change management policies	X	
5. Approve implementation and migration plans and schedules		X

Implementation and Migration Roles and Responsibilities	ACS	Symetra
6. Conduct pre-installation site surveys, as required	X	
7. Install enhancements to technical architecture or services provided	X	
8. Install new or enhanced Service Tower components (e.g. hardware, software, middleware, utilities, networks, peripherals, configurations)	X	
9. Perform Service Tower component upgrades as a result of new and enhanced applications and architectures (e.g. hardware, software, middleware, utilities, networks, peripherals, configurations)	X	
10. Install physical infrastructure as required (e.g., wiring, cable plant, cooling etc.)	X	
11. Coordinate implementation and migration support activities with Symetra IT staff and ACS help desk	X	
12. Perform data migration, excluding conversion, by electronic or manual methods as a result of implementation or migration (e.g., databases, network system management repositories, address tables, management information bases (MIBs))	X	
13. Perform appropriate tests on all IMACs	X	
14. Conduct and document user acceptance tests (UAT) plans and results	X	
15. Approve user acceptance test plans and results		X
16. Provide Symetra IT technical staff and End Users with training related to the implementation of new products and services on request	X	

3.1.9 Operations and Administration

Operations and administration Services are the activities associated with providing a stable IT infrastructure and to effectively and efficiently perform procedures to ensure IT services meet the SLRs. The following table identifies operations and administration roles and responsibilities that ACS and Symetra will perform.

Operations and Administration Roles and Responsibilities

Operations and Administration Roles and Responsibilities	ACS	Symetra
1. Provide operations requirements and policies, including schedules for the operation of Symetra systems and networks		X
2. Participate in developing operations procedures that meet requirements and adhere to defined policies	X	
3. Define and develop operational documentation requirements (run books, contact lists, operations scripts etc.)	X	
4. Approve operations policies and procedures, documentation and reporting		X
5. Identify enterprise system management tools to monitor the IT infrastructure and Symetra applications	X	
6. Coordinate with Symetra to deploy enterprise system and network management tools to monitor the IT infrastructure and Symetra applications	X	

Operations and Administration Roles and Responsibilities	ACS	Symetra
7. Install and configure enterprise system and network management tools in such a fashion that problems, issues and events are proactively identified, reported and resolved according to prescribed service levels	X	
8. Perform event management monitoring of IT services to detect abnormal conditions or alarms, log abnormal conditions, analyze the condition and take corrective action	X	
9. Manage hardware, software, peripherals, services and spare parts to meet service levels, minimize down time and minimize Symetra resource requirements	X	
10. Interface with help desk and Symetra for Incident & problem management activities	X	
11. Provide level 2 and level 3 support as required	X	
12. Manage and coordinate Subcontractors and Third Parties in order to meet Service and SLR requirements	X	
13. Develop and provide operational reports (daily, weekly, monthly) that provide status of operational activities, production issues, and key operational metrics	X	
14. Review and approve operational reports		X
15. Manage backup media inventory (tape, disk, optical and other media type) including the ordering and distribution of media	X	
16. Perform system and network backups and associated rotation of media	X	
17. Archive data media at a secure offsite location	X	
18. Ensure ongoing capability to recover archived data from media as specified (backwards compatibility of newer backup equipment)	X	
19. Test backup media to ensure incremental and full recovery of data is possible and ensure system and network integrity as required or requested by Symetra	X	
20. Recover files, file system or other data required from backup media as required or requested by Symetra	X	
21. Provide recovery and backup requirements and updates as they change		X
22. Conduct disaster recovery testing per policies and procedures	X	
23. Audit operations and administration polices for compliance with Symetra security policies		X
24. Provide a copy of or access to any vendor-supplied documentation (including updates thereto)	X	X

3.1.10 Incident & Problem Management

Incident and problem management Services include the activities associated with restoring normal service operation as quickly as possible and minimizing the adverse impact on business operations, thus ensuring that the best possible levels of service quality and availability are maintained.

Problem management also includes minimizing the adverse impact of Incidents and problems on the business that are caused by errors in the IT infrastructure, and to prevent the recurrence of Incidents related to those errors. In order to achieve this goal, problem management seeks to get to the root cause of Incidents and then initiate actions to improve or correct the situation.

The following table identifies Incident and problem management roles and responsibilities that ACS and Symetra will perform.

Incident & Problem Management

Incident and Problem Management Roles and Responsibilities	ACS	Symetra
1. Define Incident and problem management policies and procedures	X	
2. Approve Incident and problem management policies and procedures		X
3. Establish operations and service management quality assurance and control programs	X	
4. Approve operations and service management quality assurance and control programs		X
5. Perform quality assurance and quality control programs	X	
6. Coordinate user support activities with the help desk	X	
7. Establish Incident/problem classification by priority		X
8. Establish Incident/problem workflow, escalation, communication and reporting processes that help to achieve the SLRs	X	
9. Review and approve Incident/problem classification, prioritization and workflow, communication, escalation and reporting processes		X
10. Provide, configure, and operate Incident and problem management system that tracks Incidents across all IT towers	X	
11. Provide Symetra access and input capabilities to Incident and problem tracking system to allow for Incident/problem monitoring and ad hoc reporting	X	
12. Manage entire Incident/problem lifecycle including detection, diagnosis, Symetra status reporting, repair and recovery	X	
13. Ensure Incident resolution activities conform to defined change control procedures	X	
14. Manage efficient workflow of Incidents including the involvement of Third Party providers (e.g., vendors, public carriers, ISP)	X	
15. Coordinate and take ownership of problem resolution with Symetra and Third Parties (e.g., public carriers, ISP)	X	
16. Perform Root Cause Analysis of Incidents, document findings and take corrective actions for in-scope Services. Resolve problem and/or substantiate that all reasonable actions have been taken to prevent future reoccurrence.	X	
17. Periodically review the state of open problems and the progress being made in addressing problems		X
18. Participate in problem review sessions and provide listing and status of problems categorized by problem impact	X	
19. Authorize close of Symetra initiated priority 1 and 2 Incidents		X

3.1.11 Maintenance

Maintenance Services are the activities associated with the maintenance and repair of hardware, software and networks to include "break-and-fix" services. Installed platform and product version levels are not to be more than one version behind the current commercial release, unless coordinated with the Symetra architectural standards committee. The following table identifies maintenance roles and responsibilities that ACS and Symetra will perform.

Maintenance Roles and Responsibilities

Maintenance Roles and Responsibilities	ACS	Symetra
1. Define maintenance and repair policies and procedures.	X	
2. Review and approve maintenance and repair policies and procedures.		X
3. Define dispatch requirements and point-of-service locations		X
4. Ensure appropriate maintenance coverage for all system and network components	X	
5. Provide maintenance and break/fix support in Symetra's defined locations, including dispatching repair technicians to the point-of-service location if necessary	X	
6. Perform diagnostics and maintenance on Service Tower components including hardware, software, peripherals, networks and special purpose devices as appropriate	X	
7. Install manufacturer field change orders, service packs, firmware, and software maintenance releases, etc.	X	
8. Perform product patch, "bug fix," service pack installation or upgrades to the current installed version	X	
9. Perform software distribution and version control, both electronic and manual	X	
10. Replace defective parts including preventive maintenance, according to the manufacturer's published mean-time-between failure rates	X	
11. Conduct maintenance and parts management and monitoring during warranty and off-warranty periods	X	

3.1.12 Configuration Management

Configuration management activities provide a logical model of the infrastructure by identifying, controlling, maintaining, and verifying installed hardware, software and network versions. The goal being to account for all IT assets and configurations, provide accurate information on configurations and provide a sound basis for Incident, problem, change and release management and to verify configuration records against the infrastructure and correct any exceptions. The following table identifies configuration management roles and responsibilities that ACS and Symetra will perform.

Configuration Management Roles and Responsibilities

Configuration Management Roles and Responsibilities	ACS	Symetra
1. Define configuration management policies and procedures.	X	
2. Establish process for tracking configuration changes.	X	
3. Approve configuration management policies, procedures and processes.		X

Configuration Management Roles and Responsibilities	ACS	Symetra
4. Establish configuration management database per Symetra requirements.	X	
5. Approve configuration management database		X
6. Select, install and maintain configuration management tools	X	
7. Enter/upload configuration data into configuration database	X	
8. Establish process interfaces to problem and incident management, change management, technical support, maintenance and asset management processes	X	
9. Establish appropriate authorization controls for modifying configuration items and verify compliance with software licensing	X	
10. Establish guidelines for physical and logical separation between development, test and production and the process for deploying and back out of configuration items	X	
11. Establish configuration baselines as reference points for rebuilds, and providing ability to revert to stable configuration states	X	
12. Establish process for verifying the accuracy of configuration items, adherence to configuration management process and identifying process deficiencies	X	
13. Provide Symetra configuration management reports as required and defined by Symetra	X	
14. Audit configuration management process and accuracy of configuration data		X

3.1.13 Change and Release Management

Change and release management processes and activities are inter-related and complementary. A high level description of each is provided below.

Change management activities are to ensure that standardized methods and procedures are used for efficient and prompt handling of all changes, in order to minimize the impact of change upon Service quality and consequently to improve the day-to-day operations of the organization. Change management covers all aspects of managing the introduction and implementation of all changes affecting all IT Services Towers and in any of the management processes, tools, and methodologies designed and utilized to support the IT systems and networks. The change management process includes the following process steps:

- Request process
- Recording/tracking process
- Prioritization process
- Responsibility assignment process
- Impact/risk assessment process
- Review / approval process
- Implementation process
- Verification (test) process
- Release process

- n Closure process

Release management activities take a holistic view of a change to an IT Service and should ensure that all aspects of a release, both technical and non-technical, are considered together. The goals are to plan and oversee the successful rollout of software, hardware and network; design and implement efficient procedures for distribution and installation of changes. The activities also ensure that only correct, authorized and tested versions are installed and that changes are traceable and secure. Execution and back-out plans shall be documented and approved by Symetra. Master copies of new versions shall be secured in a software library and configuration databases shall be updated.

The following table identifies change management and release management roles and responsibilities that ACS and Symetra will perform.

Change and Release Management Roles and Responsibilities

Change and Release Management Roles and Responsibilities	ACS	Symetra
1. Recommend change and release management policies, procedures, processes and training requirements for Symetra infrastructure	X	
2. Participate in change and release management policies, procedures, processes and training requirements for Symetra infrastructure		X
3. Establish change classifications (impact, priority, risk) and change authorization process		X
4. Participate in the development of the change management and release management procedures and policies		X
5. Approve change and release management procedures and policies		X
6. Administer the version control system as it relates to release management of Symetra custom applications	X	
7. Document and classify proposed changes to the Symetra Service Towers. Documentation shall include cost and risk impact and back out plans of those changes and establish release management plans for major changes.	X	
8. Develop and maintain a schedule of planned changes and provide to Symetra for review as required	X	
9. Determine change logistics	X	
10. Schedule and conduct change management meeting to include review of planned changes and results of changes made	X	
11. Provide change documentation as requested	X	
12. Authorize and approve scheduled changes or alter the schedule of any or all change requests		X
13. Review release management details and alter as appropriate to meet the needs of Symetra (back out plan, go/no go decision)	X	
14. Notify Symetra affected clients of change timing and impact	X	
15. Implement change and adhere to detailed release plans	X	
16. Modify configuration, asset management Items, service catalog (if applicable) to reflect change	X	
17. Verify that change met objectives and resolve negative impacts	X	
18. Monitor changes and report results of changes and impacts	X	

Change and Release Management Roles and Responsibilities	ACS	Symetra
19. Conduct user acceptance tests as required		X
20. Perform quality control audits and approve change control results		X
21. Maintain master copies of new versions in a secured software library and update configuration databases	X	

3.1.14 Capacity Management

Capacity management involves ensuring that the capacity of the IT infrastructure matches the evolving demands of Symetra's business in the most cost-effective and timely manner. The process encompasses the following:

- Monitoring performance and throughput of IT services and supporting IT components
- Undertaking tuning activities
- Understanding current demands and forecasting for future requirements
- Developing capacity plans which will meet demand and SLRs
- Conducting risk assessment of capacity recommendations
- Identifying financial impacts of capacity plans

The following table identifies capacity management roles and responsibilities that ACS and Symetra will perform.

Capacity Management Roles and Responsibilities

Capacity Management Roles and Responsibilities	ACS	Symetra
1. Identify future business requirements that will alter capacity requirements		X
2. Participate in all capacity planning activities		X
3. Assess capacity impacts when adding, removing or modifying applications	X	X
4. Assess impact/risk of capacity changes	X	
5. Establish comprehensive capacity management planning process	X	
6. Review and approve capacity management planning process		X
7. Define, develop and implement tools that allow for the effective capacity monitoring/trending of IT infrastructure, system software, and IT components. This excludes business applications unless mutually agreed otherwise.	X	
8. Continually monitor IT resource usage to enable proactive identification of capacity and performance issues	X	
9. Capture trending information and forecast future Symetra capacity requirements based on Symetra defined thresholds	X	
10. Assess incidents/problems related to throughput performance	X	
11. Recommend changes to capacity to improve Service performance	X	
12. Approve capacity related recommendations		X

Capacity Management Roles and Responsibilities	ACS	Symetra
13. Maintain capacity levels to optimize use of existing IT resources and minimize Symetra costs to deliver Services at agreed to service levels	X	
14. Ensure adequate capacity exists within the IT environment to meet SLR requirements taking into account daily, weekly and seasonal variations in capacity demands	X	

3.1.15 Performance Management

Performance management Services are the activities associated with tuning systems and networks for optimal performance. The following table identifies performance management roles and responsibilities that ACS and Symetra will perform.

Performance Management Roles and Responsibilities

Performance Management Roles and Responsibilities	ACS	Symetra
1. Develop and document system and network performance requirements	X	
2. Approve system and network performance requirements		X
3. Develop and document performance management procedures that meet requirements and adhere to defined policies	X	
4. Approve performance management procedures		X
5. Perform system and network tuning to maintain optimum performance in accordance with change management procedures	X	
6. Manage system and network resources (e.g. devices and traffic) to meet defined availability and performance SLRs	X	
7. Provide regular monitoring and reporting of system and network performance, utilization and efficiency	X	
8. Evaluate, identify and recommend configurations or changes to configurations which will enhance performance	X	
9. Develop improvement plans as required to meet SLRs	X	
10. Authorize improvement plans		X
11. Implement improvement plans and coordinate with Third Parties as required	X	
12. Provide technical advice and support to the application maintenance and development staffs as required	X	

3.1.16 Service Level Monitoring and Reporting

Monitoring and reporting Services are the activities associated with monitoring and reporting of service delivery with respect to SLRs. In addition, ACS shall report system management information (e.g., performance metrics, and system accounting information) to the designated Symetra representatives in a format agreed to by Symetra. The following table identifies monitoring and reporting roles and responsibilities that ACS and Symetra will perform.

Service Level Monitoring and Reporting Responsibilities

Service Level Monitoring Roles and Responsibilities	ACS	Symetra
1. Approve and document SLRs and reporting cycles		X
2. Document SLRs and SLAs		X
3. Report on service performance improvement results	X	
4. Coordinate SLA monitoring and reporting with designated Symetra representative and Third-Party vendors, as required	X	
5. Measure, analyze, and provide management reports on performance relative to requirements	X	
6. Develop service level improvement plans where appropriate	X	
7. Review and approve improvement plans		X
8. Implement improvement plans	X	
9. Review and approve SLA metrics and performance reports		X
10. Provide Symetra portal access to performance and SLA reporting and monitoring system	X	

3.1.17 Account Management

Account management Services are the activities associated with the ongoing management of the service environment. The following table identifies account management roles and responsibilities that ACS and Symetra will perform.

Account Management Roles and Responsibilities

Account Management Roles and Responsibilities	ACS	Symetra
1. Develop and document account management structure, planning and procedures	X	
2. Approve account management structure, planning and procedures		X
3. Develop a detailed "IT" service catalog which details services offered including all service options, pricing, installation timeframes, order process (new, change & remove service) and prerequisites	X	
4. Develop a service ordering process that clearly defines how to order, change or delete Services	X	
5. Recommend criteria and formats for administrative, service activity and service level reporting		X
6. Approve criteria and formats for administrative, service activity and service level reporting	X	
7. Develop and implement customer satisfaction program for tracking the quality of Service delivery to End Users		X
8. Provide stewardship reporting (e.g. statistics, trends, audits)	X	

3.1.18 Root Cause Analysis

ACS will develop, implement, and maintain a Root Cause Analysis (RCA) process and perform the activities required to diagnose, analyze, recommend, and take corrective measures to prevent recurring problems and/or trends. The following table identifies Root Cause Analysis roles and responsibilities that ACS and Symetra will perform.

Root Cause Analysis Roles and Responsibilities

Root Cause Analysis Roles and Responsibilities	ACS	Symetra
1. Identify requirements and policies for Root Cause Analysis (RCA) (e.g. events that trigger an RCA)		X
2. Develop procedures for performing an RCA that meet requirements and adhere to defined policies	X	
3. Approve RCA procedures		X
4. Conduct proactive trend analysis to identify recurring problems	X	
5. Track and report recurring problems or failures and provide associated consequences of problems if there is a business impact to Symetra	X	
6. Recommend solutions to address recurring problems or failures	X	
7. Approve solutions to address recurring problems or failures		X
8. Flag all Priority Level 1 and Priority Level 2 Incidents that require Root Cause Analysis	X	
9. Identify root cause of Priority Level 1 and Priority Level 2 Incidents and recommend appropriate resolution action	X	
10. Approve solutions to address Priority Level 1 and Priority Level 2 Incidents		X
11. Provide status report detailing the root cause of and procedure for correcting recurring problems and Priority Level 1 and Priority Level 2 incidents until closure as determined by Symetra	X	

3.1.19 Training and Knowledge Transfer

Training and knowledge transfer Services consist of:

a. ACS will provide training for the improvement of skills through education and instruction for ACS' staff. ACS will participate in any initial and on-going training delivered by Symetra as required that would provide a learning opportunity about Symetra's business and technical environment

b. ACS will provide for Symetra retained technical staff for the express purpose of exploitation of the functions and features of the Symetra computing environment. Delivery methods may include classroom style, computer-based, individual, or other appropriate means of instruction.

c. ACS will provide Symetra selected Industry standards based training for those areas which it is certified to teach (Six Sigma for example) ACS will also coordinate with Symetra on other available industry training for which there may be associated costs.

The following table identifies training and knowledge transfer roles and responsibilities that ACS and Symetra will perform.

Training and Knowledge Transfer Roles and Responsibilities

Training and Knowledge Transfer Roles and Responsibilities	ACS	Symetra
1. Develop and document training and knowledge database requirements and policies	X	
2. Participate in development, review and approve training requirements		X

Training and Knowledge Transfer Roles and Responsibilities	ACS	Symetra
3. Develop and document procedures that meet training requirements and adhere to defined policies	X	
4. Approve training procedures		X
5. Develop program to instruct Symetra personnel on the provision of ACS Services (e.g., “rules of engagement”, requesting services, etc.)	X	
6. Approve ACS developed training program		X
7. Develop, implement and maintain an Symetra accessible knowledge database/portal	X	
8. Develop and implement knowledge transfer procedures to ensure that more than one individual understands key components of the business and technical environment	X	
9. Participate in Symetra delivered instruction on the business and technical environment	X	
10. Develop and document training requirements that support the ongoing provision of Symetra services, including refresher courses as needed and instruction on new functionality	X	
11. Take training classes as needed to remain current with systems, software, features and functions for which Help Desk support is provided in order to improve Service performance (e.g. First Call Resolution)	X	
12. Provide training when substantive (as defined between the Symetra and ACS) technological changes (e.g., new systems or functionality, etc.) are introduced into the Symetra environment to facilitate full exploitation of all relevant functional features	X	
13. Provide training materials for Symetra technical staff for Level 1 supported applications	X	
14. Provide on going training materials for Help Desk personnel on the Symetra business and technical environments as defined by Symetra		X
15. Provide Symetra selected classroom-style and computer-based training (case-by-cases basis) for standard commercial-off-the-shelf (COTS) applications	X	

3.1.20 Documentation

Documentation Services are the activities associated with developing, revising, maintaining, reproducing, and distributing information in hard copy and electronic form. The following table identifies documentation roles and responsibilities that ACS and Symetra will perform.

Documentation Roles and Responsibilities

Documentation Roles and Responsibilities	ACS	Symetra
1. Define documentation requirements and formats	X	
2. Participate in defining documentation requirements and formats as appropriate		X
3. Approve documentation requirements and formats		X
4. Provide output in agreed format for support of activities throughout the life cycle of Services as specified in each Service Tower	X	

Documentation Roles and Responsibilities	ACS	Symetra
5. Document system specifications and configurations (e.g. interconnection topology, configurations, network diagrams)	X	
6. Document standard operating procedures (e.g. boot, failover, spool management, batch processing, backup, etc.)	X	
7. Document policies, procedures, production & maintenance schedules and job schedules	X	

3.1.21 Technology Refreshment and Replenishment

Technology refreshment and replenishment Services (TR&R) are the activities associated with modernizing the IT infrastructure on a continual basis to ensure that the system components stay current with evolving industry standard technology platforms. The following table identifies technology refreshment and replenishment roles and responsibilities that ACS and Symetra will perform.

Technology Refreshment and Replenishment Roles and Responsibilities

TR&R Roles and Responsibilities	ACS	Symetra
1. Recommend and establish TR&R life-cycle management policies, procedures and plans appropriate for support of Symetra business requirements	X	
2. Approve TR&R policies, procedures and plans in accordance with the change and release management process		X
3. Manage, maintain, and update as necessary, the approved TR&R policies, procedures, and plans	X	
4. Perform the necessary tasks required to fulfill the TR&R plans	X	
5. Provide management reports on the progress of the TR&R plans	X	
6. Periodically review the approved TR&R implementation plans to ensure they properly support Symetra business requirements		X

3.1.22 Security (physical/logical access to systems)

Security management Services include physical and logical security of Symetra assets, virus protection, and other security services in compliance with Symetra security requirements and all applicable regulatory requirements. The following table identifies Security roles and responsibilities that ACS and Symetra will perform.

Security Roles and Responsibilities

Security Roles and Responsibilities	ACS	Symetra
1. Define security requirements, standards, procedures and policies including regulatory requirements		X
2. Assist in developing security standards, policies, and procedures including industry best practices	X	
3. Conduct risk assessment to identify control or security gaps		X
4. Provide security plan and IT infrastructure based on security requirements, standards, procedures, policies and risks	X	
5. Review and approve security plans		X
6. Implement security plans consistent with Symetra security policies	X	

Security Roles and Responsibilities	ACS	Symetra
7. Establish access profiles and policies for adding, changing, enabling/disabling and deleting log-on access of Symetra employees, agents and subcontractors		X
8. Perform log-on/security-level access changes as detailed in profiles and policies	X	
9. Report security violations to Symetra per Symetra policies	X	
10. Resolve security violations internal to Symetra		X
11. Resolve security violations that originate outside of the hosted network(s). Specifics examples include denial of service attacks, spoofing, Web exploits	X	
12. Actively participate in industry standard security forums and users groups. Demonstrate the ability to remain up to date with current security trends, threats, and common exploits.	X	
13. Review all security patches relevant to the IT environment and classify the need and speed in which the security patches should be installed as defined by security policies.	X	
14. Install security patches	X	
15. Perform periodic security audits		X
16. Maintain all documentation required for security audits and internal control and control testing	X	
17. Allow Third Party security audits	X	

3.1.23 IT Service Continuity and Disaster Recovery Services

ACS must demonstrate that it will consistently meet or exceed Symetra IT continuity and disaster recovery requirements. The following table identifies IT Service continuity and disaster recovery roles and responsibilities that ACS and Symetra will perform.

IT Service Continuity and Disaster Recovery Roles and Responsibilities

IT Service Continuity and Disaster Recovery Roles and Responsibilities	ACS	Symetra
1. Define Symetra IT Service continuity and disaster recovery strategy, requirements and scenarios		X
2. Recommend best practice IT Service continuity and disaster recovery strategies, policies and procedures	X	
3. As needed, assist Symetra in other IT continuity and emergency management activities	X	
4. Develop detailed disaster recovery plan to achieve disaster recovery requirements	X	
5. Define data (file system, database, flat files etc. etc.) replication, backup and retention requirements		X
6. Establish processes to ensure disaster recovery plans are kept up to date and reflect changes in Symetra environment	X	
7. Review & approve disaster recovery plan		X
8. Establish disaster recovery test requirements		X
9. Perform scheduled ACS disaster recovery tests per Symetra policies	X	

IT Service Continuity and Disaster Recovery Roles and Responsibilities	ACS	Symetra
10. Coordinate involvement of users for disaster recovery testing		X
11. Participate in disaster recovery tests		X
12. Track and report disaster recovery test results to Symetra	X	
13. Review & approve disaster recovery testing results		X
14. Develop action plan to address disaster recovery testing results	X	
15. Approve action plan		X
16. Implement action plan and provide on going status until completion	X	
17. Initiate the disaster recovery plan in the event of an Symetra disaster recovery situation per the disaster recovery policies and procedures		X
18. Initiate the disaster recovery plan in the event of an ACS disaster recovery situation and notify Symetra per disaster recovery polices and procedures	X	
19. Coordinate with Symetra during an ACS disaster recovery situation per disaster recovery policies and procedures	X	

3.1.24 Environment and Facilities Support

ACS will perform services and activities associated with maintaining environmental requirements at designated Symetra locations. The following table identifies environment and facilities support roles and responsibilities that ACS and Symetra will perform.

Environmental and Facilities Support

Environmental and Facilities Support Roles and Responsibilities	ACS	Symetra
1. Identify requirements for Symetra environment and facilities support		X
2. Identify requirements for Symetra environment for ACS supported components	X	
3. Develop and document procedures for environment and facilities Support		X
4. Approve environment and facilities support procedures		X
5. Remote monitor the designated Symetra environmental systems (e.g., UPS) in rooms housing computing hardware and network devices where Symetra ensures the appropriate monitoring equipment is installed in remote locations	X	
6. Develop and recommend improvement plans for Symetra monitored facilities as needed to maintain an effective and secure computing environment	X	
7. Implement or coordinate the implementation of all approved upgrades and installations		X
8. Coordinate Symetra Site activities of all personnel (i.e., ACS employees and others) working in equipment locations (e.g., equipment rooms, network equipment closets)		X
9. Ensure that facilities support activities conform to the requirements of defined change management processes		X

3.1.25 Financial/Chargeback Management and Invoicing

ACS will provide financial/chargeback management that will allow Symetra to chargeback its internal business units for actual usage of IT resources and to receive accurate invoices that meet Symetra requirements. The following table identifies financial/chargeback management and invoicing roles and responsibilities that ACS and Symetra will perform.

Financial/Chargeback Services

Financial/Chargeback Roles and Responsibilities	ACS	Symetra
1. Identify chargeback and reporting requirements		X
2. Document and maintain Symetra chargeback reporting requirements	X	
3. Approve chargeback reports		X
4. Provide chargeback reports	X	
5. Identify invoicing requirements		X
6. Document and maintain invoicing requirements	X	
7. Provide invoices per Symetra requirements	X	
8. Approve invoices		X

3.2 Exclusions

The following items are specifically excluded from this Cross Functional Services SOW:

a. None

4.0 Service Management

4.1 Objectives

A key objective of the Agreement is to attain the SLRs. SLRs specific to Service Towers are identified in the Service Management section of each IT Service Tower SOW. SLRs applicable across all Service Towers are identified in this Cross Functional Services SOW below. Specific Service Tower and Cross Functional Service Level Agreements (SLAs) are specified with Fee Reductions where business is impacted through failure to meet their respective SLRs. SLRs are detailed in the Service Level Requirements section of each SOW and SLAs are detailed in Schedule 5 — Fee Reductions.

ACS shall provide written reports to Symetra regarding ACS's compliance with the SLRs specified in each SOW Schedule.

4.2 Definitions

The following defined terms shall apply to this Cross Functional Services SOW and the applicable SLRs/SLAs:

SL1 (Storage Level 1) – SAN storage based upon a utility pricing model which is subject to storage SLAs requiring data set restoration to commence within 3 hours or less following a request. SL1 applies to both mainframe and midrange/server systems.

SL2 (Storage Level 2) – SAN storage based upon a utility pricing model which is subject to storage SLAs/SLRs requiring data set restoration to commence within 8 hours or less following a request. SL2 applies to both mainframe and midrange/server systems.

4.3 Service Level Requirements (SLRs)

The following SLRs represent minimum service levels required across all IT Service Towers. ACS must consistently meet or exceed the following SLRs commencing on the Handover Date (unless another date is expressly set forth in a particular SLR) that is applicable to Cross Functional Services. Cross Functional Services SLRs associated with Fee Reductions are detailed in Schedule 5 — Fee Reductions.

Incident Resolution SLRs

Definition Time to resolve following responses to different Incident priority classifications.

Each IT Services Tower SOW categorizes incidents according to the Incident Resolution Priorities listed below. Service Tower Incident categorizations are referenced in the Service Environment section of each Service Tower SOW.

Incident Resolution SLRs

Incident Resolution	Service Measure	Performance Target	SLR Performance % All QoS Levels
Priority 1	Time to resolve	<2 hour	[***]%
Priority 2	Time to resolve	<4 hours	[***]%
Priority 3	Time to resolve	<8 hours	[***]%
Priority 4	Time to resolve	Next Business Day or as prioritized by ACS	[***]%
Root Cause Analysis for Priority 1 & Priority 2 Incidents	Time to report	Within 24 hours of Incident resolution	[***]%
	Formula	Number of requests completed within Performance Target/Total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

[Table of Contents](#)

Priority Levels

Priority Level	Description
1 - Emergency/Urgent	The problem has caused a complete and immediate work stoppage affecting a primary business process or a broad group of users such as an entire department, floor, branch, line of business, or external customer. No work around available. Examples: Major application problem (e.g. payroll, call center, etc.) Severe problem during critical periods (e.g. month-end processing) Security violation (e.g. denial of service, widespread virus, etc.)
2 - High	A business process is affected in such a way that business functions are severely degraded, multiple End-Users are impacted or a key customer is affected. A workaround may be available; however the workaround is not easily sustainable. Examples: Major application (e.g. exchange) VIP Support
3 - Medium	A business process is affected in such a way that certain functions are unavailable to End-Users or a system and/or service is degraded. A workaround may be available Examples: Telecommunication problem (e.g. Blackberry, PBX digital/analog card) Workstation problem (e.g. hardware, software)
4 - Low	An incident that has little impact on normal business processes and can be handled on a scheduled basis. A workaround is available. Examples: End-User requests (e.g. system enhancement) Peripheral problems (e.g. network printer) Preventative maintenance Benchmarks

4.3.1 Backup and Restore Requirements

ACS shall implement and maintain backup and restoration capabilities for all Service Tower data, applications and component configurations. ACS shall perform incremental backups, full backups and full archive backups according to the backup schedule presented below. Recovery procedures will be capable of restoring Service delivery for failed Service Tower data and applications according to the Cross Functional Services restoration SLRs listed below. Service Tower applications requiring scheduled backups are referenced in the Service Environment section of each Service Tower SOW.

[Table of Contents](#)

Backup Schedule

Data Center Computing Services—Backup Schedule and SLRs

Type of Backup	Backup Frequency	Storage Site	Retention/Purge Period Standard	Retention/Purge Period Regulatory	Target	SLR Performance %
Incremental (all backups SLA/SLR will be in effect 30 days after the applicable Handover Date)	Daily	Off-site	35 days		Backup frequency	[***]%
Full (Backup) SLA/SLR will be in effect 30 days after the applicable Handover Date)	Weekly	Off-site	5 weeks		Backup frequency	[***]%
Full (Archive) SLA/SLR will be in effect 30 days after the applicable Handover Date)	Monthly	Off-site	Indefinite		Backup frequency	[***]%
All					Quarterly test of each type of backup restore process	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Restoration SLR

Restoration Services Table

Restoration Type	Service Measure	Performance Target	SLR Performance %
SL1 data restore requests for production & regulatory data (data backup to intermediate SAN storage, restore from intermediate SAN storage) (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Response time to initiate the restoration of Data 1 week old or less	£ 3 hours from Symetra request	[***]%
SL2 data restore requests for recovery of test data or data volume back-ups (data backup to tape; restore from tape)	Response time to initiate the restoration of Data 1 week old or less	£ 8 hours from Symetra request	[***]%
(SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Response time to initiate the restore Data 1 week old or less	£ 8 hours from Symetra request	[***]%
	Formula	Number of requests completed within Performance Target /Total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

4.3.2 INTENTIONALLY LEFT BLANK

4.3.3 Asset Tracking and Management

Within five (5) days after the first day of each calendar quarter, ACS shall select a statistically valid sample, in accordance with the process specified in the Procedures Manual, to measure

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

ACS' compliance with the following SLAs pertaining to the accuracy of individual data elements in the asset tracking database. Accuracy of data shall adhere to the following SLR:

Asset Tracking SLR

Asset Tracking Requirements Table

Accuracy of data in asset database for desktops/laptops, peripherals (including network attached printers), hand held devices and telephone handsets (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Accuracy	Accuracy percentage of each of the following data elements as determined by audit:	
		Data Element	**Accuracy Percentage**
		Serial number	[***]
		Location	[***]
		Hardware/Software configuration	[***]
Accuracy of data for ACS owned assets used to perform Services (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Accuracy	Accuracy percentage of each of the following data elements as determined by audit:	
		Data Element	**Accuracy Percentage**
		Serial number	[***]
		Location	[***]
		Hardware/Software configuration	[***]
	Formula	Number of tracked assets where data element is determined to be correct ――――――――― Total number of tracked assets audited.	
	Measurement Interval	Audited as specified in Standards and Procedures Manual (quarterly as of Effective Date).	
	Measurement Tool	To be agreed by the Parties	

4.3.4 Annual Customer Satisfaction Survey

Symetra and ACS shall establish a service level linked to customer satisfaction using a mutually agreed-upon survey, facilitated by a Third Party and designed with Symetra and ACS input.

The Third Party shall supply to Symetra semiannual reports of Symetra business End User satisfaction, integrating the results of ongoing customer satisfaction surveys for each IT Service Tower. Upon delivery of each such report, the Parties shall meet to jointly identify any areas of

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

customer dissatisfaction. The Service ACS shall prepare a project plan with Symetra's input and approval to resolve customer dissatisfaction identified.

Customer Satisfaction SLR

Customer Satisfaction

Customer Satisfaction	Service Measure	Performance Target	SLR
Scheduled survey	Customer satisfaction rate	Users surveyed should be very satisfied or satisfied	[***]
	Formula	Sum of survey result from each participant/total number of participants responding to scheduled survey	
	Measurement Interval	Measure annually, report annually	
	Measurement Method/Source data	To be agreed by the Parties	

4.4 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs and other management reports specified in this Cross Functional Services SOW.

5.0 List of Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 2B	Data Center Services SOW
Schedule 2C	Distributed Computing Services SOW
Schedule 2D	Data Network Management Services SOW
Schedule 2E	Voice Communications Services SOW
Schedule 2F	Help Desk Services SOW
Schedule 2G	Output Processing Services SOW
Schedule 2H	Content Management Services SOW
Schedule 3	Fees
Schedule 5	Fee Reductions

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

SCHEDULE 2B

DATA CENTER SERVICES SOW

for

SYMETRA LIFE INSURANCE COMPANY (SYMETRA)

October 28, 2004

TABLE OF CONTENTS

[Table of Contents](#)

List of Tables

1.0 Data Center Overview and Service Objectives

1.1 Data Center Services Overview

Data center Services are the Services and activities, as detailed in the following Data Center Services SOW, required to provide and support Symetra centralized production, quality assurance, and development computing environments. The data center environment includes central CPU, Windows-based systems, disk and tape storage hardware and systems software

[Table of Contents](#)

that supports centralized databases, business applications, data warehouse and web applications. Additional application and proprietary systems may be deployed to support the core business systems and to provide Symetra infrastructure technical support.

As depicted in Figure 1 bellow, in addition to the Service described in this Data Center Services SOW, ACS is responsible for providing the Services described in Schedule 2A to the Agreement – Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of the Agreement.

Cross Functional Services SOW

Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Tower SOWs with cross functional view

1.2 Service Objectives

The following are the key high-level Service objectives Symetra expects to achieve through outsourced data center Services and this Data Center Services SOW:

- Meet Symetra business needs for highly available, reliable, scalable and secure Services
- Maintain compliance with industry standards and government regulations
- Acquire Services with Availability guarantees backed by SLAs/SLRs
- Acquire Services that can leverage operational scale and best practices to achieve optimum commercial price performance
- Adopt a more flexible and variable cost structure versus owning fixed assets
- Acquire ongoing feedback mechanisms to ensure performance meets expectations

2.0 Service Environment

2.1 Scope of the Infrastructure to be Supported

The following sub-sections specify the appendices and other relevant materials containing details of the data center Services environment. These service environment appendices are to be maintained by ACS and made available to Symetra on a quarterly basis. (Currently, Safeco Corporate provides Symetra data center services as a shared service.)

2.1.1 Hardware and Software

A listing and description of the data sets and applications for which database administration services are to be provided is provided in Appendix B.3 – Data Center Supported Databases.

2.1.2 Service Locations

All Data Center services shall be provided at Provider owned facilities. A listing of Provider owned, operated or subcontracted centralized and backup facilities providing Data Center services is provided in Appendix B.4 – Provider Data Center Facilities.

2.1.3 Personnel

a. ACS will be responsible for staffing the data center to meet the SLRs/SLAs set forth in this SOW and added in the future.

2.1.4 Policies, Procedures and Standards

INTENTIONALLY LEFT BLANK

2.2 Work-In-Progress

INTENTIONALLY LEFT BLANK

2.3 Future initiatives

INTENTIONALLY LEFT BLANK

2.4 Baseline Information

Symetra's current data center utilization and projected usage is presented below. These business requirements represent Symetra's most realistic projection of the Service requirements for day 1 implementation based on a combination of past trends and current anticipated overall business direction over the term of the contract.

These metrics, along with other data which may be pertinent for sizing the solution, are reflected in Schedule 3 to the Agreement-Fees.

Table 1. Data Center Baseline Projections

System	Type	2004	2005	2006	2007	2008	2009	Comments
Mainframe Services (MIPS) – 7AM to 5PM AVG	IBM Z/OS	250	288	331	380	437	503	The average MIPS for a Typical Day in the middle of the month. 10 AM to 3PM is peak time. Days at the end and beginning of the month have heavier usage.
Mainframe Services (MIPS) – 7PM to 3AM AVG	IBM Z/OS	250	288	331	380	437	503	A Typical batch cycle during the middle of the month
Mainframe Services (MIPS) – Peak Usage at Quarter End 7PM to 6 AM	IBM Z/0S	570	656	754	867	997	1146	Month-end and the first few days of the month also have increased usage (250 – 500)

System	Type	2004	2005	2006	2007	2008	2009	Comments
Mainframe DASD (GB)	IBM ESS-2105 Raid-5	703	879	1098	1373	1716	2145	Does not include DB2 log or system files, sort work files, etc.
Mainframe DASD (GB) — Compressed DASD or tape with auto recall to DASD	IBM ESS-2105 Raid-5	803	1004	1255	1568	1960	2451	This could be migrated to normal DASD after transition
Mainframe Tapes (GB)	3420 (9 Track)	334	334	N/A	N/A	N/A	N/A	Transition to 3490
Mainframe Tapes (GB)	3480 (18 Track)	118	118	N/A	N/A	N/A	N/A	Transition to 3490
Mainframe Tapes (GB)	3490 (36 Track)	2896	3041	3193	3352	3520	3696	
Mainframe Tapes – "Virtual Tapes" (GB)	3490 (36 Track)	9463	9936	10433	10995	11502	12077	
Mainframe Tapes (GB)	9840	84	84	N/A	N/A	N/A	N/A	Transition to 3490
Windows/NT 2000 Servers	All	187	187	210	225	239	255	

3.0 Data Center Service Requirements

3.1 Service Descriptions and Roles & Responsibilities

In addition to the Services, activities, and roles and responsibilities described in Schedule 2A to the Agreement — Cross Functional Services SOW, ACS shall be responsible for the following data center support Services.

3.1.1 General Responsibilities

The following table identifies general roles and responsibilities associated with this Data Center Services SOW. An "X" is placed in the column under the party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled "ACS."

Table 2. General Roles and Responsibilities

General Roles and Responsibilities	ACS	Symetra
1. Manage event and workload processes across all platforms	X	
2. Provide technical support for all hardware/equipment of the data center computing infrastructure	X	
3. Support all infrastructure software computer-processing Services (including operating systems, middleware, messaging, collaborative computing platforms, Internet, intranet and extranet)	X	
4. Support data center network operations (including systems monitoring; problem diagnostics, troubleshooting, resolution and escalation; security management; and capacity planning/analysis)	X	

General Roles and Responsibilities	ACS	Symetra
5. Provide database administration, data management and storage Services	X	
6. Provide data backup and restoration Services in accordance with Symetra established policies	X	
7. Provide disaster recovery Services across all platforms per the Symetra business impact report	X	
8. Provide send/receive electronic data transmissions including EDI and FTP Services	X	
9. Provide and support data center related environmental elements (HVAC, UPS, power, cable plant, etc)	X	
10. Coordinate all changes to the data center infrastructure that may affect the SLAs/SLRs of any other service area	X	
11. Create and maintain all appropriate project plans, project time and cost estimates, technical specifications, management documentation and management reporting in a form/format that is acceptable to Symetra	X	
12. Report performance against SLA/SLR requirements	x	

3.1.2 Data Center Computing Services

3.1.2.1 Operations and Administration

Operations and administration Services are the activities associated with the provisioning and day-to-day management of the installed systems and software environment.

a. Operations activities include:

Computer processing for batch and on-line systems (e.g. mainframe, NT server)

Data storage (i.e. direct access storage devices (DASD), redundant array of independent disks (RAID), storage area network (SAN), network-attached storage (NAS), tape and optical)

Centralized output management for print, microfiche, film, etc.

Remote output management.

b. Administration activities include:

Managing user accounts

Chargeback to users for usage of Services

Gathering usage statistics and reporting activity to ensure effective use of computing resources

Managing transaction definitions (CICS, IMS)

The following table identifies the operations and administration roles and responsibilities that are specific to this Data Center Services SOW. An “X” is placed in the column under the party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled “ACS.”

Table 3. Operations and Administration Roles and Responsibilities

Monitoring Operations Roles and Responsibilities	ACS	Symetra
1. Provide console operations for centralized and remote computer processing unit (CPU) processing centers	X	
2. Provide console monitoring, troubleshooting, repair and escalation of problems in the data center computing environment	X	
3. Start-up and shut-down Symetra online/interactive systems according to defined schedules or upon approved request	X	
4. Monitor systems as scheduled and respond accordingly to system messages	X	
5. Identify and report application problems	X	
6. Resolve or assist in resolving application problems in accordance with SLRs/SLAs. Escalate as required.	X	
7. Support applications test-to-production migration activities	X	

Job Scheduling and Execution Operations Roles and Responsibilities	ACS	Symetra
1. Define job scheduling requirements, interdependencies, Symetra contacts, and rerun requirements for all production jobs		X
2. Provide job scheduling, job execution, reporting and resolution	X	
3. Implement and manage scheduling tools for managing/automating job execution (e.g. job workflow processes, interdependencies, Symetra contacts, and rerun requirements file exchange functions and print management)	X	
4. Define test and demand batch scheduling requirements	X	
5. Prepare test and demand batch jobs for execution	X	
6. Execute test and demand batch jobs on appropriate servers	X	
7. Execute production batch jobs on appropriate servers as defined by Symetra schedules	X	
8. Monitor progress of scheduled jobs and identify and resolve issues in scheduling process	X	
9. Maintain database of job scheduling, contact, rerun and interdependencies	X	
10. Provide quality control for reprocessing activities, such as batch reruns	X	
11. Prepare job run parameters	X	X
12. Validate job results per Symetra instructions	X	
13. Notify Symetra and maintain a history of job completion results	X	

Media Operations Roles and Responsibilities	ACS	Symetra
1. Develop and document media processing procedures that meet requirements and adhere to defined policies	X	
2. Review media processing procedures		X
3. Maintain a media library and media management system	X	

Media Operations Roles and Responsibilities	ACS	Symetra
4. Manage the media inventory to ensure that adequate media resources are available. Coordinate acquisition of additional media as needed.	X	
5. Manage input media Availability to meet processing SLRs/SLAs	X	
6. Load and manage third-party media	X	
7. Provide secure offsite storage for designated media and transport media to offsite location as required	X	
8. Perform periodic audits to ensure proper cataloging of media	X	

Electronic Data Interchange Management Roles and Responsibilities	ACS	Symetra
1. Develop and document EDI management requirements and policies, including transport, delivery locations and schedule requirements		X
2. Review EDI management procedures		X
3. Develop and maintain a repository of all Symetra EDI distribution entities	X	
4. Execute EDI distribution according to production and test schedules	X	
5. Monitor all EDI transactions to ensure proper completion	X	
6. Rerun transactions as required and escalate unresolved EDI transactions to Symetra contact	X	
7. Perform recovery operations for EDI transactions as required	X	
8. Interface directly with Symetra EDI distribution entities according to defined, entity unique Symetra procedures	X	

Output Management Roles and Responsibilities	ACS	Symetra
1. Develop and document output management requirements and policies, including transport, delivery locations and schedule requirements		X
2. Review output management procedures		X
3. Provide print output management and distribution	X	
4. Separate and organize printed output materials accordingly	X	
5. Ensure that printed output is delivered to Symetra specified delivery locations according to schedule	X	
6. Package and coordinate designated output for pickup by USPS or private delivery services (e.g., Fedex, UPS, etc.)	X	
7. Ensure that output devices are functioning, including performing or coordinating routine maintenance	X	
8. Create and distribute Symetra data products for Symetra customers, including volume creation (CDs, cartridges, FTP, etc.)	X	
9. Manage consumables, such as paper, print ribbons, ink, tapes, etc. Coordinate acquisition of additional materials as needed	X	

Storage and Data Management Roles and Responsibilities	ACS	Symetra
1. Develop and document storage and data management requirements and policies		X
2. Develop and document procedures for performing storage management that meet requirements and conform to defined policies	X	
3. Review storage management procedures		X
4. Provide data storage services (e.g., RAID array, SAN, NAS, tape, optical, etc.)	X	
5. Monitor and control storage performance according to data management policies	X	
6. Maintain and improve storage resource efficiency and space requirements	X	
7. Maintain data set placement and manage catalogs	X	
8. Perform data backups and restores per established procedures and SLRs/SLAs	X	
9. Manage file transfers and other data movement activities	X	
10. Provide input processing, for activities such as loading third-party tape and receipt and/or transmission of batch files	X	
11. Support send and receive electronic data transmissions (e.g. EDI, FTP)	X	

Enterprise System Administration Roles and Responsibilities	ACS	Symetra
1. Develop and document enterprise computing systems requirements and policies		X
2. Develop procedures for performing enterprise systems administration that meet requirements and adhere to defined policies	X	
3. Review and approve enterprise systems administration procedures		X
4. Set up and manage user accounts, perform access control, manage files and disk space and manage transaction definitions	X	
5. Perform system or component configuration changes necessary to support enterprise computing Services	X	

3.1.2.2 Collaborative Computing Services

ACS will perform the collaborative computing Services and activities associated with the support of existing and future tools (e.g. GroupWise, MS Exchange, web meetings). These activities include the acquisition, installation, upgrades, maintenance, support and tuning of system software and utilities for optimal performance. The following table identifies the collaborative computing roles and responsibilities.

Table 4. Collaborative Computing Services Roles and Responsibilities

Collaborative Computing Services Roles and Responsibilities	ACS	Symetra
1. Define collaborative computing policies and procedures		X
2. Participate in defining and accept collaborative computing policies and procedures for functions including email, calendaring and mail messaging delivery components	X	
3. Install, test, provide technical support, database administration and security administration for collaborative computing packages	X	
4. Provide technical assistance and subject matter expertise support as required by Symetra staff and third-party solution providers	X	
5. Provide Email archiving to meet regulatory and compliance requirements	X	

Table of Contents

3.1.2.3 Remote Access Facilities

ACS will perform the remote access facility Services and activities associated with the installation, management, operations, administration and support of those systems that support remote access to computing facilities and services (e.g. Citrix Metaframe via dial up and Internet, web-based mail, VPN etc., extranet access). The following table identifies the remote access facilities roles and responsibilities.

Table 5. Remote Access Facilities Roles and Responsibilities

Remote Access Facilities Roles and Responsibilities	ACS	Symetra
1. Define remote access policies and procedures		X
2. Participate in defining and accept remote access policies and procedures	X	
3. Install, test, provide technical support, administration and security administration for remote access hardware and software	X	
4. Provide testing support for defined Symetra applications that will be made available via remote access facilities	X	
5. Provide technical assistance and subject matter expertise as required by Symetra infrastructure staff and third-party solution providers for remote access products and solutions	X	
6. Perform system or component configuration changes necessary to support remote access Services	X	

3.1.2.4 Database Administration

ACS will provide the database administration support Services and activities associated with the maintenance and support of existing and future database (e.g. MS SQL server, FoxPro, IMS, DB2, etc.). This includes responsibility for managing data, namely data set placement, database performance, and data recovery and integrity at a physical level. The following table identifies the database administration roles and responsibilities.

Table 6. Database Administration Roles and Responsibilities

Database Administration Roles and Responsibilities	ACS	Symetra
1. Define authorization requirements for users, roles, schemas, etc. and approve change requests		X
2. Provide security administration including managing role and user database permissions in accordance with Symetra policies	X	
3. Perform database restores from export dumps or backups	X	
4. Create/refresh development/test/QA databases from production data	X	
5. Execute authorization change requests	X	

Database Administration Roles and Responsibilities	ACS	Symetra
6. Define database creation, configuration, upgrade, patches and refresh requirements		X
7. Execute database creation, configuration, upgrades, patches and refresh	X	
8. Execute all database system level changes (initialization parameters)	X	
9. Execute all schema changes for all instances	X	
10. Define database data definition requirements for applications (MAC for tables, triggers, attributes, etc.)		X
11. Execute database data definition requirements for applications (MAC for tables, triggers, attributes, etc.)	X	
12. Maintain documentation for all database instance parameters and system settings	X	
13. Maintain consistency of non-sizing and non-platform specific database parameters and system settings across all like instances; consistency must be maintained according to established development to QA to production life cycle	X	
14. Define database definition and manipulation requirements for applications and developer schemas.		X
15. Execute database data definitions for non-managed applications and developer schemas	X	
16. Define and execute database performance and tuning scripts and keep database running at optimal performance for Symetra's workload	X	
17. Implement and administer appropriate database management tools across all database instances. Performance metrics and historical data must be available for trending and reporting over a minimum of 6 months	X	
18. Identify locking conflicts, latch contention, rollback requirements, etc. for all database instances.	X	
19. Resolve locking conflicts, latch contention, rollback requirements, etc. for all database instances		X
20. Provide technical assistance and subject matter expertise to Symetra applications developers and third-party vendor support	X	
21. Provide data dictionary expertise, end user data assistance, Data Warehouse metadata definition, data mapping functions and creation of data cubes		X
22. Monitor database and generate automatic trouble tickets for problems	X	
23. Open, track, and manage to resolution all database problems	X	
24. Patch database software as needed according to established development to QA to production life cycle	X	
25. Manage database communication software configuration, installation and maintenance	X	
26. Provide database storage management	X	
27. Define database backup schedules, retention periods, levels (i.e. full, incremental, or differential)		X
28. Execute Symetra's database backup and recovery policies	X	

3.2 Exclusions

The following items are specifically excluded from this Data Center Services SOW:

a. Specialized output processing, and scanning

4.0 Service Management

4.1 Objectives

A key objective of the Agreement is to attain service-level requirements (SLRs) and service level agreements (SLAs). SLRs are detailed in the following sections of this Data Center Service SOW and SLAs are detailed in Schedule 5 of the Agreement — Fee Reductions.

ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs/SLAs specified in this Data Center Services SOW.

4.2 Definitions

The following defined terms shall apply to this Date Center Services SOW and the applicable SLRs/SLAs:

Administrative Functions – Routine functions such as setting up userIDs, changing authorization tables, changing account codes, and similar functions handled by ACS.

Availability - The percentage of time the service is fully operational.

Availability(%) = 100% — unavailability (%)
Where unavailability is defined as:

$$\frac{\text{S outage duration x 100}}{\text{Scheduled Time – planned outage}}$$

Incident Resolution Time – The time elapsed from the initiation of a trouble ticket until service is restored.

Measurement Interval – The period of time performance will be calculated. This takes into consideration the impact of continuous outage. For example, a monthly measurement interval for a 99% minimum performance for a 7x24 system with 8 hours of weekly planned downtime would allow 6.4 hours of a continuous outage with no other outages during the month. A weekly interval would only allow 1.6 hours of a continuous outage.

Online Response Time - Amount of time required to refresh end user screen from point that enter command is given from end user device. Includes CICS, IMS, DB2, and TSO.

Priority Levels – Symetra-defined category that identifies the degree of Incident importance and associated ACS response requirements attributed to an Incident.

Reporting Interval – The time span between regular performance reporting periods.

SL1 (Storage Level 1) – SAN storage based upon a utility pricing model which is subject to storage SLAs requiring data set restoration to commence within 3 hours or less following a request. SL1 applies to both mainframe and midrange/server systems.

SL2 (Storage Level 2) – SAN storage based upon a utility pricing model which is subject to storage SLAs/SLRs requiring data set restoration to commence within 8 hours or less following a request. SL2 applies to both mainframe and midrange/server systems.

Scheduled Time – The time during which Service is to be operational as designated in the applicable SLR table.

Service Level Requirement (SLR) – The percentage of time or instances that the Target SLR must be met.

Target – The desired level of service Symetra is seeking for that particular SLA/SLR.

4.3 Service Level Requirements (SLRs)

ACS shall meet the following SLRs commencing on the Handover Date (unless a different date is expressly set forth in a particular SLR) . ACS must consistently meet or exceed the following SLRs. SLRs associated with fee reductions are detailed in Schedule 5 of the Agreement — Fee Reductions. **All times referenced are in Pacific Standard Time**.

Table 7. General System Availability SLRs

DEFINITION	General system Availability is defined as the server CPU, system memory, disks and peripherals up to the connection to the network. Availability is for the single unit and is not the Availability of the aggregated servers at Symetra. All pre-scheduled system downtime, unless otherwise agreed upon in advance by Symetra, will occur:
PRE-SCHEDULED DOWNTIME REQUIREMENTS	a. For the systems with 24x7x365 requirements—all pre-scheduled maintenance shall be performed based on Symetra's change management policy b. For systems having non-24x7x365 requirements—pre-scheduled maintenance shall be performed outside of the normal system Availability timeframe

GENERAL SYSTEM AVAILABILITY SLRs

System	Service Measure	Performance Target	SLR Performance %
Mainframe OS and subsystems	Availability per system (SLA/SLR will be in effect 90 days after the applicable Handover Date)	Sun-Sat, 0000-2400	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

GENERAL SYSTEM AVAILABILITY SLRs

System	Service Measure	Performance Target	SLR Performance %
Windows servers	Per Unit Availability	7x24x365	[***]%
QA/Test systems and servers	Availability per server	Mon- Sat 0400-1900	[***]%
Development servers	Availability per server	Mon-Sat, 0400-1900	[***]%
	Formula	Availability(%) = 100% - unavailability (%) Where unavailability is defined as: (S outage duration x 100%) ¸ (Schedule Time – planned outage) The Parties may mutually agree in accordance with the change management procedures to treat an emergency upgrade as a “planned outage” for the purposes of the foregoing calculation.	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 8. Application Platform Response Time SLRs

DEFINITION End-to-end response time for online application platforms including (e.g.) CICS, IMS/DC, TSO, IIS, etc. SLR is associated only to the detection and notification of abnormal transactional experiences.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

APPLICATION PLATFORM ONLINE RESPONSE TIME SLRs

Application Platform	Service Measure	Performance Target	SLR Performance %
Online transaction performance, (transaction types and parameters are to be agreed by the Parties during the 120-day baseline period)	Notification of failure event of metric below (SLR in effect 120 calendar days after the applicable Handover Date). Hourly measurement of aggregate transaction (end-to-end response time).	Initiate incident management ticket and commence troubleshooting procedure £ 1 hour of notification during Business Day Hours, or £ 4 hours during non-Business Day hours. Up to (10) transaction types and operational parameters are to be defined and maintained by Symetra for measurement in a response time procedures guide.	[***]%
	Formula	Performance = transactions completed within performance Target /total transactions	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 9. Batch Processing SLRs

DEFINITION Scheduled production batch: jobs include system setup, execution and completion of normally scheduled production batch jobs Demand and test batch: jobs include time for system setup and initiation of job execution for ad-hoc requests, non-standard, and non-prescheduled batch jobs

BATCH PROCESSING SLRs

Batch Processing Type	Service Measure	Performance Target	SLR Performance %
Scheduled production batch	Per Scheduled Time (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Complete jobs per Symetra's approved schedule	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Batch Processing Type	Service Measure	Performance Target	SLR Performance %
Month end production batch	Per Scheduled Time (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Complete jobs per Symetra's approved schedule	[***]%
Demand production batch	Response time (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	30 minutes to initiation	[***]%
Demand test batch	Response time (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	30 minutes to initiation	[***]%
	Formula	Total number of jobs completed within performance Target /total number of jobs executed during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 10. Output Delivery SLRs

DEFINITION Symetra –defined data output requirements for a variety of output delivery formats and destinations, as well as processing requirements (includes remote printing and print to file). Confirmation of delivery and reporting of output volumes is required. Various ACS systems/servers direct output to remote printers and other enterprise systems (fax, pager, e-mail) at various locations, with output delivered to the appropriate system according to ACS-approved schedules and without errors. For delivery to resources external to ACS control, queuing of work at ACS hosting site due to Availability of equipment or a confirmed delivery to the target destination will fulfill the delivery requirement.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

OUTPUT DELIVERY SLRs

Output Delivery Type	Service Measure	Performance Target	SLR Performance %
Mainframe high-speed printer Availability at Symetra headquarters	Printer Availability	Daily print: £ 6 hr after job completes Evening print: By 0700 next morning	[***]%
	Formula	Number of jobs completed within performance Target /total number of scheduled jobs	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 11. General Administrative Functions SLRs

GENERAL ADMINISTRATIVE FUNCTIONS SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Setup or modify job scheduler definition and dependencies	Response time	Next Business Day (all daily requests)	[***]%
One time schedule change for existing scheduled jobs	Response time	2 hours (all daily requests)	[***]%
Setup/modify user ID or authorization changes. (NOTE: password resets NOT included in this SLA)	Response time 1-5 user IDs 6-10 users IDs >10 user Ids	£ 2 Business Days £ 3 Business Days per agreed upon time per agreed upon time	[***]%
Notification of priority Level 1 outage to help desk	Response time	£ 10 minutes of discovery	[***]%
Notification of priority Level 2 and 3 outage to help desk	Response time	£ 20 minutes of discovery	[***]%
	Formula	Number of requests completed within performance Target /total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 12. System Server Administration SLR

Definition Actions by ACS for proactive monitoring and intervention to minimize capacity bottlenecks and activities required to implement ACS-approved system capacity and operational usage change requests.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

SYSTEM SERVER ADMINISTRATION SLRs

System Administration Task	Service Measure	Performance Target	SLR Performance %
Notification of sustained average daily CPU utilization	15 day sustained avg. daily CPU utilization approaches 70% of installed processor capacity	Within 1 day	[***]%
Allocate additional server storage resources pre-defined parameters/observed growth patterns via the standard change management process	Proactive monitoring and preemptive intervention to advise ACS of need to increase capacity.	Total monthly storage capacity utilization measured in GBs used approaches 80% of installed capacity within 1 day	[***]%
On-demand disk storage capacity change requests	Elapsed time	Increases/decreases of ± 10% of installed storage capacity within 7 Business Days	[***]%
Storage administration requests (work packs, pools)	Response time	Within one Business Day subject to agreed upon change management procedures	[***]%
System security requests (ACF2)	Response time	Next Business Day	[***]%
Deploy service/security patches/anti-virus updates necessary to fix/repair environment vulnerabilities	Response time	Same Business Day as signoff subject to agreed upon change management procedures	[***]%
Capacity/performance trend analysis and reporting across all platforms	Monthly measurement/analysis and periodic notification on resource utilization and trends for critical system resources	Monthly analysis reports Interim reports on rapidly developing events and trends identification	[***]%
	Formula	Number of requests completed within performance Target /total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table 13. Server Software Refresh SLRs

Definition **Software refresh for all upgrades and new releases**

Server Software Refresh SLRs

Server Software Refresh	Service Measure	Performance Target	SLR Performance %
Notification of vendor software upgrades and new releases	Response time	Within 30 days after SW vendor general availability announcement	[***]%
Implementation of service packs and updates to “dot” releases	Response time	Within 60 days after approved by Symetra	[***]%
Implementation of version or major release updates	Response time	Within 120 days after approved by Symetra	[***]%
	Formula	Number of requests completed on time/total of all requests occurring during Measurement Interval	
	Measure Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 14. Database Administration SLRs

Definition Performance of all database administration tasks including, but not limited to software installation, patching, performance monitoring and tuning, instances creation and refresh, and recovery operations. For SLA measurement, production requests MUST be executed within the highest service level.

Database Administration SLRs

Description	Service Measure	Performance Target	SLR Performance %
Instance creation & refresh	Response time	Create = 2 Business Days Refresh = 1 Business Day	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Description	Service Measure	Performance Target	SLR Performance %
Create User ID, grants, revokes, create tablespace, other data definition requests (SLA/SLR will be in effect 30 days after the applicable Handover Date)	Response time	2 hours (1-5 requests daily) 4 hours (6-10 requests daily) 2 Business Day Hours > 10 daily	[***]%
Schema changes and stored procedures (SLA/SLR will be in effect 30 days after the applicable Handover Date)	Response time	1 Business Day	[***]%
Response to application performance tuning and maintenance per change management process	Response time	Proactive monitoring and preemptive intervention to maintain required performance levels. Two hours to respond to ad-hoc requests.	[***]%
SL1 database data restore requests for production & regulatory data (data backup to intermediate SAN storage, restore from intermediate SAN storage) (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Response time to initiate the restore Data 1 week old or less	≤ 3 hours from Symetra request	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Description	Service Measure	Performance Target	SLR Performance %
SL2 database data restore requests for recovery of test data or data volume back-ups (data backup to tape; restore from tape) (SLA/SLR will be in effect 90 calendar days after the applicable Handover Date)	Response time to initiate the restore Data 1 week old or less	≤ 8 hours from Symetra request	[***]%
	Formula	Number of requests completed on time/total of all requests occurring during Measurement Interval	
	Measure Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Software Upgrade SLRs

Description	Service Measure	Performance Target	SLR Performance %
Software patches	Response time	Individual patches & requisite patches (1–20 patches) Same business day per change management process, completed within availability window.	[***]%
Software patches	Response time	Service packs and updates to "dot" releases Within 5 Business Days per change management process. Required downtime is outside of the normal availability window.	[***]%
Software patches	Response time	Version or major release updates within 5 Business Days per change management process. Required downtime is outside of the normal availability window.	[***]%
	Formula	Number of requests completed on time/total of all requests occurring during Measurement Interval	
	Measure Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

4.4 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs in addition to the reports specified in this Data Center Services SOW.

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Data Center SOW Appendices

SOW Appendix	Description
B.3	Data Center Supported Databases
B.4	ACS Data Center Facilities

5.2 Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 3	Fees
Schedule 5	Fee Reductions

Table of Contents

Appendix B.3 – Data Center Supported Databases

CICS Prod

Application/Department	App/Dept Code(s)	Monthly Admin Hours	Monthly Tran Volume	Trans	Programs	Files	TDqueue	TSqueue	Mapsets	DB2Entry	DB2Tran	Terminals
CICS Systems												
Acctg, Budget, & Cost (ABC)	[***]	*	40074	3	306	35			119	1	1	
Check Distribution (CDS)	[***]	*	71341	7	328	53			144			
D3	[***]	*	18695	74	72	7			141	1	1	
Control-D	[***]	*	68886	3	9	0			0			
CAPS (Expense)	[***]	*	385	3	62	11			42			
CK4 [CyberLife]	[***]	*	1227396	19	16	30			2			
PARIS	[***]	*	2479783	706	917	0			781	1	3	
Tax Reporting System	[***]	*	14219	38	41	9			29			
Vantage One, DSS, JETS, Repetitive Payment	[***]	*	273482	18	947	30			0	3	10	
Totals:		0	4194261	871	2698	175	0	0	1258	6	15	0

* Nominal

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

Appendix B.3 – Data Center Supported Databases
IMS Prod

Application System	App/Dept Code(s)	Monthly Admin Hours	Monthly Tran Volume	3390 Tracks	# of Online Transactions	DBs [DBDs]	PSBs
IMS Support							
Annuity Benefit	[***]	*	157657	9452	8	10	58
Life Agency	[***]	*	1209	2899	1	5	9
Life Alpha	[***]	*	0	2717	0	3	2
Group Policy Administration	[***]	*	44051	21558	9	12	110
Safeco Credit Life	[***]	*	1219	5060	4	28	4
Safeco Credit	[***]	*	9156	19323	5	70	13
Table Management	[***]	*	0	1307	0	4	6
Totals:			213292	62316	27	132	202

* Nominal

- existing IMS production applications are static
- standard backup jobs
- standard application job backout using DBRC
- occasional restore and reorg batch jobs

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

Appendix B.3 – Data Center Supported Databases
DB2 Prod

Application/Department	App/Dept Code(s)	Monthly Admin Hours	GB	DBs	Tables	Indexes	Stored Procs
Mainframe Systems							
BMC	[***]	*					
Life Annuity Department	[***]	*	.40	1	121	8	
Life Annuity Systems	[***]	0	.60	1	25	48	
Acctg, Budget, & Cost (ABC)	[***]	10	6.71	1	8	34	
Check Distribution (CDS)	[***]	0	2.46	1	1	10	
D3	[***]	10	10.41	7	322	301	6
ELRA ?	[***]	10	.28	2	55	123	160
Life Retirement Services Dept.	[***]	*	1.16	3	1491	0	
CAPS (Expense)	[***]	0	.01	1	1	1	
Life Marketing Department	[***]	*	.73	1	418	11	
PARIS	[***]	25	72.13	30	592	607	6
Repetitive Payment	[***]	5	.05	2	78	90	0
Life Trac 2000	[***]	5	.07	1	48	101	62
Tax Reporting System	[***]	0	.52	1	7	7	
Data Exchange (Jets)	[***]	5	.22	2	39	37	0
Vantage One	[***]	15	6.76	9	249	242	0
DSS	[***]	15	20.90	5	85	144	36
Princeton Relational tools	[***]	*	.01	1	12	12	
QMF	[***]	*					
Security Level for CICS	[***]	*	.01	1	4	5	
Totals:		100	123.43	70	3556	1781	270

* Nominal

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Appendix B.3 – Data Center Supported Databases
VSAM Prod

Application System	App/Dept Code(s)	3390 Tracks	KSDS	ESDS
Mainframe Systems				
Acctg, Budget, & Cost (ABC)	[***]	23503	27	0
Check Distribution (CDS)	[***]	9973	64	9
CAPS (Expense)	[***]	10388	8	2
Group Benefits	[***]	4066	2	0
CK4 [CyberLife]	[***]	303549	61	10
Repetitive Payment	[***]	1880	51	0
Tax Reporting	[***]	12328	11	0
Vantage One	[***]	18692	55	0
Vantage One — DSS	[***]	1740	9	0
Automated Balancing	[***]	93	1	0
Totals:		386212	289	21

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

Appendix B.3 – Data Center Supported Databases
SQL Server Prod

Application/Department	Monthly Admin Hours	Server	Instance	Version	DBs	Size mb	Tables	Indexes	Stored Procs	Views	Foreign Keys	Triggers	Default Constraints	Primary Keys	SysTables	Scalar Functions	UQ Constraint	Ck Constraint	Tbl Function
SQL Server DEV/TAC																			
[***]		DEVESQ01	anon	8.00.818	LDDITANNTZAdvantage4A01	20	6	54	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITANNTZAdvantage4U01	20	6	54	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITASLAdvantage4A01	20	6	91	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITASLAdvantage4U01	20	6	91	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITIllustrationA01	70	60	214	30	2	0	0	4	55	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITIllustrationU01	40	60	212	30	2	0	0	4	55	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITPASA01	70	6	62	40	2	0	0	1	66	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITPASU01	70	6	62	40	2	0	0	1	6	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITPDMA01	15	53	240	33	2	39	0	1	52	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITPDMU01	15	53	240	33	2	39	0	1	52	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafeCoAIAdvantage4A01	35	6	88	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafeCoAIAdvantage4U01	20	6	88	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafecoAULA01	15	3	42	31	2	1	0	1	31	18	1	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafecoAULU01	15	3	42	31	3	1	0	1	31	18	1	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafeCoTermA01	15	3	42	30	2	1	0	1	3	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSafeCoTermU01	15	3	42	30	2	1	0	1	3	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSchwabAIAdvantage4A01	20	6	88	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDITSchwabAIAdvantage4U01	20	6	88	37	2	0	0	1	1	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDOpenEnrollA01	10	7	49	58	2	0	0	2	4	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDOpenEnrollU01	60	7	49	59	2	0	0	2	5	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDSNowA01	263	27	76	100	2	0	0	14	18	18	0	0	0	0
[***]		DEVESQ01	anon	8.00.818	LDDSNowU01	150	36	111	127	2	1	0	21	26	18	0	0	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	FMSInfoBase	100	7	63	31	2	5	0	12	7	18	0	0	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	FundStation	4100	81	610	42	33	0	228	5	80	18	0	1	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	LAXRBO	100	10	79	30	2	4	0	6	9	18	0	0	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	MFISsADDS	100	10	90	83	4	6	0	1	10	18	0	0	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	PNMBONUS	11750	158	946	103	19	1	0	1	121	18	0	0	0	0
[***]		DEVESQ01	MSSQLSERVER	8.00.818	rcnRecon	10500	105	498	41	3	0	66	421	1	18	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	CaseTrack	30	120	390	139	21	146	85	160	114	19	0	67	0	0
[***]		DEVESQ01	tun	8.00.818	CTTraining	25	119	376	121	21	146	85	160	113	19	0	67	0	0
[***]		DEVESQ01	tun	8.00.818	DPARTDB	15	9	46	0	2	0	0	3	0	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	DQUEUEDB	20	230	378	30	2	0	0	3	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	DVSUSE	20	25	99	31	2	0	1	4	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	DWORKFLO	20	15	72	32	3	0	0	4	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	FMSInfoBase	100	7	63	31	2	5	0	12	7	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	FundStation	4100	118	698	74	51	0	277	27	117	19	0	1	0	0
[***]		DEVESQ01	tun	8.00.818	LAGContractingA001	15	20	105	140	5	21	0	0	18	19	0	11	0	0
[***]		DEVESQ01	tun	8.00.818	LAGContractingU001	50	20	81	140	5	21	0	1	19	19	0	11	0	0
[***]		DEVESQ01	tun	8.00.818	LAXRBO	80	10	87	30	2	4	0	6	9	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LBSSPAA001	280	80	278	462	17	73	146	146	78	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LBSSPAU001	412	81	294	460	17	73	146	4	78	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LBSSPAU009	655	81	285	458	16	73	146	81	78	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_CorpQaD01_db	10	40	124	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_PCQaBisD01_db	10	40	115	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_PCQaBPSD01_db	10	40	116	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_PCQaDistD01_db	10	40	119	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaAgyD01_db	10	40	122	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaAnnD01_db	40	41	144	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaDAD01_db	15	40	115	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaFMSD01_db	10	40	112	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaGrpD01_db	10	40	119	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaIndD01_db	10	40	114	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaIWSD01_db	10	40	114	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LCO_QaMFundsD01_db	10	40	119	0	2	0	0	0	38	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LDCTimeTrackA001	111	22	129	30	2	21	0	32	22	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LDCTimeTrackU001	100	22	142	30	2	21	0	30	22	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LDDISSPU001	10	0	31	0	0	0	0	0	0	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LDDRfpA001	75	0	59	71	2	6	0	8	7	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LDDRfpU001	75	1	67	71	2	6	0	8	7	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LFXCashManA01	50	0	31	30	2	0	0	1	0	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LFXCashManU01	75	1	33	30	2	0	0	1	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LFXSeagateInfo	40	30	125	30	2	0	0	1	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LFXSeagateU002	148	30	127	30	2	0	0	1	1	19	0	0	0	0

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Appendix B.3 – Data Center Supported Databases
SQL Server Prod

Application/Department	Monthly Admin Hours	Server	Instance	Version	DBs	Size mb	Tables	Indexes	Stored Procs	Views	Foreign Keys	Triggers	Default Constraints	Primary Keys	SysTables	Scalar Functions	UQ Constraint	Ck Constraint	Tbl Function
[***]		DEVESQ01	tun	8.00.818	LFXSeagateU003	580	30	67	30	2	0	0	1	11	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LifeCashLinkA001	50	16	137	124	2	8	0	34	11	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LifeCashLinkU001	150	16	155	124	2	9	0	31	11	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LifeSFAA045	3000	316	1393	2628	121	60	159	9	218	19	15	15	2	13
[***]		DEVESQ01	tun	8.00.818	LifeSFAU045	4700	316	1473	2629	121	60	159	9	218	19	15	15	2	13
[***]		DEVESQ01	tun	8.00.818	LISPanConA001	130	4	71	40	2	0	0	1	4	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LISPanConU001	613	4	74	40	2	0	0	1	3	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LIXCMA001	125	66	320	184	20	61	1	19	62	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LIXCMU001	150	70	448	204	20	67	1	19	63	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LLPEventPlannerA001	10	3	39	28	2	2	0	1	2	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LLPEventPlannerU001	10	4	44	58	2	2	0	1	3	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LMXAICWkLogA001	60	10	45	33	2	0	0	0	2	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LMXAICWkLogU001	60	10	52	33	2	0	0	0	2	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LMXContractingA001	65	18	87	30	2	20	0	2	19	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LMXContractingU001	65	19	96	60	2	20	0	2	18	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	LMXLifePortalD99	40	1	33	30	2	0	0	1	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	MFISsADDS	450	10	84	83	4	6	0	2	10	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	PNMBONUS	3061	155	643	103	18	0	0	1	120	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	QPARTDB	15	10	48	30	2	0	0	4	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	QQUEUEDB	15	134	370	30	2	0	0	4	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	QVSUSE	20	25	90	31	2	0	1	4	1	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	QWORKFLO	285	14	73	0	3	0	0	3	0	19	0	0	0	0
[***]		DEVESQ01	tun	8.00.818	WLOWirelessOfficeU01	17.5	21	185	30	2	4	29	9	14	19	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRAdmin	114	48	205	30	20	0	0	739	48	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRCIXDB	46	11	42	30	20	0	0	18	11	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRJobLine	45	20	80	30	22	0	0	25	20	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRLifeIndividual	80	14	75	31	24	3	0	43	14	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRLifeRetirement	80	24	67	31	22	14	0	16	24	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRMutual	90	4	33	2	20	0	0	1	2	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	IVRTracker	110	2	36	30	20	1	0	4	14	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LDDDA001	310	22	118	144	24	1	0	4	12	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LDDDU001	298	24	124	161	24	1	0	1	12	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeARCA001	144	16	53	57	20	1	0	1	15	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeARCU001	75	16	51	58	20	1	0	1	15	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeCashLinkA001	50	16	135	133	20	9	0	34	11	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeCashLinkU001	190	16	152	123	20	9	0	34	11	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeLINCSBPA001	30	10	62	184	1	7	0	3	10	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeLINCSBPU001	30	10	66	187	20	7	0	3	9	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeLMCA001	15	4	37	45	20	0	0	1	4	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	LifeLMCU001	20	4	36	35	20	0	0	1	4	18	0	0	0	0
[***]		DEVESQ02	MSSQLSERVER	7.00.1094	MFISPhoenix	110	24	98	100	20	44	0	23	24	18	0	1	0	0
[***]		DEVESQ03	MSSQLSERVER	7.00.1094	LifeLINCA001	240	53	167	340	24	0	0	3	17	18	0	1	0	0
[***]		DEVESQ03	MSSQLSERVER	7.00.1094	LifeLINCU001	370	56	188	370	24	1	0	8	21	18	0	1	0	0
[***]		DEVESQ03	MSSQLSERVER	7.00.1094	MFISeFIRE	50	16	72	70	20	15	0	1	16	18	0	0	0	0
[***]		DEVESQ03	MSSQLSERVER	7.00.1094	MFISInvestWebForms	50	16	55	79	21	13	0	188	16	18	0	0	0	0
[***]		DEVESQ03	MSSQLSERVER	7.00.1094	MFISSiteServices	30	3	34	32	20	0	0	27	3	18	0	0	0	0
[***]		DEVSV015	MSSQLSERVER	8.00.818	EventLog	150	3	36	32	20	0	0	2	1	18	0	0	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	EURLifePortalD01	125	30	122	30	20	0	0	1	12	18	0	0	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	EURLifeReporterD01	50	15	73	31	20	0	0	1	14	18	0	0	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	EventLog	125	3	36	32	20	0	0	2	1	18	0	0	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	LifeEAFA001	284	21	100	153	20	12	0	1	19	18	0	8	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	LifeEAFU001	60	21	102	153	20	12	0	2	19	18	0	9	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	LifeFundPerfA001	20	21	199	397	70	15	0	24	51	18	0	9	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	LifeFundPerfU001	20	21	160	341	60	10	0	23	41	18	0	9	0	0
[***]		DEVSV035	MSSQLSERVER	7.00.1094	MFISPhoenix	110	0	98	100	20	44	0	23	24	18	0	1	0	0
[***]		DEVSV035	TAC	8.00.760	MFISsADDS	450	9	82	51	4	6	0	1	9	19	0	0	0	0
[***]		DSMRDCCL02	MSSQLSERVER	8.00.818	LCLClarifyA01	350	692	2111	2376	478	0	3	688	1	18	0	0	0	0
[***]		DSMRDCCL02	MSSQLSERVER	8.00.818	LCLClarifyT01	350	691	2083	2346	478	0	3	427	0	18	0	0	0	0
[***]		DSMRDCCL02	MSSQLSERVER	8.00.818	LCLClarifyU01	400	692	2108	2382	478	0	3	681	1	18	0	0	0	0
Totals:						**53051.5**	**6188**	**25163**	**21076**	**2827**	**1260**	**1539**	**4415**	**3115**	**2255**	**32**	**227**	**4**	**26**

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

Appendix B.3 – Data Center Supported Databases
CICS Test

Application/Department	App/Dept Code(s)	Monthly Admin Hours	Monthly Tran Volume	Trans	Programs	Files	TDqueue	TSqueue	Mapsets	DB2Entry	DB2Tran	Terminals
CICS Systems												
Acctg, Budget, & Cost (ABC)	[***]	*	634	18	1836	210			714	6	6	
Check Distribution (CDS)	[***]	*	481	42	1968	318			864			
D3	[***]	*	960	740	720	70			1410	10	10	
Control-D	[***]	*	1	3	9							
CAPS (Expense)	[***]	*	120	9	186	33			126			
CK4 (CyberLife)	[***]	*	59250	837	144	270			18			
PARIS	[***]	*	40900	5648	7336				6248	8	24	
Tax Reporting System	[***]	*	1156	228	246	54			174			
Vantage One, DSS, JETS, Repetitive Payment	[***]	*	127456	180	9470	300				30	10	
Totals:		0	230958	7705	21915	1255	0	0	9554	54	50	0

* Nominal

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Appendix B.3 – Data Center Supported Databases
IMS Test

Application System	App/Dept Code(s)	Monthly Admin Hours	Monthly Tran Volume	3390 Tracks	# of Online Transactions	DBs [DBDs]	PSBs
IMS Support							
Annuity Benefit	[***]	*	**	644	8	10	58
Life Agency	[***]	*	**	151	1	5	9
Life Alpha	[***]	*	**	2581	0	3	2
Group Policy Administration	[***]	*	**	20579	9	12	110
Safeco Credit Life	[***]	*	**	5465	4	28	4
Safeco Credit	[***]	*	**	20488	5	70	13
Table Management	[***]	*	**	991	0	4	6
Totals:				50899	27	132	202

* Nominal

\- existing IMS test applications are static

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

Appendix B.3 – Data Center Supported Databases
DB2 Test

Application/Department	App/Dept Code(s)	Monthly Admin Hours	GB	DBs	Tables	Indexes	Stored Procs
Mainframe Systems							
BMC	[***]	*					
Life Annuity Department	[***]	*					
Acctg, Budget, & Cost (ABC)	[***]	0	1.11	12	53	206	
Check Distribution (CDS)	[***]	0	0.01	2	1	20	
D3	[***]	40	31.81	68	1389	2780	12
ELRA ?	[***]	0	0.46	6	119	242	320
Life Retirement Services Dept.	[***]	*	0.63	9	409	10	
CAPS (Expense)	[***]	0	0.01	3	3	3	
Life Marketing Department	[***]	*	0.45	3	1013	33	
PARIS	[***]	20	40.01	104	1146	2165	47
Repetitive Payment	[***]	5	0.20	9	342	273	
Life Trac 2000	[***]	5	0.12	2	98	202	124
Tax Reporting System	[***]	0	0.12	3	24	21	
Data Exchange (Jets)	[***]	5	1.74	10	349	368	
Vantage One	[***]	45	12.14	83	2004	4242	
Vantage One — DSS	[***]	55	109.61	29	730	1090	82
Princeton Relational tools	[***]	*					
QMF	[***]	*					
Security Level for CICS	[***]	*					
Totals:		175	198.42	343	7680	11655	585

* Normal

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Appendix B.3 – Data Center Supported Databases
VSAM Test

Application System	App/Dept Code(s)	3390 Tracks	KSDS	ESDS
Mainframe Systems				
Acctg, Budget, & Cost (ABC)	[***]	52651	149	0
Check Distribution (CDS)	[***]	35280	307	24
CAPS (Expense)	[***]	1044	24	3
Group Benefits	[***]	0	0	0
CK4 [CyberLife]	[***]	397598	681	130
Repetitive Payment	[***]	1933	18	18
Tax Reporting	[***]	88221	47	6
Vantage One	[***]	147954	772	0
Vantage One — DSS	[***]	15744	32	0
Automated Balancing	[***]	78	1	0
Totals:		740503	2031	181

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Appendix B.3 – Data Center Supported Databases
SQL Server Test

Application/Department	Monthly Admin Hours	Server	Instance	Version	DBs	Size mb	Tables	Indexes	Stored Procs	Views	Foreign Keys	Triggers	Default Constraints	Primary Keys	SysTables	Scalar Functions	UQ Constraint	Ck Constraint	Tbl Function
SQL Server Production																			
[***]		HOXESQ03	MSSQLSERVER	7.00.1094	LifeCashLinkP001	420	16	141	134	20	8	0	33	11	18	0	0	0	0
[***]		HOXESQ03	MSSQLSERVER	7.00.1094	MFISPhoenix	110	24	98	100	20	44	0	213	24	18	0	1	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITANNTZAdvantage4P01	35	6	54	37	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITASLAdvantage4P01	35	6	91	37	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITIllustrationP01	300	60	214	30	2	0	0	4	55	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITPASP01	745	6	65	40	2	0	0	1	6	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITPDMP01	15	53	240	33	2	39	0	1	52	19	22	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITSafeCoAIAdvantage4P01	35	6	88	37	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITSafecoAULP01	15	3	42	31	2	1	1	1	3	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITSafeCoTermP01	15	3	42	30	2	1	0	1	3	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDITSchwabAIAdvantage4P01	20	6	88	37	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDOpenEnrollP01	10	6	49	58	2	0	0	2	4	19	0	0	0	0
[***]		HOXESQ05	ANON	8.00.818	LDDSNowP01	500	32	86	110	2	0	0	15	20	19	0	0	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	LifeEAFP001	50	21	99	153	20	12	0	1	19	18	0	8	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	LifeFundPerfP001	20	51	183	396	70	15	0	24	51	18	0	0	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	LifeLINCP001	250	54	198	370	24	0	0	4	18	18	0	1	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	MFISeFIRE	50	16	68	71	20	15	0	1	16	18	0	0	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	MFISInvestWebForms	80	16	52	81	21	12	0	188	16	18	0	0	0	0
[***]		HOXESQ05	MSSQLSERVER	7.00.1094	MFISSiteServices	70	3	33	32	20	0	0	27	3	18	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	EventLog	420	3	36	32	20	0	0	2	1	18	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	FMSInfoBase	100	7	63	31	2	5	0	12	7	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	FundStation	4100	81	610	42	33	0	228	5	80	19	0	1	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	LAXRBO	100	10	83	30	2	4	0	6	9	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	LIXCMP001	1862	66	450	181	20	61	0	19	62	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	LLPEventPlannerP001	15	4	41	58	2	2	0	1	3	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	MFISsADDS	450	9	82	51	4	6	0	1	9	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	PPARTDB	82	9	46	0	2	0	0	3	0	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	PQUEUEDB	150	76	454	30	2	0	0	4	1	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	PVSUSE	20	24	90	1	2	0	1	3	0	19	0	0	0	0
[***]		HOXESQ10	MSSQLSERVER	8.00.818	PWORKFLO	4300	15	81	30	3	0	0	4	1	19	0	0	0	0
[***]		HOXESQ11	MSSQLSERVER	8.00.818	MFISFundstnSAArchive	3300	69	286	38	26	0	18	5	68	19	0	1	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	CaseTrack	60	120	440	151	21	146	85	167	114	19	0	67	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LAGContractingP001	20	20	91	140	5	21	0	1	19	19	0	11	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LBSSPAP000	200	79	207	423	17	73	146	3	77	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LBSSPAP001	425	80	300	464	17	73	146	4	78	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LBSSPAP002	425	80	300	464	17	73	146	4	78	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_CorpQaP01_db	20	40	156	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_PCQaBisP01_db	15	40	135	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_PCQaBPSP01_db	25	40	141	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_PCQaDistP01_db	15	40	119	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QAadaP01_db	45	40	138	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaAgyP01_db	60	40	194	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaAnnP01_db	70	40	169	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaFMSP01_db	15	40	126	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaGrpP01_db	60	40	152	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaIndP01_db	50	40	146	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaIWSP01_db	15	40	126	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LCO_QaMFundsP01_db	30	40	147	0	2	0	0	0	38	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LDCTimeTracking	200	22	151	30	2	21	0	30	22	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LDDRfpP001	30	7	59	71	2	6	0	8	7	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LFXSeagateInfo	825	30	122	30	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LFXSeagateP001	600	30	127	30	2	0	0	1	1	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LifeSFAP045	4900	316	1407	2628	151	60	159	9	218	19	15	15	2	13
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LISPanConP001	205	4	73	40	2	0	0	1	4	19	0	1	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LMXAICWkLogP001	90	10	61	33	2	0	0	0	2	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	LMXContractingP001	140	18	98	30	2	20	0	1	18	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	rcnRecon	10500	3	497	32	20	0	0	2	1	18	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	WirelessOffice30SQL	20	15	175	30	2	4	0	9	12	19	0	0	0	0
[***]		HOXESQ14	MSSQLSERVER	8.00.818	WLOWirelessOfficeP01	20	21	186	30	2	4	0	9	14	19	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	EURLifePortalP01	70	29	100	0	20	0	0	0	11	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	EURLifeReporterP01	70	14	66	1	20	0	0	0	13	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	EventLog	400	2	34	2	20	0	0	1	0	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRAdmin	2650	51	243	30	20	0	0	661	43	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRCIXDB	150	9	50	30	20	0	0	15	9	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRJobLine	350	22	104	30	21	0	0	23	22	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRLifeIndividual	350	15	61	31	24	3	0	43	14	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRLifeRetirement	350	24	73	31	22	14	0	16	24	18	0	0	0	0

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

[Table of Contents](#)

Appendix B.3 – Data Center Supported Databases
SQL Server Test

Application/Department	Monthly Admin Hours	Server	Instance	Version	DBs	Size mb	Tables	Indexes	Stored Procs	Views	Foreign Keys	Triggers	Default Constraints	Primary Keys	SysTables	Scalar Functions	UQ Constraint	Ck Constraint	Tbl Function
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRMutual	70	5	35	30	20	0	0	1	1	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	IVRTracker	1150	5	43	30	20	0	0	1	1	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	LDDDP002	200	22	122	142	24	1	0	4	14	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	LifeARCP001	300	16	58	57	20	1	4	1	15	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	LifeLINCSBPP001	20	10	64	196	20	7	0	3	10	18	0	0	0	0
[***]		HOXESQ15	MSSQLSERVER	7.00.1094	LifeLMCP001	20	4	39	45	20	0	0	1	4	18	0	0	0	0
[***]		PSMRDCCL02	MSSQLSERVER	8.00.818	LCLClarifyP01	12381	692	2108	2382	478	0	3	681	1	18	0	0	0	0
[***]		PSMRDCSQ06	PNM	8.00.818	PNMBONUS	11750	158	946	103	19	1	0	1	121	18	0	0	0	0
[***]		PSMRDCSQ07	MSSQLSERVER	8.00.818	FundStation	4100	81	610	42	33	0	228	5	80	19	0	1	0	0
Totals:						**71135**	**3255**	**15052**	**10149**	**1466**	**753**	**1165**	**2292**	**2051**	**1418**	**37**	**107**	**2**	**13**

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

ACS Proposed Data Center Facilities

Hillsboro, Oregon

Hillsboro is a client data center supporting development server hosting and WAN and Internet access.

The Hillsboro facility has 78,485 square feet of space, with 19,570 square feet of raised floor space. The data center contains 120 TB of DASD, 185 tape drives and eight robotic tape silo devices. This facility's midrange capabilities include Hewlett-Packard (models N, L, K, RP and Superdomes) and Sun (models 200, 420, 3500, 6500 and V880). Midrange operating systems supported include HP-UX, Sun Solaris, OS/400, NT4, and Windows 2000 and 2003.

Access into the facility is strictly controlled through several sophisticated physical security systems and procedures. Access into the facility is controlled by a security guard during normal business hours. After business hours, access is by card reader only. The Operations group is responsible for after-hours security functions.

Average MIPS: 1,967

Platforms: CMOS

DASD: 120 TB

Midrange Servers: 577 IBM, Compaq, Sun and HP

Environments: Sun Solaris, UNIX, HP-UX, HP and IBM

Power: Three UPS systems, 2-1,600 kW diesel

Dallas, Texas

The Dallas data center is a single-tenant, single-access facility comprising 611,000 square feet with 85,500 square feet of raised floor space. The Dallas data center is an ACS Enterprise Command Center (ECC) and resides at the ACS corporate headquarters campus.

The Dallas ECC monitors distributed and mainframe environments, thus ensuring that online systems, applications and database subsystems are available and that the data center and systems hardware are problem-free for batch processing. Standard operational procedures are in place for logging, notifying and escalating all incidents that affect processing. The Dallas ECC also provides managed services, including 24x7 system and network monitoring, server and network

Average MIPS: 13,634

Platforms: 27-CMOS

DASD: 223 TB

Midrange Servers: 587

Wintel Servers: 2516 DEC VAX Cluster, Alpha, IBM AS/400, HP3000, HP9000, HPV2200 and Sun E15K

Environments: VMS, Open VMS/UNIX, AIX, OS/400, HP-UX, UNIX, DOS, Novell, Solaris and Linux

Telecom: Two independent OC-48 SONET

Power: TwoUPS, N+2 battery,

engineering services, help desk support, network operations and engineering, scheduling, disaster recovery, desktop management services, performance reporting, audits, and other services. The ECC also provides Web hosting services on site of existing infrastructures or for remote sites.

ACS operational teams support platforms such as OS/390, UNIX, Windows (NT and 2000), Linux, OS/400 and VMS.

The Dallas data center's mainframe processing is based on a CMOS architecture. The data center contains DASD storage, tape drives and robotic tape silo devices. This facility's midrange platforms include DEC VAX Cluster, Alpha, RS/6000, IBM SP2, IBM AS/400, HP3000, HP9000, HP V2200 and Sun. Midrange operating systems include VMS, Open VMS/UNIX, AIX, OS/400, HP-UX, Windows NT, UNIX, DOS, Novell and Solaris.

All computer, data communications and environmental equipment is served with sophisticated power conditioning equipment to minimize disruptions in service because of exterior power fluctuations. Additionally, all vital system components are attached to an uninterruptible power supply (UPS) system that provides power monitoring and line conditioning, as well as automatic switching to a battery system.

ACS performs a weekly routine testing of all systems to ensure that equipment is in good working order. ACS facilities personnel maintain the emergency procedures in place.

ACS has two utility feeds from separate substations, allowing a transfer to the second feed should if power is lost to the other feed. The Dallas facility comprises N+2 capabilities—two UPS modules, expandable to four. At current loads, the N-battery system can function approximately 30 minutes—at full capacity, 11 minutes—before adding additional support modules to avoid reaching full capacity.

For network support, two independent OC-48 SONET rings currently service the Dallas facility—one from SBC, the other from MCI. Each ring is a four-strand, counter-rotating SONET facility. The two rings have separate entrance facilities. The outside plant components of each ring use separate utility easements as well. Each ring is connected to two geographically separate ISP points of presence (POPs) from AT&T and UUNET.

The facilities are segmented into individual zones that are each fully equipped with fire, smoke and moisture detection systems, thus providing full protection against all environmental hazards.

Halon or FM200 fire protection systems and pre-action sprinkler systems that are loaded with compressed air under

31,250kW diesel, dual power grid

normal conditions protect the facilities. The sprinkler systems are activated with water only when an alarm situation occurs. When activated, the sprinklers discharge water in areas indicating unacceptable heat levels. The fire and police departments are electronically notified of any alarm condition.

ACS' Dallas campus is protected by an eight-foot perimeter fence with a single point of vehicle entry. Security personnel staff the point of entry 24x7. Campus access is permitted via an integrated badge access system with dual redundancy. All access badges include photo ID and are color-coded to distinguish between employees, business partners and temporary personnel. Entrance points are monitored via closed-circuit TV with displays located in permanent security guard posts.

Pittsburgh, Pennsylvania

The Pittsburgh facility is 135,00 square feet of space with 63.481 square feet of raised floor space. Pittsburgh is designated a dedicated ECC providing system and network monitoring, server and network engineering services and help desk support.

The Pittsburgh data center's mainframe processing is based on CMOS architecture. The data center contains DASD storage, tape drives and robotic tape silo devices. The midrange environment contains a variety of NT, HP, TPM, IBM AS/400, RS/6000, NCR, Sun-UX, Tandem and DEC platforms. Operating systems supported include Windows NT, HP-UX, HP-MPE, OS/400, AIX, NCR-RAS, Solaris, Nonstop Operating System and VMS.

The primary telecommunications service into the facility consists of diversely routed T3 fiber-optic links that are connected to the local telephone switching office. The facility uses multimode OC-48 fiber feeds, one each from Qwest, MCI

Average MIPS: 8,996

Platforms: 25-CMOS

DASD: 18.2 TB

Midrange Servers: 1,823

Wintel Servers: 970 RS/6000, IBM SP2, Sun E15K, NCR, Sun-UX, Tandem and DEC

Environments: NT, VMS, AIX, OS/400, HP-UX, HP-MPE, Solaris, Linux and NCR-RAS

Telecom: T3 fiber optic, 3-OC-48 (Qwest, MCI, AT&T)

Power: Two UPS systems, N+2 battery, 6-1.281 KVA diesel, 1 UPS with 4 mod ,3-N+2 diesel and AT&T. If the primary link fails, service is switched automatically to a backup fiber-optic line.

All computer, data communications and environmental equipment is served with sophisticated power conditioning equipment to minimize disruptions in service because of exterior power fluctuations. All vital system components are attached to a UPS system that provides power monitoring and line conditioning, as well as automatic switching to a battery system. Utility-supplied electrical power to the facility (dual service) is backed by batteries and generators that are controlled by two UPS systems. The facility's battery systems use a combination of Liebert and Exide technologies that are currently rated at N+2. The battery time on all at preset capacity is approximately is 40 minutes.

The batteries can sustain the facility for up to 15 minutes; however, seven seconds after the facility begins to rely solely on battery backup, electrical power is supplied by six diesel-powered 1.281 KVA generators. These generators have 6,000-gallon underground storage tanks. Both main building systems are rated at N+1. The data center can be sustained indefinitely on its own power system if a prolonged disruption in utility-supplied power occurs.

Routine testing and maintenance is performed to make sure that equipment is in working order. ACS tests at existing loads all emergency switchgear pertaining to the backup systems. All changes and problems relating to facilities are documented and available online for customer review.

Access to the facility's grounds and buildings is strictly controlled through sophisticated physical security systems and procedures. The facility is secured by a 10-foot chain-link fence topped with layers of razor wire that surrounds the facility. The fence is equipped with sonar detectors that alert a central security command center if anything touches the fence. The entire campus is constantly scanned by a closed-circuit television system and is monitored on a 24x7 basis from the central security command center.

A multi-level security system controls access into and within the buildings, limiting the contact that employees, vendors and visitors have within sensitive areas. The system automatically monitors and records the movement of all building occupants. The data center is segmented into individual zones fully equipped with fire, smoke and moisture detection systems that provide full protection against all environmental hazards.

Bangalore, India

The Bangalore facility has 40,000 square feet, with an additional 40,000 square feet in the procurement stage.

Call Center Capacity: 1.000+ agents

Switching Platform: Avaya S8700 Multivantage

Switching capacity: 5,000 seats

This site provides call center support and is being developed to become an ACS ECC, which will provide network monitoring and support. This facility currently provides BPO services, including Customer Care, Finance and Accounting, Human Resources and Transaction Processing. IT services currently provided include the following:

☐ IT development and support

☐ 24x7 help desk support

The Bangalore site uses Avaya Definity 3GR switching to provide seamless integration with telecommunication infrastructures. The switching platform is an Avaya S8700 Multivantage with a switching capacity of 5,000 seats. There are 7 E1 connections to Dallas; Lexington, Kentucky; and Sandy and Draper, Utah.

Bangalore has onsite security provided during normal business hours. After business hours, access is by card reader only

Power: Supplied by an ITP-owned 9MW captive power plant with synchronized 220 kW state government power

Attachment A

Schedule 2C

Distributed Computing Services SOW

for

Symetra Life Insurance Company (Symetra)

Draft Revisions WIP October 2006

TABLE OF CONTENTS

List of Tables

1.0 Distributed Computing Services Overview and Business Objectives

1.1 Services Overview

Distributed Computing Services are the services and activities detailed this Distributed Computing Services Statement of Work (the "***Distributed Computing Services SOW***"), required to provide and support the Symetra Life Insurance Company (Symetra) distributed computing infrastructure (the "***Distributed Computing Services***"). ACS shall provide and support distributed (i.e. non-data center) infrastructure that includes servers, storage devices, workstations, printers and system software and applications that are attached to the local-area network (LAN) as well as portable and standalone personal computing and other end user devices.

As depicted in Figure 1 below, in addition to the service described in this Distributed Computing SOW, ACS is responsible for providing the services described in Schedule 2A – Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of this IT services agreement.

Cross Functional SOW						
Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional View

1.2 Service Objectives

The following are the key high-level Service objectives Symetra expects to achieve through outsourced Distributed Computing services and this Distributed Computing Services SOW:

- Meet Symetra business needs for highly available, reliable, and secure services
- Acquire Distributed Computing Services that achieve the SLRs
- Improve distributed computing and desktop service/support levels
- Improve End-User productivity
- Standardize the distributed computing and desktop environment (hardware and software)
- Improve security, data management and backup in the distributed environment
- Improve asset management and control
- Improve total cost of ownership management
- Support business initiatives

2.0 Service Environment

2.1 Scope of the Infrastructure to be Supported

The following sub-sections specify the appendices and other relevant materials containing details of the Distributed Computing Services environment to be supported/complied with. Service environment Appendices are to be maintained and reviewed with Symetra by ACS and made available to Symetra on a quarterly basis.

ACS will provide Distributed Computing Services for all Symetra employees and locations [1] .

2.1.1 Hardware and Software

a. A listing and description of hardware to be supported is provided in Appendix C.1 — Distributed Computing Hardware.

b. A listing and description of the software and utilities to be supported is provided in Appendix C.2 — Distributed Computing Software.

c. A listing and description of core images to be supported is provided in Appendix C.3 – Distributed Computing Core Images.

2.1.2 Service Locations

a. A description of the Symetra service locations for which ACS will provide Distributed Computing Services is provided in Attachment B of the Agreement.

2.1.3 Personnel

a. ACS will be responsible for providing qualified, and appropriately certified, staffing for the Distributed Computing Services environment as required to perform the Services required hereunder in accordance with the SLRs set forth in this Distributed Computing Services SOW.

2.1.4 Policies, Procedures and Standards

Intentionally Left Blank.

2.1.5 Agreements and Licenses

Intentionally Left Blank.

2.2 Work-In-Progress

Intentionally Left Blank.

2.3 Future initiatives

Intentionally Left Blank.

---

1 Home workers will be supported via another supplier as a pass-through expense.

2.4 Baseline Information

Symetra current Distributed Computing utilization and projected usage is presented below. These business requirements represent Symetra's most realistic projection of the service requirements as of the Effective Date based on a combination of past trends and current anticipated overall business direction over the Term of the Agreement.

These metrics, along with other data which may be pertinent for sizing the solution, are reflected in Schedule 3 — Fees.

Table 1. Distributed Computing Baseline Projections

System	2005	2006	2007	2008	2009	Comments
Headquarters Users	948	971	994	1018	1042	13% growth over 5 yrs/2.4% per yr
Headquarters VIP Users	59	59	59	59	59	
Remote Offices	8	8	8	8	8	
Remote Office Users	103	103	103	103	103	
Tele-workers	138	138	138	138	138	
Desktop Computers	1026	1051	1076	1102	1128	15% — 25% desktop pc's not included in this count
Laptop Computers	309	316	324	332	340	15%- 25% laptops not included in this count
File and Print Servers (Headquarters)	6	6	6	6	7	
File and Print Servers (Remote)	10	10	11	11	11	
Networked Printers (Headquarters)	100	102	104	106	108	
Networked Printers (Remote)	73	75	77	79	81	
Non-networked printers	46	47	48	49	50	25% – 50% desktop printers are not included this count
Copiers (Headquarters)	119	122	125	128	131	
Copiers (Remote)	45	46	47	48	49	
Scanners						
Faxes (Headquarters)	102	104	106	109	112	
Faxes (Remote)	39	40	41	42	43	
Blackberrys	40	41	42	43	44	
IMACs – Headquarters & Remote (June 2003 to May 2004)	331	339	347	355	364	

3.0 Distributed Computing Support Services Requirements

3.1 Service Descriptions and Roles & Responsibilities

In addition to the Services, activities, and roles and responsibilities described in Schedule 2A — Cross Functional Services SOW, Distributed Computing Services include the following Services, activities and roles and responsibilities.

3.1.1 Distributed Computing Services

The Distributed Computing Services provided by ACS under this Distributed Computer Services SOW include End User device provisioning and support required by Symetra End Users, including the following:

a. **Server Services**:
   - Procurement services
   - Installs, moves, adds, changes (IMAC)
   - Operational monitoring, as needed
   - Problem determination and resolution
   - Technical support and break fix
   - Software deployment and management

b. **LAN File/Print/Storage Services**:
   - Procurement services
   - Data storage, backup and recovery
   - Network-attached printer support
   - Local application servers
   - LAN user administration
   - Problem determination and resolution
   - Technical support as needed

c. **Symetra Headquarter Workstation/End-User Services** (e.g., locally attached desktop computer, laptop computers, printers, accessory cables and workgroup hubs/switches, scanners, standardized personal digital assistant (PDA) devices, CD/DVD burners and integrated machines, LCD, etc.)
   - Operational monitoring, as needed
   - Commercially available system and productivity software deployment and management
   - Problem determination and resolution

Table of Contents

- Technical Support and Break/Fix as needed
- Management and distribution of Symetra approved standard image and related Symetra approved software
- Hardware deployment
- Excludes physical office relocations

d. **Remote Location Workstation/End User Services** (e.g., locally attached desktop computer, laptop computers, printers, scanners, fax, copiers, standardized personal digital assistant (PDA) devices, facsimile servers, CD/DVD burners and integrated machines, LCD, etc.)

- Installs, moves, adds, changes (IMAC), excluding physical office relocations
- Operational monitoring, as needed
- Problem determination and resolution
- Technical support and Break/Fix as needed
- Commercially available system and productivity software deployment and management
- Management and distribution of Symetra approved standard image and related Symetra approved software
- Hardware deployment

e. **Storage Services**: Storage services include the hardware, software and staff resources necessary to meet Symetra requirements for storing non-shared and shared information on Symetra's distributed servers.

f. **Desktop Applications Services**: Desktop application services include the IT resources necessary to support business productivity software. Included are personal productivity and office applications services (in accordance with Symetra policies), and other basic IT resources necessary to meet the End User requirement for performing typical office and business functions using commercially developed applications and office suites.

g. **Electronic Mail (e-mail) Services**: Support of distributed components of centralized email services (see Schedule 2B — Data Center SOW). This includes support for distributed e-mail applications, e-mail servers, wireless messaging (e.g. BlackBerry), End-User support and e-mail authorized End User account management.

h. **Remote Access Services - Employees**: Remote access support services for Symetra employees in remote or home locations.

i. **LAN Services**: LAN services include the activities associated with End User administration.

j. **Equipment Disposition** will be coordinated by the ACS team, including packaging of disposed equipment for shipping (e.g. palleting, wrapping, boxing, etc).

However responsibility for the actual packing supplies, postage, shipment, and contract management of the disposal service will be retained and executed by Symetra. ACS will recycle boxes and packing materials, as practicable, for re-use and shipping of equipment. Symetra will provide packing boxes and materials if the recycle stock has been depleted.

k. **Inventory Management/Asset Tracking:** Management of the inventory and tracking for both new and surplus equipment per Symetra best practices.

3.1.2 General Responsibilities

The following table identifies general roles and responsibilities associated with this Distributed Computing Services SOW. Two columns are provided to identify roles and responsibilities for the Symetra Headquarters location, and two columns are provided to identify roles and responsibilities for Symetra remote office locations. An "X" is placed in the column under the party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled "ACS".

Testing of image prior to deployment

Table 2. General Roles and Responsibilities

	Headquarters		Remote Offices	
General Roles and Responsibilities	ACS	Symetra	ACS	Symetra
1. Define desktop/End User requirements		X		X
2. Recommend Services and standards for supporting the desktop/End User	X		X	
3. Approve services and standards for supporting the desktop/End Users		X		X
4. Procure and own desktop and laptop hardware and software and peripherals.		X		X
5. Deploy and manage desktop and laptop hardware and software (e.g. operating system, standard image, personal productivity and office automation software and services)	X		X	
6. Procure and own network-attached servers, storage devices and peripherals	X		X	
7. Deploy and manage network-attached servers, storage devices and peripherals	X		X	
8. Procure and own locally attached printers, storage devices and miscellaneous peripherals		X		X
9. Deploy and manage locally attached printers, storage devices and miscellaneous peripherals	X		X	
10. Provide storage services	X		X	
11. Support distributed components of centralized email services provided through Data Center Services SOW	X		X	
12. Provide and support remote access services for Symetra employees in remote or home locations	X		X	

General Roles and Responsibilities	Headquarters ACS	Headquarters Symetra	Remote Offices ACS	Remote Offices Symetra
13. Provide Level 1 and 2 Help Desk support for personal productivity and office automation software	X		X	
14. Provide Level 2 support for Symetra business applications (e.g. ViewStar, Cognos)		X		X
15. Provide Level 2 support of standard image components required for Symetra business applications.	X		X	
16. Provide LAN administration	X		X	
17. Provide problem determination and resolution	X		X	
18. Provide desktop break/fix and Level 2 hardware and system software support as coordinated through the Help Desk	X		X	
19. Provide server Break/Fix and Level 2 hardware and system software support as coordinated through the Help Desk	X		X	
20. Provide Level 1 technical support of audio-visual technology in conference rooms and training rooms identified by Symetra.	X		X	
21. Provide Level 2 and Break/Fix technical support of audio-visual technology in conference rooms and training rooms identified by Symetra.		X	X	
22. Evaluate and recommend desktop-related technology upgrades or refreshes.	X		X	
23. Review and approve technology upgrades or refresh plans prior to implementation.		X		X

3.1.3 Core Software Build and Deployment Services

ACS will perform the core software build deployment Services associated with the provision of distributed computing infrastructure. The following table identifies the core software build and deployment roles and responsibilities.

Table 3. Software Deployment/Management Roles and Responsibilities

Core Software Build and Deployment Roles and Responsibilities	Headquarters ACS	Headquarters Symetra	Remote Offices ACS	Remote Offices Symetra
1. Recommend core software deployment/management policies and procedures	X		X	
2. Review and approve core software deployment/ management policies and procedures		X		X

Core Software Build and Deployment Roles and Responsibilities	Headquarters		Remote Offices	
	ACS	Symetra	ACS	Symetra
3. Provide technical assistance for defining core image specifications for desktop, laptop and servers	X		X	
4. Specify proprietary requirements for Symetra core image for desktop and laptop systems.		X		X
5. Approve standard core image specifications		X		X
6. Build core software server image	X		X	
7. Build core software desktop image	X		X	
8. Package and test for distribution and fallback	X		X	
9. Test functionality of approved distribution		X		X
10. Approve package for distribution		X		X
11. Provide necessary utilities/tools to maintain and ensure compliance with core software deployment/management policies and procedures	X		X	
12. Manage deployment efforts using formal project management tools, methodologies and standards (e.g. ITIL change and configuration management practices)	X		X	
13. Deploy core images (desktop, laptop, servers)	X		X	
14. Provide and administer a software distribution facility	X		X	
15. After a failure to the end user's desktop environment, restoral to the end user's core image with their unique application set and network connections.	X		X	
16. Develop scripts and macro programs to automate standard Symetra processes as appropriate (e.g., upgrading desktop images)	X		X	
17. Develop, implement, and maintain macro programs for Symetra standard distributed computing applications and processes	X		X	
18. Conduct deployment reviews and provide results to Symetra	X		X	
19. Review and approve results of deployment reviews		X		X

3.1.4 Symetra Application Software Build and Deployment Services

ACS will perform the software build and deployment Services associated with the provision of Symetra application software. The following table identifies the software build and deployment roles and responsibilities.

Table 4. Software Deployment/Management Roles and Responsibilities

Symetra Application Software Build and Deployment Roles and Responsibilities	Headquarters ACS	Headquarters Symetra	Remote Offices ACS	Remote Offices Symetra
1. Recommend application software deployment/management policies and procedures	X		X	
2. Review and approve application software deployment/ management policies and procedures		X		X
3. Provide technical assistance for defining Symetra application software image specifications	X		X	
4. Approve Symetra application image specifications		X		X
5. Build Symetra application image		X		X
6. Package and test for distribution and fallback	X		X	
7. Test functionality of approved distribution		X		X
8. Approve package for distribution		X		X
9. Manage deployment efforts using formal project management tools, methodologies and standards (e.g. ITIL change and configuration management practices)	X		X	
10. Deploy Symetra application images	X		X	
11. Provide and administer a software distribution facility	X		X	
12. Conduct deployment reviews and provide results to Symetra	X		X	
13. Review and approve results of deployment reviews		X		X

3.1.5 Operations and Administration

ACS is responsible for providing a number of operations and administration Services. Operations and administration Services include the activities associated with the day-to-day management of the installed systems and software environment. The following table identifies the operations and administration Services roles and responsibilities that are specific to this SOW.

Table 5. Operations and Administration Roles and Responsibilities

Operations and Administration Roles and Responsibilities	Headquarters ACS	Headquarters Symetra	Remote Offices ACS	Remote Offices Symetra
1. Relocation of equipment for interoffice moves.		X		X
2. Provide Install, Add, Change services for desktop and laptop systems and peripherals.	X		X	
3. Perform and support hardware and software IMACs, re-installations, updates and downloads for desktops and laptops	X		X	
4. Perform and support hardware and software IMACs, re-installations, updates and downloads for servers	X		X	

Table of Contents

Operations and Administration Roles and Responsibilities	Headquarters		Remote Offices	
	ACS	Symetra	ACS	Symetra
5. Provide on-site technical support to End Users for maintenance and Break/Fix activities	X		X	
6. Conduct data and applications migration that is necessary due to any hardware or software IMACs and re-installations for desktops and laptops	X		X	
7. Conduct data and applications migration that is necessary due to any hardware or software IMACs and re-installations for servers	X		X	
8. Perform LAN/Domain/operating system administration support activities (e.g. IP addressing, file and print sharing, logon user-id and password maintenance) for all managed servers (e.g. file/print, email)	X		X	
9. Define backup/recovery requirements		X		X
10. Define file/database ownership and retention requirements		X		X
11. Perform scheduled incremental and full tape backups of servers	X		X	
12. Exchange backup tapes with off-site storage facility	X		X	
13. Purchase and manage paper/forms/consumables		X		X
14. Install consumables for printers		X		X
15. Install paper/forms for printers		X		X
16. Remove desktop/end user device print jobs and place in output bins, courier and/or mail		X		X
17. Distribute desktop/end user device print jobs to user locations		X		X
18. Define automated output distribution requirements		X		X
19. Maintain automated output distribution tables		X		X
20. Approve change management results		X		X
21. Manage user accounts, disk space quotas and access control (OS, database, middleware, file systems, disk space, etc.)	X		X	
22. Provide support for external financial audits	X		X	
23. Provide support for Symetra approved personal digital assistants (PDAs)	X		X	
24. Provide Tier 2 support for remote workers using Symetra standard equipment (either home workers or remote office workers) prior to dispatch of a third party support organization	X		X	
25. Asset tracking/management per Symetra standard policy and procedures.	X		X	
26. Provide ACS with Symetra standard equipment disposition policy and procedures.		X		X

Operations and Administration Roles and Responsibilities	Headquarters ACS	Headquarters Symetra	Remote Offices ACS	Remote Offices Symetra
27. Provide equipment disposition services following Symetra standard policy and procedures.	X		X	
28. Provide ACS with inventory management policies which also contain information regarding appropriate levels.		X		X
29. Provide inventory management services including tracking and maintaining appropriate inventory levels and reporting.	X		X	
30. Establish guidelines for priority on-call services.		X		X
31. Provide priority on-call services in accordance with Symetra standard policy and procedures.	X		X	

3.1.6 Special Support Services

ACS will provide the following special Services, including installation/deployment, maintenance, support, break/fix, software and other technical training, upgrades, etc.

a. VIP Support—Includes all support for designated Symetra Executives/VIPs. This can include support in the home or other remote locations. Help Desk shall immediately dispatch desk side support.

b. Sales Support – Provide support for designated key identified Sales staff who work from their home or remote offices. Help Desk shall escalate to the priority support person aligned with the key sales staff.

c. Walk-in Support at Local ACS Support Centers—(e.g., remote End Users temporarily in Symetra offices)

4.0 Service Management

4.1 Objectives

A key objective of the Agreement is to attain the SLRs. SLAs and Project-specific SLAs are specified with Fee Reductions where business is impacted through failure to meet significant mission critical systems or services, or project milestones or objectives warrants a reduction in Fees paid when Service performance requirements are not met. SLRs are detailed in the following sections of this Distributed Computing Services SOW and SLAs are detailed in Schedule 5 — Fee Reductions.

ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs specified in this SOW Schedule.

4.2 Definitions

The following defined terms shall apply to this SOW and the following SLRs:

Administrative Functions – Routine functions such as setting up End User IDs, changing authorization tables, changing account codes, and similar functions handled by ACS.

Availability - The percentage of time the service is fully operational. Availability represents a measure of the fraction of time during a defined period when the Service provided is deemed to be better than the defined Quality of Service (QoS) threshold (Standard, Enhanced, Premium).

Availability(%) = 100% — Unavailability (%)
Where Unavailability is defined as:
S outage duration x 100
Scheduled Time – planned outage

Break/Fix – An End-User request placed due to a software or hardware problem encountered in accessing or operating IT resources where support Services are required to resolve the problem.

Incident Resolution Time – The time elapsed from the initiation of a Trouble Ticket until Service is restored.

Measurement Interval – The period of time performance will be calculated. This takes into consideration the impact of continuous outage. For example, a monthly measurement interval for a 99% Minimum Performance for a 7x24 system with 8 hours of weekly planned downtime would allow 6.4 hours of a continuous outage with no other outages during the month. A weekly interval would only allow 1.6 hours of a continuous outage.

Peripherals – Equipment such as local printers, workgroup hubs and switches, patch cords, keyboards, mice, etc.

Reporting Interval – The time span between regular performance reporting periods.

Scheduled Time – The time during which Service is to be operational as designated in the applicable SLR table.

Service Level Requirement (SLR) – The percentage of time or instances that the target service level requirement must be met.

Target – The desired level of Service Symetra is seeking for that particular service level metric.

4.3 Service Level Requirements (SLRs)

ACS shall meet the following minimum SLRs commencing on the Handover Date (unless another date is expressly set forth in a particular SLR) that is applicable to Distributed Computing Services. ACS must consistently meet or exceed the following SLRs. SLRs associated with Fee Reductions are detailed in Schedule 5 — Fee Reductions. All times referenced are Pacific Standard Time.

Table 6. Server Availability SLR

Definition	Server Availability is defined as the accessibility and proper functioning of CPU, system memory, disks and peripherals up to the connection to the network.

Server Availability			
Category	**Service Measure**	**Performance Target**	**SLR**
Remote server availability (SLA/SLR will be in effect 90 days after production deployment date)		Sun-Sat, 0000-2400	[***]%
	Formula	Availability(%) = 100% — Unavailability (%) Where Unavailability is defined as: (S Outage Duration x 100%) ¸ (Scheduled Time – Planned Outage)	
	Measure Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement method	To be agreed by the Parties	

Table 7. Install, Moves, Adds and Changes – Workstation and Peripherals

DEFINITION Defined as an installation, move, add, change of any hardware or software included within the scope of Distributed Computing.

Installs, Moves, Adds, Changes			
Request	**Service Measure**	**Performance Target**	**SLR**
1-10 in a single request for new equipment	Schedule installation appointment with the end user	Within 1 business day following receipt of the equipment.	[***]%
1-10 in a single request for new equipment	Elapsed time to deploy	Deployment complete per customer requested schedule	[***]%
More than 10 in a single request	Date and Scheduled Time	As agreed case by case	[***]%
Urgent request, single move	Elapsed time to deploy	Per agreed schedule	[***]%
	Formula	Number of instances within performance Target / total number of instances during Measurement Interval = “Percent (%) Attained”	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement method	To be agreed by the Parties	

Note: Most IMACs performed after business hours.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table 8. Software Installation SLR

Software Installation			
Request	**Service Measure**	**Performance Target**	**SLR**
Install software requiring external procurement	Schedule appointment with end-user	Within 1 business day following receipt of software	[***]%
Install software requiring external procurement	Elapsed time to deploy	Deployment complete per customer requested schedule	[***]%
Install software licensed under a Master Services Agreement	Schedule appointment with end-user	Within 1 business day following receipt of request for software	[***]%
Install software licensed under a Master Services Agreement	Elapsed time to deploy	Deployment complete per customer requested schedule	[***]%
Desktop/Laptop operating system (including service packs and non-critical security patches)	Elapsed time to deploy	As agreed per project plan	[***]%
Local and Corporate applications software	Elapsed time to deploy to target population	As agreed per project plan	[***]%
Core software (messaging, browser, etc.)	Elapsed time to refresh	As agreed per project plan	[***]%
Service/Security patches and antivirus updates (SLA/SLR will be in effect 60 days after production deployment date)	Elapsed time to commencement of deployment	Within 24 hrs. Measured from approval or automatic updates from anti-virus vendor	[***]%
	Formula	Number of instances within performance Target / total number of instances during Measurement Interval = “Percent (%) Attained”	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement method	To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Table 9. Deployment — New Server (from time hardware and software arrive at installation site) SLR

Deployment – New Server			
Category	**Service Measure**	**Performance Target**	**SLR**
New File & Print and local applications servers Services	Elapsed time to deploy	As agreed per project plan	[***]%
	Formula	Number of instances within performance Target / total number of instances during Measurement Interval = “Percent (%) Attained”	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement method	To be agreed by the Parties	

4.4 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS shall provide written reports to Symetra regarding ACS’ compliance with the SLRs and other Distributed Computing activity reports specified in this Schedule:

N/A

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Distributed Computing Services SOW Appendices

SOW Appendix	Description
C.1	Distributed Computing Hardware
C.2	Distributed Computing Software
C.3	Distributed Computing Core Images

5.2 Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 3	Fees
Schedule 5	Fee Reductions
Schedule 2A	Cross Functional Services SOW

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C-1 Distributed Computing Hardware
Laptop & Desktop Summary Info

Office Location / Category	Total CPUs Desktops	Total CPUs Laptops
REDMOND-ADAMS BLDG	6	2
REDMOND-LIFE	590	165
REDMOND-RAINIER BLDG	233	59
REDMOND-SHASTA BLDG		1
SEATTLE-ROOSEVELT COMMONS		1
SEATTLE-WESTLAKE CENTER	1	
Total Headquarters	**830**	**228**
ALISO VIEJO		2
ATLANTA — ING	4	6
BETHEL PARK LRMS		1
BOTHELL (L&I)	1	
CINCINNATI	3	1
DULUTH	14	1
FEDERAL WAY	2	
FENTON-SOUTH	1	
GOLDEN		1
HARTFORD		2
HOFFMAN ESTATES	3	4
INDIANAPOLIS LRMS	14	14
LAKE OSWEGO	2	2
MAITLAND		1
MIAMI LRMS	24	9
NASHVILLE		1
OVERLAND PARK	2	1
RICHARDSON	10	8
SAN DIEGO — ING	6	3
SOUTH WINDSOR	25	4
SPOKANE		1
W CONSHOHOCKEN		2
UNACCOUNTED	61	10
Total Remote Office & Tele-worker	**172**	**74**

Note: This is a low estimate (15-20%) based on system on line at time of count

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
ALVLGRBETDYK	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6109DYSZQ785	[***]	[***]	SAN DIEGO — ING
ALVLGRKATVIL	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6845BW85B645	[***]	[***]	SAN DIEGO — ING
ALVLGRTMALLO	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6847BW85E437	[***]	[***]	SAN DIEGO — ING
ATLELCANGDUV	Life Claims-SE	Compaq	Deskpro	6X19DYSZC05X	[***]	[***]	DULUTH
ATLELCBARNEL	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0V8	[***]	[***]	DULUTH
ATLELCCHEBEN	Life Claims-SE	Compaq	Deskpro	6X19DYSZF3TH	[***]	[***]	DULUTH
ATLELCDORIEA	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0LF	[***]	[***]	DULUTH
ATLELCELLLON	Case Management-Rainier	Compaq	Deskpro	6X19DYSZF0L8	[***]	[***]	not in outlook
ATLELCKAYRO1	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0LA	[***]	[***]	DULUTH
ATLELCSUEWHE	Case Management-Rainier	Compaq	Deskpro	6X19DYSZF0XM	[***]	[***]	DULUTH
ATLELCTEMPPC	Life Claims-SE	Compaq	Deskpro	6X19DYSZF101	[***]	[***]	DULUTH
ATLELCTERCHE	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0P8	[***]	[***]	DULUTH
ATLELCTERETH	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0RJ	[***]	[***]	DULUTH
ATLELCTOMBOW	Life Claims-SE	Compaq	Deskpro	6X19DYSZF3V7	[***]	[***]	DULUTH
ATLELCWANCUT	Life Claims-SE	Compaq	Deskpro	6X19DYSZF0Y6	[***]	[***]	DULUTH
ATLLGRADTRIA	Group Claims-Miami LRMS	Compaq	Deskpro EN Series	6928CD640582	[***]	[***]	MIAMI LRMS
ATLLGRANGMEJ	Case Management-Rainier	Compaq	Deskpro	6919CD64C535	[***]	[***]	MIAMI LRMS
ATLLGRANGMIL	Grp Dist-Sales Eastn Div-Atl	Compaq	DSDT		[***]	[***]	ATLANTA — ING
ATLLGRBETEXL	Grp Dist-Sales Eastn Div-Atl	Compaq	DSDT		[***]	[***]	ATLANTA — ING
ATLLGRBILDEF	Grp Dist-Sales Eastn Div-Atl	IBM	26454EU	78RXLR0	[***]	[***]	ATLANTA — ING
ATLLGRBILLED	Grp Dist-Sales Eastn Div-Atl	IBM	26474AU	78FLZRD	[***]	[***]	ATLANTA — ING
ATLLGRCARLMA	Group Sales-NE-Miami	IBM	26476U8	787BTRY	[***]	[***]	MIAMI LRMS
ATLLGRCARLPA	Group Sales-NE-Miami	Compaq	Deskpro EN Series	6830BW24J510	[***]	[***]	MIAMI LRMS
ATLLGRCARVIC	Grp Dist-Sales Eastn Div-Atl	Compaq	Deskpro	6050DYSZH124	[***]	[***]	ATLANTA — ING
ATLLGRCHIPAR	Case Management-Rainier	Compaq	Deskpro	6852BW85A724	[***]	[***]	MIAMI LRMS
ATLLGRCYNMCG	Group Claims-Miami LRMS	Compaq	Deskpro	6848BW85D613	[***]	[***]	MIAMI LRMS
ATLLGRDEHALE	Grp Dist-Sales Eastn Div-Atl	IBM	26474AU	78FLTCT	[***]	[***]	ATLANTA — ING
ATLLGRDELHOW	Case Management-Rainier	Compaq	Deskpro	6906BW85B396	[***]	[***]	MIAMI LRMS
ATLLGRELOHOW	Group Claims-Miami LRMS	Compaq	Deskpro	6905BW85A341	[***]	[***]	MIAMI LRMS
ATLLGRELSALM	Policy Issue/Compliance	Compaq	Deskpro	6848BW85B596	[***]	[***]	not in outlook
ATLLGRERIHIC	Group Sales-Eastern Div-Miami	IBM	26476U8	787BTVT	[***]	[***]	MIAMI LRMS
ATLLGRFLOSAA	Group Systems	IBM	26476U8	787BTVM	[***]	[***]	MIAMI LRMS
ATLLGRHEHALL	Case Management-Rainier	Compaq	Deskpro	6850BW85B018	[***]	[***]	MIAMI LRMS
ATLLGRHERMKO	Group Sales-Eastern Div-Miami	Compaq	Deskpro	6839BW85K745	[***]	[***]	MIAMI LRMS
ATLLGRHOT004	Group-Audit	Compaq	Deskpro	6847BW85E422	[***]	[***]	REDMOND-RAINIER BLDG
ATLLGRJANBRA	Group Systems	Compaq	Deskpro EP/SB Series	6936CJN40686	[***]	[***]	MIAMI LRMS
ATLLGRKATTID	Case Management-Rainier	Compaq	Deskpro	6906BW85A599	[***]	[***]	MIAMI LRMS
ATLLGRKEVDUC	Group Systems	IBM	26476U8	787BTPG	[***]	[***]	MIAMI LRMS
ATLLGRLORAUS	Group U/W-LRMS Fla	IBM	26476U8	787BTRG	[***]	[***]	MIAMI LRMS
ATLLGRLORVAN	Group Distribution	Compaq	Deskpro	6845BW85B757	[***]	[***]	MIAMI LRMS
ATLLGRLOUCAB	Group Claims-Miami LRMS	Compaq	Deskpro	6911BW85A898	[***]	[***]	MIAMI LRMS
ATLLGRMADIAZ	Operations Management	IBM	26476U8	787BTTM	[***]	[***]	MIAMI LRMS
ATLLGRMARCRU	Group U/W-LRMS Fla	Compaq	Deskpro	6846BW85A518	[***]	[***]	MIAMI LRMS
ATLLGRMARFON	Group Claims-Miami LRMS	Compaq	Deskpro	6846BW85A482	[***]	[***]	MIAMI LRMS
ATLLGRMARIAM	Group Distribution	IBM	26476U8	787BTRM	[***]	[***]	MIAMI LRMS
ATLLGRMARPOW	Group Systems	IBM	26476U8	787BTPF	[***]	[***]	MIAMI LRMS
ATLLGRMIRBEN	Group Sales-Eastern Div-Miami	Compaq	Deskpro	6906BW85E797	[***]	[***]	MIAMI LRMS
ATLLGRMURHEA	Grp Dist-Sales Eastn Div-Atl	IBM	26454EU	78RXNP9	[***]	[***]	ATLANTA — ING
ATLLGRNELBAS	Group U/W-LRMS Fla	IBM	26476U8	99G6LBM	[***]	[***]	MIAMI LRMS
ATLLGRPATEDW	Case Management-Rainier	Compaq	Deskpro	6906BW85B048	[***]	[***]	MIAMI LRMS
ATLLGRPAUCAN	Grp Dist-Sales Eastn Div-Atl	IBM	26454EU	78RXTK0	[***]	[***]	ATLANTA — ING
ATLLGRRICGIV	Case Management-Rainier	Compaq	Deskpro	6847BW85A837	[***]	[***]	MIAMI LRMS
ATLLGRRICLYO	Group Distribution	IBM	264746U	78KBND9	[***]	[***]	ATLANTA — ING
ATLLGRSARDIA	LRMS-Production	Compaq	Deskpro	6848BW85D650	[***]	[***]	not in outlook
ATLLGRSCOLOG	Group U/W-LRMS Fla	Compaq	Deskpro	6847BW85E631	[***]	[***]	MIAMI LRMS
ATLLGRSTENOV	Policy Issue/Compliance	Compaq	Deskpro	6903BW85A104	[***]	[***]	MIAMI LRMS
ATLLGRTONGRE	Grp Dist-Sales Eastn Div-Atl	Compaq	Deskpro	6906BW85C403	[***]	[***]	ATLANTA — ING
ATLLGRTORWAL	Group Claims-Miami LRMS	Compaq	Deskpro	6846BW85A843	[***]	[***]	MIAMI LRMS
ATLLGRTRN001	Case Management-Rainier	Compaq	Deskpro	6906BW85E897	[***]	[***]	REDMOND-RAINIER BLDG
ATLLGRVALSUA	Group Sales-NE-Miami	Compaq	Deskpro	6843BW85A511	[***]	[***]	MIAMI LRMS
ATLLGRVISIT3	Case Management-Rainier	Compaq	Deskpro	6911BW85A478	[***]	[***]	REDMOND-RAINIER BLDG
ATLLGRVIVGON	Policy Issue/Compliance	Compaq	Deskpro	6848BW85D582	[***]	[***]	not in outlook
ATLLGRZAIGON	Group Claims-Miami LRMS	Compaq	Deskpro	6906BW85E565	[***]	[***]	MIAMI LRMS

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
ATLLMLTHOKRU	Life Multiline-SE-Orlando	IBM	26474EU	78P7DX6	[***]	[***]	MAITLAND
BOSLGRJONHEN	Group Sales-NE-Boston	IBM	26474AU	78FNPWL	[***]	[***]	BOSTON LRMS
BOSLGRTOMCOS	Group Sales-NE-Boston	IBM	26476U8	787BTXA	[***]	[***]	BOSTON LRMS
CHILCOAMYCAR	Grp Dist-Mkt/Sls-Sales-Chi	IBM	26474AU	78RKGT0	[***]	[***]	HOFFMAN ESTATES
CHILCOANNNOR	Group U/W-LRMS Ind	Compaq	Deskpro	6X17DYSZR00C	[***]	[***]	HOFFMAN ESTATES
CHILCOLAUCAL	Grp Dist-Mkt/Sls-Sales-Chi	Compaq	DSDT	6X1ADYSZ805J	[***]	[***]	HOFFMAN ESTATES
CHILCORALBR2	BD Sales-East-Chi	IBM	26474EU	78Z3T79	[***]	[***]	HOFFMAN ESTATES
CHILCOSCOHAM	Sales & Marketing Systems	IBM	264746U	78KGLZ0	[***]	[***]	REDMOND-LIFE
CHILCOSHAWEA	Grp Dist-Mkt/Sls-Sales-Chi	Compaq	DSDT	6X1ADYSZ80YH	[***]	[***]	HOFFMAN ESTATES
CHILMLCHRHIG	Multi-Line Dist-Sales-Chi	IBM	264746U	78KGDK5	[***]	[***]	HOFFMAN ESTATES
CHILMLDAVDEI	Multi-Line Dist-Sales-Chi	IBM	26474EU	78P7CT7	[***]	[***]	HOFFMAN ESTATES
CINLIFBARBAP	Group U/W-LRMS Ind	Compaq	Deskpro	6043DYSZC282	[***]	[***]	CINCINNATI
CINLIFCHRHAY	Group-Audit	IBM	26474AU	78AGWM2	[***]	[***]	BETHEL PARK LRMS
CINLIFMARAUS	Grp Dist-Mkt/Sls-Sales-Cin	IBM	26474AU	78AGTY8	[***]	[***]	CINCINNATI
CINLIFSAUMOU	Grp Dist-Mkt/Sls-Sales-Cin	Compaq	Deskpro	6X17DYSZR005	[***]	[***]	CINCINNATI
CINLIFTERMUR	Grp Dist-Mkt/Sls-Sales-Cin	Compaq	Deskpro	6125DYSZK808	[***]	[***]	CINCINNATI
CONLGRCASTEV	Grp Dist-Sales Eastn Div-Phi	IBM	26455EU	78HNGX2	[***]	[***]	W CONSHOHOCKEN
CONLGRSHAMOR	Grp Dist-Sales Eastn Div-Phi	IBM	26454EU	78TATV0	[***]	[***]	W CONSHOHOCKEN
DALLIFBARDOY	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6853BW85B104	[***]	[***]	RICHARDSON
DALLIFBELMOR	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6846BW85A160	[***]	[***]	RICHARDSON
DALLIFBRYOUN	Group U/W-Dal	Compaq	Deskpro	6847BW85C599	[***]	[***]	RICHARDSON
DALLIFCHRENG	Grp Dist-Sales Eastn Div-Dal	IBM	264746U	78KFPT5	[***]	[***]	RICHARDSON
DALLIFCHUJAG	Grp Dist-Sales Eastn Div-Dal	IBM	264746U	78KGNN6	[***]	[***]	RICHARDSON
DALLIFDEBEVA	Grp Dist-Sales Eastn Div-Dal	IBM	26474AU	78AGVM2	[***]	[***]	RICHARDSON
DALLIFECHUKOE	Life Multiline-SER	IBM	26474AU	78FLPVB	[***]	[***]	RICHARDSON
DALLIFEDGCAR	Grp Dist-Sales Eastn Div-Dal	IBM	264746U	78KFNR0	[***]	[***]	RICHARDSON
DALLIFFRATIP	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6041DYSZD453	[***]	[***]	RICHARDSON
DALLIFJAMKOC	Group U/W-Dal	Compaq	Deskpro	6907BW85B207	[***]	[***]	RICHARDSON
DALLIFJAMROB	Group U/W-Dal	IBM	264746U	78CWVH0	[***]	[***]	RICHARDSON
DALLIFJANDEA	Grp Dist-Sales Eastn Div-Dal	IBM	26474AU	78AGTT0	[***]	[***]	RICHARDSON
DALLIFLOUMOU	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6840BW85K020	[***]	[***]	RICHARDSON
DALLIFMISGRI	Group U/W-Dal	Compaq	Deskpro	6847BW85E266	[***]	[***]	RICHARDSON
DALLIFMONFLO	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6044DYSZP860	[***]	[***]	RICHARDSON
DALLIFPARPER	Life Multiline-CEN	IBM	264746U	78KBWY8	[***]	[***]	RICHARDSON
DALLIFREBZEU	Grp Dist-Sales Eastn Div-Dal	Compaq	Deskpro	6851BW85C318	[***]	[***]	RICHARDSON
DALLIFTOMMYM	Group U/W-Dal	Compaq	Deskpro	6905BW85A317	[***]	[***]	RICHARDSON
DENLIFDANORR	Multi-Line Dist-Sales-Den	IBM	26454EU	78AAARY	[***]	[***]	GOLDEN
DEVTS026	Group Systems	Compaq	ProLiant DL380	D024DKN1N912	[***]	[***]	REDMOND-RAINIER BLDG
FEDITOSTEMED	Sales & Marketing Systems	Compaq	Evo D510 CMT	W240KN8XA032	[***]	[***]	FEDERAL WAY
FTVLGRCORWEM	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6037DYSZL746	[***]	[***]	SAN DIEGO — ING
FTVLGRDEBROT2	Grp Dist-Mkt/Sls-Sales-Sca	IBM	264746U	78KGCP4	[***]	[***]	SAN DIEGO — ING
FTVLGRHOTEL1	Grp Dist-Mkt/Sls-Sales-Sea	Compaq	Deskpro	6918CD64D865	[***]	[***]	REDMOND-ADAMS BLDG
FTVLGRJACWHI	Group Claims-Miami LRMS	Compaq	Deskpro	6849BW85D255	[***]	[***]	not in outlook
FTVLGRJUNKEY	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6838BW85M675	[***]	[***]	SAN DIEGO — ING
FTVLGRROBREN	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6110DYSZU299	[***]	[***]	SAN DIEGO — ING
FTVLGRSCWILL	Grp Dist-Mkt/Sls-Sales-Sca	IBM	264746U	78KGCM1	[***]	[***]	SAN DIEGO — ING
FTVLGRSUELEE	Grp Dist-Mkt/Sls-Sales-Sca	Compaq	Deskpro	6109DYSZQ628	[***]	[***]	not in outlook
FTVLGRTRAELB	Grp Dist-Mkt/Sls-Sales-Sca	IBM	26476U8	787BTWA	[***]	[***]	SAN DIEGO — ING
FTVLMLPETCAM	Multi-Line Dist-Sales-Sca	IBM	26474EU	78P7AY8	[***]	[***]	ALISO VIEJO
FTVLMLTUYPHA	Life Multiline Pension Sls-SW	IBM	264746U	78KBZD3	[***]	[***]	ALISO VIEJO
HARLCOJIMNIS	Life Ind Multiline Sls-NE-Hrt	IBM	264746U	78KBVW7	[***]	[***]	HARTFORD
HARLIFJIMNIS	Life Ind Multiline Sls-NE-Hrt	IBM	264746U	78KBVW7	[***]	[***]	HARTFORD
HOXEBSSUSASI	Retirement Services Systems	Compaq	Deskpro	6043DYSZA224	[***]	[***]	REDMOND-LIFE
HOXEPOALBKIM	Sales & Marketing Systems	Compaq	Evo D510 CMT	W240KN8XA017	[***]	[***]	REDMOND-LIFE
HOXGMCRANTAL	General Management — Life	Compaq	Deskpro	6849BW85D506	[***]	[***]	REDMOND-LIFE
HOXMKTGINMON	Sales & Marketing Systems	IBM	26474EU	78Z0T86	[***]	[***]	REDMOND-LIFE
HOXTRUANIKRE	SAFECO Trust Company-HO	Compaq	Evo D510 CMT	W239KN8XA061	[***]	[***]	location not in outlook
HOXTRUBERSEM	SAFECO Trust Company-HO	Compaq	DSDT		[***]	[***]	location not in outlook
HOXTRUCBUTLE	SAFECO Trust Company-HO	Compaq	Deskpro	6X19DYSZF3MZ	[***]	[***]	not in outlook
HOXTRUEVATOR	SAFECO Trust Company-HO	Compaq	Deskpro	6X19DYSZF0PE	[***]	[***]	not in outlook
HOXTRUGARGRI	SAFECO Trust Company-HO	Compaq	DSDT		[***]	[***]	location not in outlook
HOXTRUMANELS	SAFECO Trust Company-HO	Compaq	DSDT		[***]	[***]	not in outlook
HOXTRUMARKBA	SAFECO Trust Company-HO	Compaq	Evo D510 CMT	W239KN8XA059	[***]	[***]	not in outlook

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
HOXTRUMARYWI	SAFECO Trust Company-HO	Compaq	Deskpro	6X19DYSZF0PS	[***]	[***]	not in outlook
HOXTRUMICCOR1	SAFECO Trust Company-HO	Compaq	DSDT		[***]	[***]	SEATTLE-WESTLAKE CENTER
HOXTRUROBNOK	SAFECO Trust Company-HO	Compaq	Evo D510 CMT	W239KN8XA060	[***]	[***]	not in outlook
HOXTRUSAMTHI	SAFECO Trust Company-HO	Compaq	DSDT		[***]	[***]	not in outlook
INDLGRBENJO1	Grp Dist-Mkt/Sls-Sales-Ind	Compaq	Evo D500	U216JYFZA193	[***]	[***]	INDIANAPOLIS LRMS
INDLGRCHADUG	Group U/W-LRMS Ind	Compaq	Evo D500	U216JYFZA196	[***]	[***]	INDIANAPOLIS LRMS
INDLGRCONGI1	Group U/W-LRMS Ind	Compaq	Evo D500	W216JYFZA351	[***]	[***]	INDIANAPOLIS LRMS
INDLGRGUEST1	Group U/W-LRMS Ind	Compaq	Deskpro	6907BW85A732	[***]	[***]	INDIANAPOLIS LRMS
INDLGRJANMOO	Grp Dist-Mkt/Sls-Sales-Ind	Compaq	Evo D500	U216JYFZA329	[***]	[***]	INDIANAPOLIS LRMS
INDLGRJEENGL	Grp Dist-Mkt/Sls-Sales-Ind	IBM	26476U8	787BTNV	[***]	[***]	INDIANAPOLIS LRMS
INDLGRJIMSEE	Grp Dist-Mkt/Sls-Sales-Ind	IBM	26476U8	787BTTT	[***]	[***]	INDIANAPOLIS LRMS
INDLGRKIMVA1	Grp Dist-Mkt/Sls-Sales-Ind	IBM	26476U8	787BTPK	[***]	[***]	INDIANAPOLIS LRMS
INDLGRLORMCK	Group U/W-LRMS Ind	Compaq	Evo D500	U215JYFZC372	[***]	[***]	INDIANAPOLIS LRMS
INDLGRMARGRE	Group U/W-LRMS Ind	IBM	26454EU	78AAMZK	[***]	[***]	INDIANAPOLIS LRMS
INDLGRMARSTU	Group U/W-LRMS Ind	IBM	26474AU	78AGTX9	[***]	[***]	INDIANAPOLIS LRMS
INDLGRNICOEL	Grp Dist-Mkt/Sls-Sales-Midwest	Compaq	Evo D500	U216JYFZA226	[***]	[***]	not in outlook
INDLGRPAGILE	Group-Audit	IBM	TP600X___		[***]	[***]	INDIANAPOLIS LRMS
INDLGRPHYSAN	Group U/W-LRMS Ind	Compaq	Evo D500	U215JYFZC279	[***]	[***]	INDIANAPOLIS LRMS
INDLGRSCKIN1	Grp Dist-Mkt/Sls-Sales-Ind	Compaq	Evo D500	U215JYFZC531	[***]	[***]	INDIANAPOLIS LRMS
INDLGRSTEGAS	Group U/W-LRMS Fla	IBM	26476U8	787BVDF	[***]	[***]	not in outlook
INDLIFDEBDE1	Actu-Prod Dev-Indiv	IBM	26474AU	78FNVCL	[***]	[***]	INDIANAPOLIS LRMS
INDLIFDEBDEN	Actu-Prod Dev-Indiv	Compaq	Deskpro	6920CD64E886	[***]	[***]	INDIANAPOLIS LRMS
INDLIFDEBKEN	Individual Systems	Compaq	DSDT		[***]	[***]	INDIANAPOLIS LRMS
INDLIFJAMSTA	Individual Systems	Compaq	DSDT		[***]	[***]	INDIANAPOLIS LRMS
INDLIFJOYMCA	Actu-Prod Dev-Indiv	IBM	26474PU	78KZ8YA	[***]	[***]	INDIANAPOLIS LRMS
INDLIFLAPTOP	Individual Systems	IBM	26454AU	78VNF66	[***]	[***]	INDIANAPOLIS LRMS
INDLIFLOIWHI	Actu-Prod Dev-Indiv	IBM	26474AU	78FNTBX	[***]	[***]	INDIANAPOLIS LRMS
INDLIFMARMER	Individual Systems	Compaq	DSDT		[***]	[***]	INDIANAPOLIS LRMS
INDLMLANTMEN	Multi-Line Dist Sales-Ind	Compaq	DSDT	X150DYSZA294	[***]	[***]	INDIANAPOLIS LRMS
INDLMLANTMEN	Multi-Line Dist Sales-Ind	Compaq	DSDT	X150DYSZA294	[***]	[***]	INDIANAPOLIS LRMS
INDLMLJOHMON	Multi-Line Dist Sales-Ind	IBM	26474AU	78FNTYH	[***]	[***]	INDIANAPOLIS LRMS
INDLMLMARSIM	Multi-Line Dist Sales-Ind	IBM	26474EU	78P7DC7	[***]	[***]	INDIANAPOLIS LRMS
INDLMLPAUGRA	Multi-Line Dist Sales-Ind	IBM	26474AU	78FNRCR	[***]	[***]	INDIANAPOLIS LRMS
KANLIFKARWOL	Grp Dist-Mkt/Sls-Sales-Kansas	Compaq	Deskpro	6107DYSZD718	[***]	[***]	OVERLAND PARK
KANLIFKATHBE	Grp Dist-Mkt/Sls-Sales-Kansas	Compaq	Evo D500	6X25JYFZF0BP	[***]	[***]	OVERLAND PARK
KANLIFTIJOHN	Grp Dist-Mkt/Sls-Sales-Kansas	IBM	264746U	78CWXV7	[***]	[***]	OVERLAND PARK
MFBONUS2	Sales & Marketing Systems	Compaq	Deskpro EN Series	6847BW85D382	[***]	[***]	REDMOND-RAINIER BLDG
PORLIFAZAGON	Grp Dist-Mkt/Sls-Sales-Por	IBM	264746U	78KGLC6	[***]	[***]	LAKE OSWEGO
PORLIFDONACA	Mortgage Loan	Compaq	Deskpro EN Series	6928CD640658	[***]	[***]	REDMOND-RAINIER BLDG
PORLIFLISKEN	Grp Dist-Mkt/Sls-Sales-Por	Compaq	Deskpro	6110DYSZP190	[***]	[***]	LAKE OSWEGO
PORLIFSUSHAW	Grp Dist-Mkt/Sls-Sales-Por	Compaq	Deskpro EN Series	6838bw5bn075	[***]	[***]	LAKE OSWEGO
PORSSULAB006	Grp Dist-Mkt/Sls-Sales-Sea	Compaq	Deskpro	6839BW85J198	[***]	[***]	REDMOND-ADAMS BLDG
RAISISPAWEB1	SIS Operations	Compaq	Deskpro	6926CD640942	[***]	[***]	REDMOND-RAINIER BLDG
REDACCAMGOO1	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA012	[***]	[***]	REDMOND-LIFE
REDACCAMGOOD	Sales Center-Call Center	Compaq	Evo D510 CMT	6924CD64A630	[***]	[***]	REDMOND-LIFE
REDACCBARNO1	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA091	[***]	[***]	REDMOND-LIFE
REDACCBOBLEW	Internal Wholesalers	Compaq	Evo D510 CMT	78P6YW0	[***]	[***]	REDMOND-LIFE
REDACCBRADUN	Internal Wholesalers	Compaq	Evo D510 CMT	6949CJN4N704	[***]	[***]	not in outlook
REDACCCARFRE	Sales Center	Compaq	Evo D510 CMT	W240KN8XA100	[***]	[***]	REDMOND-LIFE
REDACCDFSMI1	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA055	[***]	[***]	REDMOND-LIFE
REDACCDFSMIT	Life Finance Group	Compaq	Evo D510 CMT	W240KN8XA041	[***]	[***]	REDMOND-LIFE
REDACCDUAGER	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA119	[***]	[***]	REDMOND-LIFE
REDACCGARGON	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA004	[***]	[***]	REDMOND-LIFE
REDACCGARJOH	Internal Wholesalers	Compaq	Evo D510 CMT	6924CD640183	[***]	[***]	REDMOND-LIFE
REDACCJASSHU	Internal Wholesalers	Compaq	Evo D510 CMT	78MH8C1	[***]	[***]	REDMOND-LIFE
REDACCJEAWEL	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA035	[***]	[***]	REDMOND-LIFE
REDACCJEFCHA	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA114	[***]	[***]	REDMOND-LIFE
REDACCJESKAN	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA072	[***]	[***]	REDMOND-LIFE
REDACCJIMLEW	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA065	[***]	[***]	REDMOND-LIFE
REDACCJMARTH	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA028	[***]	[***]	REDMOND-LIFE
REDACCJOAHEN	Sales Center	IBM	26474AU	78FNTDR	[***]	[***]	REDMOND-LIFE
REDACCJODPI1	Internal Wholesalers	Compaq	Evo D510 CMT	6851BW85B725	[***]	[***]	not in outlook
REDACCJORINB	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA095	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDACCJOSMIT	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA108	[***]	[***]	REDMOND-LIFE
REDACCKARIWA	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA097	[***]	[***]	REDMOND-LIFE
REDACCKITSMI	Sales Center-Call Center	Compaq	Evo D510 CMT	6930CD640171	[***]	[***]	not in outlook
REDACCLAULEP	Sales Center	Compaq	Evo D510 CMT	W240KN8XA105	[***]	[***]	REDMOND-LIFE
REDACCLISHER	Sales Center-Call Center	Compaq	Evo D510 CMT	78RABFL	[***]	[***]	REDMOND-LIFE
REDACCLORLEO	Sales Center	Compaq	Evo D510 CMT	W240KN8XA104	[***]	[***]	REDMOND-LIFE
REDACCLORPIZ	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA089	[***]	[***]	REDMOND-LIFE
REDACCMEMCCA	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA014	[***]	[***]	REDMOND-LIFE
REDACCNOMMCN	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA027	[***]	[***]	REDMOND-LIFE
REDACCPHILAR	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA116	[***]	[***]	REDMOND-LIFE
REDACCRICKUE	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA007	[***]	[***]	REDMOND-LIFE
REDACCSAMTIE	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA120	[***]	[***]	REDMOND-LIFE
REDACCSANHA1	Internal Wholesalers	Compaq	Evo D510 CMT	W251KN8XA108	[***]	[***]	REDMOND-LIFE
REDACCSANHAW	Internal Wholesalers	Compaq	Evo D510 CMT	W240KN8XA113	[***]	[***]	REDMOND-LIFE
REDACCSHABEM	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA129	[***]	[***]	REDMOND-LIFE
REDACCSPECHR	Sales Center-Call Center	Compaq	Evo D510 CMT	U234KN8XA038	[***]	[***]	REDMOND-LIFE
REDACCSTENGU	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA087	[***]	[***]	REDMOND-LIFE
REDACCSUSDA1	Distribution Management	IBM	26454EU	78TCZV7	[***]	[***]	REDMOND-LIFE
REDACCTESSTA	Sales Center	Compaq	Evo D510 CMT	W240KN8XA102	[***]	[***]	REDMOND-LIFE
REDACCTRAIN1	Individual Systems	Compaq	Deskpro EN Series	6928CD640587	[***]	[***]	REDMOND-LIFE
REDACCTRAIN2	Individual-New Business-Issue	Compaq	Deskpro	6848BW85D627	[***]	[***]	REDMOND-LIFE
REDACCWAYNEL	Sales Center-Call Center	Compaq	Evo D510 CMT	W240KN8XA081	[***]	[***]	REDMOND-LIFE
REDAGEBBURNS	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6938CJN41100	[***]	[***]	REDMOND-LIFE
REDAGEMICFAR	Life Agy-Appointments	IBM	26474AU	78VGTH5	[***]	[***]	REDMOND-LIFE
REDAGESHAKNA	Life Agy-Appointments	IBM	23737CU	KPBPHKX	[***]	[***]	REDMOND-LIFE
REDAGESTEFAL	Life Agy-Appointments	IBM	26474AU	78FNPPK	[***]	[***]	REDMOND-LIFE
REDALMLMARMCM	Multi-Line Marketing	Compaq	DSDT	6X1ADYSZ809J	[***]	[***]	REDMOND-LIFE
REDCNTAMHUNT	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	W240KN8XA112	[***]	[***]	REDMOND-LIFE
REDCNTBETVAN	Life Fin Grp-Financial Report	Compaq	Deskpro	6847BW85C666	[***]	[***]	REDMOND-LIFE
REDCNTBEVMO1	Life Finance Group	Compaq	Evo D510 CMT	W240KN8XA064	[***]	[***]	REDMOND-LIFE
REDCNTBEVMOR	Life Finance Group	Compaq	Deskpro	6037DYSZG755	[***]	[***]	REDMOND-LIFE
REDCNTBRETAY	Life Fin Grp-Expense Analysis	IBM	26474AU	78FNTWZ	[***]	[***]	REDMOND-LIFE
REDCNTCARCRO	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	W309KN8XA001	[***]	[***]	REDMOND-LIFE
REDCNTCATCOO	Life Fin Grp-Financial Report	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDCNTCHAKAL	Life Finance Group — Fin Ops	IBM	26476U8	787BTWK	[***]	[***]	REDMOND-LIFE
REDCNTCOMURP	Life Finance Group	IBM	26474PU	78KZ4BN	[***]	[***]	REDMOND-LIFE
REDCNTDANAS1	Life Fin Grp-Financial Report	IBM	26474PU	78MH7C3	[***]	[***]	REDMOND-LIFE
REDCNTDANSCH	Life Fin Grp-Financial Report	IBM	26474AU	78FMAAR	[***]	[***]	REDMOND-LIFE
REDCNTDENTH1	Life Fin Grp-Actuarial Report	IBM	26474AU	78FNTVK	[***]	[***]	REDMOND-LIFE
REDCNTDIALAW	Life Finance Group	Compaq	Evo D510 CMT	W243KN8XA006	[***]	[***]	REDMOND-LIFE
REDCNTERIYOR	Life Finance Group — Fin Ops	Compaq	Evo D510 CMT	6112DYSZ1502	[***]	[***]	REDMOND-LIFE
REDCNTFLOMCA	Life Finance Group — Fin Ops	Compaq	Deskpro	6052DYSZJ435	[***]	[***]	REDMOND-LIFE
REDCNTHENHAR	Life Fin Grp-Actuarial Report	Compaq	Evo D510 CMT	W240KN8XA073	[***]	[***]	REDMOND-LIFE
REDCNTKATMEY	Life Finance Group — Fin Ops	Compaq	Evo D510 CMT	W240KN8XA098	[***]	[***]	REDMOND-LIFE
REDCNTKIRFLY	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	6112DYSZ0496	[***]	[***]	REDMOND-LIFE
REDCNTMARBRA	Life Finance Group	Compaq	Evo D510 CMT	W240KN8XA063	[***]	[***]	REDMOND-LIFE
REDCNTMARGAU	Life Finance Group — Fin Ops	Compaq	Deskpro	6106DYSZD960	[***]	[***]	REDMOND-LIFE
REDCNTMARGME	Life Fin Grp-Actuarial Report	IBM	26474PU	78KZ3ZD	[***]	[***]	REDMOND-LIFE
REDCNTMARGME1	Life Fin Grp-Actuarial Report	Compaq	Deskpro	6046DYSZC737	[***]	[***]	REDMOND-LIFE
REDCNTMARGME2	Life Fin Grp-Actuarial Report	Compaq	Deskpro	6X17DYSZR00A	[***]	[***]	REDMOND-LIFE
REDCNTMARHER	Life Fin Grp-Expense Analysis	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDCNTMARMCE	Life Fin Grp-Financial Report	Compaq	EVO	W232JYFXA003	[***]	[***]	REDMOND-LIFE
REDCNTMARWI2	Life Fin Grp-Actuarial Report	Compaq	Evo D510 CMT	W240KN8XA086	[***]	[***]	REDMOND-LIFE
REDCNTMARWIT	Life Finance Group	Compaq	Evo D510 CMT	W240KN8XA022	[***]	[***]	REDMOND-LIFE
REDCNTMGR001	Life Fin Grp-Financial Report	IBM	26474EU	78T5ZC2	[***]	[***]	REDMOND-LIFE
REDCNTMIKHEA	Life Fin Grp-Actuarial Report	Compaq	DSDT	6X1ADYSZ80CA	[***]	[***]	REDMOND-LIFE
REDCNTMIKKIN	General Management — Life	IBM	26474PU	78KZ4KB	[***]	[***]	REDMOND-LIFE
REDCNTRICSTO	Life Fin Grp-Expense Analysis	Compaq	Deskpro	6040DYSZG671	[***]	[***]	REDMOND-LIFE
REDCNTSALYMA	Life Finance Group — Fin Ops	Compaq	Evo D510 CMT	W240KN8XA045	[***]	[***]	REDMOND-LIFE
REDCNTSHABIS	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	W240KN8XA006	[***]	[***]	REDMOND-LIFE
REDCNTSHARE1	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	W240KN8XA011	[***]	[***]	REDMOND-LIFE
REDCNTSHELWI	Life Fin Grp-Actuarial Report	Compaq	Evo D510 CMT	W240KN8XA101	[***]	[***]	REDMOND-LIFE
REDCNTSHIRZU	Life Fin Grp-Actuarial Report	IBM	26474PU	78KZ3DW	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDCNTTAKKAT	Life Fin Grp-Financial Report	Compaq	Evo D510 CMT	W240KN8XA005	[***]	[***]	REDMOND-LIFE
REDCNTTAKWAN	Life Fin Grp-Actuarial Report	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDCNTTEMP2	Life Finance Group — Fin Ops	Compaq	Deskpro	6112DYSZ0496	[***]	[***]	REDMOND-LIFE
REDCNTTONCAM	Life Fin Grp-Financial Report	IBM	26474PU	78KZ8XW	[***]	[***]	REDMOND-LIFE
REDCOMANHOLT	Marketing-Administration	Compaq	Evo D510 CMT	W240KN8XA067	[***]	[***]	REDMOND-LIFE
REDCOMBECGRE	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6X25JYFZE056	[***]	[***]	REDMOND-LIFE
REDCOMBOBPET	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6X25JYFZH0BH	[***]	[***]	REDMOND-LIFE
REDCOMFANCRO	Agy Svcs-Ins Compliance	Compaq	Deskpro	6903BW85A095	[***]	[***]	REDMOND-LIFE
REDCOMGERKIS	Agy Svcs-Ins Compliance	Compaq	Deskpro	6847BW85C688	[***]	[***]	REDMOND-LIFE
REDCOMGORBOW	Agy Svcs-Ins Compliance	Compaq	Deskpro	6903BW85A094	[***]	[***]	REDMOND-LIFE
REDCOMHEISTE	Agy Svcs-Securities Compliance	Compaq	Deskpro EP/SB Series	6941CJN4N298	[***]	[***]	REDMOND-LIFE
REDCOMJAYQUA	Agy Svcs-Ins Compliance	Compaq	Deskpro	6849BW85A121	[***]	[***]	REDMOND-LIFE
REDCOMJODIN1	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	78BLDB1	[***]	[***]	REDMOND-LIFE
REDCOMJODIN1	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6010CJN4A125	[***]	[***]	REDMOND-LIFE
REDCOMJUDWAL	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6945CJN4N766	[***]	[***]	REDMOND-LIFE
REDCOMKRIKEN	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6946CJN4L275	[***]	[***]	REDMOND-LIFE
REDCOMLISHAM	Agy Svcs-Ins Compliance	Compaq	Deskpro EP/SB Series	6941CJN4M545	[***]	[***]	REDMOND-LIFE
REDCOMMICSPE	Agy Svcs-Securities Compliance	Compaq	Deskpro	6110DYSZP184	[***]	[***]	REDMOND-LIFE
REDCOMPATRRO	Agy Svcs-Securities Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K177	[***]	[***]	REDMOND-LIFE
REDCOMSHEUNJ	Agy Svcs-Ins Compliance	Compaq	Deskpro	6036DYSZX862	[***]	[***]	REDMOND-LIFE
REDEASTAB007	Symetra Program Office	ACER	TravelMate 100	9148R01081223016FFM000	[***]	[***]	REDMOND-LIFE
REDECDCRATRO	Individual Systems	Compaq	Deskpro	6111DYSZM986	[***]	[***]	REDMOND-LIFE
REDECDORIESP	Sales & Marketing Systems	Compaq	Deskpro	6052DYSZJ426	[***]	[***]	FEDERAL WAY
REDGRPNORGER	Life Claims-NW	Compaq	Deskpro	6915CD64A485	[***]	[***]	REDMOND-RAINIER BLDG
REDHRXANNDIO	Human Resources	Compaq	Deskpro	6041DYSZD788	[***]	[***]	REDMOND-LIFE
REDHRXBARTSM	Human Resources	Compaq	Deskpro	6Y19DYSZ8189	[***]	[***]	REDMOND-LIFE
REDHRXCARNEL	Human Resources	Compaq	Deskpro EP/SB Series	6011DT63C286	[***]	[***]	REDMOND-LIFE
REDHRXCHRKAT	Human Resources	IBM	26474AU	78FNRPY	[***]	[***]	REDMOND-LIFE
REDHRXEVOHAR	Human Resources	Compaq	Deskpro EP/SB Series	6011DT63C283	[***]	[***]	REDMOND-LIFE
REDHRXHENSHI	HR Adm-Business Continuity	IBM	26474PU	78KZ8LN	[***]	[***]	REDMOND-LIFE
REDHRXJESNIC	HR Adm-Business Continuity	IBM	26474PU	78KZ9TW	[***]	[***]	REDMOND-LIFE
REDHRXKATBAL	Human Resources	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDHRXMARLOZ	Human Resources	Compaq	Evo D510 CMT	W240KN8XA059	[***]	[***]	REDMOND-LIFE
REDHRXMICNEA	Human Resources	IBM	26474EU	78P7RX4	[***]	[***]	REDMOND-LIFE
REDHRXTERKRE	Human Resources	Compaq	Deskpro EP/SB Series	6011DT63F091	[***]	[***]	REDMOND-LIFE
REDIAXROSJAM	Income Annu-Cust Care	Compaq	EVO	W230JYFXA020	[***]	[***]	REDMOND-LIFE
REDITOBETMA1	Symetra Program Office	IBM	26474PU	78MH1D7	[***]	[***]	REDMOND-LIFE
REDITOTROOLS	Symetra Program Office	IBM	26474PU	78KZ9RR	[***]	[***]	REDMOND-LIFE
REDIWSMICJON	Core Systems & Services	Compaq	Deskpro	6051DYSZL504	[***]	[***]	REDMOND-LIFE
REDLAALYNJAY	Income Annu-Cust Care	Compaq	Evo D510 CMT	W240KN8XA023	[***]	[***]	REDMOND-LIFE
REDLASKRIMO1	Life Agency Information-NW	Compaq	Deskpro	6040DYSZG687	[***]	[***]	REDMOND-RAINIER BLDG
REDLASLINSLI	Life Agency Information-NW	Compaq	Deskpro	6918CD64J046	[***]	[***]	REDMOND-LIFE
REDLASLORHOU	Human Resources	Compaq	Deskpro EP/SB Series	6003CJN4K214	[***]	[***]	REDMOND-LIFE
REDLASSTDONA	Sales & Marketing Systems	Compaq	Deskpro	6112DYSZG336	[***]	[***]	REDMOND-LIFE
REDLASSYLHUN	Life Agency Information-NW	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLASTINWON	Sales & Marketing Systems	Compaq	Deskpro	6044DYSZQ681	[***]	[***]	REDMOND-LIFE
REDLAXALHALL	Retirement Services Systems	IBM	26476U8	787BVAT	[***]	[***]	REDMOND-LIFE
REDLAXAMYAN1	Retirement Services Systems	IBM	26474PU	78KZ9LK	[***]	[***]	REDMOND-LIFE
REDLAXANDHAC1	Sales & Marketing Systems	IBM	26474PU	78KZ9LR	[***]	[***]	REDMOND-LIFE
REDLAXANDLOG	Retirement Services Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLAXAUDHON	Income Annuities Systems	Compaq	Deskpro	6123DYSZN860	[***]	[***]	REDMOND-LIFE
REDLAXBARCUL	Symetra Quality Assurance	Compaq	Deskpro	p3368AF9VK9616	[***]	[***]	REDMOND-LIFE
REDLAXBUDDJU1	Retirement Services Systems	IBM	26474MU	78CYKHT	[***]	[***]	REDMOND-LIFE
REDLAXCALLPC	Core Systems & Services	IBM	26474PU	78KZ9VD	[***]	[***]	REDMOND-LIFE
REDLAXCATGRO	Retirement Services Systems	Compaq	Deskpro EP/SB Series	6015CW4PA315	[***]	[***]	REDMOND-LIFE
REDLAXCATHAG	Core Systems & Services	Compaq	Deskpro	6048DYSZW744	[***]	[***]	REDMOND-LIFE
REDLAXCHATIE	Retirement Services Systems	Compaq	Deskpro	6048DYSZW557	[***]	[***]	REDMOND-LIFE
REDLAXCHRMUR	Income Annuities Systems	Compaq	Evo D510 CMT	W240KN8XA128	[***]	[***]	REDMOND-LIFE
REDLAXCRYBEP	Symetra Quality Assurance	Compaq	Deskpro EP/SB Series	6015CW4PA254	[***]	[***]	REDMOND-LIFE
REDLAXDIAHES1	Retirement Services Systems	IBM	26474MU	78FRMWA	[***]	[***]	REDMOND-LIFE
REDLAXDIANEB	Symetra Quality Assurance	IBM	26476U8	787BVAV	[***]	[***]	REDMOND-LIFE
REDLAXDONBEC	Symetra Quality Assurance	Compaq	DSDT		[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops & Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLAXDOUMCI	Retirement Services Systems	Compaq	Deskpro	6932CD641180	[***]	[***]	REDMOND-LIFE
REDLAXGEOLEN	Retirement Services Systems	Compaq	Deskpro	6030DYSZN797	[***]	[***]	REDMOND-LIFE
REDLAXJANJON	Retirement Services Systems	IBM	26474PU	78KZ9ML	[***]	[***]	REDMOND-LIFE
REDLAXJEANTH	Retirement Services Systems	IBM	26474MU	78FRMWD	[***]	[***]	REDMOND-LIFE
REDLAXJEFFBE	Symetra Quality Assurance	Compaq	Deskpro	6125DYSZL910	[***]	[***]	REDMOND-LIFE
REDLAXJERRVA	Retirement Services Systems	Compaq	Deskpro	6051DYSZL475	[***]	[***]	REDMOND-LIFE
REDLAXJOHSAK	Symetra Quality Assurance	IBM	26454AU	78BTYM7	[***]	[***]	REDMOND-RAINIER BLDG
REDLAXJOHSAK1	Retirement Services Systems	IBM	26474MU	78FRKKT	[***]	[***]	REDMOND-LIFE
REDLAXJOYCLA	Retirement Services Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLAXKARHAR	Retirement Services Systems	IBM	26476U8	787BVAW	[***]	[***]	REDMOND-LIFE
REDLAXKATCAR	Income Annuities Systems	IBM	26474AU	78FNTKH	[***]	[***]	REDMOND-LIFE
REDLAXKATFIG	Retirement Services Systems	Compaq	Deskpro	6043DYSZA889	[***]	[***]	REDMOND-LIFE
REDLAXKYLCON	Sales & Marketing Systems	IBM	26474PU	78KZ7FH	[***]	[***]	REDMOND-LIFE
REDLAXLINFON	Symetra Quality Assurance	Compaq	Evo D500	6X23JYFZS1W4	[***]	[***]	REDMOND-LIFE
REDLAXLINHUB	Income Annuities Systems	Compaq	Deskpro	6110DYSZN167	[***]	[***]	REDMOND-LIFE
REDLAXLORREE	Symetra Program Office	IBM	26474AU	78FNTAH	[***]	[***]	REDMOND-LIFE
REDLAXMARPEL	Symetra Quality Assurance	IBM	26474EU	78P6ZR7	[***]	[***]	REDMOND-LIFE
REDLAXMARSAL	Income Annuities Systems	Compaq	Evo D510 CMT	W240KN8XA111	[***]	[***]	REDMOND-LIFE
REDLAXMARYSH	Income Annuities Systems	Compaq	Evo D510 CMT	6940CJN4K382	[***]	[***]	not in outlook
REDLAXMIKCRO	Symetra Program Office	IBM	26474AU	78VFVH5	[***]	[***]	REDMOND-LIFE
REDLAXMOEAHM	Retirement Services Systems	Compaq	Deskpro	6030DYSZN946	[***]	[***]	REDMOND-LIFE
REDLAXNANSID1	Retirement Services Systems	IBM	26476U8	787BVDA	[***]	[***]	REDMOND-LIFE
REDLAXNATBU1	Retirement Services Systems	Compaq	Evo D510 CMT	W240KN8XA117	[***]	[***]	REDMOND-LIFE
REDLAXNORGIL	Retirement Services Systems	Compaq	DSDT	6X1ADYSZ807R	[***]	[***]	REDMOND-LIFE
REDLAXONCALL	Retirement Services Systems	IBM	26454AU	550566X	[***]	[***]	REDMOND-LIFE
REDLAXONCALL1	Retirement Services Systems	IBM	26474AU	78FNRXZ	[***]	[***]	REDMOND-LIFE
REDLAXPAUHUA	Retirement Services Systems	IBM	26474MU	78FRKKK	[***]	[***]	REDMOND-LIFE
REDLAXPETCAR	Retirement Services Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLAXRAIGLA1	Retirement Services Systems	IBM	26476U8	787BVAN	[***]	[***]	REDMOND-LIFE
REDLAXREBEHA	Symetra Quality Assurance	Compaq	Deskpro	6109DYSZT239	[***]	[***]	REDMOND-LIFE
REDLAXRODFOR	Retirement Services Systems	Compaq	Deskpro EP/SB Series	6015CW4PA259	[***]	[***]	REDMOND-LIFE
REDLAXROLBO1	Ret Svcs-Operations	Compaq	Evo D510 CMT	W240KN8XA001	[***]	[***]	REDMOND-LIFE
REDLAXSANBON	Retirement Services Systems	IBM	23737CU	KPBPHFX	[***]	[***]	REDMOND-LIFE
REDLAXSARGOR	Symetra Quality Assurance	Compaq	Deskpro	6043DYSZA161	[***]	[***]	REDMOND-LIFE
REDLAXSARRHO	Retirement Services Systems	Compaq	Deskpro EP/SB Series	6015CW4PA025	[***]	[***]	REDMOND-LIFE
REDLAXSUMILL	Symetra Quality Assurance	Compaq	Deskpro EP/SB Series	6015CW4PA047	[***]	[***]	REDMOND-LIFE
REDLAXTINKAJ	Retirement Services Systems	Compaq	Deskpro	6X19DYSZF0T5	[***]	[***]	REDMOND-LIFE
REDLAXTOMDYK	Retirement Services Systems	Compaq	DSDT	6X1ADYSZ80GL	[***]	[***]	REDMOND-LIFE
REDLAXWILWYV	Retirement Services Systems	IBM	TP-T21____		[***]	[***]	REDMOND-LIFE
REDLAXZANWEA	Income Annuities Systems	Compaq	DSDT	6X1ADYSZ80AG	[***]	[***]	REDMOND-LIFE
REDLCAANDBOL	Actu-Prod Dev-Ret Svcs	Compaq	DSDT	6X1ADYSZ80C6	[***]	[***]	REDMOND-LIFE
REDLCADEMSCH	Actu-Prod Dev-Ret Svcs	Compaq	Deskpro	6107DYSZD787	[***]	[***]	REDMOND-LIFE
REDLCAJERCRO	Actu-Prod Dev-Ret Svcs	IBM	26474AU	78VGRA5	[***]	[***]	REDMOND-LIFE
REDLCAKESPRA	Actu-Prod Dev-Ret Svcs	Compaq	DSDT	6X1ADYSZ80HY	[***]	[***]	REDMOND-LIFE
REDLCAKRIWAL	Actu-Prod Dev-Group	IBM	26476U8	787BVCG	[***]	[***]	REDMOND-RAINIER BLDG
REDLCALOUMEN	Actu-Prod Dev-Ret Svcs	Compaq	Evo D510 CMT	W240KN8XA057	[***]	[***]	REDMOND-LIFE
REDLCANATCES	Actu-Prod Dev-Ret Svcs	Compaq	Evo D510 CMT	W240KN8XA054	[***]	[***]	REDMOND-LIFE
REDLCAROBNEM	Actu-Prod Dev-Ret Svcs	Compaq	DSDT	6X1ADYSZ80J9	[***]	[***]	REDMOND-LIFE
REDLCARONBOL	Actu-Prod Dev-Ret Svcs	Compaq	DSDT	6X1ADYSZ80GT	[***]	[***]	REDMOND-LIFE
REDLCASTEVBL	Actu-Prod Dev-Ret Svcs	Compaq	DSDT	6X1ADYSZ80CN	[***]	[***]	REDMOND-LIFE
REDLCAWORKPC	Actu-Prod Dev-Ret Svcs	Compaq	Evo D510 CMT	W240KN8XA056	[***]	[***]	REDMOND-LIFE
REDLCOMICKEM	Symetra Marketing	Compaq	Deskpro	6052DYSZJ425	[***]	[***]	REDMOND-LIFE
REDLCOPENHAR	Core Systems & Services	IBM	26474AU	78RHBC8	[***]	[***]	REDMOND-LIFE
REDLCOTERRIC	Core Systems & Services	Compaq	Deskpro	6847BW85A538	[***]	[***]	REDMOND-LIFE
REDLCSALBDEA	Core Systems & Services	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLCSKASTANSHR	Core Systems & Services	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLCSSHARGR	Core Systems & Services	Compaq	DSDT		[***]	[***]	REDMOND-RAINIER BLDG
REDLCSSTENU1	Core Systems & Services	IBM	26474MU	W240KN8XA124	[***]	[***]	not in outlook
REDLCXBRIHOP	Retirement Services Systems	Compaq	Deskpro	6105DYSZJ349	[***]	[***]	REDMOND-LIFE
REDLCXCHABRO	Symetra Quality Assurance	Compaq	Deskpro	6051DYSZJ899	[***]	[***]	REDMOND-LIFE
REDLCXDAVQUI	Retirement Services Systems	Compaq	Deskpro EP/SB Series	6015CW4PA150	[***]	[***]	REDMOND-LIFE
REDLCXDAVSVI	Retirement Services Systems	IBM	26474MU	78FRMXK	[***]	[***]	REDMOND-LIFE
REDLCXDAVTHO	Retirement Services Systems	Compaq	Evo D500	6X23JYFZT1EZ	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLCXDOSTAP	Retirement Services Systems	Compaq	Deskpro	6030DYSZN726	[***]	[***]	REDMOND-LIFE
REDLCXHOTEL0	Ret Svcs-Corporate	Compaq	Deskpro	6922CD64A156	[***]	[***]	REDMOND-LIFE
REDLCXJANLIN	Core Systems & Services	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLCXJENKNA	Retirement Services Systems	IBM	23737CU	KPBPHKT	[***]	[***]	REDMOND-LIFE
REDLCXJOHLE1	Retirement Services Systems	Compaq	Evo D500	6X23JYFZS2CL	[***]	[***]	REDMOND-LIFE
REDLCXJUSKIM	Symetra Quality Assurance	Compaq	DSDT	6X1ADYSZ805P	[***]	[***]	REDMOND-LIFE
REDLCXKARMON	Retirement Services Systems	IBM	26474PU	78KZ7RC	[***]	[***]	REDMOND-LIFE
REDLCXKELIN1	Retirement Services Systems	IBM	26476U8	787BVDH	[***]	[***]	REDMOND-LIFE
REDLCXLORHE1	Retirement Services Systems	IBM	26474MU	78FRMWG	[***]	[***]	REDMOND-LIFE
REDLCXMAURMC	Symetra Quality Assurance	IBM	26474MU	6044DYSZE814	[***]	[***]	REDMOND-RAINIER BLDG
REDLCXMIKEMU	Symetra Quality Assurance	IBM	26476U8	787BVCL	[***]	[***]	REDMOND-RAINIER BLDG
REDLCXPENLIB	Retirement Services Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLCXREISHI	Retirement Services Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLCXVALATV1	Retirement Services Systems	IBM	23737CU	KPBPHPP	[***]	[***]	REDMOND-RAINIER BLDG
REDLCXYOUKI1	Retirement Services Systems	IBM	26476U8	787BVDR	[***]	[***]	REDMOND-LIFE
REDLDDCHARLH	Sales & Marketing Systems	IBM	26474AU	78FNTWN	[***]	[***]	REDMOND-LIFE
REDLDDDAOXBI1	Sales & Marketing Systems	IBM	26476U8	787BTXL	[***]	[***]	REDMOND-LIFE
REDLDDDIAZO1	Sales & Marketing Systems	Compaq	Evo D510 CMT	W240KN8XA093	[***]	[***]	REDMOND-LIFE
REDLDDDONBEC1	Symetra Quality Assurance	Compaq	Deskpro EP/SB Series	6004CJN4K681	[***]	[***]	REDMOND-LIFE
REDLDDJAMSUL	Symetra Quality Assurance	Compaq	Deskpro	6043DYSZC293	[***]	[***]	REDMOND-LIFE
REDLDDJERWAL	Sales & Marketing Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLDDJIMVAN	Sales & Marketing Systems	Compaq	Deskpro EP/SB Series	6015CW4PA195	[***]	[***]	REDMOND-LIFE
REDLDDJOEPO1	Sales & Marketing Systems	IBM	26476U8	787BTTH	[***]	[***]	REDMOND-LIFE
REDLDDJOHHI1	Sales & Marketing Systems	IBM	26474PU	78KZ4NB	[***]	[***]	REDMOND-LIFE
REDLDDJOHHIG	Sales & Marketing Systems	Compaq	Deskpro	6926CD640140	[***]	[***]	REDMOND-LIFE
REDLDDJOHKOL	Sales & Marketing Systems	Compaq	Deskpro EP/SB Series	6015CW4PA135	[***]	[***]	REDMOND-LIFE
REDLDDKARFIT1	Sales & Marketing Systems	IBM	26454EU	78TAAL6	[***]	[***]	REDMOND-LIFE
REDLDDKYLCON	Sales & Marketing Systems	Compaq	Deskpro EP/SB Series	6005CJN4A104	[***]	[***]	REDMOND-LIFE
REDLDDNOAMIL	Sales & Marketing Systems	Compaq	Deskpro	6048DYSZW551	[***]	[***]	REDMOND-LIFE
REDLDDNOAMIL1	Sales & Marketing Systems	IBM	26454EU	78BHWWH	[***]	[***]	REDMOND-LIFE
REDLDDREIREY	Sales & Marketing Systems	IBM	26474AU	78FKYZF	[***]	[***]	REDMOND-LIFE
REDLDDSAMCOO	Sales & Marketing Systems	IBM	26474PU	6847BW85C686	[***]	[***]	REDMOND-RAINIER BLDG
REDLDDSAMCOO2	Sales & Marketing Systems	Compaq	Deskpro	78TCHF6	[***]	[***]	REDMOND-LIFE
REDLDDSARWIL	Symetra Program Office	IBM	26474PU	78KZ7WN	[***]	[***]	REDMOND-LIFE
REDLDDSHARE1	Sales & Marketing Systems	Compaq	Deskpro	6847BW85C753	[***]	[***]	REDMOND-LIFE
REDLDDSHARE5	Sales & Marketing Systems	IBM	26474PU	78KZ4NA	[***]	[***]	REDMOND-LIFE
REDLDDSHARE6	Sales & Marketing Systems	Compaq	Deskpro EP/SB Series	6004CJN4K972	[***]	[***]	REDMOND-LIFE
REDLDDSTELOC	Market Development	Compaq	Deskpro EP/SB Series	6948CJN4N505	[***]	[***]	REDMOND-LIFE
REDLDDWENTOB	Sales & Marketing Systems	IBM	26474AU	78FNTMM	[***]	[***]	REDMOND-LIFE
REDLEGANNERN	Legal	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLEGBILCRA	Legal	IBM	264746U	78CWVC1	[***]	[***]	REDMOND-LIFE
REDLEGCHRBA1	Legal	IBM	26474AU	78AGXR0	[***]	[***]	REDMOND-LIFE
REDLEGCRAGON	Legal	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLEGDIABAR	Legal	Compaq	Deskpro EP/SB Series	6011DT63F839	[***]	[***]	REDMOND-LIFE
REDLEGGEOPAG	Legal	IBM	264746U	78CWTB1	[***]	[***]	REDMOND-LIFE
REDLEGJACVEN	Legal	IBM	264746U	78CWTK0	[***]	[***]	REDMOND-LIFE
REDLEGJEFLAU	Legal	IBM	TP-T20___		[***]	[***]	REDMOND-LIFE
REDLEGJOEOTT	Legal	IBM	26474PU	78KZ9KZ	[***]	[***]	REDMOND-LIFE
REDLEGJULBOD	Legal	IBM	264746U	78CWTH9	[***]	[***]	REDMOND-LIFE
REDLEGKATHEN	Legal	IBM	26474AU	78FNPNL	[***]	[***]	REDMOND-LIFE
REDLEGMARHIG	Legal	Compaq	Deskpro	6036DYSZ2326	[***]	[***]	REDMOND-LIFE
REDLEGSHEHOL	Legal	IBM	2645AAU	78MABY8	[***]	[***]	REDMOND-LIFE
REDLFXABDHAI	Core Systems & Services	Compaq	Deskpro	6X19DYSZC0LN	[***]	[***]	REDMOND-LIFE
REDLFXANNULL	Core Systems & Services	Compaq	Deskpro	6X21JYFZT12S	[***]	[***]	REDMOND-LIFE
REDLFXGRECHA	Core Systems & Services	Compaq	Deskpro	W137DYSXA452	[***]	[***]	REDMOND-LIFE
REDLFXKARSTR	Core Systems & Services	Compaq	Deskpro	6X19DYSZC0MJ	[***]	[***]	REDMOND-LIFE
REDLFXKATMAN1	Core Systems & Services	IBM	26474PU	78MH3G1	[***]	[***]	REDMOND-LIFE
REDLFXKENWI1	Core Systems & Services	Compaq	Deskpro	6X19DYSZC0NT	[***]	[***]	REDMOND-LIFE
REDLFXSHARE2	Mutual Funds — Intermed Svc	Compaq	Deskpro	6849BW85A045	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRAMABAK	Group-Admin	Compaq	Deskpro EP/SB Series	6949CJN4N411	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRBETAMU	Group-Management	Compaq	DSDT		[***]	[***]	REDMOND-RAINIER BLDG
REDLGRBILOHA	Operations Management	IBM	26476U8	787BVFC	[***]	[***]	INDIANAPOLIS LRMS
REDLGRBILRIE	Group-Management	Compaq	Deskpro	6915CD64A912	[***]	[***]	BOTHELL (Symetra)

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLGRBRITID	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K513	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRDERNEPLP	Group Systems	IBM	26474AU	78FNTVY	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRELLGAR	Life Claims-NW	Compaq	Deskpro	6033DYSZK856	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRIMAGING	Life Claims-NW	Compaq	Deskpro EP/SB Series	6010CJN4A203	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRIRESKI	Case Management-Rainier	Compaq	Deskpro	6906bw85b209	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRJAMBRO	Grp Dist-Mkt/Sls-Sales-Sea	IBM	26474PU	78KY9XP	[***]	[***]	REDMOND-ADAMS BLDG
REDLGRJOHSEN	Group Systems	Compaq	Deskpro	6X19DYSZL2ZB	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRJONSKI	Policy Issue/Compliance	Compaq	Deskpro	6850BW85C387	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRLAUNIE	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6949CJN4N491	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRLIZDET	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6950CJN4L089	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRLOCBOX	Group-Accounting Services	Compaq	Deskpro	6851BW85C955	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRLYNKEN	Policy Issue/Compliance	Compaq	Deskpro	6915CD64A496	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRMAIBUR	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6929CJN42351	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRMARCPA	Group Systems	IBM	264746U	78KBVP1	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRMARMCK	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K560	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRMELKIN	Group-Pol & UW Svcs	Compaq	Deskpro	6X19DYSZC09A	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRMICFRY	Group-Management	IBM	26454EU	78TBMN6	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRPAMHEC	Group-Financial Reporting	Compaq	Deskpro EP/SB Series	6945CJN4M546	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRPAMTIM	Group-Audit	IBM	264746U	78KBKD4	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRQINZHA	Actu-Prod Dev-Group	Compaq	Evo D510 CMT	W240KN8XA039	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRRIAKAN	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6015CW4PA275	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRRICTEA	Group-Management	IBM	26474AU	78FNTGA	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRSALKAN	Life Claims-NW	Compaq	Deskpro	6043DYSZB249	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRSARKUN1	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6941CJN4M704	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRSCANER	Life Claims-NW	Compaq	Deskpro EP/SB Series	3011CJN40001	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRSTEGOL	Grp Dist-Mkt/Sls-Sales-Sea	Compaq	Evo D500	6X24JYFZ80DM	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRTEMP02	Operations Management	Compaq	Deskpro	6907BW85A776	[***]	[***]	MIAMI LRMS
REDLGRTEMP05	Symetra Quality Assurance	Compaq	Deskpro	6847BW85A063	[***]	[***]	REDMOND-LIFE
REDLGRTISBRA	Actu-Prod Dev-Group	Compaq	Evo D500	6X24JYFZ805J	[***]	[***]	REDMOND-RAINIER BLDG
REDLGRVALCUL	Group-Accounting Services	Compaq	Deskpro	6849BW85C608	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXDEBRAY	Group Systems	IBM	26474PU	78KZ8DY	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXDEVLP1	Group Systems	IBM	26454EG	557H07R	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXDEVLP3	Group Systems	IBM	264545U	78GKH06	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXDEVLP4	Group Systems	IBM	264551U	78GN094	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXEDWAIZ	Core Systems & Services	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLGXGINSWI	Life Claims-NW	Compaq	Deskpro	6851BW85B762	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXJEREND	Group Systems	Compaq	Deskpro	6X19DYSZF3PK	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXJULBOY	Symetra Program Office	Compaq	Deskpro	6847BW85C734	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXKATPOR	Group Systems	IBM	264746U	78CWYR0	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXLEMGUL	Group Systems	IBM	264746U	78CWYY9	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXMONCLA	Group Systems	Compaq	Deskpro	6041DYSZD804	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXRHOSCO	Group Systems	IBM	264746U	78KBKK6	[***]	[***]	REDMOND-RAINIER BLDG
REDLGXTEST01	Group Systems	Compaq	Deskpro	6846BW85A388	[***]	[***]	REDMOND-RAINIER BLDG
REDLHXGREACK1	Sales & Marketing Systems	Compaq	DSDT	6X1ADYSZ80DR	[***]	[***]	REDMOND-LIFE
REDLIFBILHUF1	Actu-Prod Dev-Life Sales	IBM	26476U8	787BVBT	[***]	[***]	REDMOND-LIFE
REDLIFJIMMAN	Actu-Prod Dev-Indiv	Compaq	Deskpro	6928CD640086	[***]	[***]	REDMOND-LIFE
REDLIFJOBAKE	Income Annuities	Compaq	Evo D510 CMT	78BHPZK	[***]	[***]	REDMOND-LIFE
REDLIFLOANE1	Life Underwriting-NW	IBM	264545U	78KPW61	[***]	[***]	REDMOND-LIFE
REDLIFLOULED	General Management — Life	Compaq	Evo D510 CMT	W240KN8XA079	[***]	[***]	REDMOND-LIFE
REDLIFMARDUN	Actu-Prod Dev-Life Sales	Compaq	Deskpro EP/SB Series	6011DT63D791	[***]	[***]	REDMOND-LIFE
REDLIFPATMCC	Distribution Management	IBM	26474PU	78KZ7WY	[***]	[***]	REDMOND-LIFE
REDLIFRANTAL	General Management — Life	IBM	26474MU	78CYKBK	[***]	[***]	REDMOND-LIFE
REDLIFROGHAR	General Management — Life	Compaq	Deskpro	6X19DYSZC03M	[***]	[***]	REDMOND-LIFE
REDLIN733-01	Individual-New Business-Issue	Compaq	Deskpro	6037DYSZG801	[***]	[***]	REDMOND-LIFE
REDLINAARNIS	Individual-New Business-Issue	Compaq	Deskpro EN Series	6920CD64C131	[***]	[***]	REDMOND-LIFE
REDLINALAKEG1	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	USW31506PQ	[***]	[***]	REDMOND-LIFE
REDLINALEESC	Individual-New Business-Issue	Compaq	Deskpro	6905BW85C559	[***]	[***]	REDMOND-LIFE
REDLINALLCLE	Individual-New Business-Issue	Compaq	Deskpro	6041DYSZD592	[***]	[***]	REDMOND-LIFE
REDLINAMBAVE	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6015CW4PA044	[***]	[***]	REDMOND-LIFE
REDLINANADIM	Individual-New Business-Issue	Compaq	Deskpro	6906BW85F337	[***]	[***]	REDMOND-LIFE
REDLINANGEGL	Individual-New Business-Issue	Compaq	Deskpro	6041DYSZD555	[***]	[***]	REDMOND-LIFE
REDLINANGMOO	Individual-Policy Service-HO	Compaq	Deskpro	6044DYSZF011	[***]	[***]	REDMOND-LIFE
REDLINANHTAN	Individual-New Business-Issue	Compaq	Deskpro	6931CD640967	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLINANNAND	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6945CJN4K968	[***]	[***]	REDMOND-LIFE
REDLINANNANG	Individual-New Business-Issue	Compaq	Deskpro	6051DYSZH684	[***]	[***]	REDMOND-LIFE
REDLINANTOGU	Individual Client Svc & Claims	Compaq	Deskpro	6850BW85A920	[***]	[***]	REDMOND-LIFE
REDLINARELEW1	Individual Admin	IBM	26476U8	787BTWF	[***]	[***]	REDMOND-LIFE
REDLINARTTHO1	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	W309KN8XA003	[***]	[***]	REDMOND-LIFE
REDLINAUDIT2	Individual-New Business-Issue	Compaq	Deskpro	6X25JYFZN1KX	[***]	[***]	REDMOND-LIFE
REDLINBARBIL	Individual Client Svc & Claims	IBM	26474PU	78KZ8MK	[***]	[***]	REDMOND-LIFE
REDLINBEADOL	Individual Client Svc & Claims	Compaq	Deskpro	6922CD64A252	[***]	[***]	REDMOND-LIFE
REDLINBELZEE	Individual-New Business-Issue	Compaq	Deskpro EN Series	6918CD64F911	[***]	[***]	REDMOND-LIFE
REDLINBILLFL	Life Underwriting-NW	Compaq	Deskpro EN Series	6920CD64B740	[***]	[***]	REDMOND-LIFE
REDLINBOBBWA	Individual Systems	Compaq	Deskpro EP/SB Series	6014CW4PA420	[***]	[***]	REDMOND-LIFE
REDLINBOBGOO	Individual Client Svc & Claims	IBM	26474PU	78MH8R0	[***]	[***]	REDMOND-LIFE
REDLINBOORAT	Individual Systems	Compaq	Deskpro	6048DYSZW804	[***]	[***]	REDMOND-LIFE
REDLINBRIBUS	Individual-Policy Service-HO	Compaq	Deskpro	6911BW85A573	[***]	[***]	REDMOND-LIFE
REDLINCARBRO	Individual-New Business-Issue	Compaq	Deskpro	6920CD64E440	[***]	[***]	REDMOND-LIFE
REDLINCHAORP	Individual-New Business-Issue	Compaq	Deskpro	6931CD640904	[***]	[***]	REDMOND-LIFE
REDLINCHIFEH	Individual-Policy Service-HO	Compaq	Deskpro	6921CD64C873	[***]	[***]	REDMOND-LIFE
REDLINCHRCOH	Individual-Policy Service-HO	Compaq	Deskpro	6911BW85A628	[***]	[***]	REDMOND-LIFE
REDLINCHRFLE	Individual-Policy Service-HO	Compaq	Deskpro	6850BW85B294	[***]	[***]	REDMOND-LIFE
REDLINCHRISE	Individual-Policy Service-HO	Compaq	Deskpro	6922CD64A358	[***]	[***]	REDMOND-LIFE
REDLINCHYHAE	Individual-New Business-Issue	Compaq	Deskpro EN Series	6922CD64A329	[***]	[***]	REDMOND-LIFE
REDLINCOLDIL	Individual-Policy Service-HO	Compaq	Deskpro	6922CD64A259	[***]	[***]	REDMOND-LIFE
REDLINCRYYOU	Individual-Policy Service-HO	Compaq	Deskpro	6919CD64D311	[***]	[***]	REDMOND-LIFE
REDLINDAWKAR	Individual-New Business-Issue	Compaq	Deskpro	6918CD64J030	[***]	[***]	REDMOND-LIFE
REDLINDAWPET	Individual-New Business-Issue	Compaq	Deskpro	6918CD64D402	[***]	[***]	REDMOND-LIFE
REDLINDEBGIL	Indiv-Admin-Accounting	IBM	26474PU	6030DYSZN960	[***]	[***]	REDMOND-LIFE
REDLINDEBGOO	Life Underwriting-NW	Compaq	Deskpro EP/SB Series	6941CJN4M074	[***]	[***]	REDMOND-LIFE
REDLINDEBJEN	Individual Client Svc & Claims	Compaq	Deskpro	6848BW85D951	[***]	[***]	REDMOND-LIFE
REDLINDEBSAB	Indiv-Admin-Accounting	Compaq	Deskpro	6112DYSZ1546	[***]	[***]	REDMOND-LIFE
REDLINDEBUTE	Individual-Policy Service-HO	Compaq	Deskpro	6044DYSZE626	[***]	[***]	REDMOND-LIFE
REDLINDEMART	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6922CD64A361	[***]	[***]	REDMOND-LIFE
REDLINDERMCC	Individual Admin	Compaq	Evo D510 CMT	W240KN8XA069	[***]	[***]	REDMOND-LIFE
REDLINDEVBEL	Life Underwriting-NW	Compaq	Deskpro EP/SB Series	6945CJN4K502	[***]	[***]	REDMOND-LIFE
REDLINDONMCG	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6926CD640950	[***]	[***]	REDMOND-LIFE
REDLINDONNAO	Individual-New Business-Issue	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLINDONPOR	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6918CD64H932	[***]	[***]	REDMOND-LIFE
REDLINEDNAHL	Individual-Policy Service-HO	Compaq	Deskpro	6906BW85C909	[***]	[***]	REDMOND-LIFE
REDLINELMVIL	Individual-New Business-Issue	Compaq	Deskpro	6918CD64G081	[***]	[***]	REDMOND-LIFE
REDLINFRADEN	Individual-Policy Service-HO	Compaq	Deskpro	6044DYSZE396	[***]	[***]	REDMOND-LIFE
REDLINFRIMAR	Individual-Policy Service-HO	Compaq	Deskpro	6902BW85A594	[***]	[***]	REDMOND-LIFE
REDLINGREJON	Individual-Policy Service-HO	Compaq	Deskpro	6907BW85B014	[***]	[***]	REDMOND-LIFE
REDLINGUNGRA1	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	6X19DYSZF0KZ	[***]	[***]	REDMOND-LIFE
REDLINGWECLA	Indiv-Admin-Accounting	IBM	26474PU	78KZ5DD	[***]	[***]	REDMOND-LIFE
REDLINHEIHAY	Individual-New Business-Issue	Compaq	Deskpro	6848BW85D931	[***]	[***]	REDMOND-LIFE
REDLINHEILAW	Indiv-Admin-Accounting	IBM	26474PU	78KZ5DH	[***]	[***]	REDMOND-LIFE
REDLINIRIGUR1	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	W309KN8XA004	[***]	[***]	REDMOND-LIFE
REDLINJANKAH	Individual-Claims	Compaq	Deskpro EN Series	6931CD640680	[***]	[***]	REDMOND-LIFE
REDLINJASMOR	Individual Client Svc & Claims	Compaq	Deskpro	6044DYSZF009	[***]	[***]	REDMOND-LIFE
REDLINJEFHUN	Individual-New Business-Issue	Compaq	Deskpro	6041DYSZD601	[***]	[***]	REDMOND-LIFE
REDLINJEFSHO	Individual-Claims	Compaq	Deskpro	6910BW85G311	[***]	[***]	REDMOND-LIFE
REDLINJENDAV	Indiv Management	IBM	266295U	FXT2043	[***]	[***]	REDMOND-LIFE
REDLINJENPEY	Individual Client Svc & Claims	Compaq	Deskpro		[***]	[***]	REDMOND-LIFE
REDLINJOECUR	Individual-New Business-Issue	Compaq	Deskpro	6922CD64A397	[***]	[***]	REDMOND-LIFE
REDLINJOELIU	Indiv-Admin-Accounting	Compaq	Deskpro	6048DYSZB837	[***]	[***]	REDMOND-LIFE
REDLINJULCON	Life Underwriting-NW	Compaq	Deskpro EN Series	6918CD64J060	[***]	[***]	REDMOND-LIFE
REDLINKARDIE	Individual-Policy Service-HO	Compaq	Deskpro	6926CD640658	[***]	[***]	REDMOND-LIFE
REDLINKAREBR	Individual-Policy Service-HO	Compaq	Deskpro	6849BW85C464	[***]	[***]	REDMOND-LIFE
REDLINKATBRA	Indiv-Admin-Accounting	Compaq	Deskpro	6Y19DYSZ60G9	[***]	[***]	REDMOND-LIFE
REDLINKATFER	Individual-New Business-Issue	Compaq	Deskpro	6931CD640965	[***]	[***]	REDMOND-LIFE
REDLINKATHPH	Indiv-Admin-Accounting	Compaq	Deskpro	6037DYSZG800	[***]	[***]	REDMOND-LIFE
REDLINKATMCG	Life Underwriting-NW	Compaq	Deskpro EN Series	6918CD64F973	[***]	[***]	REDMOND-LIFE
REDLINKATWAL	Individual-New Business-Issue	Compaq	Deskpro	6918CD64H929	[***]	[***]	REDMOND-LIFE
REDLINKEERHO	Individual-Policy Service-HO	Compaq	Deskpro	6907BW85C890	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLINKELBAR	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6945CJN4K386	[***]	[***]	REDMOND-LIFE
REDLINKELPET	Individual-New Business-Issue	Compaq	Deskpro EN Series	6920CD64E506	[***]	[***]	REDMOND-LIFE
REDLINKEVHIL	Indiv-Issue	Compaq	Deskpro EN Series	6920CD64D264	[***]	[***]	REDMOND-LIFE
REDLINKHIQUA	Individual-New Business-Issue	Compaq	Deskpro	6907BW85B059	[***]	[***]	REDMOND-LIFE
REDLINKRIEGG	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6015CW4PA280	[***]	[***]	REDMOND-LIFE
REDLINKRIHIL	Individual-Claims	Compaq	Deskpro	6848BW85D923	[***]	[***]	REDMOND-LIFE
REDLINKRILAN	Individual-Policy Service-HO	Compaq	Deskpro	6850BW85B562	[***]	[***]	REDMOND-LIFE
REDLINKRIPAI	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	W240KN8XA060	[***]	[***]	REDMOND-LIFE
REDLINLAUHAN	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6918CD64H931	[***]	[***]	REDMOND-LIFE
REDLINLAUJOH	Indiv Management	IBM	26474AU	78FMFYX	[***]	[***]	REDMOND-LIFE
REDLINLEAFRA	Individual-Policy Service-HO	Compaq	Deskpro	6907BW85C673	[***]	[***]	REDMOND-LIFE
REDLINLEASAW	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6941CJN4M107	[***]	[***]	REDMOND-LIFE
REDLINLEOSIM	Individual-New Business-Issue	Compaq	Deskpro	6905BW85C213	[***]	[***]	REDMOND-LIFE
REDLINLIDONA	Individual-Policy Service-HO	Compaq	Deskpro	6910BW85D093	[***]	[***]	REDMOND-LIFE
REDLINLISANK	Sales Center-Call Center	Compaq	Deskpro	6907BW85B578	[***]	[***]	REDMOND-LIFE
REDLINLISELV	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6926CD640606	[***]	[***]	REDMOND-LIFE
REDLINLISELV1	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6927CD642424	[***]	[***]	REDMOND-LIFE
REDLINLISSIE	Individual-New Business-Issue	Compaq	Deskpro	6907BW85B606	[***]	[***]	REDMOND-LIFE
REDLINLYNHIL	Individual-Policy Service-HO	Compaq	Deskpro	6044DYSZE928	[***]	[***]	REDMOND-LIFE
REDLINMAHOLL1	Individual-New Business-Issue	Compaq	Evo D510 CMT	W240KN8XA090	[***]	[***]	REDMOND-LIFE
REDLINMARHA1	Life Underwriting-NW	IBM	264746U	78KBXM2	[***]	[***]	REDMOND-LIFE
REDLINMARHAR	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6926CD641280	[***]	[***]	REDMOND-LIFE
REDLINMARRAB	Individual-New Business-Issue	Compaq	Deskpro	6918CD64G055	[***]	[***]	REDMOND-LIFE
REDLINMARTVE	Indiv-Admin-Accounting	Compaq	Deskpro	6052DYSZJ869	[***]	[***]	REDMOND-LIFE
REDLINMARVAR	Individual-New Business-Issue	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLINMICCHE	Individual Client Svc & Claims	IBM	26474PU	78KZ6AC	[***]	[***]	REDMOND-LIFE
REDLINMICHAM	Life Underwriting-NW	Compaq	Deskpro EP/SB Series	6944CJN4K511	[***]	[***]	REDMOND-LIFE
REDLINMICHBA	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6949CJN4N815	[***]	[***]	REDMOND-RAINIER BLDG
REDLINMICMEA	Individual-Policy Service-HO	Compaq	Deskpro	6921CD64C881	[***]	[***]	REDMOND-LIFE
REDLINMIKMAD	Life Underwriting-NW	IBM	266234U	FX39232	[***]	[***]	REDMOND-LIFE
REDLINMIRSEB	Individual-New Business-Issue	Compaq	Deskpro	6907BW85B078	[***]	[***]	REDMOND-LIFE
REDLINMONMOT	Individual-New Business-Issue	Compaq	Deskpro	6922CD64A013	[***]	[***]	REDMOND-LIFE
REDLINNATJON	Individual-Claims	Compaq	Deskpro	6907BW85D051	[***]	[***]	REDMOND-LIFE
REDLINNEEHOS	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6942CJN4M838	[***]	[***]	REDMOND-LIFE
REDLINNICBR1	Individual-New Business-Issue	Compaq	Deskpro	6918CD64F965	[***]	[***]	REDMOND-LIFE
REDLINPATBRI	Individual Client Svc & Claims	Compaq	Deskpro	6907BW85C970	[***]	[***]	REDMOND-LIFE
REDLINPAUWHI	Individual-Policy Service-HO	Compaq	Deskpro EN Series	6920CD64A257	[***]	[***]	REDMOND-LIFE
REDLINPIEKOB	Individual-New Business-Issue	Compaq	Deskpro	6037DYSZA954	[***]	[***]	REDMOND-LIFE
REDLINQUANDO	Individual-Claims	Compaq	Deskpro	6848BW85D958	[***]	[***]	REDMOND-LIFE
REDLINREBMOO	Individual-Policy Service-HO	Compaq	Deskpro	6906BW85F320	[***]	[***]	REDMOND-LIFE
REDLINREEBAK	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6945CJN4K696	[***]	[***]	REDMOND-LIFE
REDLINRHODUN	Life Underwriting-NW	Compaq	Deskpro EP/SB Series	6941CJN4M034	[***]	[***]	REDMOND-LIFE
REDLINRHOSOL	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6X1ADYSZ804F	[***]	[***]	REDMOND-LIFE
REDLINROBBAU	Individual-Policy Service-HO	Compaq	Deskpro	6849BW85B721	[***]	[***]	REDMOND-LIFE
REDLINROBBUC	Individual-Policy Service-HO	Compaq	Deskpro	6848BW85D917	[***]	[***]	REDMOND-LIFE
REDLINROBGL1	Indiv-Issue	Compaq	Deskpro	6847BW85A595	[***]	[***]	REDMOND-LIFE
REDLINROBINC	Individual Admin	Compaq	Deskpro EP/SB Series	6014CW4PA446	[***]	[***]	REDMOND-LIFE
REDLINROSCAS	Individual Admin	Compaq	Deskpro EP/SB Series	6929CJN42371	[***]	[***]	REDMOND-LIFE
REDLINROSGRU	Individual-Claims	Compaq	Deskpro	6850BW85B385	[***]	[***]	REDMOND-LIFE
REDLINRUBGUT	Individual-Policy Service-HO	Compaq	Deskpro	6048DYSZX470	[***]	[***]	REDMOND-LIFE
REDLINRYALOV	Individual-Policy Service-HO	Compaq	Deskpro	6848BW85E601	[***]	[***]	REDMOND-LIFE
REDLINSABYEU	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6015CW4PA115	[***]	[***]	REDMOND-LIFE
REDLINSALAND	Individual-New Business-Issue	Compaq	Deskpro	6041DYSZD606	[***]	[***]	REDMOND-LIFE
REDLINSARTAR	Individual-New Business-Issue	Compaq	Deskpro EN Series	6927CD640849	[***]	[***]	REDMOND-LIFE
REDLINSHARE3	Individual Systems	Compaq	Deskpro	6849BW85A311	[***]	[***]	REDMOND-LIFE
REDLINSHETHO	Individual Admin	Compaq	DSDT	6X1ADYSZ80AV	[***]	[***]	REDMOND-LIFE
REDLINSHISTU	Indiv-Admin-Accounting	IBM	26474PU	78KZ5BT	[***]	[***]	REDMOND-LIFE
REDLINSIRWIL	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6011DT63C419	[***]	[***]	REDMOND-LIFE
REDLINSTEWIL	Individual-Policy Service-HO	Compaq	Deskpro	6850BW85A729	[***]	[***]	REDMOND-LIFE
REDLINSTLASS	Individual-Policy Service-HO	Compaq	Deskpro	6907BW85D038	[***]	[***]	REDMOND-LIFE
REDLINSUANDE	Life Underwriting-NW	Compaq	Deskpro EP/SB Series	6945CJN4K494	[***]	[***]	REDMOND-LIFE
REDLINSUEWIN	Individual-Policy Service-HO	Compaq	Deskpro EP/SB Series	6946CJN4K823	[***]	[***]	REDMOND-LIFE
REDLINSUSAND	Individual-New Business-Issue	Compaq	Deskpro	6911BW85A429	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLINSUSSM1	Indiv-Admin-Accounting	Compaq	EVO	W230JYFXA018	[***]	[***]	REDMOND-LIFE
REDLINSUWPAT1	Indiv-Admin-Accounting	Compaq	Evo D510 CMT	W309KN8XA002	[***]	[***]	REDMOND-LIFE
REDLINTAMKUB	Individual Client Svc & Claims	Compaq	Deskpro	6044DYSZE502	[***]	[***]	REDMOND-LIFE
REDLINTARRU1	Individual Client Svc & Claims	Compaq	Deskpro	6035DYSZP606	[***]	[***]	REDMOND-LIFE
REDLINTEHARL	Individual-Policy Service-HO	Compaq	Deskpro	6044DYSZE803	[***]	[***]	REDMOND-LIFE
REDLINTEMP01	Individual Systems	Compaq	Deskpro	6907BW85C894	[***]	[***]	REDMOND-LIFE
REDLINTERDER	Individual Client Svc & Claims	Compaq	Deskpro	6926CD641634	[***]	[***]	REDMOND-LIFE
REDLINTERMER	Individual-Policy Service-HO	Compaq	Deskpro	6906BW85F318	[***]	[***]	REDMOND-LIFE
REDLINTHEWIC	Individual-New Business-Issue	Compaq	Deskpro EP/SB Series	6945CJN4K267	[***]	[***]	REDMOND-LIFE
REDLINTHOGOW	Life Underwriting-NW	Compaq	Deskpro	6105DYSZA492	[***]	[***]	REDMOND-LIFE
REDLINTINMET	Individual-New Business-Issue	IBM	264746U	78KGDF5	[***]	[***]	REDMOND-LIFE
REDLINTODYOU	Individual-New Business-Issue	Compaq	Deskpro EN Series	6918CD64G582	[***]	[***]	REDMOND-LIFE
REDLINTRNGPC	Individual-Policy Service-HO	Compaq	Deskpro	6906BW85F839	[***]	[***]	REDMOND-LIFE
REDLINVANDIN	Individual-Policy Service-HO	Compaq	Deskpro	6848BW85D417	[***]	[***]	REDMOND-LIFE
REDLINVICSTA	Individual-Policy Service-HO	Compaq	Deskpro	6851BW85B977	[***]	[***]	REDMOND-LIFE
REDLINYELSKU	Indiv-Admin-Accounting	Compaq	Deskpro	6112DYSZH328	[***]	[***]	REDMOND-LIFE
REDLIXALIMOE	Individual Systems	Compaq	Deskpro	6X19DYSZF0SF	[***]	[***]	REDMOND-LIFE
REDLIXBRAKNO	Individual Systems	Compaq	Deskpro	6X19DYSZF0NP	[***]	[***]	REDMOND-LIFE
REDLIXDAVFR1	Actu-Prod Dev-Indiv	IBM	26476U8	787BTYN	[***]	[***]	REDMOND-LIFE
REDLIXDEBBWI	Individual Systems	Compaq	Deskpro	6112DYSZ1524	[***]	[***]	REDMOND-LIFE
REDLIXDOUCAR	Individual Systems	IBM	26474PU	78KZ9NA	[***]	[***]	REDMOND-LIFE
REDLIXGAYBEN	Individual Systems	Compaq	Deskpro	6906BW85F331	[***]	[***]	REDMOND-LIFE
REDLIXGAYFIT	Individual Systems	Compaq	Deskpro	6X19DYSZF0NW	[***]	[***]	REDMOND-LIFE
REDLIXGRASUM	Actu-Prod Dev-Indiv	COMPAQ	DSDT		[***]	[***]	REDMOND-LIFE
REDLIXINDSYS	Individual Systems	Compaq	Deskpro	6906BW85D523	[***]	[***]	REDMOND-LIFE
REDLIXJOHMYE	Individual Systems	Compaq	Deskpro	6906BW85B237	[***]	[***]	REDMOND-LIFE
REDLIXJOPARK	Actu-Prod Dev-Indiv	IBM	26474AU	78FNPZW	[***]	[***]	REDMOND-LIFE
REDLIXJORJUN	Individual Systems	Compaq	Deskpro	6X19DYSZF0RK	[***]	[***]	REDMOND-LIFE
REDLIXJORJUN3	Individual Systems	Compaq	Deskpro EP/SB Series	6945CJN4K613	[***]	[***]	REDMOND-LIFE
REDLIXJUDHAR	Individual Systems	Compaq	Deskpro	6906BW85F248	[***]	[***]	REDMOND-LIFE
REDLIXJUNPEC	Individual Systems	Compaq	Deskpro	6X19DYSZF119	[***]	[***]	REDMOND-LIFE
REDLIXJUNWON	Individual Systems	Compaq	Deskpro	6906BW85F218	[***]	[***]	REDMOND-LIFE
REDLIXKALDON	Individual Systems	IBM	26474AU	78FNPDL	[***]	[***]	REDMOND-LIFE
REDLIXKARESC	Individual Systems	IBM	26474MU	78FRKLC	[***]	[***]	REDMOND-LIFE
REDLIXKARHET	Individual Systems	Compaq	Deskpro EP/SB Series	6011DT63E524	[***]	[***]	REDMOND-LIFE
REDLIXKARROG	Individual Systems	Compaq	Deskpro	6906BW85B035	[***]	[***]	REDMOND-LIFE
REDLIXKEVMEE	Actu-Prod Dev-Indiv	Compaq	Deskpro EP/SB Series	6945CJN4L878	[***]	[***]	REDMOND-LIFE
REDLIXLANLIL	Individual Systems	Compaq	Deskpro	6847BW85D386	[***]	[***]	REDMOND-LIFE
REDLIXLAUAND	Individual Systems	IBM	26474PU	78KZ4VD	[***]	[***]	REDMOND-LIFE
REDLIXLAUKIN	Individual Systems	IBM	26474PU	78KZ9PD	[***]	[***]	REDMOND-LIFE
REDLIXLEEJON	Individual Systems	IBM	26474AU	78FNPWT	[***]	[***]	REDMOND-LIFE
REDLIXLISTRA	Actu-Prod Dev-Indiv	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLIXLORPOL	Individual Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLIXLYNCAR	Individual Systems	Compaq	Deskpro	6926CD640916	[***]	[***]	REDMOND-LIFE
REDLIXMARRAU	Individual Systems	IBM	26474AU	78AGXT3	[***]	[***]	REDMOND-LIFE
REDLIXMATRIN	Actu-Prod Dev-Indiv	Compaq	Deskpro	6922CD64A572	[***]	[***]	REDMOND-LIFE
REDLIXMEADER	Individual Systems	IBM	26476U8	787BVCT	[***]	[***]	REDMOND-LIFE
REDLIXPAMEAS	Individual Systems	Compaq	Deskpro	6906BW85F164	[***]	[***]	REDMOND-LIFE
REDLIXPAUSTE	Individual Systems	Compaq	Deskpro	6110DYSZA665	[***]	[***]	REDMOND-LIFE
REDLIXSHARE3	Indiv Management	Compaq	Deskpro	6925CD642916	[***]	[***]	REDMOND-LIFE
REDLIXSHARE6	Income Annuities Systems	Compaq	Deskpro	6847BW85A596	[***]	[***]	REDMOND-LIFE
REDLIXSHARE8	Individual Systems	Compaq	Deskpro	6847BW85B473	[***]	[***]	REDMOND-LIFE
REDLIXSOLVEL	Individual Systems	Compaq	Deskpro	6906BW85C989	[***]	[***]	REDMOND-LIFE
REDLIXTEMPOO	Actu-Prod Dev-Indiv	Compaq	Deskpro	6922CD64A164	[***]	[***]	REDMOND-LIFE
REDLIXTERRTH	Individual Systems	Compaq	Deskpro	6905BW85C922	[***]	[***]	REDMOND-LIFE
REDLIXTEST3	Individual Systems	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDLIXWENHUL	Individual Systems	Compaq	Deskpro	6928CD640355	[***]	[***]	REDMOND-LIFE
REDLIXWESSIM	Individual Systems	Compaq	Deskpro	6911BW85A569	[***]	[***]	REDMOND-LIFE
REDLMHSOFT	Marketing-Administration	Compaq	Deskpro	6847BW85B209	[***]	[***]	REDMOND-LIFE
REDLMKAARMAT	Agy Svcs-Compensation	IBM	26474PU	78KZ8GD	[***]	[***]	REDMOND-LIFE
REDLMKADRSTR	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	6002CJN4K516	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKAGYTEM	Agy Svcs-Compensation	IBM	26474PU	78KZ8DX	[***]	[***]	SEATTLE-ROOSEVELT COMMONS
REDLMKANGHAW	Life Agy-Appointments	IBM	26474EU	78P7GN6	[***]	[***]	REDMOND-RAINIER BLDG

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLMKBABESH	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6938CJN41131	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKBREFRE	Multi-Line Marketing	IBM	26454EU	78RWTH5	[***]	[***]	REDMOND-ADAMS BLDG
REDLMKCOLRAM	Life Agy-Appointments	Compaq	Deskpro	6850BW85A531	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDAITRA	Agy Svcs-Compensation	Compaq	Deskpro	6033DYSZK201	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDANKIR	Agy Svcs-Compensation	Compaq	Deskpro	6046DYSZC946	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDAROWL	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6949CJN4N808	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDAVBAT	Sales & Marketing Systems	IBM	26474PU	78KZ5VG	[***]	[***]	REDMOND-LIFE
REDLMKDEBVA1	Agy Svcs-Compensation	Compaq	Deskpro EN Series	6917CD64A160	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDEBVAN	Agy Svcs-Compensation	IBM	26474PU	78KZ6BW	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDEBWA1	Agy Svcs-Compensation	IBM	26474EU	78P6TT2	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDEBWAN	Agy Svcs-Compensation	Compaq	Deskpro	6037DYSZG755	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKDOHUBB	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6949CJN4N696	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKELIAGU	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	W240KN8XA052	[***]	[***]	REDMOND-LIFE
REDLMKEVEUGA	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6950CJN4M780	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKFALMAT	Life Agency Information-NW	Compaq	Deskpro EN Series	6931CD640290	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKGAYFAW	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6950CJN4K563	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKGREGWH	Agy Svcs-Compensation	Compaq	Deskpro	6044DYSZF004	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKGRETJO	Transfer Agent Admin	Compaq	Deskpro	6035DYSZQ545	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKGREWHI	Life Agency Information-NW	Compaq	Deskpro	6840BW85J108	[***]	[***]	REDMOND-LIFE
REDLMKHEALEL	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6X21JYFZT14A	[***]	[***]	REDMOND-LIFE
REDLMKHEALYO	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	78TCGM8	[***]	[***]	REDMOND-LIFE
REDLMKINDEXING	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	6048DYSZW575	[***]	[***]	REDMOND-LIFE
REDLMKJEASTR	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	78KZ5PY	[***]	[***]	REDMOND-LIFE
REDLMKJIMPIR	Symetra Marketing	IBM	26474AU	6X19DYSZF0RL	[***]	[***]	REDMOND-LIFE
REDLMKKATHWE	Agy Svcs-Compensation	IBM	26474MU	78KBYF6	[***]	[***]	REDMOND-LIFE
REDLMKKAYMON	Life Agy-Appointments	Compaq	DSDT	78MH6W0	[***]	[***]	REDMOND-LIFE
REDLMKLAPTOP	Agy Svcs-Compensation	IBM	26474AU	6X25JYFZN1TM	[***]	[***]	REDMOND-LIFE
REDLMKLARMIK	Grp Dist-Mkt/Sls-Sales-Sea	IBM	26474AU	787BVDV	[***]	[***]	not in outlook
REDLMKLAYSHI	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	78FNPTA	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKLIGARD	Sales & Marketing Systems	IBM	264746U	W312KN8XA014	[***]	[***]	REDMOND-LIFE
REDLMKLORSWA	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6949CJN4N823	[***]	[***]	not in outlook
REDLMKLYNLIN	Life Agency Information-NW	IBM	26474PU	78KGDA3	[***]	[***]	REDMOND-LIFE
REDLMKMAGGRO	Agy Svcs-Compensation	Compaq	DSDT	W240KN8XA106	[***]	[***]	REDMOND-LIFE
REDLMKMARBUR	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6924CD64A889	[***]	[***]	REDMOND-LIFE
REDLMKMARZOR	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	6851BW85A356	[***]	[***]	REDMOND-LIFE
REDLMKMONPAR	Life Agy-Appointments	Compaq	DSDT	W238KN8XA213	[***]	[***]	REDMOND-LIFE
REDLMKNICJAM	Life Agy-Appointments	Compaq	Deskpro	W240KN8XA048	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKNORFOW	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6902BW85A688	[***]	[***]	REDMOND-LIFE
REDLMKOCTORD	Life Agency Information-NW	Compaq	Deskpro EP/SB Series	78VFWT1	[***]	[***]	REDMOND-LIFE
REDLMKPATCRI	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	W240KN8XA094	[***]	[***]	not in outlook
REDLMKPATWIN	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	78KZ5DM	[***]	[***]	REDMOND-LIFE
REDLMKRANLAN	Multi-Line Marketing	IBM	26454EU	6X19DYSZF3RP	[***]	[***]	not in outlook
REDLMKROBHEN	Agy Svcs-Compensation	IBM	26474AU	78T6CM3	[***]	[***]	REDMOND-RAINIER BLDG
REDLMKSCANER	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	6X1ADYSZ80E3	[***]	[***]	REDMOND-LIFE
REDLMKSHAHAG	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6112DYSZD602	[***]	[***]	REDMOND-LIFE
REDLMKSHEBLU	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	78MH6W1	[***]	[***]	not in outlook
REDLMKSIMBAN	Life Agy-Appointments	Compaq	Deskpro	6927CD640182	[***]	[***]	not in outlook
REDLMKSTEZEI	Life Agy-Appointments	Compaq	Deskpro EP/SB Series	6924CD64A836	[***]	[***]	REDMOND-LIFE
REDLMKTEST02	Agy Svcs-Compensation	Compaq	Deskpro EP/SB Series	6X21JYFZT16D	[***]	[***]	not in outlook
REDLMKWENKEN	Agy Svcs-Compensation	IBM	26474PU	787BVBC	[***]	[***]	not in outlook
REDLMLALEFUN	Multi-Line Dist-Sales-Atl	IBM	264746U	W240KN8XA025	[***]	[***]	REDMOND-LIFE
REDLMLALLMUR	Multiline-Seattle Sls-NW-Spo	IBM	26474EU	6X1ADYSZ80GY	[***]	[***]	REDMOND-LIFE
REDLMLBRAMCA	Multiline-Seattle Sales-NW	IBM	264746U	6X19DYSZF0XE	[***]	[***]	REDMOND-LIFE
REDLMLJIMDAN	Life Multi Pension Sls-SE-Nsh	IBM	26474EU	78KBNR1	[***]	[***]	REDMOND-LIFE
REDLMLKARRMO	Multiline-Seattle Sales-NW	IBM	26474EU	6949CJN4M031	[***]	[***]	REDMOND-RAINIER BLDG
REDLMLMARLUD	Multi-Line Dist-Sales-Atl	IBM	26474PU	W240KN8XA021	[***]	[***]	REDMOND-LIFE
REDLMLMELINT	Multi-Line Dist-Sales-Atl	IBM	26474AU	W251KN8XA104	[***]	[***]	REDMOND-LIFE
REDLMLSHARSM	Multi-Line Distribution	Compaq	Deskpro	6110DYSZP292	[***]	[***]	REDMOND-LIFE
REDLMLSTEDAI	Multiline-Seattle Sls-NW-Por	IBM	26474EU	78P7CT6	[***]	[***]	LAKE OSWEGO
REDLMLTERRAY	Life Multiline-CEN-Stl	IBM	26474EU	78P7CF5	[***]	[***]	NASHVILLE
REDLMLTIMADK	Multiline-Seattle Sales-NW	IBM	26474EU	6915CD64C272	[***]	[***]	REDMOND-LIFE
REDLMXANGRIG	Sales & Marketing Systems	Compaq	Deskpro	78FNTAR	[***]	[***]	REDMOND-LIFE
REDLMXBRANAY1	Symetra Program Office	IBM	26474AU	6035DYSZM670	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLMXCAMHEI1	Sales & Marketing Systems	IBM	26476U8	6949CJN4N407	[***]	[***]	REDMOND-RAINIER BLDG
REDLMXCAROLS	Sales & Marketing Systems	IBM	26474AU	6043DYSZB432	[***]	[***]	REDMOND-LIFE
REDLMXDANTAK	Sales & Marketing Systems	Compaq	Deskpro	6915CD64B149	[***]	[***]	REDMOND-LIFE
REDLMXDAVTUS	Sales & Marketing Systems	IBM	26476U8	W240KN8XA099	[***]	[***]	REDMOND-LIFE
REDLMXDERREA	Sales & Marketing Systems	IBM	26474AU	6X1ADYSZ8098	[***]	[***]	REDMOND-LIFE
REDLMXDONRO1	Sales & Marketing Systems	IBM	26474AU	W240KN8XA040	[***]	[***]	REDMOND-LIFE
REDLMXGRECAM	Sales & Marketing Systems	IBM	264746U	6X1ADYSZ80HM	[***]	[***]	not in outlook
REDLMXHEARIG	Sales & Marketing Systems	IBM	26474AU	6X25JYFZH0KE	[***]	[***]	REDMOND-LIFE
REDLMXICSTEST	Symetra Quality Assurance	Compaq	Deskpro	6X25JYFZN1FH	[***]	[***]	REDMOND-LIFE
REDLMXKARMIL1	Sales & Marketing Systems	IBM	26476U8	6X1ADYSZ80GZ	[***]	[***]	REDMOND-LIFE
REDLMXLISTUR	Life Agency Information-NW	Compaq	Deskpro	6X19DYSZF3RS	[***]	[***]	REDMOND-LIFE
REDLMXLYFORS	Sales & Marketing Systems	IBM	26474PU	6109DYSZB878	[***]	[***]	REDMOND-RAINIER BLDG
REDLMXMARIJO	Sales & Marketing Systems	Compaq	Deskpro	78KZ5RH	[***]	[***]	REDMOND-LIFE
REDLMXMARIME	Sales & Marketing Systems	Compaq	Deskpro	6X1ADYSZ807H	[***]	[***]	REDMOND-LIFE
REDLMXMELNIC	Sales & Marketing Systems	IBM	26474MU		[***]	[***]	REDMOND-LIFE
REDLMXMELRIC	Symetra Quality Assurance	Compaq	DSDT	W240KN8XA038	[***]	[***]	REDMOND-LIFE
REDLMXRICWOL	Sales & Marketing Systems	Compaq	Deskpro	6X19DYSZF3SA	[***]	[***]	REDMOND-LIFE
REDLMXROBKER	Sales & Marketing Systems	Compaq	Deskpro	W240KN8XA082	[***]	[***]	not in outlook
REDLMXSAANDR2	Sales & Marketing Systems	IBM	26474PU	6902BW85A599	[***]	[***]	REDMOND-LIFE
REDLMXSANVAN2	Sales & Marketing Systems	IBM	26476U8	6048DYSZX168	[***]	[***]	REDMOND-LIFE
REDLMXSHANAN	Sales & Marketing Systems	IBM	2647APU	6927CD642367	[***]	[***]	REDMOND-LIFE
REDLMXSHARE1	Sales & Marketing Systems	IBM	26454AU	6949CJN4N701	[***]	[***]	REDMOND-RAINIER BLDG
REDLMXSTEPHA	Sales & Marketing Systems	Compaq	Deskpro	6105DYSZH729	[***]	[***]	not in outlook
REDLMXSUELEE	Sales & Marketing Systems	IBM	26474PU	6030DYSZN938	[***]	[***]	REDMOND-LIFE
REDLMXSUENOR	Sales & Marketing Systems	IBM	26474PU	6048DYSZW566	[***]	[***]	REDMOND-LIFE
REDLMXTOMMUL	Sales & Marketing Systems	Compaq	Deskpro	78KGLX6	[***]	[***]	DULUTH
REDLMXTONFAU	Sales & Marketing Systems	IBM	26474PU	W240KN8XA078	[***]	[***]	REDMOND-LIFE
REDLMXWALBUC1	Sales & Marketing Systems	IBM	26474PU	6043DYSZA087	[***]	[***]	REDMOND-LIFE
REDLPNAILIBA	Ret Svcs-Operations	Compaq	Deskpro	6043DYSZB399	[***]	[***]	REDMOND-LIFE
REDLPNALAPHO	Ret Svcs-New Business	Compaq	Evo D500	6930CD640191	[***]	[***]	REDMOND-LIFE
REDLPNALEBAC	Ret Svcs-New Business	Compaq	Evo D500	6X25JYFZN1HW	[***]	[***]	REDMOND-LIFE
REDLPNALIEDG	Ret Svcs-TSA	Compaq	Evo D510 CMT	78KFNT5	[***]	[***]	REDMOND-LIFE
REDLPNALIMUL	Income Annu-New Business	Compaq	Evo D510 CMT	6048DYSZW706	[***]	[***]	REDMOND-LIFE
REDLPNALLCHU	Actu-Prod Dev-Ret Svcs	IBM	26474PU	6048DYSZW629	[***]	[***]	REDMOND-LIFE
REDLPNALLVIL	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78KZ4HR	[***]	[***]	REDMOND-LIFE
REDLPNALMCCO	Income Annu-Cust Care	Compaq	Evo D510 CMT	6930CD640216	[***]	[***]	REDMOND-LIFE
REDLPNAMINAG	Income Annu-Cust Care	Compaq	Deskpro EP/SB Series	6X19DYSZF0VG	[***]	[***]	REDMOND-LIFE
REDLPNAMPCAP	Ret Svcs-IRA/Non-Qual	Compaq	Evo D510 CMT	6X25JYFZN1LB	[***]	[***]	REDMOND-LIFE
REDLPNAMYLUT	Income Annu-Ctl & Audit	IBM	26474MU	W240KN8XA042	[***]	[***]	not in outlook
REDLPNANABET	Ret Svcs-Operations	Compaq	Deskpro	6948CJN4N489	[***]	[***]	not in outlook
REDLPNANDCOO	Income Annuities	Compaq	DSDT	6847BW85C692	[***]	[***]	REDMOND-LIFE
REDLPNANNCOO	Ret Svcs-TSA	Compaq	Deskpro	6041DYSZD647	[***]	[***]	REDMOND-LIFE
REDLPNANSTSE	Income Annu-New Business	Compaq	DSDT	W306KN8XA206	[***]	[***]	REDMOND-LIFE
REDLPNAURHAL	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro		[***]	[***]	REDMOND-RAINIER BLDG
REDLPNBENBAI	Ret Svcs-Operations	Compaq	Deskpro	6048DYSZW706	[***]	[***]	REDMOND-LIFE
REDLPNBETKNO	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6952CJN4K429	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNBEVGAL	Ret Svcs-New Business	Compaq	Deskpro	6X1ADYSZ8091	[***]	[***]	REDMOND-LIFE
REDLPNBREJAN	Sales Center-Call Center	Compaq	Deskpro	6847BW85C694	[***]	[***]	REDMOND-LIFE
REDLPNCARFOR	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EN Series	6043DYSZA203	[***]	[***]	REDMOND-LIFE
REDLPNCARHAL	Ret Svcs-TSA	Compaq	DSDT	6112DYSZQ034	[***]	[***]	REDMOND-LIFE
REDLPNCARLYT	Ret Svcs-New Business	Compaq	Evo D500	6112DYSZL613	[***]	[***]	REDMOND-LIFE
REDLPNCAROCA	Ret Svcs-Operations	Compaq	Deskpro	787BVCZ	[***]	[***]	REDMOND-LIFE
REDLPNCAROFL	Ret Svcs-TSA	Compaq	DSDT	78FNRFW	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNCHADIC	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EN Series	78FNHYD	[***]	[***]	REDMOND-LIFE
REDLPNCHRISC	Income Annu-Cust Care	Compaq	Evo D510 CMT	6X25JYFZE05A	[***]	[***]	not in outlook
REDLPNCHRPAR	Ret Svcs-TSA	Compaq	Evo D510 CMT	6037DYSZA919	[***]	[***]	REDMOND-LIFE
REDLPNCORKNO	Ret Svcs-New Business	Compaq	Evo D500	W240KN8XA071	[***]	[***]	not in outlook
REDLPNCRACHU	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA088	[***]	[***]	not in outlook
REDLPNCRYQUI	Income Annu-Cust Care	Compaq	Evo D510 CMT	6938CJN40580	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNDABRIG	Ret Svcs-IRA/Non-Qual	Compaq	EVO	6941CJN4M086	[***]	[***]	REDMOND-LIFE
REDLPNDAVBAD	Ret Svcs-New Business	Compaq	Evo D500	6048DYSZW575	[***]	[***]	REDMOND-LIFE
REDLPNDAVISA	Ret Svcs-New Business	Compaq	Deskpro	X037DYSZA500	[***]	[***]	REDMOND-LIFE
REDLPNDEAHUF	Ops Mgmt-HO	IBM	264746U	6043DYSZB838	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLPNDEBCOX	Income Annu-New Business	Compaq	DSDT	6X1ADYSZ80FY	[***]	[***]	REDMOND-LIFE
REDLPNDEBLAN	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA109	[***]	[***]	REDMOND-LIFE
REDLPNEDWCHO	Ops Mgmt-HO	IBM	26474AU	6048DYSZW780	[***]	[***]	REDMOND-LIFE
REDLPNELEBAR	Ret Svcs-IRA/Non-Qual	Compaq	EVO	6X25JYFZN1FN	[***]	[***]	REDMOND-LIFE
REDLPNELLCHE	Symetra Program Office	Compaq	Deskpro	78KGMW3	[***]	[***]	REDMOND-LIFE
REDLPNELOOLI	Ret Svcs-Operations	Compaq	Deskpro	6109DYSZT033	[***]	[***]	REDMOND-LIFE
REDLPNELOOLI	Ret Svcs-Operations	Compaq	Deskpro	6X19DYSZC0F9	[***]	[***]	REDMOND-LIFE
REDLPNERLBER	Ret Svcs-Operations	Compaq	Deskpro	78FNVAM	[***]	[***]	DULUTH
REDLPNERLZAF	Ret Svcs-New Business	Compaq	Evo D500	6043DYSZB265	[***]	[***]	REDMOND-LIFE
REDLPNEVAHET	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6X25JYFZN187	[***]	[***]	REDMOND-LIFE
REDLPNFLOJES	Ret Svcs-New Business	Compaq	Deskpro	6849BW85A325	[***]	[***]	REDMOND-LIFE
REDLPNHARHER	Ret Svcs-TSA	Compaq	Deskpro	78KZ7KF	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNHISMON	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6X25JYFZH0BL	[***]	[***]	REDMOND-LIFE
REDLPNINDWHI	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EN Series	6918CD64C861	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNJABRA1	Income Annuities Systems	Compaq	DSDT	6043DYSZB271	[***]	[***]	REDMOND-LIFE
REDLPNJASFU2	Ret Svcs-TSA	Compaq	Evo D510 CMT	W240KN8XA127	[***]	[***]	REDMOND-LIFE
REDLPNJAWHEA	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EN Series	6925CD644331	[***]	[***]	REDMOND-LIFE
REDLPNJEAJAC	Ret Svcs-TSA	Compaq	Deskpro	6048DYSZW575	[***]	[***]	REDMOND-LIFE
REDLPNJEALI2	Actu-Prod Dev-Ret Svcs	IBM	26474PU	W240KN8XA015	[***]	[***]	REDMOND-LIFE
REDLPNJEGROM	Actu-Prod Dev-Ret Svcs	Compaq	Evo D510 CMT	6036DYSZB580	[***]	[***]	REDMOND-LIFE
REDLPNJENABB	Ret Svcs-Operations	Compaq	Deskpro EN Series	W239KN8XA031	[***]	[***]	not in outlook
REDLPNJENCR1	Ret Svcs-Operations	Compaq	Deskpro	6907BW85D045	[***]	[***]	not in outlook
REDLPNJERSAN	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78KZ9TB	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNJIHMOH	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6112DYSZL575	[***]	[***]	not in outlook
REDLPNJILBOR	Ret Svcs-TSA	Compaq	Deskpro	78BFVR0	[***]	[***]	not in outlook
REDLPNJILPAT	Income Annuities	Compaq	Deskpro	6910BW85G278	[***]	[***]	REDMOND-LIFE
REDLPNJOALEI	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6849BW85A111	[***]	[***]	not in outlook
REDLPNJOEGOO	Ret Svcs-Operations	Compaq	Deskpro	6048DYSZW629	[***]	[***]	not in outlook
REDLPNJOHWEA	Ret Svcs-IRA/Non-Qual	Compaq	EVO	6048DYSZW780	[***]	[***]	not in outlook
REDLPNJOSFLO	Ret Svcs-Operations	Compaq	Deskpro	6848BW85D893	[***]	[***]	REDMOND-LIFE
REDLPNJUDJOH	Income Annu-Cust Care	Compaq	Deskpro EN Series	6924CD64A619	[***]	[***]	REDMOND-LIFE
REDLPNJUDYBR	Ret Svcs-TSA	Compaq	Evo D510 CMT	6043DYSZB255	[***]	[***]	REDMOND-LIFE
REDLPNJULMAN	Ret Svcs-IRA/Non-Qual	Compaq	DSDT	78TCPV9	[***]	[***]	DULUTH
REDLPNKAIJON1	Ret Svcs-IRA/Non-Qual	Compaq	Evo D510 CMT	6125DYSZD374	[***]	[***]	REDMOND-LIFE
REDLPNKAREHA1	Ret Svcs-TSA	Compaq	Deskpro	6907BW85D056	[***]	[***]	REDMOND-LIFE
REDLPNKARWIL	Income Annu-New Business	Compaq	DSDT	W240KN8XA018	[***]	[***]	REDMOND-LIFE
REDLPNKATDIN	Ret Svcs-New Business	Compaq	Deskpro	6043DYSZB310	[***]	[***]	REDMOND-LIFE
REDLPNKATHYW	Ret Svcs-Operations	Compaq	Deskpro	6927CD642437	[***]	[***]	REDMOND-LIFE
REDLPNKATLEN	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EP/SB Series	6110DYSZQ526	[***]	[***]	REDMOND-LIFE
REDLPNKATUND	Ret Svcs-IRA/Non-Qual	Compaq	Evo D510 CMT	78KZ5RZ	[***]	[***]	REDMOND-LIFE
REDLPNKEVWOO	Income Annu-Ctl & Audit	Compaq	Evo D510 CMT	6927CD641942	[***]	[***]	REDMOND-LIFE
REDLPNKIMLUO	Ret Svcs-Operations	Compaq	Deskpro	6002CJN4K550	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNKIMMCS	Income Annuities	IBM	26474PU	6945CJN4K309	[***]	[***]	REDMOND-LIFE
REDLPNKYLWHI	Ret Svcs-New Business	Hewlett-Packard	HP d530 CMT(DC577AV)	6030DYSZN771	[***]	[***]	REDMOND-LIFE
REDLPNLIEDWA	Ret Svcs-IRA/Non-Qual	Compaq	Evo D500	W240KN8XA085	[***]	[***]	not in outlook
REDLPNLILSOU	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78KFXF5	[***]	[***]	REDMOND-LIFE
REDLPNLINDAH	Ret Svcs-Operations	Compaq	Deskpro	78KZ7HR	[***]	[***]	REDMOND-LIFE
REDLPNLINMAC	Income Annu-New Business	Compaq	DSDT	W231JYFXA008	[***]	[***]	REDMOND-LIFE
REDLPNLINMCC	Ret Svcs-TSA	Compaq	Evo D510 CMT	78MH7P8	[***]	[***]	REDMOND-LIFE
REDLPNLISAHE	Ret Svcs-New Business	Compaq	Evo D500	6048DYSZB354	[***]	[***]	REDMOND-LIFE
REDLPNLISBA1	Ret Svcs-Operations	IBM	26454EU	78MH1N1	[***]	[***]	DULUTH
REDLPNLISYAM	Ret Svcs-TSA	Compaq	Deskpro EP/SB Series	6924CD64A892	[***]	[***]	REDMOND-LIFE
REDLPNLOLESC	Ret Svcs-Operations	Compaq	Deskpro	78CYHYB	[***]	[***]	REDMOND-LIFE
REDLPNLORENG	Income Annu-New Business	Compaq	DSDT	6924CD64A840	[***]	[***]	REDMOND-LIFE
REDLPNLORSIM	Ret Svcs-Operations	Compaq	Deskpro	6X19DYSZF11Z	[***]	[***]	REDMOND-LIFE
REDLPNLUIGAM	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro EN Series	6949CJN4N695	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNLUSGAB	Ret Svcs-New Business	Compaq	Deskpro	6X1ADYSZ806N	[***]	[***]	REDMOND-LIFE
REDLPNLYDFLO	Income Annuities	Compaq	Evo D510 CMT	6043DYSZC233	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNLYNMIL	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	U149DYSZB212	[***]	[***]	REDMOND-LIFE
REDLPNMACOOP	Ret Svcs-Operations	Compaq	Deskpro	6015CW4PA207	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNMACORO	Ret Svcs-IRA/Non-Qual	Compaq	EVO	6929CJN42131	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNMARCRO	Ret Svcs-TSA	Compaq	Evo D510 CMT	78MH7A3	[***]	[***]	REDMOND-LIFE
REDLPNMATLAY	Ret Svcs-New Business	Compaq	Deskpro	6922CD64A241	[***]	[***]	not in outlook

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLPNMELBUR	Ret Svcs-TSA	Compaq	Evo D510 CMT	78KBTG9	[***]	[***]	REDMOND-ADAMS BLDG
REDLPNMELLEW	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78FRKKN	[***]	[***]	not in outlook
REDLPNMELLYN	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA110	[***]	[***]	REDMOND-LIFE
REDLPNMEOWOH	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6112DYSZ1530	[***]	[***]	REDMOND-LIFE
REDLPNMERPAR	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78MH7D5	[***]	[***]	REDMOND-ADAMS BLDG
REDLPNMICHSP	Income Annu-Cust Care	Compaq	Evo D510 CMT	6X1ADYSZ806Z	[***]	[***]	REDMOND-LIFE
REDLPNMICTUT	Ret Svcs-IRA/Non-Qual	Compaq	EVO	6X19DYSZF0XY	[***]	[***]	REDMOND-LIFE
REDLPNMIKBRO	Ret Svcs-Operations	Compaq	Deskpro	78KZ9VG	[***]	[***]	REDMOND-LIFE
REDLPNMINORM	Ret Svcs-IRA/Non-Qual	Compaq	EVO	78FNTHZ	[***]	[***]	REDMOND-LIFE
REDLPNMOHTAL	Ret Svcs-New Business	Compaq	Deskpro	6112DYSZL656	[***]	[***]	REDMOND-LIFE
REDLPNMONBEL	Ret Svcs-IRA/Non-Qual	Compaq	Evo D510 CMT	6910BW85G293	[***]	[***]	REDMOND-LIFE
REDLPNNADSHI	Income Annuities	Compaq	Deskpro	78FNTMB	[***]	[***]	REDMOND-ADAMS BLDG
REDLPNNANMUL	Ret Svcs-TSA	Compaq	Evo D510 CMT	6847BW85D665	[***]	[***]	REDMOND-LIFE
REDLPNNANSCO	Ret Svcs-Operations	Compaq	Deskpro	787BTYL	[***]	[***]	REDMOND-LIFE
REDLPNNATKUB	Ret Svcs-New Business	Compaq	Deskpro	6927CD641896	[***]	[***]	REDMOND-LIFE
REDLPNNOELAS	Income Annu-Cust Care	Compaq	Deskpro	6851BW85D197	[***]	[***]	REDMOND-LIFE
REDLPNNOMMCN	Income Annuities	Compaq	DSDT	6050DYSZH123	[***]	[***]	REDMOND-LIFE
REDLPNODICAP	Ret Svcs-Operations	Compaq	Deskpro EN Series	6050DYSZH123	[***]	[***]	REDMOND-LIFE
REDLPNPATMCN	Ret Svcs-Operations	Compaq	Deskpro		[***]	[***]	REDMOND-RAINIER BLDG
REDLPNPATWON	Ret Svcs-Operations	Compaq	Deskpro	78P7DX7	[***]	[***]	REDMOND-ADAMS BLDG
REDLPNPAUFUL	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6043DYSZA253	[***]	[***]	REDMOND-LIFE
REDLPNRACEDM	Income Annu-New Business	Compaq	DSDT	6930CD640065	[***]	[***]	not in outlook
REDLPNRAMIWA	Ret Svcs-New Business	Compaq	Evo D500	W240KN8XA066	[***]	[***]	REDMOND-LIFE
REDLPNREBMIT	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78P7CV8	[***]	[***]	not in outlook
REDLPNRICBU1	Ops Mgmt-HO	IBM	26476U8	6109DYSZU151	[***]	[***]	REDMOND-RAINIER BLDG
REDLPNRICKUE	Income Annu-Cust Care	Compaq	Evo D510 CMT	6X25JYFZN1L9	[***]	[***]	REDMOND-LIFE
REDLPNRICLAV	Ret Svcs-TSA	Compaq	Evo D510 CMT		[***]	[***]	REDMOND-LIFE
REDLPNROBAND	Ret Svcs-Operations	Compaq	Deskpro EN Series	6050DYSZH094	[***]	[***]	REDMOND-LIFE
REDLPNROBDEM	Ret Svcs-TSA	Compaq	Deskpro	6949CJN4M163	[***]	[***]	REDMOND-LIFE
REDLPNRONBUC	Ret Svcs-New Business	Compaq	Evo D500	6048DYSZW700	[***]	[***]	REDMOND-LIFE
REDLPNROSSIP	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	78XBFR4	[***]	[***]	REDMOND-LIFE
REDLPNRSACT1	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA053	[***]	[***]	REDMOND-LIFE
REDLPNSALGLE	Life Insurance Marketing	Compaq	Deskpro	78FRHTN	[***]	[***]	REDMOND-LIFE
REDLPNSAMWAR	Ret Svcs-Operations	Compaq	Deskpro	W232JYFXA007	[***]	[***]	REDMOND-LIFE
REDLPNSANHEN	Ops Mgmt-HO	IBM	26474AU	78KZ5TF	[***]	[***]	REDMOND-LIFE
REDLPNSANLIN	Ret Svcs-New Business	Compaq	EVO	78FRMWP	[***]	[***]	not in outlook
REDLPNSARPED	Income Annuities	Compaq	DSDT	6926CD641629	[***]	[***]	REDMOND-LIFE
REDLPNSCOBAR	Ops Mgmt-HO	IBM	26454EU	6111DYSZM449	[***]	[***]	REDMOND-LIFE
REDLPNSELTEL	Ret Svcs-Operations	Compaq	Deskpro		[***]	[***]	REDMOND-LIFE
REDLPNSHARE1	Ret Svcs-New Business	Compaq	Evo D500	78VFPC3	[***]	[***]	REDMOND-LIFE
REDLPNSHEARI	Income Annuities	Compaq	Evo D510CMT	6X19DYSZF10A	[***]	[***]	REDMOND-LIFE
REDLPNSHEIHO	Income Annu-New Business	Compaq	DSDT	6X19DYSZF10A	[***]	[***]	REDMOND-LIFE
REDLPNSHIRBA	Ret Svcs-New Business	Compaq	Evo D500	6014CW4PA168	[***]	[***]	REDMOND-LIFE
REDLPNSONDAV	Ret Svcs-TSA	Compaq	Evo D510 CMT	W240KN8XA051	[***]	[***]	not in outlook
REDLPNSOPFON	Ret Svcs-Operations	Compaq	Deskpro	6851BW85D181	[***]	[***]	REDMOND-LIFE
REDLPNSTETRE	Internal Wholesalers	Compaq	Deskpro		[***]	[***]	not in outlook
REDLPNSTEVYA	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA122	[***]	[***]	REDMOND-LIFE
REDLPNSUEYEA	Ret Svcs-Operations	Compaq	Deskpro	6035DYSZQ539	[***]	[***]	REDMOND-LIFE
REDLPNSUSAVA	Ret Svcs-Operations	Compaq	Deskpro	6048DYSZW765	[***]	[***]	REDMOND-LIFE
REDLPNTARSTE	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6X1ADYSZ80JP	[***]	[***]	not in outlook
REDLPNTHOLYO	Ret Svcs-Operations	Compaq	Deskpro	6X19DYSZC0JX	[***]	[***]	REDMOND-LIFE
REDLPNTIMCHA	Income Annu-Cust Care	Compaq	Deskpro EP/SB Series	6005CJN4A011	[***]	[***]	not in outlook
REDLPNTMP733	Ret Svcs-New Business	Compaq	Deskpro	6044DYSZE743	[***]	[***]	not in outlook
REDLPNTODSMA	Income Annu-Cust Care	Compaq	Evo D510 CMT	6X25JYFZE043	[***]	[***]	REDMOND-LIFE
REDLPNTOMBRO	Actu-Prod Dev-Ret Svcs	IBM	26454EU	W240KN8XA013	[***]	[***]	not in outlook
REDLPNTRAHIR	Ret Svcs-New Business	Compaq	Deskpro	78FNLZA	[***]	[***]	REDMOND-LIFE
REDLPNTRIPOS	Ret Svcs-TSA	Compaq	Evo D510 CMT	6928CD640263	[***]	[***]	REDMOND-LIFE
REDLPNTROAXO	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA029	[***]	[***]	REDMOND-LIFE
REDLPNTROAXO	Ret Svcs-Operations	Compaq	Deskpro	W240KN8XA008	[***]	[***]	REDMOND-LIFE
REDLPNTSA002	Ret Svcs-TSA	Compaq	DSDT	6926CD640167	[***]	[***]	not in outlook
REDLPNVALGAR	Ret Svcs-New Business	Compaq	Evo D500	6840BW85J583	[***]	[***]	REDMOND-LIFE
REDLPNVALLEY	Ops Mgmt-HO	IBM	264746U	W240KN8XA044	[***]	[***]	REDMOND-LIFE
REDLPNVASMON	Ret Svcs-Operations	Compaq	Deskpro	6048DYSZW759	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDLPNVASMON	Ret Svcs-Operations	Compaq	Deskpro	78P7CT3	[***]	[***]	FENTON-SOUTH
REDLPNWARWOO	Ops Mgmt-HO	Compaq	Evo D510 CMT	78FNTKL	[***]	[***]	REDMOND-LIFE
REDLPNWILLAU	Ret Svcs-Operations	Compaq	Deskpro	6051DYSZH653	[***]	[***]	REDMOND-LIFE
REDLPNYUKELL	Ret Svcs-TSA	Compaq	Deskpro		[***]	[***]	REDMOND-LIFE
REDLPNYUMKOJ	Ret Svcs-Operations	Compaq	Deskpro	6112DYSZH289	[***]	[***]	REDMOND-LIFE
REDLPNYVOPOR	Ret Svcs-Operations	Compaq	Deskpro EN Series	78RKCF0	[***]	[***]	REDMOND-LIFE
REDLPXMIKMUR	Symetra Quality Assurance	Compaq	Evo D500	78FNTRP	[***]	[***]	REDMOND-LIFE
REDLPXMIKMUR1	Symetra Quality Assurance	Compaq	DSDT	6015CW4PA106	[***]	[***]	not in outlook
REDLRXBOBZO1	Core Systems & Services	Compaq	Evo D510 CMT	6109DYSZQ987	[***]	[***]	not in outlook
REDLRXDAVHAX	Core Systems & Services	Compaq	Deskpro	6112DYSZF321	[***]	[***]	not in outlook
REDLRXFRAPER	Core Systems & Services	Compaq	Deskpro	6048DYSZA904	[***]	[***]	REDMOND-LIFE
REDLRXHELMZA	Core Systems & Services	Compaq	Deskpro	6030DYSZN743	[***]	[***]	REDMOND-LIFE
REDLRXJONBIN	Core Systems & Services	Compaq	DSDT	W240KN8XA047	[***]	[***]	REDMOND-LIFE
REDLRXJUDFUN	Core Systems & Services	Compaq	Deskpro	W240KN8XA123	[***]	[***]	REDMOND-LIFE
REDLRXKASTAN	Core Systems & Services	IBM	26474PU	6X19DYSZF3SF	[***]	[***]	REDMOND-LIFE
REDLRXKEVDEK	Sales & Marketing Systems	IBM	26474AU	78FRMWN	[***]	[***]	not in outlook
REDLRXLAB-02	Core Systems & Services	Compaq	Deskpro	W240KN8XA003	[***]	[***]	not in outlook
REDLRXLILWOO1	Core Systems & Services	Compaq	Deskpro EP/SB Series	6948CJN4K838	[***]	[***]	REDMOND-RAINIER BLDG
REDLRXLINDHI	Core Systems & Services	Compaq	Deskpro	6103DYSZB549	[***]	[***]	REDMOND-LIFE
REDLRXTENROB	Core Systems & Services	Compaq	Deskpro	W240KN8XA096	[***]	[***]	not in outlook
REDLSMMEGMCG	Symetra Marketing	Compaq	Deskpro	6851BW85D169	[***]	[***]	REDMOND-LIFE
REDLTDBLMBRG	Actu-Prod Dev-Ret Svcs	Compaq	Deskpro EN Series	6X22JYFZE0Z1	[***]	[***]	REDMOND-RAINIER BLDG
REDLTDCLSB20	Indiv-Admin-Accounting	Compaq	Deskpro	6032DYSZA216	[***]	[***]	REDMOND-LIFE
REDLTDCLSB21	Individual-New Business-Issue	Compaq	Deskpro		[***]	[***]	REDMOND-RAINIER BLDG
REDLTDCLSB22	Individual-New Business-Issue	Compaq	Deskpro	6048DYSZX255	[***]	[***]	REDMOND-LIFE
REDLTDCLSB23	Individual-New Business-Issue	Compaq	Deskpro	W240KN8XA061	[***]	[***]	REDMOND-LIFE
REDLTDCLSB24	Indiv-Admin-Accounting	Compaq	Deskpro	W240KN8XA125	[***]	[***]	not in outlook
REDLTDCLSB25	Indiv-Admin-Accounting	Compaq	Deskpro	6928CD640151	[***]	[***]	REDMOND-LIFE
REDLTDCLSB26	Income Annu-Cust Care	Compaq	Deskpro	6945CJN4L006	[***]	[***]	not in outlook
REDLTDCLSB27	Income Annu-Cust Care	Compaq	Deskpro	6048DYSZW764	[***]	[***]	not in outlook
REDLTDCLSB28	Income Annu-Cust Care	Compaq	Deskpro	W240KN8XA115	[***]	[***]	REDMOND-LIFE
REDLTDCLSB29	Indiv-Admin-Accounting	Compaq	Deskpro	6915CD64B151	[***]	[***]	REDMOND-LIFE
REDLTDCLSB30	Individual-New Business-Issue	Compaq	Deskpro	78KZ2XA	[***]	[***]	REDMOND-LIFE
REDLTDCLSB31	Indiv-Admin-Accounting	Compaq	Deskpro	6030DYSZN948	[***]	[***]	REDMOND-LIFE
REDLTDCLSBIN	Life Training-NW	Compaq	Deskpro	6952CJN4K369	[***]	[***]	REDMOND-RAINIER BLDG
REDLTDHELOJ1	Life Training-NW	SAFECO Insurance	W2K for Compaq Desktops v1.0	6011DT63E201	[***]	[***]	REDMOND-RAINIER BLDG
REDLTDHELOJE	Life Training-NW	IBM	26474AU	6011DT63E197	[***]	[***]	REDMOND-RAINIER BLDG
REDLTDLIBRY1	Individual-Policy Service-HO	Compaq	Deskpro	6949CJN4N792	[***]	[***]	REDMOND-RAINIER BLDG
REDLTDLIBRY2	Sales Center-Call Center	Compaq	Deskpro	6112DYSZZ741	[***]	[***]	REDMOND-LIFE
REDLTDLIBRY3	Individual-Claims	Compaq	Deskpro	6849BW85A119	[***]	[***]	REDMOND-LIFE
REDLTDLIBRY4	Individual Client Svc & Claims	Compaq	Deskpro	6902BW85A615	[***]	[***]	REDMOND-LIFE
REDLTDLINA01	Life Training-NW	Compaq	Deskpro	6046DYSZC712	[***]	[***]	REDMOND-LIFE
REDLTDLINB01	Individual-New Business-Issue	Compaq	Deskpro	6846BZL2A076	[***]	[***]	REDMOND-LIFE
REDLTDLINB20	Individual-New Business-Issue	Compaq	Deskpro	6030DYSZN799	[***]	[***]	REDMOND-LIFE
REDLTDLINB21	Indiv-Issue	Compaq	Deskpro	6X1ADYSZ80DB	[***]	[***]	REDMOND-LIFE
REDLTDLINB22	Indiv-Admin-Accounting	Compaq	Deskpro	6048DYSZW764	[***]	[***]	REDMOND-LIFE
REDLTDLINB24	Individual-New Business-Issue	Compaq	Deskpro	6043dysza163	[***]	[***]	REDMOND-LIFE
REDLTDLINB26	Individual-New Business-Issue	Compaq	Deskpro	99G6LBP	[***]	[***]	REDMOND-LIFE
REDLTDLINB28	Indiv-Admin-Accounting	Compaq	Deskpro	6048DYSZW772	[***]	[***]	REDMOND-LIFE
REDLTDLINB31	Indiv-Admin-Accounting	Compaq	Deskpro	6108DYSZJ958	[***]	[***]	REDMOND-LIFE
REDLTDMARBAU	Life Training-NW	Compaq	Deskpro	W240KN8XA118	[***]	[***]	REDMOND-LIFE
REDLTDSARGRI	Life Training-NW	Compaq	Deskpro	787BTNW	[***]	[***]	REDMOND-LIFE
REDLTDTAMKEE	Life Training-NW	IBM	26474MU	6X19DYSZF0LE	[***]	[***]	REDMOND-LIFE
REDMEDCARBIS	Medical	Compaq	Deskpro	6110DYSZQ526	[***]	[***]	REDMOND-LIFE
REDMEDCRASCH	Medical	Compaq	Evo D510 CMT	6033DYSZK000	[***]	[***]	REDMOND-RAINIER BLDG
REDMEDMADUNN	Medical	Compaq	DSDT	6X19DYSZF3S9	[***]	[***]	REDMOND-LIFE
REDMEDREBSCH	Medical	Compaq	Evo D510 CMT	78FRKLM	[***]	[***]	REDMOND-LIFE
REDMFBRIDBU1	SIS Sales	IBM	26474AU	6X21JYFZT169	[***]	[***]	REDMOND-LIFE
REDMFCGRECLA	Multi-Line Distribution	IBM	26474EU	78FRLNM	[***]	[***]	REDMOND-RAINIER BLDG
REDMFCJIMJAC	BD Sales-West-HO	IBM	26474PU	6950CJN4N220	[***]	[***]	REDMOND-RAINIER BLDG
REDMFCMICHAE	Mut Funds-Controllers-HO	Compaq	Deskpro	6051DYSZH753	[***]	[***]	REDMOND-LIFE
REDMFCREBCRI	Multi-Line Marketing	IBM	264746U	6930CD640006	[***]	[***]	REDMOND-LIFE
REDMFCSTEMAN	BD — Admin	IBM	26474PU	6930CD640142	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDMFCWILLBR	BD Sales-East-Hrt	IBM	264746U	6930CD640090	[***]	[***]	REDMOND-LIFE
REDMKTANDCAS	Annuities Marketing	Compaq	Evo D510 CMT	78VFTT2	[***]	[***]	REDMOND-RAINIER BLDG
REDMKTJOEMCK	Grp Dist-Mkt/Sls-Sales-Sea	IBM	26474PU	USW33300HF	[***]	[***]	REDMOND-LIFE
REDMORALIEST	Mortgage Loan	Compaq	Deskpro	6X1ADYSZ80J0	[***]	[***]	REDMOND-LIFE
REDMORBILHIG	Mortgage Loan	Compaq	Deskpro EP/SB Series	6949CJN4N814	[***]	[***]	not in outlook
REDMORCINBAN	Mortgage Loan	Compaq	Deskpro	6112DYSZG578	[***]	[***]	REDMOND-LIFE
REDMORDIADIC	Mortgage Loan	Compaq	Deskpro EP/SB Series	6912CD64A180	[***]	[***]	REDMOND-LIFE
REDMORJOAMAI	Mortgage Loan	Compaq	Deskpro	6015CW4PA173	[***]	[***]	REDMOND-LIFE
REDMORMJOHNS	Mortgage Loan	Compaq	Deskpro EP/SB Series	6924CD64A732	[***]	[***]	REDMOND-LIFE
REDMORRICMAN	Mortgage Loan	Compaq	Deskpro EP/SB Series	W240KN8XA084	[***]	[***]	REDMOND-LIFE
REDMUTACCTEST	Mut Funds-Controllers-HO	Compaq	Deskpro	6852BW85B540	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTALLLAB	Mut Funds-Controllers-HO	Compaq	Deskpro	X040DYSZA596	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTAMYARM	Mut Funds-Controllers-HO	Compaq	Deskpro	6848BW85B776	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTANNMAN	Mut Funds-Controllers-HO	Compaq	Deskpro	6105DYSZH764	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTAPRCRA	Mut Funds-Controllers-HO	Compaq	Deskpro	6846BW85B011	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTBENLYX	Transfer Agent Admin	Compaq	Deskpro	6847BW85D659	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTBENROP	Mut Funds-Controllers-HO	Compaq	Deskpro EP/SB Series	6949CJN4N487	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTBONLUN	Mut Funds-Gen Mgmt	Compaq	Deskpro	6906BW85B301	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTBOYACK	Mut Funds-Controllers-HO	Compaq	Deskpro	6044DYSZE628	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTCARZAP	Mut Funds-Gen Mgmt	Compaq	Deskpro	6849BW85A115	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTCHUNNG	Sales & Marketing Systems	Compaq	DSDT	6X1ADYSZ80B1	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDABAL3	Core Systems & Services	Compaq	Deskpro	6847BW85D635	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDABALL	Core Systems & Services	IBM	26474AU	78FNTBT	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDAVEVA	Mut Funds-Controllers-HO	IBM	26454EG	557H06Y	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDAVLON	Mut Funds-Controllers-HO	IBM	26474PU	78KZ8WR	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDEBDAW	Sales & Marketing Systems	IBM	26474AU	78FNVCC	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDELALB	Mut Funds-Controllers-HO	Compaq	Deskpro	6126DYSZA012	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTDENEAR	Mut Funds-Controllers-HO	Compaq	Deskpro	6105DYSZJ355	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTFREUEC	Market Dev-Mut Funds	Compaq	Deskpro	6848BW85G314	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTGRETJ1	Transfer Agent Admin	Compaq	Evo D510 CMT	W239KN8XA043	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTGRETJ1	Transfer Agent Admin	Compaq	Evo D510 CMT	W239KN8XA043	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTJEFSKI	Life Agy-Appointments	Compaq	Deskpro	6847BW85D422	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTJENSOM1	Mut Funds-Controllers-HO	Compaq	Deskpro	6125DYSZG408	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTJOEBOW	Mut Funds-Controllers-HO	Compaq	Deskpro	6X19DYSZC07B	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTJOHHAA	Mut Funds-Controllers-HO	IBM	26474AU	78FNPZZ	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTJUDJHA	Mut Funds-Controllers-HO	Compaq	Deskpro	6043DYSZB832	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTKATSTA	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85A573	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTKELFI1	Transfer Agent Admin	Compaq	Evo D510 CMT	W239KN8XA042	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTKIOSK2	Life Claims-NW	Compaq	Deskpro	6911BW85A455	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTKYLFUL	Mut Funds-Controllers-HO	Compaq	Deskpro	6105DYSZJ371	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTLINGOS	Market Dev-Mut Funds	IBM	264746U	78KBNT0	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTLINKNI	Core Systems & Services	IBM	264746U	78CWRP3	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTLINMAH	Mutual Funds — Intermed Svc	IBM	264746U	78KFNP4	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTLISSUH	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85D692	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTLORME1	Market Dev-Mut Funds	IBM	26474AU	78RKGP0	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTMAMON1	Transfer Agent Admin	Compaq	Evo D510 CMT	W239KN8XA044	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTMERABE	Mutual Funds — Intermed Svc	IBM	26474AU	78FNRPB	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTMICZHA	Mut Funds-Controllers-HO	Compaq	DSDT	6X1ADYSZ807G	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTMIWHIT	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85C831	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTPINGON	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85D701	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTPRICING	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85D624	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTPRICING1	Mut Funds-Controllers-HO	Compaq	Deskpro	6847BW85A558	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTRUSKOS	Mut Funds-Controllers-HO	Compaq	Deskpro	6044DYSZQ734	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSCOOSW	Mut Funds-Controllers-HO	Compaq	Deskpro	6126 dysz a019	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSHARED	Mut Funds-Controllers-HO	Compaq	Deskpro	6105DYSZH698	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSHELW1	Transfer Agent Admin	Compaq	Evo D510 CMT	W239KN8XA041	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSTHAND	Mut Funds-Controllers-HO	Compaq	Deskpro EP/SB Series	6014CW4PA440	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSUCORT	Market Dev-Mut Funds	IBM	26476U8	W240KN8XA020	[***]	[***]	REDMOND-LIFE
REDMUTSUSSIM	Mut Funds-Controllers-HO	Compaq	Deskpro	6040DYSZG683	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSUSWID	Core Systems & Services	IBM	26474AU	78FNTCD	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTSUZCRO	Mut Funds-Controllers-HO	Compaq	Deskpro	6840BW85L516	[***]	[***]	REDMOND-RAINIER BLDG

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDMUTTEST02	Core Systems & Services	Compaq	Deskpro	6847BW85C838	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTTEST05	Mut Funds-Controllers-HO	Compaq	Deskpro	6926CD641681	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTTHAHOA	Mut Funds-Controllers-HO	Compaq	Deskpro	6920CD64E780	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTTHEKEL	Mut Funds-Controllers-HO	Compaq	Deskpro	6850BW85B719	[***]	[***]	REDMOND-RAINIER BLDG
REDMUTWILLAU	Mut Funds-Controllers-HO	Compaq	Deskpro	6950CJN4K605	[***]	[***]	REDMOND-LIFE
REDNSDCHRFOX	Group Systems	IBM	26474AU	78VGBB6	[***]	[***]	REDMOND-SHASTA BLDG
REDNSDNOC1	Sales & Marketing Systems	Compaq	Deskpro	6107DYSZD526	[***]	[***]	REDMOND-LIFE
REDPSSEXEC04	Agy Svcs-Ins Compliance	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETANJPHI	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETCARBEL	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETCHRDOW	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETDIACHR	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETFELLEU	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETJEFBAI	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETJESWOO	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETJPEEDE	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETKATHAS	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETKONMCC	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETLOUSIC	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETLYDGUE	Ret Svcs-IRA/Non-Qual	Compaq	Deskpro	6930CD640174	[***]	[***]	REDMOND-LIFE
REDRETMAGCAS	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETMARPOR	Ret Svcs-Corporate	Compaq	Deskpro	6851BW85C971	[***]	[***]	REDMOND-LIFE
REDRETOLIKIL	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDRETROBFOL	Ops Mgmt-HO	IBM	26474AU	78VFWD6	[***]	[***]	REDMOND-LIFE
REDRETSANFLY	Ret Svcs-Corporate	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDSAMADREDW	Group Marketing	Compaq	Evo D510 CMT	W240KN8XA036	[***]	[***]	REDMOND-LIFE
REDSAMADRWEA	Market Development	Compaq	Evo D510 CMT	W240KN8XA049	[***]	[***]	REDMOND-LIFE
REDSAMALLYCL	Symetra Marketing	IBM	26474PU	78KZ9PA	[***]	[***]	REDMOND-LIFE
REDSAMBRERAN	Multiline-Seattle Sls-NW-Spo	IBM	264746U	78KBVP8	[***]	[***]	REDMOND-LIFE
REDSAMBROTIF1	Annuities Marketing	IBM	264746U	78KFZH0	[***]	[***]	REDMOND-LIFE
REDSAMCARDRE	Marketing-Administration	Compaq	Evo D510 CMT	W240KN8XA026	[***]	[***]	REDMOND-LIFE
REDSAMCHAWEB	Sales & Marketing Systems	IBM	26474PU	78KZ7PV	[***]	[***]	REDMOND-LIFE
REDSAMCRARAH	Marketing-Administration	Compaq	Deskpro	6109DYSZR010	[***]	[***]	REDMOND-LIFE
REDSAMDANGAR	Market Development	Compaq	Deskpro EN Series	6926CD641732	[***]	[***]	REDMOND-LIFE
REDSAMDEBEAT	General Management — Life	Compaq	Deskpro	6918CD64C955	[***]	[***]	REDMOND-LIFE
REDSAMDENLYO	Emp Sponsored Prgms Mktg	Compaq	Deskpro EP/SB Series	6004CJN4K067	[***]	[***]	REDMOND-LIFE
REDSAMDIAOTH	Income Annuities Marketing	Compaq	Deskpro	6846BW85A789	[***]	[***]	REDMOND-LIFE
REDSAMEARGRO	Distribution Management	IBM	26454EU	W240KN8XA111	[***]	[***]	REDMOND-LIFE
REDSAMEARGRO	Distribution Management	IBM	26454EU	78AAMGY	[***]	[***]	REDMOND-LIFE
REDSAMERIRYA	Marketing-Administration	Compaq	Deskpro	6X19DYSZF0VW	[***]	[***]	REDMOND-LIFE
REDSAMJEMILL	Market Development	Compaq	Deskpro	6112DYSZ1531	[***]	[***]	REDMOND-LIFE
REDSAMJIMSAN	BD — Admin	IBM	26476U8	787BTPN	[***]	[***]	REDMOND-LIFE
REDSAMJOHNDE	Market Development	Compaq	DSDT		[***]	[***]	REDMOND-LIFE
REDSAMJOHRO1	BD — Admin	IBM	26476U8	787BTPR	[***]	[***]	REDMOND-LIFE
REDSAMJULKNI	Market Development	IBM	TP-T21___		[***]	[***]	REDMOND-LIFE
REDSAMKARMUN	Marketing Services	Compaq	Deskpro	6910BW85G299	[***]	[***]	REDMOND-LIFE
REDSAMKARSUS	Sales Center	Compaq	Evo D510 CMT	W240KN8XA131	[***]	[***]	REDMOND-LIFE
REDSAMKATRIL	Marketing Services	Compaq	Deskpro	6848BW85C389	[***]	[***]	REDMOND-LIFE
REDSAMKATTYO	Marketing Services	Compaq	Evo D510 CMT	W240KN8XA002	[***]	[***]	REDMOND-LIFE
REDSAMKEVWIL	Marketing Services	Compaq	Evo D510 CMT	W240KN8XA031	[***]	[***]	REDMOND-LIFE
REDSAMKIMBNE	Group Marketing	Compaq	Evo D510 CMT	6928CD640243	[***]	[***]	REDMOND-LIFE
REDSAMKIMQUI	Marketing-Administration	Compaq	Evo D510 CMT	W238KN8XA212	[***]	[***]	REDMOND-LIFE
REDSAMKIMWAL	Marketing-Administration	Compaq	Evo D510 CMT	W243KN8XA007	[***]	[***]	REDMOND-LIFE
REDSAMKRILEA	Marketing-Administration	IBM	26474AU	78FKWZK	[***]	[***]	REDMOND-LIFE
REDSAMLAUCHA	Marketing-Administration	Compaq	Deskpro	6129DYSZA513	[***]	[***]	REDMOND-LIFE
REDSAMLERBRA	Marketing Services	IBM	26474AU	78FNTBK	[***]	[***]	REDMOND-LIFE
REDSAMLISLEE	Market Dev-Mut Funds	Compaq	DSDT	6048DYSZW764	[***]	[***]	REDMOND-LIFE
REDSAMLIZWIL	Market Development	IBM	26458PU	78WHBT3	[***]	[***]	REDMOND-LIFE
REDSAMMAROLS	Market Development	IBM	26454EU	78TAFN3	[***]	[***]	REDMOND-LIFE
REDSAMMATHOU	Life Insurance Marketing	IBM	26454EU	78TDKK4	[***]	[***]	REDMOND-LIFE
REDSAMPHIWIN	Symetra Marketing	IBM	264746U	78CWTZ1	[***]	[***]	REDMOND-LIFE
REDSAMROBWAC	Life Insurance Marketing	Compaq	Evo D510 CMT	W240KN8XA034	[***]	[***]	REDMOND-LIFE
REDSAMSARBAL	Marketing-Administration	Compaq	EVO	W232JYFXA002	[***]	[***]	REDMOND-LIFE

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
REDSAMSHRICK	Marketing Services	Compaq	Evo D510 CMT	W304KN8XA009	[***]	[***]	REDMOND-LIFE
REDSAMSTEPJO	Market Development	Compaq	Deskpro	6923CD64B067	[***]	[***]	REDMOND-LIFE
REDSISALAWYN	SIS Operations	Compaq	DSDT		[***]	[***]	REDMOND-RAINIER BLDG
REDSISANDHOW	SIS Sales	IBM	26474PU	78KZ4RP	[***]	[***]	REDMOND-RAINIER BLDG
REDSISBONUS1	Core Systems & Services	Compaq	Deskpro	6847BW85A557	[***]	[***]	REDMOND-LIFE
REDSISBRSTAS	SIS Sales	Compaq	Deskpro	6910BW85A787	[***]	[***]	REDMOND-RAINIER BLDG
REDSISCHEWOO	SIS-Compliance	Compaq	Deskpro	6911BW85A651	[***]	[***]	REDMOND-RAINIER BLDG
REDSISDAVACH	SIS Sales	IBM	26474PU	78KZ4MH	[***]	[***]	REDMOND-RAINIER BLDG
REDSISDAVICA	SIS Sales	Compaq	Deskpro	6911BW85A459	[***]	[***]	REDMOND-RAINIER BLDG
REDSISDERICC	SIS Operations	Compaq	Deskpro	6926cd640117	[***]	[***]	REDMOND-RAINIER BLDG
REDSISJENPRO	SIS-Compliance	Compaq	Deskpro	6949CJN4M399	[***]	[***]	REDMOND-RAINIER BLDG
REDSISJESTO1	SIS-Compliance	Compaq	Deskpro	6934CD640174	[***]	[***]	REDMOND-LIFE
REDSISJOASAL	SIS Operations	Compaq	Deskpro	6105DYSZA435	[***]	[***]	REDMOND-RAINIER BLDG
REDSISKRINOR	SIS-Compliance	Compaq	Deskpro	6924CD64A586	[***]	[***]	REDMOND-RAINIER BLDG
REDSISLEEGLE	SIS Operations	Compaq	Deskpro	6911BW85A554	[***]	[***]	REDMOND-RAINIER BLDG
REDSISLUCMIL	SIS Operations	Compaq	Deskpro	6948CJN4K851	[***]	[***]	REDMOND-RAINIER BLDG
REDSISMELLIS	SIS Operations	Compaq	Deskpro	6847BW85C717	[***]	[***]	REDMOND-RAINIER BLDG
REDSISMELSEG	SIS Operations	Compaq	Deskpro	6847BW85D451	[***]	[***]	REDMOND-RAINIER BLDG
REDSISMONAEL	SIS Sales	IBM	26474PU	78KZ4PR	[***]	[***]	REDMOND-RAINIER BLDG
REDSISNEDSHA	SIS Operations	IBM	26474MU	W240KN8XA126	[***]	[***]	REDMOND-LIFE
REDSISNOEYIM	SIS-Compliance	Compaq	Deskpro	6847BW85D757	[***]	[***]	REDMOND-RAINIER BLDG
REDSISPCTEST	Sales & Marketing Systems	Compaq	Deskpro	6043DYSZA203	[***]	[***]	REDMOND-RAINIER BLDG
REDSISROYTIB	SIS Sales	Compaq	Deskpro	6847BW85D704	[***]	[***]	REDMOND-RAINIER BLDG
REDSISSARYAT	SIS Operations	Compaq	Deskpro EP/SB Series	6945CJN4K412	[***]	[***]	REDMOND-RAINIER BLDG
REDSISSCANPC	SIS Operations	Compaq	Deskpro	6847BW85C722	[***]	[***]	REDMOND-RAINIER BLDG
REDSISTEMP02	SIS Operations	Compaq	Deskpro	6927CD640447	[***]	[***]	REDMOND-RAINIER BLDG
REDSRVCRCOHO	Life Training-NW	Compaq	Deskpro	6105DYSZD402	[***]	[***]	REDMOND-LIFE
REDSUNSTUD09	Marketing-Administration	Compaq	Deskpro	6931CD640307	[***]	[***]	REDMOND-LIFE
REDSUNSTUD12	Human Resources	Compaq	Compaq Deskpro	6122DYSZH018	[***]	[***]	REDMOND-LIFE
REDSYSPAMWEB	Sales & Marketing Systems	Compaq	Deskpro	6926CD640333	[***]	[***]	REDMOND-RAINIER BLDG
REDTNDCONLEE	Life Training-NW	Compaq	Deskpro	6042DYSZB567	[***]	[***]	REDMOND-LIFE
REDTNDFABLOK	Life Training-NW	Compaq	Deskpro EP/SB Series	6014CW4PA382	[***]	[***]	REDMOND-LIFE
REDVANJENKNA	Retirement Services Systems	Compaq	DSDT	6X1ADYSZ808F	[***]	[***]	REDMOND-LIFE
REDVANWILCHO	Retirement Services Systems	Compaq	DSDT	6X1ADYSZ80A9	[***]	[***]	REDMOND-LIFE
REDWINRISK01	Individual Systems	Compaq	Deskpro	6906BW85F149	[***]	[***]	REDMOND-LIFE
RMIA703388	Policy Issue/Compliance	IBM	627550U	5576M6B	[***]	[***]	not in outlook
SPOLIFRBYERS	Sales & Marketing Systems	IBM	26474AU	78FNVBP	[***]	[***]	SPOKANE
SWRLGRALIGOR	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4L975	[***]	[***]	SOUTH WINDSOR
SWRLGRANNBOL	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6949CJN4M848	[***]	[***]	not in outlook
SWRLGRBOBCAM	Group Sales-NE-Boston	IBM	26474AU	78FNRVG	[***]	[***]	SOUTH WINDSOR
SWRLGRCHRGAL	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4K834	[***]	[***]	SOUTH WINDSOR
SWRLGRDACONN	Group-Underwriting-Hrt	IBM	26474AU	78FNPMB	[***]	[***]	SOUTH WINDSOR
SWRLGRENIGIA	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E179	[***]	[***]	SOUTH WINDSOR
SWRLGRFRACAR	Group-Underwriting-Hrt	IBM	26474AU	78FNPVZ	[***]	[***]	SOUTH WINDSOR
SWRLGRJANZIS	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6014DFXBA339	[***]	[***]	SOUTH WINDSOR
SWRLGRJESILV	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E871	[***]	[***]	SOUTH WINDSOR
SWRLGRJESSYM	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro	6849BW85B169	[***]	[***]	SOUTH WINDSOR
SWRLGRJOESHA	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6011DT63F096	[***]	[***]	SOUTH WINDSOR
SWRLGRKARPIN	Group-Underwriting-Hrt	Compaq	Deskpro	6051DYSZJ506	[***]	[***]	SOUTH WINDSOR
SWRLGRKERROB	Group Sales-NE-Boston	Compaq	Deskpro EP/SB Series	6946CJN4L296	[***]	[***]	SOUTH WINDSOR
SWRLGRKRIANT	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E171	[***]	[***]	SOUTH WINDSOR
SWRLGRLORICH	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4K813	[***]	[***]	SOUTH WINDSOR
SWRLGRMACHRI	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4L602	[***]	[***]	SOUTH WINDSOR
SWRLGRMARNOW	Group-Underwriting-Hrt	Compaq	Deskpro	6050DYSZG140	[***]	[***]	SOUTH WINDSOR
SWRLGRMICSAB	Group-Underwriting-Hrt	Compaq	Deskpro	6050DYSZG127	[***]	[***]	SOUTH WINDSOR
SWRLGRMICTHE	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E251	[***]	[***]	SOUTH WINDSOR
SWRLGRNANCSA	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6941CJN4L536	[***]	[***]	SOUTH WINDSOR
SWRLGRPAULEC	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E261	[***]	[***]	SOUTH WINDSOR
SWRLGRREBKRA	Group Sales-NE-Boston	Compaq	Deskpro	6109DYSZT159	[***]	[***]	SOUTH WINDSOR
SWRLGRRICBAL	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4K828	[***]	[***]	SOUTH WINDSOR
SWRLGRSANHUN	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro EP/SB Series	6946CJN4L892	[***]	[***]	SOUTH WINDSOR
SWRLGRSCHED1	Group Systems	Compaq	Deskpro	6849BW85B163	[***]	[***]	SOUTH WINDSOR
SWRLGRSTEPHI	Group-Underwriting-Hrt	Compaq	Deskpro	6846BW85A526	[***]	[***]	SOUTH WINDSOR

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
SWRLGRSTJOHN	Group-Pol & UW Svcs-Hrt	Compaq	Deskpro	6043DYSZA998	[***]	[***]	SOUTH WINDSOR
SWRLGRSUSPEE	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6011DT63E226	[***]	[***]	SOUTH WINDSOR
SWRLGRVANSH2	Group Systems	IBM	26476U8	787BVDW	[***]	[***]	SOUTH WINDSOR
SWRLGRWILDAL	Group-Underwriting-Hrt	Compaq	Deskpro EP/SB Series	6948CJN4N503	[***]	[***]	SOUTH WINDSOR
WILLGRACHMED	Group-Management	IBM	26454EU	78HLAV3	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRANNACK	Group Systems	Compaq	Deskpro	6915CD64A492	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRANNVER	Group-Pol & UW Svcs	Compaq	Deskpro EP/SB Series	6944CJN4K488	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRANUFER	Actu-Prod Dev-Group	Compaq	Deskpro	6X19DYSZF0YA	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRAPROBR	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6944CJN4K585	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBARHUG	Life Claims-NW	Compaq	Deskpro EP/SB Series	6949CJN4M328	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBARKEL	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6944CJN4K512	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBETHUD	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6949CJN4N327	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBETPAL	Group-Accounting Services	Compaq	Deskpro	6851BW85C638	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBILCLE	Group-Accounting Services	IBM	26474AU	78XBCZ3	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRBRUMEY	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K678	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRCANGIR	Policy Issue/Compliance	Compaq	Deskpro	6853BW85B077	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRCARBUR	Actu-Prod Dev-Group	IBM	26474PU	78MH7F7	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRCARCIE	Group-Underwriting	Compaq	Deskpro EP/SB Series	6011DT63G203	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRCLAHEA	Actu-Prod Dev-Group	Compaq	Deskpro	6X19DYSZF0NN	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRCONKWO	Policy Issue/Compliance	Compaq	Deskpro	6915CD64A406	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDALBIS	Group-Underwriting	Compaq	Deskpro	6915CD64B448	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDANPRA	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K501	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDANSHI	Group-Underwriting	Compaq	Deskpro	6848BW85B801	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDAVBAS	Group-Underwriting	Compaq	Deskpro	6927CD640166	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDAWATK	Group Systems	Compaq	Deskpro	6X19DYSZF14B	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDEASTI	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6949CJN4N489	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDEBABE	Group-Underwriting	Compaq	Deskpro	6851BW85B929	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDEBBUC	Group Distribution	IBM	264746U	78KBKW3	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDEBOWA	Case Management-Rainier	Compaq	DSDT	6X1ADYSZ80HF	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDEBTRO	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6941CJN4L394	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDENWAR	Group-Underwriting	Compaq	Deskpro EP/SB Series	6945CJN4M615	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDIAHOR	Life Claims-NW	Compaq	Deskpro	6915CD64C523	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDIAREE	Life Claims-NW	Compaq	Deskpro	6915CD64C335	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDIARHU	Case Management-Rainier	Compaq	Deskpro	6915CD64A569	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRDIMILL	Group-Accounting Services	Compaq	Deskpro	6851BW85C634	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRFILMAR	Group-Admin	Compaq	Deskpro	6847BW85C669	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRGAISAN	Group-Underwriting	IBM	264746U	78KBKR5	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRGAYSTI	Case Management-Rainier	COMPAQ	DSDT		[***]	[***]	REDMOND-RAINIER BLDG
WILLGRGINADA	Group-Management	Compaq	Deskpro EP/SB Series	6938CJN40493	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRGRACFU	Group-Underwriting	Compaq	Deskpro	6906BW85C066	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRGREPRE	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6949CJN4M237	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRHALCAR	Group-Pol & UW Svcs	Compaq	Deskpro	6915CD64C673	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRHEAMCC	Group-Pol & UW Svcs	Compaq	Deskpro	6915CD64C716	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRHELECO	Group-Pol & UW Svcs	Compaq	Deskpro	6915CD64C607	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJACOLD	Actu-Prod Dev-Group	Compaq	Deskpro	6X19DYSZC03X	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJACPAI	Life Claims-NW	Compaq	Deskpro	6915CD64C273	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJANNSC	Group-Audit	IBM	26474AU	78VGBH0	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJANPUR	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K679	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJAYYAN	Group-Pol & UW Svcs	Compaq	Deskpro	6X19DYSZF0ZZ	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJEFBAT	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6949CJN4N195	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJEFFIN	Group-Audit	IBM	26474AU	78FNPKN	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJEFSCA	Group-Underwriting	Compaq	Deskpro	6848BW85D965	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJENEHA	Case Management-Rainier	IBM	26474EU	78Z2T58	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJESSBA	Life Claims-NW	Compaq	Deskpro	6915CD64B454	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJILMCC	Actu-Prod Dev-Group	Compaq	Deskpro	6X19DYSZF0VS	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJOAKLI	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6015CW4PA210	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJOANHA	Group-Accounting Services	Compaq	Deskpro	6851BW85B930	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJOEWYR	Group-Management	IBM	26474AU	78FNTPL	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJOHRHU	Life Claims-NW	Compaq	Deskpro EP/SB Series	6015CW4PA212	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJOYJUZ	Clms-Group Life WC-Rainier	Compaq	Deskpro EP/SB Series	6941CJN4K835	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJUDYHA	Group-Financial Reporting	Compaq	Deskpro EP/SB Series	6949CJN4N493	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRJULSIE	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6949CJN4M158	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRKARSAQ	Group-Underwriting	Compaq	Deskpro	6914CD64A822	[***]	[***]	REDMOND-RAINIER BLDG

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

C.1 - Distributed Computing Hardware
Laptops &Desktops Inventory

Office / Branch Location (computer name)	Business (department name)	MFG Make	MFG Model (Name / Number)	Comments (serial number)	Comments (user name)	Comments (user ID)	Office/City
WILLGRKATCOU	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6005CJN4A091	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRKENLAC	Group-Underwriting	Compaq	Deskpro EP/SB Series	6949CJN4N501	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRLILWIL	Case Management-Rainier	Compaq	Deskpro	6915CD64A913	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRLISFOL	Life Claims-NW	Compaq	Deskpro EP/SB Series	6941CJN4K711	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRLOBLAC	Group-Pol & UW Svcs	Compaq	Deskpro EP/SB Series	6950CJN4K557	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRLORTHO	Group-Audit	IBM	26474AU	78FNTWV	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRLOUMEN	Actu-Prod Dev-Group	Compaq	Deskpro	6X19DYSZF0RD	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMARBAC	Group-Pol & UW Svcs	Compaq	Deskpro EP/SB Series	6944CJN4K487	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMARCWR	Operations Management	IBM	26474AU	78FNTLY	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMARFAY	Group-Financial Reporting	Compaq	Deskpro EP/SB Series	6949CJN4N483	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMARLUC	Group-Admin	Compaq	Deskpro	6853BW85A986	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMARSHI	Group-Pol & UW Svcs	Compaq	Deskpro EP/SB Series	6950CJN4L094	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMEIWON	Group-Admin	Compaq	Deskpro	6851BW85B747	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMELSMI	Group-Operations	Compaq	Deskpro	6851BW85B755	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRMINDHA	Group-Accounting Services	Compaq	Deskpro	6915CD64A474	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRNANTAY	Life Claims-NW	Compaq	Deskpro	6915CD64A477	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRNICHWA	Group-Pol & UW Svcs	Compaq	Deskpro EP/SB Series	6949CJN4M478	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRPAMALL	Group-Pol & UW Svcs	IBM	264746U	78KBVT4	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRPAUDOW	Clms-Group Life WC-Rainier	Compaq	Deskpro EP/SB Series	6941CJN4L557	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRPHILBE	Group-Underwriting	Compaq	Deskpro	6915CD64C331	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRRAEOKE	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6944CJN4K507	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRRAYBYR	Clms-Group Life WC-Rainier	Compaq	Deskpro EP/SB Series	6949CJN4L148	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRROBKIL	Actu-Prod Dev-Group	Compaq	Evo D500	6X24JYFZ8061	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRROGEYU	Group-Accounting Services	Compaq	Deskpro EP/SB Series	6949CJN4L864	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRRUTHOL	Clms-Group Life WC-Rainier	Compaq	Deskpro EN Series	6915CD64A619	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRRUYBAR	Group-Financial Reporting	Compaq	Deskpro	6125DYSZG433	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSCOTAY	Group-Management	IBM	26474AU	78FNTWP	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSHACAV	Group-Pol & UW Svcs	Compaq	Deskpro	6915CD64C677	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSHARED	Life Claims-NW	Compaq	Deskpro	6915cd64a484	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSUSAMA	Group-Pol & UW Svcs	Compaq	Deskpro	6915CD64A621	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSUSGOE	Group Systems	Compaq	Deskpro EN Series	6915CD64C639	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRSUSTHO	Case Management-Rainier	Compaq	Deskpro EP/SB Series	6949CJN4N409	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRTESMAT	Group-Accounting Services	Compaq	Deskpro	6848BW85B772	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRTHOSER	Policy Issue/Compliance	Compaq	Deskpro EP/SB Series	6949CJN4N442	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRTRABAG	Clms-Group Life WC-Rainier	Compaq	Deskpro EN Series	6915CD64C757	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRUSHCHO	Clms-Group Life WC-Rainier	Compaq	Deskpro EP/SB Series	6011DT63G163	[***]	[***]	REDMOND-RAINIER BLDG
WILLGRVANELL	Group-Accounting Services	Compaq	Deskpro	6915CD64A479	[***]	[***]	REDMOND-RAINIER BLDG
WILLGX24X7PC	Group Systems	Compaq	Deskpro EP/SB Series	6945CJN4M645	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXBRIATK	Income Annuities Systems	Compaq	Deskpro	6X19DYSZF3SR	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXDARAND	Group Systems	Compaq	Deskpro	6X19DYSZC06A	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXDAVMCC	Group Systems	IBM	26474AU	78FNTLG	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXDERNEP	Symetra Quality Assurance	Compaq	Deskpro	6847BW85E494	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXJIMKUD	Group Systems	Compaq	Deskpro	6X19DYSZC0BM	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXJOEBRI	Group Systems	Compaq	Deskpro	6X19DYSZL2ZD	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXMIKETH	Group Systems	Compaq	Deskpro	6851BW85B748	[***]	[***]	REDMOND-RAINIER BLDG
WILLGXWILLHA	Group Systems	Compaq	Deskpro	6X18DYSZX02R	[***]	[***]	REDMOND-RAINIER BLDG
WILMUTFRASUY	Sales & Marketing Systems	IBM	26474AU	78FNPVB	[***]	[***]	REDMOND-RAINIER BLDG
WILMUTLINKNI	Core Systems & Services	Compaq	DSDT	6X1ADYSZ80AB	[***]	[***]	REDMOND-RAINIER BLDG
WILMUTSCAN01	Mut Funds-Acct Svcs-HO	Compaq	Deskpro EN Series	6926CD641665	[***]	[***]	REDMOND-RAINIER BLDG

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

C.1 - Distributed Computing Hardware
Excess PC Inventory

assetSerialNumber	assetType	assetMake	assetModel	assetMonitorSize	assetLI	assetStatus
632CB02EA057	Monitor	Compaq	V70	17	Yes	Available
6918CD64H842	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6851BW85B969	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6851BW85C199	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6851BW85C292	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6851BW85D179	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6907BW85A919	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6907BW85C966	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6907BW85D045	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6910BW85A929	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6910BW85G351	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6911BW85A673	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6918CD64A716	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6928CD640146	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6949CJN4N828	Desktop PC	Compaq	500	0	Yes	Available to Symetra
6918CD64D568	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6918CD64D841	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6927CD642385	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6926CD640910	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6923CD64B049	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6922CD64A127	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6918CD64J058	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6850BW85B387	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6012DT63D552	Desktop PC	Compaq	500	0	Yes	Available to Symetra
6851BW85B666	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6105DYSZH784	Desktop PC	Compaq	733	0	Yes	Available to Symetra

Table of Contents

C.1 - Distributed Computing Hardware
Excess PC Inventory

assetSerialNumber	assetType	assetMake	assetModel	assetMonitorSize	assetLI	assetStatus
6032DYSZA278	Desktop PC	Compaq	733	0	Yes	Available to Symetra
6840BW85K278	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6840BZL2K909	Desktop PC	Compaq	400	0	Yes	Available to Symetra
6010DT63A023	Desktop PC	Compaq	500	0	Yes	Available to Symetra
6847BW85D875	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6850BW85A977	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6848BW85F660	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6848BW85E752	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6848BW85E522	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6848BW85B874	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6847BW85D703	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6847BW85D691	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6847BW85C678	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6846BW85A435	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6840CD64L314	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6848BW85D631	Desktop PC	Compaq	350	0	Yes	Available to Symetra
l	Desktop PC	Compaq	1	0	Yes	Available to Symetra
6929CD640444	Desktop PC	Compaq	450	0	Yes	Available to Symetra
6918BW85E315	Desktop PC	Compaq	350	0	Yes	Available to Symetra
6949CJN4N439	Desktop PC	Compaq	500	0	Yes	Available to Symetra
01-39974	LAN Printer	IBM	Network Printer 17	0	Yes	Available to Symetra
78-FNPTA	Laptop	IBM	T21 Thinkpad	0	Yes	Available to Symetra
929CF03TB528	Monitor	Compaq	V700	17	Yes	Available to Symetra
930CF03TB113	Monitor	Compaq	V700	17	Yes	Available to Symetra
652CB02EB088	Monitor	Compaq	V70	17	Yes	Available to Symetra
650CB03EA486	Monitor	Compaq	V70	17	Yes	Available to Symetra

C.1 - Distributed Computing Hardware
Excess PC Inventory

assetSerialNumber	assetType	assetMake	assetModel		assetMonitorSize	assetLI	assetStatus
634CB02EC199	Monitor	Compaq	V70		17	Yes	Available to Symetra
821CF03DB444	Monitor	Compaq	V75		17	Yes	Available to Symetra
33482035	Monitor	Nanao	F2-17EX		17	Yes	Available to Symetra
646CB03EC295	Monitor	Compaq	V70		17	Yes	Available to Symetra
729CB03ED013	Monitor	Compaq	V70		17	Yes	Available to Symetra
738CB03EE687	Monitor	Compaq	V70		17	Yes	Available to Symetra
736CB03EG930	Monitor	Compaq	V70		17	Yes	Available to Symetra
736CB03EG483	Monitor	Compaq	V70		17	Yes	Available to Symetra
736CB03EG475	Monitor	Compaq	V70		17	Yes	Available to Symetra
729CB03ED109	Monitor	Compaq	V70		17	Yes	Available to Symetra
B4191113-USM	Monitor	Nanao	F2-17EX		17	Yes	Available to Symetra
726CB03EC645	Monitor	Compaq	V70		17	Yes	Available to Symetra
721CB03EA458	Monitor	Compaq	V70		17	Yes	Available to Symetra
713CB03EF664	Monitor	Compaq	V70		17	Yes	Available to Symetra
6Z17042LA	Monitor	NEC	FE750		17	Yes	Available to Symetra
729CB03ED958	Monitor	Compaq	V70		17	Yes	Available to Symetra
850CF03DC441	Monitor	Compaq	V75		17	Yes	Available to Symetra
743GB02AC190	Monitor	Compaq	V75		17	Yes	Available to Symetra
8003156	Monitor				17	Yes	Available to Symetra
745CB03EN195	Monitor	Compaq	V70		17	Yes	Available to Symetra
745CB03EF591	Monitor	Compaq	V70		17	Yes	Available to Symetra
8137383	Monitor				0	Yes	Available to Symetra
6902BZL2A122	Desktop PC	Compaq		400	0	Yes	Retroxboxed
78RVTA5	Laptop PC	IBM	600X Thinkpad		0	Yes	Retroxboxed
6947BW85A063	Desktop PC	Compaq		350	0	Yes	Unknown
6934CD640174	Desktop PC	Compaq		450	0	Yes	Unknown
6004CJN4K070	Desktop PC	Compaq		500	0	Yes	Unknown
6851BW85A752	Desktop PC	Compaq		350	0	Yes	Unknown
6847BW85C681	Desktop PC	Compaq		350	0	Yes	Unknown

C.1 — Distributed Computing Hardware
Excess PC Inventory

assetSerialNumber	assetType	assetMake	assetModel	assetMonitorSize	assetLI	assetStatus
Type 2647-46U S/N 78-KBZH1 09/00	Laptop PC	IBM	T20 Thinkpad	0	Yes	Unknown
934CF03TA903	Monitor	Compaq	V700	17	Yes	Unknown
847cf03dc601	Monitor	Compaq	V70	17	Yes	Unknown
743BG02AC190	Monitor	Compaq	V75	17	Yes	Unknown
G8E010761	Monitor	Cornerstone		17	Yes	Unknown
708CB03EE986	Monitor	Compaq	V70	17	Yes	Unknown
8920003XD	Monitor	NEC	MultiSynch 900+	19	Yes	Unknown
851CF03D115	Monitor	Compaq	V70	17	Yes	Unknown
830CF03DO752	Monitor	Compaq	V75	17	Yes	Unknown

C.1 — Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
OLYHRX01	1Q5W	Olympic/Redmond	Transition Team	psmrdcpr03	HP LJ 1200		[***]	CNC4062405
OLYINV11	3E8SW	Olympic/Redmond		psmrdcpr04	HP Color IJ 2000C		[***]	disconnected
OLYLAA01	3Q8S	Olympic/Redmond		psmrdcpr01	HP LaserJet 4000	9/2/97	[***]	USEF051569
OLYLAA03	3P5N	Olympic/Redmond		psmrdcpr01	HP LaserJet 2200	1/5/99	[***]	USBGJ14590
OLYLAA04	3P5NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 4	8/20/93	[***]	JPH020733
OLYLAA05	3N5E	Olympic/Redmond		psmrdcpr01	HP LaserJet 5	12/30/98	[***]	USCC013591
OLYLAA07	3M11NW	Olympic/Redmond		psmrdcpr01	HP LaserJet 4P	3/94	[***]	USCB154020
OLYLAA08	2Q13NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 4 Plus		[***]	USFB236134
OLYLAA09	2Q11E	Olympic/Redmond		psmrdcpr01	HP LaserJet 8150	8/30/00	[***]	USBD014722
OLYLAA12	3D8SW	Olympic/Redmond		psmrdcpr01	HP LaserJet 4000T	9/2/97	[***]	USNC025655
OLYLAA13	3P5E	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050	12/30/98	[***]	USCC013591
OLYLAA14	3N12SE	Olympic/Redmond		psmrdcpr01	HP LaserJet IIID	7/90	[***]	HJ07435
OLYLAA16	3N12SE	Olympic/Redmond		psmrdcpr01	HP LaserJet 5	12/96	[***]	USKB110253
OLYLAA17	3P7NW	Olympic/Redmond		psmrdcpr04	IBM Ntwrk Prntr 17		[***]	01-39957
OLYLAX01	3Q8NE	Olympic/Redmond		psmrdcpr04	Braille Prtr 2500C		[***]	
OLYLCN01	2N15NW	Olympic/Redmond		psmrdcpr01	HP LaserJet 8150		[***]	JPBLL15574
OLYLCN02	2N15NW	Olympic/Redmond		psmrdcpr01	HP LaserJet 8150	8/30/2000	[***]	USBE010635
OLYLCN03	2Q15NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 5si	12/20/96	[***]	USDK152777
OLYLCN04	2Q15S	Olympic/Redmond		psmrdcpr04	IBM Ntwrk Prntr 24		[***]	Moved or missing
OLYLCN05	1P15SE	Olympic/Redmond		psmrdcpr04	IBM Ntwrk Prntr17		[***]	01-48426
OLYLCN06	2Q14SE	Olympic/Redmond		psmrdcpr04	HP Deskjet 2500C		[***]	SG9BU130VN
OLYLDC02	1Q15E	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050		[***]	USBB206767
OLYLDD01	3J5NW	Olympic/Redmond		psmrdcpr01	HP LaserJet 4000	3/11/98	[***]	USMB208839
OLYLEG01	3	Olympic/Redmond		psmrdcpr03	HP LaserJet 4200		[***]	USBNL14685
OLYLIN22	2M5N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4+		[***]	JPFL001915
OLYLIN27	2E7N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050T	10/30/99	[***]	USCC169494
OLYLIN30	3E8S	Olympic/Redmond		psmrdcpr04	HP DeskJet 840C		[***]	MX08O1W081KV
OLYLIN31	2C8E	Olympic/Redmond		psmrdcpr01	HP LaserJet 2100	1/5/99	[***]	USGZ046540
OLYLIN33	2G8SW	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050T	1/27/1999	[***]	USCC017859
OLYLIN35	2E7S	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050	10/30/1999	[***]	USBD003735
OLYLIN36	2E5NW	Olympic/Redmond		psmrdcpr01	HP LaserJet 4100	12/6/2000	[***]	USBND06513
OLYLIX01	2P6S	Olympic/Redmond		psmrdcpr01	HP LaserJet 4Si	Aug-93	[***]	USCB191204
OLYLMD01	2L5	Olympic/Redmond		psmrdcpr01	HP Laserjet 4p	12/25/95	[***]	S4601LD76F7
OLYLMK01	2E5NW	Olympic/Redmond		psmrdcpr04	HP DeskJet 895C		[***]	MY97I1904NFB

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

C.1 — Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
OLYLMK09	3B8W	Olympic/Redmond		psmrdcpr01	HP Color LJ 4500	7/20/98	[***]	JPCD015547
OLYLMK10	3E5SW	Olympic/Redmond		psmrdcpr04	HP DJ 895C		[***]	
OLYLMK11	3M8N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050	10/30/99	[***]	USBH012786
OLYLML06	3E7W	Olympic/Redmond		psmrdcpr01	HP Color LJ 4500	7/20/98	[***]	JPCD008021
OLYLML07	3E6E	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050T	3/9/99	[***]	USQL026305
OLYLMX02	3G5NW	Olympic/Redmond		psmrdcpr01	HP Laserjet 8000	3/18/98	[***]	USCB002625
OLYLPN01	3Q8S	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050	9/2/97	[***]	USCC024738
OLYLPN02	2Q11NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 4si		[***]	USGB536050
OLYLPN03	3P10SE	Olympic/Redmond		psmrdcpr01	HP LaserJet 4si	8/20/93	[***]	USFB357569
OLYLPN04	3M15NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 4si	8/20/93	[***]	USFB357372
OLYLPN06	3Q6NE	Olympic/Redmond		psmrdcpr04	Braille Printer		[***]	BP29811-111
OLYLPN09	2Q13NE	Olympic/Redmond		psmrdcpr01	HP LaserJet 5si	4/1/96	[***]	AAXXYY9999
OLYLPN10	3M15NE	Olympic/Redmond		psmrdcpr04	HP DeskJet 1600C	11/5/96	[***]	USB8901815
OLYLPN12	3K7	Olympic/Redmond		psmrdcpr04	HP Color IJ 1600C		[***]	USB7712439
OLYLPN13	2Q8N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050T	10/30/99	[***]	USCF005105
OLYLPN14	3M8N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4050	10/30/99	[***]	USBH012616
OLYLPN15	3M14	Olympic/Redmond	Mutual funds	psmrdcpr04	IBM InfoPrint 32		[***]	C390H3566
OLYLPN16	3P10NW	Olympic/Redmond		psmrdcpr04	IBM Ntwrk Prntr 17		[***]	01-09799
OLYLPN17	3K7	Olympic/Redmond		psmrdcpr04	HP Color DJ 840c	3/7/00	[***]	MX0371W0ZK
OLYLPN18	3Q11	Olympic/Redmond		psmrdcpr04	Canon IR 3300		[***]	MPH36172
OLYLSR05	1M15W	Olympic/Redmond		psmrdcpr01	HP LaserJet 4000	9/2/97	[***]	USNC032481
OLYLSR07	2 ClsrmB	Olympic/Redmond		psmrdcpr01	HP LaserJet 5		[***]	USKC276524
OLYLSR09	1M15W	Olympic/Redmond		psmrdcpr04	HP DeskJet 895C		[***]	MX88QSS1GJ
OLYLSR10	1M15W	Olympic/Redmond		psmrdcpr04	DJ 750C Plotter		[***]	ESA9242672
OLYLTD01	2M13SW	Olympic/Redmond		psmrdcpr01	HP Laserjet 5	12/25/1995	[***]	S4601LF4JGG
OLYLTD02	2 Lbry Mid	Olympic/Redmond		psmrdcpr01	HP LJ 4000 PCL 6	9/2/1997	[***]	USEF052384
OLYLTP01	1P15N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4si		[***]	USCB191732
OLYLTS02	2Q11E	Olympic/Redmond		psmrdcpr04	IBM Ntwrk Prntr 17		[***]	01-17581
OLYSYS02	1Q14N	Olympic/Redmond		psmrdcpr01	HP LaserJet 4000	11/4/97	[***]	USEF097314
OLYSYS03	1M15S	Olympic/Redmond		psmrdcpr01	HP LJ 4200DTN	10/11/02	[***]	USBNM17762
OLYTRTM01	1Q8W	Olympic/Redmond	Transition Team	psmrdcpr03	HP LJ 2100	1/5/1999	[***]	USGH195380
RAIACT01	02-B15-34	Rainier/Redmond	GrpAct	psmrdcpr01	HP lj 4050	9/2/1997	[***]	USMB018325
RAIACT02	02-B15-34	Rainier/Redmond	Actuary	psmrdcpr01	HP lj 4050	10/30/1999	[***]	USQX128743
RAIADM01		Rainier/Redmond	Grp Admin	psmrdcpr03	HP LJ 2100	5/1/1999	[***]	USCD059684

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

C.1— Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
RAIAGE01	01-C16-18	Rainier/Redmond	Agency services	psmrdcpr01	5si	12/20/1996	[***]	USDK028895
RAIAUD01	02-E15-34	Rainier/Redmond	Audit	psmrdcpr01	HP lj 4050	1/27/1999	[***]	USBC028393
RAIBEN01	02-G15-30	Rainier/Redmond	Exs Lss/ Benefits	psmrdcpr01	HP lj 4P	Mar-94	[***]	JPFF023367
RAIBEN02		Rainier/Redmond	Exs Lss/ Benefits	psmrdcpr01	HP 4100 pcl 6	9/7/2001	[***]	USLNH01108
RAIBEN04	02-D13-35	Rainier/Redmond	Exs Lss/ Benefits	psmrdcpr02	hp lj 4050 pcl	1/17/2002	[***]	USLND16996
RAIISS02	02-C12-10	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 4si	3/9/1999	[***]	USBB157355
RAIISS03	02-F15-19	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 4100 pcl 6	5/24/2001	[***]	USJNH02387
RAIISS04	02-F16-03	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 5si pcl 5e	12/20/1996	[***]	USDK012870
RAIISS05	02-F15-03	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 5si	12/20/1996	[***]	USDK012900
RAIISS06	02-F16-03	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 8000 pcl 5e	9/10/1999	[***]	USHJ023108
RAIISS07	02-F15-03	Rainier/Redmond	Iss&Comliance	psmrdcpr02	HP LJ 9000hns	7/18/2003	[***]	JPBLP03851
RAIMAR01	02-E13-20	Rainier/Redmond	Achiel's 2nd prtr	psmrdcpr04	HP 2500 c		[***]	SG1818304D
RAIMOR01	01-D16-15	Rainier/Redmond	Mortgage Loan	psmrdcpr01	HP 4si	6/1/1994	[***]	USHB724775
RAIMUT01		Rainier/Redmond	Mutual funds	psmrdcpr02	HP 4 plus	10/11/2002	[***]	CNBX415669
RAIMUT02		Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 5si	2/3/1998	[***]	USCC020129
RAIMUT03	01-E13-20	Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 8000 pcl 6	9/10/1999	[***]	USGJ022028
RAIMUT04		Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 5SI	12/20/1996	[***]	USDK143049
RAIMUT05	01-F14-27	Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 8000	10/12/1998	[***]	USDD024065
RAIMUT06		Rainier/Redmond	Mutual funds	psmrdcpr02	HP lj 4050 pcl	3/9/1999	[***]	USBB294789
RAIMUT07	01-G14-23	Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 2200 pcl 6	11/20/2000	[***]	USBGJ28405
RAIMUT08	01-F14-27	Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 8150 pcl 6	5/26/2001	[***]	JPBLL13077
RAIMUT09		Rainier/Redmond	Mutual Funds	psmrdcpr02	HP LJ 2100	1/5/1999	[***]	USGZ316917
RAIMUT10		Rainier/Redmond	Mutual funds	psmrdcpr02	HP LJ 4050	10/30/1999	[***]	USBD041303
RAIOFF01		Rainier/Redmond		psmrdcpr01	HP LJ 5si	12/20/1996	[***]	USBK142417
RAIOFF03		Rainier/Redmond		psmrdcpr01	HP LJ 5si	12/20/1996	[***]	USBK136084
RAISIS01		Rainier/Redmond	SIS	psmrdcpr01	HP LJ 4si	3/5/1999	[***]	USDG039243
RAISIS02		Rainier/Redmond	SIS	psmrdcpr01	HP LJ 8000 pcl 6	3/18/1998	[***]	USBB031279
RAISIS03		Rainier/Redmond	SIS	psmrdcpr01	HP lj 4500 Color	7/20/1998	[***]	JPHAB11712
RAISYS01		Rainier/Redmond	Group Sys #1	psmrdcpr01	HP lj 4050 pcl 6	3/9/1999	[***]	USBC033547
RAISYS02		Rainier/Redmond	Group Sys #2	psmrdcpr01	HP LJ 4	Nov-93	[***]	JPBH052219
				Total HQ	**98**		[***]	
SDGroupLife		SCR/San Diego	Group Life	ftvlgrsdprt1	HP LJ 4200 pcl 6		[***]	CNBX500042
Lexmark Optra E312		SCR/San Diego	Group Life	ftvlgrtraelb	Lexmark Optra E312		[***]	3102400
HP DJ 882C		SCR/San Diego	Group Life	ftvlgrsuelee	HP DJ 882C		[***]	CN94S1M126

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

C.1— Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
HP DJ 950C		SCR/San Diego	Group Life	ftvlgrrobren	HP DJ 950C		[***]	MY05I1FOYP
HP LJ 1200 PCL 6		SCR/San Diego	Group Life	ftvlgrrobrot2	HP LJ 1200 PCL 6		[***]	CNBRF68690
Canon BJC-250		SCR/San Diego	Group Life	alvlgrkatvil	Canon BJC-250		[***]	ENT26782
HP LJ 4000 PCL		SCR/San Diego	Group Life	ftvlgrcorwem	HP LJ 4000 PCL		[***]	USMB03548
HP LaserJet 4		SCR/San Diego	Group Life		HP LJ 4			JPBG073150
Lexmark Optra E312		SCR/San Diego	Group Life		Lexmark Optra E312			1059182
HP DJ 880C		SCR/Aliso Viejo	Group Life	ftvlmllouber	HP DJ 880C			MY92D16268
HP DJ 880C		SCR/Aliso Viejo	Group Life	ftvlmlpetcam	HP DJ 880C			MY93I160HX
HP DJ 710C		SCR/Aliso Viejo	Group Life	ftvlmltuypha	HP DJ 710C			MY93D151WB
CHILCO01	10SE	Hoffman Estates/IL	Group	psmchifs01	HP LJ 5si	7/11/1995	[***]	USBD039098
CHIATS01	10SE	Hoffman Estates/IL	Group	psmchifs01	HP LJ5	1/15/1996	[***]	USKC156933
SHAWEA		Hoffman Estates	Group Life		LaserJet 1100			USFG009823
CHRHIG		Hoffman Estates	Group Sales		LaserJet 2100			USCD020502
DAVDIE		Hoffman Estates	Group Sales		DeskJet 840			MY06R1C0P7
CINLIPRINT1		Bethel Park		None/Shared PC CINLIFPRINT1	HP LaserJet 4Si		None	
BOSLRM01		Boston		None/Shared PC CINLIFPRINT1	HP LaserJet 4 Plus		None	
CINPRN14		Cincinnati		PSMCINFS01	HP LaserJet 4050		[***]	USBB043263
CONLIF01		Conshohocken		None/Shared PC CINLIFPRINT1	HP LaserJet 4 Plus		None	
SWRLIF01		South Windsor		PSMHARFS01	HP LaserJet 5		[***]	
SWRLIF02		South Windsor		PSMHARFS01	HP LaserJet 4000		[***]	
SWRLIF03		South Windsor		PSMHARFS01	HP LaserJet 4 Plus		[***]	
SWRLIF05		South Windsor		PSMHARFS01	IBM Network Printer 17		[***]	
SWRLIF06		South Windsor		PSMHARFS01	HP LaserJet 4		[***]	
CLALIF01		Clairmont/Atlanta	SRMS (Safeco Risk Mgmt Svcs)	psmatlpr01	HP LJ 4100	20010907 01.019.1	[***]	USJNH28928
ATLELC01		Duluth/Atlanta	EXCESS LOSS CLAIMS	psmatlpr01	HP LJ 4 Plus		[***]	USFC122734
ATLELC02		Duluth/Atlanta	EXCESS LOSS CLAIMS	psmatlpr01	HP LJ 4 Plus		[***]	USFC294990
MAIPRN01		Miami/Florida	Symetra IT Group Printer	psmmiafs01	HP LaserJet 4		[***]	11-CWKH8
MAIPRN02		Miami/Florida	Symetra Claims Grp Printer	psmmiafs01	Lexmark Optra T616		[***]	41-Y3897
MAIPRN03		Miami/Florida	Symetra Underwriting Grp Printer	psmmiafs01	HP LaserJet IIID		[***]	124646
MAIPRN04		Miami/Florida	Symetra Mkt Sales Grp	psmmiafs01	Lexmark Optra T616		[***]	41-Y3893
MAIRPN05		Miami/Florida	Symetra U/W Mkt. Grp Printer	psmmiafs01	Lexmark Optra T616		[***]	41-Y3896
MAIRPN06	BROKEN	Miami/Florida	Symetra BROKEN PRINTER	psmmiafs01	LaserJet 8150 PCL6		[***]	JPBLM47667
MAIPRN07		Miami/Florida	Symetra Case Mgmt Printer	psmmiafs01	Lexmark Optra T616		[***]	41-AB039
MAIPRN08		Miami/Florida	L & I Marketing/Promotion	psmmiafs01	Color Laserjet 4600PCL 6		[***]	JPAKF11007

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

C.1— Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
KCXLIF01	cube 269	Overland Park	Life	PSMSTOFS01	HP LaserJet 4600N			JPRGD40484
	Terry Rayoum	St. Louis	Life		Deskjet 720c		Not in use.	
N/A	N/A	NCR / PH	MARKETING	N/A	Deskjet710C	7/9/1998	N/A	MY879191HT
N/A	N/A	Portland			HP Laserjet 4		N/A	JPBH052218
N/A	N/A	Portland			HP Laserjet 4		N/A	USBC224480
N/A	N/A	Portland			HP Color DJ 840c		N/A	CN0871R074
N/A	N/A	Portland			HP Color DJ 840c		N/A	MX08V1Y0CQ
N/A	N/A	Portland			NEC Superscript 870		N/A	613628879C
DALLIF01	N	Dallas		\\PSMDALFS01\DALLIF01	HP8150	R.22.09	[***]	JPBLM65111
N/A	D	Dallas			LEXMARK	OPTRA E312L		3032259
N/A	D	Dallas			LEXMARK	OPTRA E312		1059087
N/A	D	Dallas			HP	LJ4		USBC254643
N/A	D	Dallas			LEXMARK	OPTRA E310		136048
2DEAST01	2nd Floor	Indianapolis	Life Sales	psmindpr01	HP LaserJet 4		[***]	JPBX008280
	2nd Floor	Indianapolis	Life Sales (extra)		HP Deskjet 810C			MY94Q1B0W1
	2nd Floor	Indianapolis	Life Sales (antmen)		HP Deskjet 840C			CN06F1P0V1
	2nd Floor	Indianapolis	Life Sales (johmon)		HP Deskjet 840C			MX0321V06Z
	2nd Floor	Indianapolis	Life Sales (marsim)		HP Deskjet 810C			MY96V122JM
4EEAST01	4th Floor	Indianapolis	Life Actuary/Systems	psmindpr01	HP Laserjet 4si		[***]	USDB330638
	4th Floor	Indianapolis	Life Act (loiwhi)		HP Deskjet 880C			MY93E110GT
	4th Floor	Indianapolis	Life Act (joymca)		HP Deskjet 880C			MY93E110H7
	4th Floor	Indianapolis	Life Act (debden)		HP Deskjet 880C			MY93E110FC
	4th Floor	Indianapolis	Life Act (extra)		HP Deskjet 880C			MY93E110FN
n/a	SRMS	Indianapolis	SRMS	INDLGRPRINT1	Lexmark Optra T616			41-V0294
n/a	SRMS	Indianapolis	SRMS	INDLGRPRINT1	HP Laserjet 4050			USBB229405
HPColorL	SRMS	Indianapolis	SRMS	INDLGRPRINT1	HP Laserjet 4600			JPAKB08490
	SRMS	Indianapolis	SRMS (jimsee)		HP Deskjet 940C			MY15F6B0TY
	SRMS	Indianapolis	SRMS (physan)		HP Laserjet 2100			USCC015700
	SRMS	Indianapolis	SRMS (pagile)		HP Laserjet 1100			USJC085052
	SRMS	Indianapolis	SRMS (kimvan)		Lexmark Optra E310			0019021
	SRMS	Indianapolis	SRMS (margre)		Brother HL-1240			U52581C0J289981
	SRMS	Indianapolis	SRMS (jeengl)		Lexmark E210			1053734
	SRMS	Indianapolis	SRMS (congib)		HP Laserjet 4			USTC017101
	SRMS	Indianapolis	SRMS (chadug)		HP Deskjet 940C			MX1B36F0PP

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

C.1— Distributed Computing Hardware
Printer inventary

Queue	Location	Office/City	Group	Print Server	Model	Firmware Date	New IP Address	Serial Number
				Total Remote	**71**			

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Confidential Information—For internal use only.

Table of Contents

C.2 — Distributed Computing Software

Symetra Distributed Applications	Help Desk Supported	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	Notes
Office Suite Applications									
Office 2003 (Access, Excel, Outlook, Powerpoint, Word)	**x**	x	x						
Spreadsheet Applications									
Lotus 123	**x**								
Word Processing									
WordPerfect 6.1	**x**					x			
Presentation Applications									
Harvard Instant Charts									
Desktop Publication Apps.									
Adobe Acrobat	**x**					x			
Adobe Reader 5.05	**x**	x	x						
Frontpage	**x**								
Publisher	**x**	x	x						
Graphic Design applications									
Grabbit 2.5				x					
Local Database Applications									
None									
Database Reporting Apps									
Crystal Reports	**x**					x			
Reports Facilitator				x					
Database Client									
None									
Terminal Emulator Apps.									
ProComm Plus				x		x			
Terminal Server applications									
Citrix Client	**x**	x	x						
Miscsoft RDP Terminal Service Client	**x**								
E-mail applications									
Exchange	**x**								
MailMarshal — scanning	**x**								
PDA applications									
Blackberry Desktop Software v3.6 service pack 2	**x**								
Calendar applications									
Outlook	**x**	x	x						
Accounting applications									
MFACT				x					
Microcash for Windows				x					
Finance applications									
Flexsoft				x					
FundStation				x					
Quicken				x		x			
Programming applications									
Remedy (Action Request)	**x**								
Seaview				x					
Management Tool Apps									
None									
VPN applications									
Extranet Access Client	**x**	x	x						
Contivity Client									
AT$T Dialer									
Internet applications									
Internet Explorer 5.5 sp2	**x**								

Confidential Information—For internal use only.

Table of Contents

C.2 — Distributed Computing Software

Symetra Distributed Applications	Help Desk Supported	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	Notes
Communication applications									
CentreVue	**x**								
Language Interpretation Services	**x**								
Lanier (old NICE calls)	**x**								
NICE Universe	**x**								
Phone 2PC Recording	**x**								
Faxing applications									
Enterprise Fax Manager				x					
Fax Util				x					
RightFax	**x**								
WinFax	**x**					x			
Flowcharting applications									
Visio	**x**								
Visio Viewer	**x**	x	x						
Contact Management Apps									
Bacon's MediaSource				x					
Project Tracking Apps									
Project	**x**								
Simply TIME (task manager)				x					
Virus applications									
Norton Anti-Virus	**x**	x	x						
Print Utility applications									
PrintNow!				x					
Scanning Software Apps									
None									
Handicap Utility									
None									
Video Conferencing Apps									
None									
Security applications									
Cyber Gatekeeper Agent	**x**	x	x						
CyberArmor	**x**	x	x						
FAZAM 2000				x					
PowerQuest				x		x			
Sysmantic Antivirus 8.01									
Reference applications									
NILS				x					
Operating Systems Apps									
Windows 2000 sp3	**x**	x	x						
Undefined applications									
Ameritech White and Yellow Pages				x					
Catapult Training				x					
Chase Insight & Reporter				x		x			
Desktop Submit				x					
EFTPS for Windows 01.07.01				x					
EOSI/CLAS (Library copyright)				x					
Extra! 6.71	**x**	x	x						
EZ2000				x		x			
FlashPlayer 7.0.19.0	**x**	x	x						
ICW Required				x					
Iomega Tools				x					
Message Manager				x					
MMCD				x					
MSDN				x					
PBS				x					
DirectX 8.1					x	x			

[Table of Contents](#)

C.2 — Distributed Computing Software

Symetra Distributed Applications	**Help Desk Supported**	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	**Notes**
Panagon Document Management					x				
PCAnywhere				x					
PGP Encryption					x				
PowerSelect					x				
Qview4					x				
RoboHelp Office 2000					x				
Skill Vantage					x				
Snag-It! (screen shot capture)				x					
Source OffSite 3.5.1				x					
Spencer CD				x		x			
Trellis					x				
Unicenter					x				
UVT					x				
Web IIS					x				
WebTrends					x				
WELL Concession Calculator					x				
Window’s MDAC 2.61 sp2					x				
Window’s Media Player 7.1					x				
Winrapid Teledex					x				
WinZip 8.1					x				

Confidential Information — For internal use only.

Table of Contents

C.3 — Distributed Computing Desktop/Laptop Core Image

Application	Application
Windows 2000 Professional	Current Desktop OS
Symantec Anti-Virus 8.01	Anti-Virus Software
MS GPResult	Client Install allows for reporting for Group policies
MSConfig (WINNT)	An applet / tool provides local troubleshooting information to a TA.
MS DirectX 9.0b	DirectX is an advanced suite of multimedia application programming interfaces (APIs) built into Windows 2000. DirectX provides a standard development platform for Windows-based PCs by enabling software developers to access specialized hardware features wi
MS Windows Media Player 9.0	Many organizations use the electronic medium for distributing study and training material in audio and video format. Media Player provides a consistent interface for these multimedia presentations.
MS Internet Explorer 6.01 SP1	Browser
MS MDAC v2.7 SP1 Refresh	Microsoft Data Access Components (MDAC) contains core Data Access components such as the Microsoft SQL Server™ OLE DB provider and ODBC driver.
WinZip 9.0	WinZip provides a necessary tool for zipping and unzipping files that need to be compressed for faster file transfer.
Citrix Client v7.1	A Citrix client allows the user to establish a Citrix session with Citrix Metaframe or Terminal server.
Adobe Reader v6.0	Acrobat Reader allows anyone to open a portable document format file (.pdf) across a broad range of hardware and software, and it will look exactly as the author intended — with layout, fonts, links, and images intact.
MacroMedia FlashPlayer 7.0.19.0	Flash Player is a web browser plugin that allows the viewer to play multimedia content created with Macromedia Flash MX.
FAZAM Client v3.0	FAZAM is a trouble shooting tool that builds on Windows 2000 which can be used to track the history of Group Policy Object (GPO) changes, including who made the changes, from initial design to retirement.
Visio Viewer 2003	The Microsoft Visio Viewer allows anyone to view Visio drawings, diagrams, charts, and illustrations in a Web-based environment from within Microsoft Internet Explorer.
VPN Software	For remote users to connect via the Virtual Private Network
Extra! PC v6.71	Attachmate’s Extra! Personal Client (EPC) 6.71 is the standard terminal emulation software
Office XP SP2	Microsoft Office Suite
Misc Updates Desktop Customization System Management Power Management Start Menu Configuration MC Updater Tool Shortcut Windows Explorer Configuration .NET Framework Windows Scripting Host Security Patches Microsoft Q Fixes Verify Patch Installations	Various updates and configuration changes are made to the standard operating system. Some of them fall into these general categories.

SCHEDULE 2D

DATA NETWORK SERVICES SOW

for

SYMETRA LIFE INSURANCE COMPANY (SYMETRA)

October 28, 2004

TABLE OF CONTENTS

List of Tables

1.0 Data Network Management Services Overview and Objectives

1.1 Services Overview

Network support Services are the services and activities, as detailed in the following Data Network Services SOW, required to provide and support Symetra data network environment as described in Section 2.0 below. ACS responsibilities include, but are not limited to, the provisioning, management, administration and troubleshooting of the following data network Services:

- Wide-area Network (WAN)
- Local-area Network (LAN)
- Virtual Private Network (VPN)
- Network Security

As depicted in Figure 1 below, in addition to the Service described in this Data Network Services SOW, ACS is responsible for providing the Services described in Schedule 2A – Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of the Agreement.

Cross Functional SOW						
Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional View

1.2 Service Objectives

The following are the key high-level Service objectives Symetra expects to achieve through outsourced data network management Services and this Data Network Services SOW:

- Provide a reliable, scalable and secure high-speed network infrastructure to Symetra headquarters, remote offices and remote individual End Users, as required
- Operate efficiently and effectively by running on a consolidated network infrastructure and by simplifying network management, procurement and budgeting
- Minimize administrative effort by engaging ACS to provide this management function
- Achieve the SLRs specified in **Section 4** of this Data Network Services SOW

2.0 Service Environment

2.1 Scope of Services and Infrastructure to be Supported

The following sub-sections and related Data Network Services SOW appendices describe and scope the network environment to be supported/complied with. Service Environment descriptions and appendices include listings of hardware and software, policies and procedures, licenses and agreements, work-in-progress and future initiatives. Service Environment Appendices are to be maintained and reviewed with Symetra by ACS and made available to Symetra on a quarterly basis.

2.1.1 Hardware and Software

Intentionally Left Blank

2.1.1 Service Locations

a. A description and location of all Symetra facility and office locations requiring Network Services is provided in Attachment B of the Agreement.

2.1.3 Personnel

a. ACS will be responsible for staffing skilled and appropriately certified data network management staff to meet the SLRs set forth in this SOW. Currently, Symetra Corporate provides Symetra data network Services as a shared service.

2.1.4 Policies, Procedures and Standards

Intentionally Left Blank

2.1.5 Agreements and Licenses

Intentionally Left Blank

2.2 Work-In-Progress/Transition

Intentionally Left Blank

2.3 Future initiatives

Intentionally Left Blank

2.4 Baseline Information

Symetra's projected network usage is presented below. These business requirements represent Symetra's most realistic projection of the Service requirements as of the Effective Date based on a combination of past trends and current anticipated overall business direction over the Term of the Agreement.

These metrics, along with other data which may be pertinent for sizing the solution, are reflected in Schedule 3 -Fees.

Table 1. Data Network Baseline Projections

System	2005	2006	2007	2008	2009	Comments
Headquarters Users	948	971	994	1018	1042	
Headquarters VIP Users	59	59	59	59	59	
Remote Offices	8	8	8	8	8	
Remote Office Users	103	103	103	103	103	
Tele-workers	138	138	138	138	138	
Routers						These items will be proposed by ACS
DSCs/CSUs						
Firewalls						
Modems						
Frame Relay– Symetra Locations						
Dedicated Internet Circuits						
Point-to-Point Circuits – Symetra						
ISDN						
Dial-up WD Modem Pool						
VPN						
IMACs per device/per year						

3.0 Data Network Services Requirements

3.1 Service Descriptions and Roles & Responsibilities

In addition to the Services, activities, and roles and responsibilities described in Schedule 2A — Cross Functional SOW, ACS is responsible for the following data network management Services, activities and roles and responsibilities.

3.1.1 Data Network Services Requirements

a. Wide Area Network (WAN) Services

WAN services include the provision and monitoring and management of networks that interconnect two or more separate facilities that span a geographic area larger than a campus or metropolitan area. Transmission facilities include, but are not limited to, point to point circuits, frame relay, dedicated Internet connections, broadband (DSL/Cable Modem) Internet connections, Internet-based VPNs, and dial-up connections. ACS shall work with public carriers and other Symetra circuit providers on behalf of Symetra to ensure delivery of WAN services. Support of any Data Network Services-related work required by designated carriers, to support the Symetra network, is considered within the scope of Services.

b. **Local Area Network (LAN) Services**

LAN services include the provision and monitoring and management of networks that are usually confined to a single facility or portion of a facility. LAN components include Dynamic Host Control Protocol (DHCP)/Domain Name Server (DNS) and Wireless LANs supporting all network traffic originating from desktop devices, local file and print servers, application servers, database servers, peripherals, firewalls/routers, other network devices and other user premise devices. This service ends at, but does not include, the LAN attached device network card at the desktop.

c. **Virtual Private Network (VPN) Services**

VPN services include the provision and monitoring and management of methods for remote End Users and business partners to securely connect to the Network and Data Center Computing Services over the public Internet. This service includes dedicated site-to-site VPN connectivity on a shared public IP network. It requires industry-/Internet-based standards for security to create and preserve privacy, data integrity, and authenticity. The VPN service must be highly scaleable. ACS shall provide and support home user VPN software.

d. **IP Dial Services**

IP Dial services include the provision and monitoring and management of a connection methodology for remote End Users to securely connect to the Network and Data Center Computing Services via dial-up connectivity.

e. **Network Security Services**

Network security Services firewall include the provision and support of methods that provide security to physical and logical devise connected to the network. Security services include firewall, intrusion detection, penetration/vulnerability testing.

f. **Management Services**

Management services include the provision and support of a suite of activities that spans all aspects of system security and networking levels in terms of system and component management and monitoring, information protection, component-addressing methods, access control, and change control.

3.1.2 General Responsibilities

The following table identifies general roles and responsibilities associated with this SOW. An "X" is placed in the column under the party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled "ACS."

Table 2. General Roles and Responsibilities

General Roles and Responsibilities	ACS	Symetra
1. Recommend WAN / LAN/ VPN / Firewall requirements based on industry best practices	X	
2. Review and approve requirements and for WAN/LAN/VPN/Firewall Services		X
3. Review and approve services and standards for all Network Services		X
4. Perform business liaison function to Symetra operational units		X
5. Recommend Network capacity thresholds	X	

General Roles and Responsibilities	ACS	Symetra
6. Approve Network capacity planning thresholds		X
7. Provide capacity and performance reports on a quarterly basis	X	
8. Procure/Provision and maintain all Network components and circuits	X	
9. Reporting performance against SLRs	X	

3.1.3 Design/Engineering

The following identifies the activities, roles and responsibilities associated with engineering/development Services that are specific to this Schedule. Additional activities include:

Table 3. Engineering/Development Roles and Responsibilities

Engineering/Development Roles and Responsibilities	ACS	Symetra
1. Develop Network design, engineering and security testing and integration procedures that meet requirements and adhere to defined policies	X	
2. Approve Network design engineering, security testing and integration procedures	X	
3. Prepare Network design, engineering and security, plans and schedules to support new and enhanced applications, architectures and standards	X	
4. Review and approve Network design, engineering and security plans and schedules		X
5. Approve the scheduling of all changes to the Network environment		X
6. Coordinate with Symetra and affiliated entities, and public carriers, as required	X	

3.1.4 Asset Acquisition and Network Services Provisioning

ACS will perform asset acquisition and Network Services provisioning and associated with acquiring network equipment and circuits. The following table identifies the underlying roles and responsibilities associated with asset acquisition and Network Services provisioning activities.

Table 4. Asset Acquisition and Network Service Provisioning Roles and Responsibilities

Network Provisioning Roles and Responsibilities	ACS	Symetra
1. Order and expedite WAN circuits, equipment and services as defined by Symetra	X	
2. Configure WAN/LAN (hardware, software) prior to installation	X	
3. Document router configuration files and IP addressing schemas	X	
7. Develop and document Network provisioning requirements and policies	X	
8. Approve Network provisioning requirements and policies		X
9. Provide capacity planning assistance to develop Network resource requirements projections	X	
10. Coordinate ordering, procurement and inventory management of Network circuits from public carriers	X	

Table of Contents

Network Provisioning Roles and Responsibilities	ACS	Symetra
11. Manage the performance of public carriers (and other third parties) to meet defined schedules, project plans, etc.	X	
12. Ensure that all new circuits, devices and software provisioned are included in configuration management documentation	X	

3.1.5 Network Operations and Administration

The following table identifies the activities, roles and responsibilities associated with Network operations and administration that are specific to this Schedule.

a. Operations activities include:

1. Network systems management and troubleshooting (e.g. performance, problem, change and capacity monitoring)
2. Bandwidth management
3. Protocol usage statistics (e.g. identify top talkers by protocol)
4. Working with public carriers and other circuit providers to perform any operations activities
5. Managing and maintaining all Network Service computing resources (e.g. hardware, operating system software and applications) that are required to provide designated Services

b. Administration services include activities, such as:

1. Managing router configurations, firewalls, Internet Protocol (IP) addresses and related services (e.g. DNS/DHCP)
2. Asset management, including infrastructure software licenses
3. Physical (e.g. equipment) and logical (e.g. IP address change) IMACs

Table 5. Network Operations and Administration Roles and Responsibilities

Network Operations and Administration Roles and Responsibilities	ACS	Symetra
1. Provide LAN/WAN connectivity contained in the service environment	X	
2. Develop and document Network administration requirements and policies	X	
3. Develop and document procedures for administration that meet requirements and adhere to Symetra defined policies and procedures	X	
4. Approve administration policies and procedures		X
5. Perform day-to-day Network operations and administration activities	X	
6. Manage all Network devices in accordance with Symetra's policies (including security oversight and change management policies)	X	
7. Maintain IP addressing schemes, router configurations, routing tables, VPN configurations, etc.	X	
8. Manage End User accounts as needed for access and maintaining Network resources (e.g. logon user-id and password maintenance)	X	
9. Maintain and provide audit information including access, general logs, application logs in accordance with Symetra's security policies	X	

Network Operations and Administration Roles and Responsibilities	ACS	Symetra
10. Ensure that Network administration activities are coordinated through defined change management processes	X	

3.1.6 Network Monitoring and Reporting

The following table identifies the roles and responsibilities associated with Network monitoring and reporting Services that are specific to this Schedule.

Table 6. Network Monitoring and Reporting Roles and Responsibilities

Network Monitoring and Reporting Roles and Responsibilities	ACS	Symetra
1. Develop and document requirements and policies for Network monitoring and problem management	X	
2. Approve requirements and policies for Network monitoring and problem management		X
3. Develop and document Network monitoring and problem management procedures, including escalation thresholds, that meet requirements and adhere to defined policies	X	
4. Approve Network monitoring and problem management procedures		X
5. Provide and implement tools for monitoring Network devices and traffic	X	
6. Implement measures for proactive monitoring and self-healing capabilities to limit Network outages	X	
7. Monitor Network per SLRs	X	
8. Identify Network problems and resolve in accordance Incident and Problem Management Services, polices, procedures and SLRs	X	
9. Provide on-site staff at Symetra facilities as required to perform maintenance and problem resolution activities	X	

3.1.7 Documentation

The following are required document types that are specific to this Schedule.

a. Network system specifications and topologies (for example, router configurations, firewall policies, routing diagrams/IP addressing tables, hardware/software listings, etc.)

b. Detailed circuit location information (e.g. circuit ID including LEC access ID, location, speed)

c. Detailed documentation showing all firewall policy, group, object, etc. information

d. “As-built” documentation for all Network devices (including firewalls) that are deployed in development, test, QA, production or other technical environments

The following table identifies the roles and responsibilities associated with documentation activities that are specific to this Schedule.

Table 7. Documentation Roles and Responsibilities

Documentation Roles and Responsibilities	ACS	Symetra
1. Recommend documentation requirements	X	

Documentation Roles and Responsibilities	ACS	Symetra
2. Approve recommend documentation requirements		X
3. Provide documentation as required by Symetra	X	

3.1.8 Network Security Services

3.1.8.1 Firewall Management

ACS shall provide firewall management Services including firewall engineering and management and access control list engineering and management in compliance with Symetra's policies and standards. The following table identifies roles and responsibilities associated with the firewall management Services.

Table 8. Firewall Services Roles and Responsibilities

Security Firewall Services Roles and Responsibilities	ACS	Symetra
1. Recommend best practice firewall policies	X	
2. Develop Symetra specific firewall polices		X
3. Approve firewall polices		X
4. Provide Services in conformance to firewall policies	X	
5. Perform firewall engineering and firewall security design	X	
6. Assess firewall security and propose alternative security designs	X	
7. Review and approve firewall security designs		X
8. Maintain Access Control Lists (ACL) in accordance with Policies	X	
9. Review and approve firewall ACL policies		X
10. Develop recommendations for improved security	X	
11. Review and approve recommendations for improved security		X

3.1.8.2 Security Intrusion Detection Services

ACS shall provide both NIDS (Network-based Intrusion Detection Service) and HIDS (Host-based Intrusion Detection Service). The following table identifies the roles and responsibilities associated with the Intrusion Detection Services.

Table 9. Security Intrusion Detection Services Roles and Responsibilities

Security Intrusion Detection Services Roles and Responsibilities	ACS	Symetra
1. Develop policies and standards for intrusion detection	X	
2. Approve policies and standards for intrusion detection		X
3. Provide Intrusion Detection Services and reporting	X	
4. Allow for independent Intrusion Detection Services	X	
5. Develop recommendations for improved security	X	
6. Review and approve recommendations for improved security		X
7. Implement approved recommendations	X	

3.1.8.3 Security Vulnerability & Penetration Services

ACS shall test the susceptibility of Symetra's Network hosts to a specific attack or suite of attacks targeting all Symetra Internet address space as well as all Symetra Intranet address space using automated and custom methods. The following table identifies the roles and responsibilities associated with the security penetration Services.

Table 10. Security Penetration Services Roles and Responsibilities

Security Penetration Services Roles and Responsibilities	ACS	Symetra
1. Develop policies for security vulnerability & penetration testing	X	
2. Approve policies for security vulnerability & penetration testing		X
3. Conduct security vulnerability scans & penetration testing	X	
4. Allow for independent vulnerability & penetration Services	X	
5. Provide reporting on testing results	X	
6. Develop recommendations for improved security	X	
7. Review and approve recommendations for improved security		X
8. Implement approved recommendations	X	

3.1.8.4 Security Incident & Audit Management Services

The following table identifies the roles and responsibilities associated with security incident management Services.

Table 11. Security Incident & Audit Management Roles and Responsibilities

Incident Management Services Roles and Responsibilities	ACS	Symetra
1. Provide initial review (level 1) of security incidents and the determination if escalation to Symetra Information Security (level 2, 3 support) is warranted	X	
2. Identify and removal from the network of any PC virus/worm infected system	X	
3. Identify and provide countermeasures for virus / worm attacks	X	
4. Establish security audit policies		X
5. Provide technical expertise for security audits	X	
6. Collect and review all incidents reported by all other security Services (e.g. NIDS, HIDS, penetration testing, firewall).	X	
7. Maintain log files in accordance with Symetra policies and Service levels	X	
8. Provide security reporting	X	

3.2 Exclusions

The following items are specifically excluded from this statement of work:

a. None

Table of Contents

4.0 Service Management

4.1 Objectives

A key objective of the Agreement is to attain the SLRs. SLAs and Project-specific SLAs are specified with Fee Reductions where business is impacted through failure to meet significant mission critical systems or services, or project milestones or objectives warrants a reduction in Fees paid when Service performance requirements are not met. SLRs are detailed in the following sections of this Schedule and SLAs are detailed in Schedule 5 — Fee Reductions.

ACS shall provide written reports to Symetra regarding ACS's compliance with the SLRs specified in this SOW Schedule.

4.2 Definitions

The following defined terms shall apply to this SOW and the following SLRs:

Availability –The percentage of scheduled time the Service is fully operational. Availability represents a measure of the fraction of time during a defined period when the Service provided is deemed to be as good or better than the defined requirement.

Availability = 100% - Unavailability (%)
Where Unavailability is defined as:
S outage duration x 100
(Schedule Time – planned outage)

IMAC – Installations, Moves, Adds, Changes — General term for the routine work performed on equipment and services including installations, relocations and upgrades.

Network Transit Delay – Round trip transit delay from ingress and egress ports on premise devises.

Maximum Outage Per Link—The greatest allowable time that a network Service is unavailable.

Network—The network is comprised of the Local Area Network, Wide Area Network and VPN.

4.3 Service Level Requirements (SLRs)

ACS shall meet the following SLRs commencing on the Handover Date (unless another date is expressly set forth in a particular SLR) that is applicable to Network Services. SLRs associated with Fee Reductions are detailed in Schedule 5 — Fee Reductions. **All times referenced are in Pacific Standard Time**.

Table 12. Network Availability SLRs

DEFINITION	Network Availability is defined as the time during which the network is fully functioning as specified below and normal business operations can be carried out with no data loss, downtime, or performance degradation on primary path. Performance criteria for the wide area network and virtual private network are to be measured on an end-to-end basis. End-to-end shall mean site-to-site or from a premises access device (e.g. router) across the local, regional, and core networks to another access device.

Pre-scheduled downtime requirements	All pre-scheduled maintenance shall be performed between the period beginning Sunday 0830 to 2030

Network Availability SLRs

Service Type	Service Measure	Performance Target	SLR
End-to End Availability - - Critical Locations (Symetra headquarters and ACS data center) (Fee Reduction is triggered after 180 minutes of aggregate downtime achieved within a Contract Year; SLA measurement begins immediately following completion of the network)	Availability	Sun-Sat, 0000-2400	[***]%
Remote office Availability	Availability	Sun-Sat, 0000-2400	[***]%
Tele-workers Availability	Availability	Sun-Sat, 0000-2400	[***]%
Internet access Availability	Availability	Sun-Sat, 0000-2400	[***]%
LAN locations	Availability	Sun-Sat, 0000-2400	[***]%
	Formula	Availability(%) = 100% - Unavailability (%) Where Unavailability is defined as: (S Outage Duration x 100%) ¸ (Schedule Time – Planned Outage)	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Table 13. Network Performance SLRs

Definition	Network performance includes the ability of the network components to deliver data timely and accurately. All performance criteria are to be measured on a ***per circuit and component basis***– criteria is ***not*** to be aggregated and averaged for all circuits and network components. Maximum packet size is 128 bytes.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Network Performance SLRs

Performance Type Per Circuit	Service Measure	Performance Target	SLR
Frame Delivery Ratio (SLA/SLR measurement and performance Target adjustment period of 60 calendar days after the applicable Handover Date)	Successful frame transmission of frame relay frame between any remote site and NWSC; measured daily, reported monthly (subject to ability of carrier to report these statistics.	99.9%	[***]% (data loss £ [***]%)
	Formula – Transit Delay	NTD = t2 – t1 Where: t1 is the time when a packet leaves the ingress premise, and t2 is the times when the packet arrives at the egress premise	
	Formula – Frame Delivery	**Packet Delivery Ratio** = 1 minus PDR Where: “PDR” = Packets delivered/ packets sent.	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Table 14. Network Administration Services SLRs

DEFINITION	Routers and circuits to be managed proactively using either product-specific or proprietary Network monitoring and management tools. Measurement for these network components is 24x7x365 requirement. Pre-scheduled maintenance shall be preformed according to the published maintenance window schedule, with the ability to reschedule based on Network Availability requirements from the various Symetra groups or clients.

Network Administration Services SLRs

Administration Task	Service Measure	Performance Target	SLR
Network Service capacity reallocation or change per change management process	Proactive monitoring and preemptive intervention to advise Symetra of need to increase capacity.	15 day sustained avg. daily utilization reaches 60% of installed capacity	[***]%
IMAC– Implement service packs and updates to “dot” releases per change management process	Overall schedule	Mon–Sat, 0700–1800	<[***] hours or per Symetra agreed schedule [***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Network Administration Services SLRs

Administration Task	Service Measure	Performance Target	SLR
IMAC—Implement version or major release updates	Overall schedule	Mon–Sat, 0700–1800	<[***] hours or per Symetra agreed schedule [***]%
IMAC—service addition or change as scheduled per change management process	Elapsed time	Increases of installed capacity within 2 months Decreases of installed capacity within 6 months	[***]%
Adding/deleting VPN user accounts	Response time	Mon–Fri, 0700–2000 within 30 minutes of notification	[***]%
Firewall Management Implementation of firewall changes related to changing, adding/deleting firewall rules.	Response time	Emergencies: £ 2 hours Standard Requests: within normal change control parameters after submission by Symetra	[***]%
	Formula	Transactions completed within performance Target / total transactions	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Table 15. Security Intrusion Detection SLRs

Definition	Network traffic to/from designated systems is monitored for current attack signatures and is retained for 3 days. Measurement for this Service is 7x24x365 requirement. Pre-scheduled maintenance shall be preformed between the period beginning Sunday 0100 to 0700.

Security Intrusion Detection SLRs

Management Task	Service Measure	Performance Target	SLR
NIDS – review all positive priority 1 and priority 2 alerts and notify Symetra by E-mail (Per prioritized alert schedule to be agreed between ACS and Symetra	Elapsed time from receipt of notification (SLA/SLR measurement and performance target adjustment period of 120 days after production deployment date)	<15 minutes	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Security Intrusion Detection SLRs

Management Task	Service Measure	Performance Target	SLR
	Formula	Performance = Transactions completed per management task within performance Target / total transactions per management task occurring during the Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	Mutually agreed intrusion detection testing tools	

Table 16. Security Penetration Services SLRs

DEFINITION	Entire Networks are tested to determine the susceptibility of their hosts to current attacks. Measurement for this Service is Mon-Fri, during business hours, for Intranet testing. Whereas Internet penetration testing occurs outside of business hours [1700 – 0700] and where appropriate, running continuously over the weekend. Pre-scheduled maintenance shall be preformed during periods of Service inactivity.

Security Vulnerability & Penetration Services SLRs

Management Task	Service Measure	Performance Target	SLR
Penetration testing – response to positive penetration test results that match defined penetration profile (SLA/SLR will take effect ninety (90) calendar days following the final Handover Date for all Services)	Defined penetration profile.	Five (5) Business Days	[***]%
	Formula	Response time required to address positive penetration testing results based on established penetration profiles	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	Mutually agreed penetration testing tools	

4.4 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS will provide written reports to Symetra regarding ACS' compliance with the SLRs and other Network activity reports specified in this Date Network Services SOW:

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Data Network Services SOW Appendices

Not applicable.

5.2 Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 2A	Cross Functional Services SOW
Schedule 3	Fees
Schedule 5	Fee Reductions

Schedule 2E

Voice Communications Services SOW

for

Symetra Life Insurance Company (Symetra)

October 28, 2004

TABLE OF CONTENTS

List of Tables

Table of Contents

1.0 Voice Communications Overview and Service Objectives

1.1 Voice Communications Services Overview

Voice communications Services are the services and activities, as detailed in this Voice Communications Services SOW, required to provide and support Symetra with a number of voice communication Services. ACS is responsible for full provision, operation and management of current and emerging voice communications including, but not limited to, the following Services:

- Desk phone
- Local service (dial tone)
- Wireless services (e.g. cell phone, Blackberry service connectivity)
- Long distance
- Unified messaging
- Calling cards
- Inbound toll-free service
- Caller recording and indexing
- Audio and web conferencing
- Contact center services, including:
  - Interactive voice response (IVR)
  - Automated call distribution (ACD)
  - Interpretive voice services

As depicted in Figure 1 below, in addition to the Services described in this Voice Communications Services SOW, ACS is responsible for providing the Services described in **Schedule 2A** – Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of the Agreement as of the Effective Date.

Cross Functional SOW

Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Communications Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional View

1.2 Service Objectives

The following are the key high-level Service objectives Symetra expects to achieve through outsourced voice communications Services and this Voice Communications Services SOW:

- Meet Symetra business needs for highly available, scalable, reliable, and secure voice communications Services
- Acquire services with availability guarantees backed by SLAs
- Acquire voice services with features and functions that meet user needs and meet Symetra business requirements
- Acquire services that can leverage operational scale and best practices to achieve optimum commercial price performance

2.0 Service Environment

2.1 Scope of the Infrastructure to be Supported

The following sub-sections specify the Appendices and other relevant materials containing details of Symetra's voice communications environment. These service environment Appendices are to be maintained by ACS and made available to Symetra on a quarterly basis. (Currently, Symetra Corporate provides Symetra voice communications services as a shared service.)

2.1.1 Hardware and Software

Intentionally Left Blank.

2.1.2 Service Locations

a. ACS will provide voice communications Services to Symetra's corporate headquarters, remote offices and to Symetra home-based workers. A description of the Symetra service locations for which ACS will provide voice communications Services is provided in Attachment B of the Agreement.

2.1.3 Personnel

a. ACS will be responsible for providing skilled and appropriately certified voice communications-related staffing as required to perform the Services required hereunder in accordance with the SLRs set forth in this Voice Communication Services SOW. (Currently, Symetra Corporate provides Symetra voice communications-services related staffing as a shared service.)

2.1.4 Policies, Procedures and Standards

Intentionally Left Blank.

2.1.5 Voice Communications Systems Features and Functions

Intentionally Left Blank.

2.1.6 Agreements and Licenses

Intentionally Left Blank.

2.2 Work-In-Progress

Intentionally Left Blank.

2.3 Future initiatives

Intentionally Left Blank.

2.4 Voice Communications Baseline Information

Symetra’s current voice communications utilization and projected inbound and outbound usage is presented below. These business requirements represent Symetra’s most realistic projection of its voice communications Services requirements as of the Effective Date based on a combination of past trends and current anticipated overall business direction over the Term of the Agreement.

These metrics, along with other data which may be pertinent for sizing the solution, are reflected in **Schedule 3** - Fees.

Table 1. Voice Communications Inbound and Outbound Baseline Projections

System	2005	2006	2007	2008	2009	Comments
Headquarters Users	948	971	994	1018	1042	
Headquarters VIP Users	59	59	59	59	59	
Remote Offices	8	8	8	8	8	
Remote Office Users	103	103	103	103	103	
Tele-workers	138	138	138	138	138	
Outbound IntraState						
Dedicated (monthly minutes)	15,000	17,250	19,837	22,813	16,235	
Switched (monthly minutes)	10,000	11,500	13,225	15,208	17,490	
Outbound Interstate						
Dedicated (monthly minutes)	168,000	193,200	222,180	255,507	293,833	
Switched (monthly minutes)	30,000	34,500	39,675	45,626	52,470	
Calling Cards (units/monthly minutes)	214	246	283	325	374	
Inbound Toll Free						
Dedicated Termination	525,000	603,750	694,312	798,459	918,228	
Switched Termination	Unknown					
Large PBX (300+ Users)	1	1	1	1	1	

System	2005	2006	2007	2008	2009	Comments
Small PBX System	8	8	8	8	8	
Handsets	1200	1200	1200	1200	1200	
Cell Phones (units/total monthly minutes)	143/600,000	146/690,000	150/793,500	154/912,525	157/1,049,403	
Pagers (units)	60	61	62	64	65	
Blackberry Users	40	41	42	43	44	
Teleconferencing (users/total monthly minutes)	100/ 18000	115/ 20,700	132/23,805	152/27,375	174/31,482	

3.0 Voice Communications Services Requirements

3.1 Service Descriptions and Roles & Responsibilities

In addition to the services, activities, and roles and responsibilities described in **Schedule 2A** - Cross Functional Services SOW, ACS is responsible for the following voice communications services, activities and roles and responsibilities.

3.1.1 General Responsibilities

The following table identifies the general roles and responsibilities associated with this Voice Communications Services SOW. An “X” is placed in the column under the Party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled “ACS.”

Table 2. General Roles and Responsibilities

General Roles and Responsibilities	ACS	Symetra
1. Provide voice communications strategies and requirements		X
2. Provide voice communications design and engineering to meet Symetra strategies and requirements	X	
3. Approve voice communications design and engineering		X
4. Provide, operate and manage current and emerging voice telecommunications services required to meet Symetra’s business and operational requirements as they evolve	X	
5. Procure, install, maintain, and provide problem resolution for all voice communications services	X	
6. Provide connectivity through methods such as traditional wired, wireless and emerging methodologies	X	
7. Fraud prevention, detection and reporting	X	
8. Procure and own all voice services related hardware, software, and peripherals	X	

3.1.2 Desk Phone Service

ACS shall provide desk phones and Services necessary to provide telephone services to employees throughout Symetra facilities. Services include providing planning and assessment, implementation, training and ongoing monitoring and management of the telephone services.

The telephone and auxiliary equipment includes feature rich single-line telephones, multi-line telephones, consoles, and auxiliary equipment, which also include headsets, speakerphones, and add-on modules. Desk phone Service allows authorized callers to receive incoming calls and to make intra-campus, inter-campus, outside local, outside long distance, and international calls (limited stations). The following table identifies the roles and responsibilities associated with desk phone Service.

Table 3. Desk Phone Service Roles and Responsibilities

Desk Phone Service Roles and Responsibilities	ACS	Symetra
1. Provide desk phone requirements (e.g. number of sets, functions and features)		X
2. Provide desk phone design and engineering to meet Symetra requirements	X	
3. Approve desk phone design and engineering		X
4. Provide end-to-end internal and external phone connectivity including hardware and/or peripherals	X	
5. Provide emergency 911 services to desk phone	X	
6. Provide adaptive voice telecommunications services and equipment as required by laws affecting the support of the disabled	X	
7. Manage and maintain private dial plan	X	

3.1.3 Voice Network Services

ACS shall provide voice network Services, including local service and long distance service, to Symetra phone users with local, intrastate, interstate, and international calling from Symetra's facilities. Long distance calls are those that terminate at locations outside the caller's local calling area to locations in the United States (domestic) and to foreign countries (international). long distance services include the planning and assessment, implementation, and ongoing management necessary to deploy long distance Services enterprise wide. The following table identifies the roles and responsibilities associated with long distance Service.

Table 4. Voice Network Services Roles and Responsibilities

Long Distance Services Roles and Responsibilities	ACS	Symetra
1. Provide voice network Services strategies and requirements		X
2. Provide voice network Services design and engineering to meet Symetra strategies and requirements	X	
3. Approve voice network Services design and engineering		X
4. Provide local and long distance network Services	X	
5. Provide long distance telephone calling cards and management	X	
6. Provide local and long distance usage monitoring and reporting	X	
7. Provision local and long distance Services	X	

3.1.4 Unified Messaging

ACS shall provide unified messaging (e.g., integrated voice mail, email, fax) services to allow the efficient exchange of messages between two or more people enterprise wide. The following table identifies the roles and responsibilities associated with unified messaging Service.

Table 5. Unified Messaging Roles and Responsibilities

Unified Messaging Roles and Responsibilities	ACS	Symetra
1. Provide unified messaging Services strategies and requirements		X
2. Provide unified messaging Services design and engineering to meet Symetra strategies and requirements	X	
3. Approve unified messaging Services design and engineering		X
4. Provide unified messaging Services	X	
5. Provide unified messaging usage monitoring and reporting	X	
6. Provide unified messaging storage capacity management	X	
7. Provide unified messaging retention management per Symetra requirements and external regulations	X	
8. Provision unified messaging Services	X	
9. Conduct mailbox moves, adds and changes	X	
10. Maintain mailbox configurations by user	X	
11. Provide new hire training material	X	

3.1.5 Directory Service

ACS shall provide directory Services (e.g. Outlook) that provide Symetra telephone users with vital communication information and tools including external directories such as white pages and yellow pages. Outlook features shall include a repository of directory information for internal as well as Symetra external contacts. Directory Services also include managing white page and yellow page listing services to meet Symetra requirements. The following table identifies the roles and responsibilities associated with directory Services activities.

Table 6. Directory Services Roles and Responsibilities

Directory Services Roles and Responsibilities	ACS	Symetra
1. Provide directory Services strategies and requirements		X
2. Provide recommendations to meet Symetra strategies and requirements	X	
3. Approve directory Services recommendations		X
4. Provide a secure and searchable online directory service with real time updates	X	
5. Provide white pages and yellow page directories annually	X	
6. Provide white page and yellow page listing requirements		X
7. Manage white page and yellow page listing services to meet Symetra requirements	X	
8. Approve white page and yellow page listing services		X

3.1.6 Conferencing Services

ACS shall provide conferencing Services (e.g. audio, web) that provide Symetra users with conference capabilities. Services include the planning and assessment, implementation, training, and ongoing management necessary to implement conferencing Services. An array of features will be supported with the delivered services. The following table identifies the roles and responsibilities associated conferencing Services.

Table 7. Conferencing Services Roles and Responsibilities

Conferencing Services Roles and Responsibilities	ACS	Symetra
1. Develop conferencing Services strategies and requirements		X
2. Design conferencing Services to meet Symetra strategies and requirements	X	
3. Approve conferencing Services		X
4. Provide conferencing Services	X	
5. Provide support for the setup of conferencing sessions	X	

3.1.7 Contact Center Service

ACS shall provide contact center Services that provides toll-free call processing and call flow with integrated ACD, IVR, CMS, and future CTI support and CRM integration. Services include planning and assessment, implementation, and ongoing management necessary to deploy contact center Services enterprise wide. The following table identifies roles and responsibilities associated with contact center Services activities.

Table 8. Contact Center Service Roles and Responsibilities

Contact Center Services Roles and Responsibilities	ACS	Symetra
1. Provide contact center Services strategies and requirements		X
2. Recommend contact center Services to meet Symetra strategies and requirements	X	
3. Approve contact center Services		X
4. Provision and or configure contact center Services	X	

3.1.8 Operations, Administration and Management

ACS shall operate, administer, maintain and manage all voice communications Services. The following identifies roles and responsibilities associated with operations, administration and management Services that are specific to this Voice Communications Services SOW.

Table 9. Operations and Administration Roles and Responsibilities

Operations and Administration Roles and Responsibilities	ACS	Symetra
1. Provide Symetra with a detailed explanation of outages that identify the regional impact, source of outage, and preventative measures being taken to prevent future similar outages	X	
2. Manage End User accounts (e.g. account set up, password resets, account deletions and terminations) and provide administrative support (online directory services to maintain and update the directory in accordance with the SLRs) for all Services contained in this Voice Communications Services SOW according to Symetra information security policies	X	
3. Provide proactive and reactive voice Services fraud and security management and reporting	X	
4. Provide physical and logical IMACs	X	

3.2 Exclusions

The following items are specifically excluded from this Voice Communications Services SOW:

a. Support for legacy voice recording system

b. Replacement of Symetra owned PBXs and peripherals at eight (8) remote locations currently not shared with Symetra Corporate offices (see Appendix E.5 – Symetra Services Locations)

c. Desktop hardware IMACS at Symetra headquarters

4.0 Service Management

4.1 Objectives

A key objective of the Agreement is to attain SLRs. SLAs and project-specific SLAs have Fee Reductions associated with them where business is impacted through failure to meet significant mission critical systems or services, or project milestones or objectives warrants a reduction in Fees paid when Service performance requirements are not met. SLRs are detailed in the following sections of this Voice Communications Services SOW, and SLAs are detailed in **Schedule 5 -** Fee Reductions.

ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs specified in this SOW.

4.2 Definitions

The following defined terms shall apply to this Voice Communications Services SOW and the following SLRs:

Access Line—The connection between a customer premises network interface and the local exchange carrier (LEC) that provides access to the PSTN.

LATA—Local access and transport area is a term that refers to a geographic region assigned to one or more telephone companies for providing communication services. A connection between two telephone companies within the same region is referred to as **intraLATA**. A connection between two local exchange carriers in different regions is called **interLATA**, which is the same as long-distance service.

Table of Contents

Public Switched Telephone Network (PSTN)—The network of equipment, lines, and controls assembled to establish communication paths between calling and called parties in North America.

4.3 Service Level Requirements (SLRs)

ACS shall meet the following SLRs commencing on the Handover Date (unless another date is expressly set forth in a particular SLR) that is applicable to Voice Communications Services. ACS must consistently meet or exceed the following SLRs. **All times referenced are in Pacific Standard Time**.

Table 10. Voice Communications Service Availability SLRs

DEFINITION Availability of the voice communications network, including all circuits and all associated hardware (includes blocked calls).

VOICE COMMUNICATIONS AVAILABILITY SLRS

Service Type	Service Measure	Performance Target	SLR
Overall Voice Transport and System Availability	Availability per location	Sun-Sat, 0000-2400	[***]%
Local Service	Availability per location	Sun-Sat, 0000-2400	[***]%
	Formula	Availability(%) = 100% — unavailability (%) Where unavailability is defined as: (S outage duration x 100%) ¸ (scheduled time – planned outage)	
	Measurement Interval	Unless otherwise noted above, capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Table 11. Service Responsiveness SLRs

DEFINITION The ability of ACS to respond to, process, and fulfill client-requested changes and reconfiguration of various types of voice services.

Service Responsiveness SLRs

Service Type	Service Measure	Performance Target	SLR
Technology solution design	Elapsed time	£ 2 weeks of request	[***]%
Install voice access line	Elapsed time	£ 45 Business Days of request	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Service Type	Service Measure	Performance Target	SLR
System hardware capacity changes (Symetra headquarters only)	Elapsed time	£ 4 hours of request received within Business Day hours	[***]%
User Account Changes	Elapsed time	£ 4 hours of request received within Business Day hours	[***]%
Remote Location IMACs	Elapsed time	£ 1 week of request	[***]%
Headquarters PBX management	Elapsed time	£ 2 Business Days of request received within Business Day hours	[***]%
	Formula	Number of requests successfully completed per Service type within performance target/total number of requests per Service type occurring during the Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

4.4 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs and other voice communications management reports specified in this Voice Communications Services SOW.

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Voice Communications SOW Appendices

Not applicable.

5.2 Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 2A	Cross Functional Services SOW
Schedule 3	Fees
Schedule 5	Fee Reductions

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

SCHEDULE 2F

HELP DESK SERVICES SOW

for

SYMETRA LIFE INSURANCE COMPANY (SYMETRA)

October 28, 2004

TABLE OF CONTENTS

List of Tables

Table of Contents

1.0 Help Desk Services Overview and Objectives

1.1 Services Overview

Help Desk Services are the services and activities, as detailed in the following Help Desk Services SOW, required to coordinate and respond to problems and Service Requests made by Symetra Information Technology Service Tower End-Users and technical staff located in North America. The ACS Help Desk is responsible for providing a toll-free number for access to Help Desk Single-Point-of-Contact ("***SPOC***") and for providing end-to-end ownership (e.g. logging, tracking, resolution and reporting) of Trouble Tickets and Service Requests. Trouble Tickets and Services Requests can be resolved by Help Desk staff or may need to be referred/escalated to more specialized entities for resolution such as Symetra staff, a vendor or other designated Third Parties. As part of the Help Desk Services, ACS will coordinate the Root Cause Analysis process.

As depicted in Figure 1 below, in addition to the Service described in this Help Desk SOW, ACS is responsible for providing the Services described in Schedule 2A — Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of the Agreement.

Cross Functional Services SOW

Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional View

1.2 Service Objectives

The following are the key high-level service objectives Symetra expects to achieve through outsourced Help Desk Services and this Help Desk Services SOW.

- Improve IT customer service and problem resolution speed through expanded service hours, self service abilities, and skilled Help Desk staff in the areas of industry standard IT products
- Improve Symetra efficiency and effectiveness by adopting ACS leveraged knowledge databases and best practices in the areas of customer reporting, logging, tracking, resolving of IT problems and Service Requests
- Improve efficiency and effectiveness by early identification and addressing of root causes of technical problems including working with specialized entities for resolution such as Symetra staff, a vendor or other designated Third Parties, before they become trends
- Have the ability to acquire skilled Help Desk support for new technologies early in their life cycle while maintaining support for older technologies
- Achieve the SLRs specified in **Section 4** of this SOW.

2.0 Service Environment

2.1 Scope of the Infrastructure to be Supported

The types of calls to be handled by ACS Help Desk include:

- Infrastructure
- Systems software (i.e. operating systems, utilities)
- Packaged office productivity software
- Password resets
- Symetra applications (tracking and escalating to Symetra only)

ACS will provide Help Desk Services specified in this Schedule for the following Symetra IT Service Towers:

- Enterprise Operation Center Services SOW as defined in Schedule 2B
- Distributed Computing Services SOW as defined in Schedule 2C
- Data Network Management Services SOW as defined in Schedule 2D
- Voice Communications Services SOW as defined in Schedule 2E

The following sub-sections specify the appendices and other relevant materials containing details of the Help Desk Services environment to be supported/complied with. Service environment appendices are to be maintained and reviewed with Symetra by ACS and made available to Symetra on a quarterly basis.

2.1.1 Hardware and Software

a. A list of Symetra Help Desk supported software and hardware is provided in Appendix F.1 — Help Desk Supported Software and in Appendix F.2 — Help Desk Supported Hardware.

2.1.2 Help Desk Software, Tools and Knowledge Databases

Intentionally Left Blank.

2.1.3 Service Locations

a. A description of the Symetra service locations for which ACS will provide Help Desk Services is provided in Attachment B of the Agreement.

2.1.4 Personnel

a. ACS will be responsible for staffing skilled and appropriately certified Help Desk staff required to perform the Services required hereunder in accordance with the SLRs set forth in this SOW. Currently, Safeco Corporate provides Symetra Help Desk Services as a shared service.

2.1.5 Policies and Procedures

Intentionally Left Blank.

2.2 Initiatives In Progress

Intentionally Left Blank.

2.3 Future initiatives

Intentionally Left Blank.

2.4 Help Desk Baseline Information

Symetra's current Help Desk utilization and projected usage is presented below. These business requirements represent Symetra's most realistic projection of the Service requirements for as of the Effective Date based on a combination of past trends and current anticipated overall business direction over the Term of the Agreement.

These metrics, along with other data which may be pertinent for sizing the solution, are reflected in Schedule 3 -Fees.

Table 1. Help Desk Baseline Projections

System/Metric	5/2003 to 4/2004	2005	2006	2007	2008	2009	Comments
Total Number of Calls	11404	11671	11958	12245	12539	12542	
Help Desk Calls per user/per mo. (average)	0.76	0.77	0.78	0.79	0.79	0.78	
Headquarters Users	929	948	971	994	1018	1042	13% growth over 5 yrs/2.4% per yr
Headquarters VIP Users	59	59	59	59	59	59	
Remote Offices	26	8	8	8	8	8	
Remote Office Users	208	103	103	103	103	103	
Tele-workers	52	138	138	138	138	138	
Level 1 Support:							

System/Metric	5/2003 to 4/2004	2005	2006	2007	2008	2009	Comments
Break/Fix	223	228	233	239	245	251	
Applications (all)	2451	2510	2570	2632	2695	2760	
IP / Data Networking	219	224	229	234	240	246	
Voice / Telco Services	17	17	18	18	19	19	
End-User Access/Resets	3275	3354	3434	3516	3600	3686	
Network-attached Printing	0	0	0	0	0	0	
Local-attached Printers / Peripherals	136	139	142	145	148	152	
Moves, Adds, Changes	9	9	9	9	10	10	
Security Related	179	183	187	191	196	201	
Other / No Subject/Misc.	47	48	49	50	51	52	
Level 2 Support							
Break/Fix	782	801	820	840	860	881	
Applications (all)	2319	2375	2432	2490	2550	2611	
IP / Data Networking	200	205	210	215	220	225	
Voice / Telco Services	81	83	85	87	89	91	
End-User Access/Resets	92	94	96	98	100	102	
Network-attached Printing	6	6	6	6	7	7	
Local-attached Printers / Peripherals	503	515	527	540	553	566	
Moves, Adds, Changes	314	322	330	338	346	354	
Security Related	353	361	368	377	386	395	
Other / No Subject/Misc.	103	105	108	111	114	117	
Level 3 Support	95	97	99	101	103	105	

3.0 Help Desk Support Services Requirements

3.1 Service Descriptions and Roles & Responsibilities

In addition to the Services, activities, and roles and responsibilities described in Schedule 2A — Cross Functional Services SOW, ACS is responsible for the following Help Desk support Services, activities and roles and responsibilities.

3.1.1 General Responsibilities

The following table identifies the general roles and responsibilities associated with Help Desk support Services. An "X" is placed in the column under the party that will be responsible for performing the task. ACS responsibilities are indicated in the column labeled "ACS."

Table 2. General Roles and Responsibilities

General Roles and Responsibilities	ACS	Symetra
1. Set up the Help Desk, including implementation of systems necessary to document, track and manage End-User request for Services, inquiries and problem notifications	X	
2. Provide a SPOC for and coordinate all requests for Service in the service areas supported under the terms of the Agreement	X	
3. Provide expert assistance level 1, 2 and 3 to inquiries on the features, functions and usage of all Commercial-Off-The-Shelf (“COTS”) systems in use at Symetra	X	
4. Provide level 1 assistance to inquiries on the features, functions and usage of Symetra custom applications / software based on information obtained from Symetra knowledge transfer	X	
5. Identify, escalate, manage resolution and close problems	X	
6. Manage the Root Cause Analysis process on recurring problems	X	
7. Perform administration services such as creating, changing and deleting user accounts	X	
8. Administer asset management		X

3.1.2 Help Desk End User Services

3.1.2.1 Single Point of Contact

The following table identifies SPOC roles and responsibilities.

Table 3. SPOC Call Roles and Responsibilities

SPOC Call Roles and Responsibilities	ACS	Symetra
1. Provide SPOC call-in access via a toll-free number for all Help Desk Services described in this SOW for all Symetra IT Service Towers and Symetra locations	X	
2. Provide for multiple alternative communications channels, including voice messages, email and Intranet. In the case of voice communications, any IVR system must allow for immediate exit from the system and live communication with a Help Desk agent	X	
3. Record and redirect non IT Service Tower incidents and service requests	X	

3.1.2.2 Help Desk Operations and Administration

The following table identifies Help Desk operations and administration roles and responsibilities.

Table 4. Help Desk Operations and Administration Roles and Responsibilities

Help Desk Operations Roles and Responsibilities	ACS	Symetra
1. Develop and document operational procedures which meet Symetra requirements and adhere to defined Help Desk policies	X	
2. Review operational procedures		X

Help Desk Operations Roles and Responsibilities	ACS	Symetra
3. Receive, track, answer and resolve Symetra End User and technical staff calls	X	
4. Coordinate IMACs, including all IT Services Towers	X	
5. Provide “How-to” and Level 2 assistance for Symetra defined COTS applications included in its distributed computing environment	X	
6. Coordinate employee user account administration, activation, changes and terminations, including: password/account setup and reset, remote access connectivity, E-mail accounts, End-User IDs, Password Resets, remote paging devices, voicemail administration, telephone lines, secure ID cards, catalog quotations, etc.	X	
7. Provide end-to-end problem identification, escalation, resolution and closure process	X	
8. Provide additional resources as needed during planned and unplanned critical events	X	
9. Support Symetra policies and best practices	X	
Help Desk Administration Roles and Responsibilities	**ACS**	**Symetra**
10. Develop and document Help Desk administration procedures which meet Symetra requirements and adhere to defined Help Desk policies	X	
11. Review Help Desk administration procedures		X
12. Select and implement software and hardware (e.g. IVR) needed to collect, track and manage requests for service received by the Help Desk	X	
13. Track/manage/report Help Desk utilization	X	
14. Provide escalation contact list(s) for Symetra contacts		X
15. Maintain and provide escalation contact list(s) for all Service Towers (including Third Parties such as vendors and service providers)	X	
16. Issue broadcasts or other notices to provide status updates as required for planned and unplanned events	X	
17. Provide End User or manager online/portal access to service requests and incident reports	X	
18. Develop and execute procedures for conducting End-User satisfaction surveys according to SLRs	X	
19. Review and approve procedures for conducting End-User satisfaction surveys		X
20. Maintain a continuous improvement program that improves Help Desk Services using metrics to improve Service delivery	X	
21. Work with ACS operational and technical staff, and Symetra, to identify solutions that minimize the need to call the Help Desk (e.g. additional End User training, Self Help opportunities, Root Cause Analysis)	X	
22. Approve solutions that minimize the need to call the Help Desk		X
23. Coordinate and make available envirdonment documentation (i.e. network configuration, and inventory of software to be supported)	X	

3.1.2.3 Service Request and Trouble Ticket Management

ACS will own the end-to-end incident management process. Service Request and Trouble Ticket management includes escalation to Level 2 and 3 specialists through a well-defined process, including ACS' primary resources, Third Parties, such as hardware and software suppliers, other Third-Party service providers as well as Symetra's internal technical support resources. The following table identifies the Service Request and Trouble Ticket management roles and responsibilities.

Table 5. Service Request and Trouble Ticket Management Roles and Responsibilities

Service Request and Trouble Ticket Management Roles and Responsibilities	ACS	Symetra
1. Identify and describe priorities, response and resolution targets for Service calls and Service Requests of differing impacts		X
2. Provide a system to document, manage and track all Service Requests, problem reports and inquiries regardless of the means by which the request is submitted (e.g., telephone, email, fax, direct online input by End-Users, etc.)	X	
3. Develop procedures to receive and respond to Symetra calls for Service according to defined prioritization and resolution targets. Ensure that response to Service Requests is based on priority and impact rather than the method used to notify the Help Desk (e.g., telephone, email, fax, direct input to Service Request system by End-Users, etc.).	X	
4. Review and approve procedures to receive and respond to Symetra calls		X
5. Review and approve procedures for the escalation of Incidents		X
6. Resolve Incidents within prescribed time limits, if possible, otherwise escalate to appropriate Level 2 resource	X	
7. Identify problem characteristics and Root Cause Analysis	X	
8. Categorize, prioritize and log all IT Incidents (e.g. inquiries/problems/service requests) in the Trouble Ticket system	X	
9. Monitor Incidents (Trouble Tickets) and escalate per policies and procedures until resolution and End-User satisfaction	X	
10. Verify acceptance of services by contacting the End-User to confirm results and level of satisfaction	X	
11. Ensure that recurring problems which meet defined criteria are reviewed using Root Cause Analysis processes	X	
12. Ensure that inventory and configuration management records are updated to reflect completed Service Request (IMACs, and others)	X	

3.1.2.4 Remote Desktop Management

ACS shall have the ability to manage desktop devices and software remotely. Remote desktop management Services are those Services required to manage and control desktop devices and software over the network. This includes maintaining and troubleshooting the desktop operating system and supported desktop applications electronically to minimize the need to dispatch technical personnel. The following table identifies the remote desktop management roles and responsibilities.

Table 6. Remote Desktop Management Roles and Responsibilities

Remote Desktop Management Roles and Responsibilities	ACS	Symetra
1. Recommend and develop policies for the use of remote control tools for maintenance and troubleshooting	X	
2. Review and approve policies for the use of remote control tools for maintenance and troubleshooting		X
3. Diagnose problems using remote control capability and when possible implement corrective actions to resolve problems. If resolution is not possible escalate per the escalation procedures	X	

3.1.2.5 User Administration

The following table identifies the End User administration roles and responsibilities that ACS and Symetra will perform.

Table 7. End-User Administration Services Roles and Responsibilities

User Administration Services Roles and Responsibilities	ACS	Symetra
1. Develop and document requirements and policies regarding End User Administration	X	
2. Approve requirements and policies regarding End User Administration		X
3. Receive and track requests for user account activation, changes and terminations	X	
4. Create, change and delete user accounts per requests in accordance with Symetra's security policies.	X	
5. Coordinate as necessary with other specialized areas to manage End User accounts	X	
6. Reset passwords as required in accordance with Symetra's security policies	X	

3.1.2.6 Installs, Moves, Adds, Changes (IMACs)

ACS will manage all the requests for modification to the environment. Install, move, add, change (IMAC) requests will be coordinated through the Help Desk where obligations include gathering the business requirements, providing authorization, logging the request, and facilitating fulfillment. All authorized IMAC requests are passed automatically to the local support team depending upon the location and the product or service being requested. Local support team could be ACS, Symetra, or a combination depending on location.

ACS's obligations include (i) obtaining the requisite approvals from the relevant Symetra stakeholders, (ii) contacting the End User and schedule an appropriate, agreed time for the work to take place, (iii) verifying completion of IMACs and (iv) contacting the End User to confirm satisfaction. Examples include adding PCs and moving local printers and a telephone. The following table identifies the IMACs roles and responsibilities.

Table 8. Installs, Moves, Adds and Change Management Roles and Responsibilities

Installs, Moves, Adds and Changes Roles and Responsibilities	ACS	Symetra
1. Receive and track requests for IMACs	X	
2. Confirm the requirements and scope and acquire Symetra approval of the IMAC request	X	
3. Contact the End User and schedule an appropriate, agreed time for the work to take place in remote offices	X	
4. Contact the End User and schedule an appropriate, agreed time for the work to take place in Symetra Headquarters		X
5. Approve IMAC schedule		X
6. Verify completion of IMACs by contacting the End User to confirm satisfaction	X	

3.1.2.7 Self Help

ACS shall provide End User Self Help capabilities. Self Help refers to automated/electronic means made available directly to End Users to assist in fulfilling various Service Requests, including Password Resets, problem diagnosis and resolution, etc. This includes Interactive Voice Response (IVR); out-of-prime time voice messaging with guaranteed callback response, intranet-based automated self-help, etc. The following table identifies the Self Help roles and responsibilities.

Table 9. Self Help Roles and Responsibilities

Self Help Roles and Responsibilities	ACS	Symetra
1. Identify Requirements for Self Help capabilities		X
2. Implement Self-Help capabilities that enable End-Users to perform self service such as Password Resets and other administrative functions	X	
3. Monitor and review the effectiveness of Self Help capabilities and usage		X
4. Develop recommendations for and implement improvements to Self Help capabilities (see Schedule 2A for general improvement recommendation process)	X	
5. Review and approve improvements to Self Help		X

3.1.2.8 Exception Requests

The exception request process is used by End-Users to fulfill requests for products or services that are outside of standard Symetra policies, such as more memory for their PC or international calling access on their phone line.

ACS will develop, implement, and maintain an exception process and perform the activities required to collect the request, analyze, recommend, and process the request to fulfillment or denial and advise the originator of the status. Upon approval, ACS will take the necessary action to implement the request. The following table identifies the exception requests roles and responsibilities.

Table of Contents

Table 10. Exceptions Requests

Exceptions Requests Roles and Responsibilities	ACS	Symetra
1. Develop and document exception request procedures	X	
2. Review and approve ACS exception process		X
3. Document exception requests in trouble ticket system	X	
4. Provide request status to requestor when approved	X	

3.1.3 Other Responsibilities

3.1.3.1 Planning & Analysis

The following table identifies additional planning and analysis roles and responsibilities associated with this Schedule.

Table 11. Planning and Analysis Roles and Responsibilities

Planning and Analysis Roles and Responsibilities	ACS	Symetra
1. Identify and recommend Help Desk solution that best meets Symetra business needs and expense/service—level expectations	X	
2. Approve Help Desk solutions and expense/service—levels		X
3. Perform operational planning for Help Desk capacity and performance purposes	X	
4. Determine transitional plan & issues regarding facilities, layout & integration with other non-consolidated Help Desks (e.g. sales and agency technical services)	X	
5. Perform analysis of Symetra environment, including acquiring Symetra management team feedback, to identify the appropriate sets of skills, training, and experience needed by Help Desk staff	X	
6. Recommend Incident management, reporting standards and policies	X	

3.1.3.2 Procurement

Subject to Symetra's procurement policies, approval process and preferred supplier list, ACS shall respond to procurement requests.

3.1.3.3 Reporting Services

The following table identifies additional reporting roles and responsibilities that are specific to this Schedule.

Table 12. Reporting Roles and Responsibilities

Reporting Roles and Responsibilities	ACS	Symetra
1. Report on Help Desk statistics and trends as requested (e.g., service request volumes and trends by types of End Users)	X	
2. Report on trends in Service Requests indicating a need for training	X	
3. Audit results & operations periodically		X
4. Provide online/portal access to Symetra Help Desk reports	X	

3.2 Exclusions

The following items are specifically excluded from this SOW:

a. Tracking and resolution of requests outside of IT Service Towers

b. Distribution partners and policy holders

4.0 Service Management

4.1 Purpose

A key objective of this outsourcing agreement is to attain SLRs. SLAs and project-specific SLAs are specified with fee reductions where business is impacted through failure to meet significant mission critical systems or services, or project milestones or objectives warrants a reduction in Fees paid when Service performance requirements are not met. SLRs are detailed in Section 4.3 of this Schedule and SLAs are detailed in Schedule 5 — fee reductions.

ACS shall provide written reports to Symetra regarding ACS's compliance with the SLRs specified in this SOW Schedule.

4.2 Definitions

The following defined terms shall apply to this SOW and the SLRs set forth in Section 4.3 of this Schedule:

Abandonment—Defined as calls received at Help Desk that enter the queue and that are terminated (End User hang up) prior to pickup by human operator or after voice response unit options (VRU) have been selected. The assumption is that the caller hung up because Call took too long to answer.

After-Hours Support—Refers to all hours outside of Normal Help Desk Business Hours.

Availability —The percentage of scheduled time the service is fully operational. Availability represents a measure of the fraction of time during a defined period when the Service provided is deemed to be as good or better than the defined requirement.

Availability = 100% — Unavailability (%)
Where Unavailability is defined as:
S outage duration x 100
(Schedule Time — planned outage)

Break/Fix — An End-User request placed due to a software or hardware problem encountered in accessing or operating IT resources where support Services are required to resolve the problem.

Business Day Support—Refers to those hours during which ACS personnel will be available to provide consolidated Help Desk support to End Users. Such support includes answering phone calls and e-mails, opening Trouble Tickets, First Call Problem Resolution, and categorizing and routing Trouble Tickets.

Call— A call is counted for each unique Service Request made by a single End User with a single problem that is received via telephone, voicemail, and/or e-mail, involving a separate individual and event that results in opening a Help Desk Trouble Ticket. For Incidents where multiple calls are related to a single point of failure (that is, calls related to a server outage), such calls will be considered as a single Call; will not result in opening a separate Help Desk Trouble Ticket; and will not be aggregated or counted as individual Calls for measuring call volume statistics.

Call Abandonment — Percentage of total Calls that terminate after the Speed to Answer threshold has been reached, but prior to an agent taking the Call.

Call Answer—A Call is considered answered when the caller is interacting with a Help Desk agent or when a caller is interacting with a VRU.

Call Back—Defined as a follow-up call to an End User after a Trouble Ticket is closed to determine level of End User satisfaction.

First Contact—Initial contact with a Help Desk human operator is defined as ACS response via telephone, email, web chat resulting from an Incident or Service Request.

First Call Resolution—The percentage of in-scope problem Calls received during the month by the Help Desk, resulting in the creation of a ticket that is resolved while the End-User is still on the phone. This excludes calls received regarding out-of-scope requests and Trouble Tickets initiated via email or voicemail.

Help Desk Trouble Ticket—Refers to a unique logical electronic record to create, update, maintain and archive each Incident. A Help Desk Trouble Ticket is used to record all ACS, Symetra End User, Symetra technical staff and Third Party interaction pertaining to an Incident and all related actions, and corresponding date/time, taken to resolve an Incident, from the time it is first reported to the Help Desk until Incident Resolution and closure by the Help Desk. Also, it is used for application change-control traceability.

How to — An End-User request regarding how to use a feature or function of Help Desk supported software or hardware.

IMAC — Installations, Moves, Adds, Changes — General term for the routine work performed on computer equipment including installations, relocations and upgrades.

Incident Resolution Time — The time elapsed from the initiation of the Trouble Ticket until Service is restored.

> **Level 1** — Routine event. The Level 1 Help Desk is the support hot line. It acts as the human SPOC for all technology-related problems (internal applications to shrink-wrapped software; LANs; hardware break/fix and more) and Service Requests. Incidents not resolved at the Level 1 support are passed to Level 2 and/or Level 3 support personnel. Level 1 is involved mostly in incident case management (e.g. including user management, incident management, password/access security, coordinating IMACs).

Level 2 — Specialized problem or Symetra executives. Level 2 support resolves escalated incidents that require greater depth of knowledge (e.g. IT service tower subject matter expert), standard desk side support and executive desk side and/or phone support.

Level 3 — Complex problem. Level 3 support resolves escalated Incidents that require third parties such as hardware and software vendors, Symetra technical resources and or other service providers to assist or resolve issues.

Staffed Support—Refers to those hours during which ACS must have skilled Help Desk staff available to personally answer calls and provide Help Desk support to Symetra End Users. Such support includes answering phone calls and e-mails, opening trouble tickets, First-Call Problem Resolution, categorizing and routing Trouble Tickets, monitoring open Trouble Ticket status, and escalating problems which are unresolved within the Incident Priority Level time requirements.

Measurement Interval —Refers to the period of time performance will be calculated taking into consideration the impact of continuous outage. For example, a monthly measurement interval for a 99% Minimum Performance for a 7x24 system with 8 hours of weekly planned downtime would allow 6.4 hours of a continuous outage with no other outages during the month. A weekly interval would only allow 1.6 hours of a continuous outage.

Normal Help Desk Business Hours—For the purposes of coverage and critical response times, Symetra has defined the normal business hours “windows of operations” (excluding normally scheduled company holidays) for the North American Region. Days and times falling out of these ranges are considered outside of Normal Help Desk Business Hours. Normal Help Desk Business Hours are as follows:

Category	Business Hours
Password Support	24x7x365
End User Support	Mon-Fri. 0400-1900
Symetra IT Operations and Technical Support	24x7x365

Note: IT operations and Technical Support refers to tracking incidents reported by Symetra technical staff not requiring Level 1 Help Desk support.

Outage — A specialized case of an End-User Break/Fix call affecting a substantial group of End Users (“flood calls”); calls are placed to the service desk to inform, inquire or complain about accomplishing tasks with, accessing or operating IT resources.

Password Reset — A specialized End-User request to regain access privileges to IT resources.

Reporting Interval — The time span between regular performance reporting periods.

Self-Help—Refers to automated/electronic means made available directly to End Users to assist in fulfilling various Service Requests not requiring personal assistance, including End User's ability to track Trouble Ticket status and enter Service Requests without calling the Support Center.

Priority Levels — Symetra-defined category that identifies the degree of Incident importance and associated ACS response requirements attributed to an Incident.

Table 13. Priority Levels

Priority Level	Description
1 - Emergency/Urgent	The problem has caused a complete and immediate work stoppage affecting a primary business process or a broad group of End Users such as an entire department, floor, branch, line of business, or external customer. No work around available. Examples: Major application problem (e.g. payroll, call center, etc.) Severe problem during critical periods (e.g. month-end processing) Security Violation (e.g. denial of service, widespread virus, etc.)
2 - High	A business process is affected in such a way that business functions are severely degraded, multiple End Users are impacted or a key customer is affected. A workaround may be available; however the workaround is not easily sustainable. Examples: Major application (e.g. exchange) VIP Support
3 - Medium	A business process is affected in such a way that certain functions are unavailable to End Users or a system and/or service is degraded. A workaround may be available Examples: Telecommunication problem (e.g. Blackberry, PBX digital/analog card) Workstation problem (e.g. hardware, software)
4 - Low	An Incident that has little impact on normal business processes and can be handled on a scheduled basis. A workaround is available. Examples: End User requests (e.g. system enhancement) Peripheral problems (e.g. network printer) Preventative Maintenance Benchmarks

Service Request — A service request call or an e-mail regarding a range of support-specific service offerings.

Speed-to-Answer—Total elapsed time from the point that the Help Desk automated call director (ACD) call-circuitry places a call into queue until a human operator picks up the call.

4.3 Service Level Requirements (SLRs)

ACS shall meet the following SLRs commencing on the Handover Date (unless a different date is expressly set forth in a particular SLR) that is applicable to Help Desk Services. SLRs associated with fee reductions are detailed in Schedule 5 — Fee Reductions. All times referenced are in Pacific Standard Time.

Table 14. Intentionally Deleted

This table intentionally left blank.

Table 15. Response Time SLR

DEFINITION Response Time is the number of seconds or cycles it takes any representative of Symetra to connect with ACS's contact center representative. ACS will provide toll free telephone lines in adequate quantity to handle call volume, ACD system to record call date, time and duration information, and electronic interface to all systems for monitoring and reporting.

SLR Response Time coverage is Monday — Friday 0400-1900

Response Time

Help Desk Responsiveness	Service Measure	Performance Target	SLR
Speed-to-Answer	Phone response time	£ 30 sec	[***]%
Call Abandonment rate	Phone response time	£5%	[***]%
Email response rate	Online response time	£ 1 hour	[***]%
Voicemail response rate	Voicemail response time (from manual input into the ticketing system)	£30 minutes	[***]%
	Formula	Number of events per event type within performance Target / total number of events per type during Measurement Interval = "Percent (%) Attained"	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool/Source Data	To be agreed by the Parties	

Table 16. Incident Resolution SLR

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

DEFINITION The time elapsed from the initiation of the Trouble Ticket until service is restored. SLR is based on coverage for Monday — Friday 0400-1900

Incident Resolution

Help Desk Incident Resolution	Service Measure	Performance Target	SLR
First Contact Resolution of Trouble Tickets (SLA/SLR will be in effect 60 days after production deployment date)	First Contact Resolution of Trouble Tickets	70% with <5% recalls	[***]%
Time to Resolution — Shrink Wrap App Incidents (SLA/SLR will be in effect 60 days after production deployment date)	Elapsed time	2 hours with <5% recalls	[***]%
Incident Closure Notice (via e-mail and/or phone)	Elapsed time	20 minutes following incident resolution	[***]%
Root Cause Analysis	Schedule	Provide monthly review of recurring problem areas and resolutions	[***]%
	Formula	Number of instances within performance Target / total number of instances during Measurement Interval = “Percent (%) Attained”	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool/Source Data	To be agreed by the Parties	

Table 17. Account Administration SLR

DEFINITION Routine functions, such as setting up user IDs, changing user authorization tables, changing account codes and similar functions, which are handled by ACS. SLR coverage is based on Mon-Fri. 0400-1900

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

[Table of Contents](#)

Account Administration

User Account Administration Tasks	Service Measure	Performance Target	SLR
New User Account (up to 5 per request)	Elapsed time	Completed within 1 business day of authorized request	[***]%
New User Account (6-20 per request)	Elapsed time	Completed within 3 business days of authorized request	[***]%
New User Account (20+ per request)	Elapsed time	Case by case	N/A
Password Reset	Elapsed time	Completed within 5 minutes of receipt of request	[***]%
Privilege Changes	Elapsed time	Within 4 business hours of Symetra authorized request	[***]%
Disable User Account	Elapsed time	Within 60 minutes of Symetra authorized request	[***]%
Terminate User Account	Elapsed time	After 14 days of authorized request	[***]%
Procurement Request	Elapsed time	Request entered within 1 business day	[***]%
	Formula	Number of instances within performance Target / Total number of instances during Measurement Interval = "Percent (%) Attained"	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Method/Source Data	To be agreed by the Parties	

Table 18. Customer Satisfaction SLR

Customer Satisfaction

Customer Satisfaction	Service Measure	Performance Target	SLR
Periodic Sample	Response/Distribution rate	10% of closed trouble tickets surveyed within 72 hours of closing ticket	[***]%
Periodic Sample Satisfaction	Symetra Satisfaction rate	End Users surveyed should be very satisfied or satisfied	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

[Table of Contents](#)

Customer Satisfaction

Customer Satisfaction	Service Measure	Performance Target	SLR
Scheduled Survey (conducted annually)	Symetra Satisfaction rate	End Users surveyed should be very satisfied or satisfied	[***]%
	Formula	1. Number of responses with a very satisfied or satisfied rating/total number of responses 2. Sum of survey results from each participant/total number of participants responding to Periodic Sample 3. Sum of survey result from each participant/total number of participants responding to Scheduled Survey	
	Measurement Interval	See table above for survey period.	
	Measurement Method/Source Data	To be agreed by the Parties	

4.4 Reports

Without limiting the terms of Section 2.11.1 of the Agreement, ACS shall provide written reports to Symetra regarding ACS's compliance with the SLRs and other Help Desk activity reports specified in this Help Desk Services SOW.

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Help Desk Services SOW Appendices

SOW Appendix	Description
F.1	Help Desk Supported Software
F.2	Help Desk Supported Hardware

5.2 Referenced ITSA Schedules

ITSA Schedule	Description
Schedule 2A	Cross Functional Services SOW
Schedule 2B	Enterprise Operations Center Services SOW
Schedule 2C	Distributed Computing Services SOW
Schedule 2D	Data Network Management Services SOW
Schedule 2E	Voice Communications Services SOW
Schedule 3	Fees
Schedule 5	Fee Reductions

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Help Desk Supported Hardware and Software
F.1 — Help Desk Supported SW

Symetra Distributed Applications	Help Desk Supported	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	Notes
Office Suite Applications									
Office 2003 (Access, Excel, Outlook, Powerpoint, Word)	**x**	x	x						
Spreadsheet Applications									
Lotus 123	**x**								
Word Processing									
WordPerfect 6.1	**x**					x			
Presentation Applications									
Harvard Instant Charts									
Desktop Publication Apps.									
Adobe Acrobat	**x**					x			
Adobe Reader 5.05	**x**	x	x						
Frontpage	**x**								
Publisher	**x**	x	x						
Graphic Design applications									
Grabbit 2.5				x					
Local Database Applications									
None									
Database Reporting Apps									
Crystal Reports	**x**					x			
Reports Facilitator				x					
Database Client									
None									
Terminal Emulator Apps.									
ProComm Plus				x		x			
Terminal Server applications									
Citrix Client	**x**	x	x						
Miscsoft RDP Terminal Service Client	**x**								
E-mail applications									
Exchange	**x**								
MailMarshal — scanning	**x**								
PDA applications									
Blackberry Desktop Software v3.6 service pack 2	**x**								
Calendar applications									
Outlook	**x**	x	x						
Accounting applications									
MFACT				x					
Microcash for Windows				x					
Finance applications									
Flexsoft				x					
FundStation				x					
Quicken				x		x			
Programming applications									
Remedy (Action Request)	**x**								
Seaview				x					
Management Tool Apps									
None									
VPN applications									
Extranet Access Client	**x**	x	x						
Contivity Client									
AT&T Dialer									
Internet applications									
Internet Explorer 5.5 sp2	**x**								
Communication applications									
CentreVue	**x**								

Table of Contents

Help Desk Supported Hardware and Software
F.1 — Help Desk Supported SW

Symetra Distributed Applications	Help Desk Supported	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	Notes
Language Interpretation Services	x								
Lanier (old NICE calls)	x								
NICE Universe	x								
Phone 2PC Recording	x								
Faxing applications									
Enterprise Fax Manager				x					
Fax Util				x					
RightFax	x								
WinFax	x					x			
Flowcharting applications									
Visio	x								
Visio Viewer	x	x	x						
Contact Management Apps									
Bacon's MediaSource				x					
Project Tracking Apps									
Project	x								
Simply TIME (task manager)				x					
Virus applications									
Norton Anti-Virus	x	x	x						
Print Utility applications									
PrintNow!				x					
Scanning Software Apps									
None									
Handicap Utility									
None									
Video Conferencing Apps									
None									
Security applications									
Cyber Gatekeeper Agent	x	x	x						
CyberArmor	x	x	x						
FAZAM 2000				x					
PowerQuest				x		x			
Symantec Antivirus 8.01									
Reference applications									
NILS				x					
Operating Systems Apps									
Windows 2000 sp3	x	x	x						
Undefined applications									
Ameritech White and Yellow Pages				x					
Catapult Training				x					
Chase Insight & Reporter				x		x			
Desktop Submit				x					
EFTPS for Windows 01.07.01				x					
EOSI/CLAS (Library copyright)				x					
Extra! 6.71	x	x	x						
EZ2000				x		x			
FlashPlayer 7.0.19.0	x	x	x						
ICW Required				x					
Iomega Tools				x					
Message Manager				x					
MMCD				x					
MSDN				x					
PBS				x					
DirectX 8.1					x	x			
Panagon Document Management					x				

[Table of Contents](#)

Help Desk Supported Hardware and Software
F.1 — Help Desk Supported SW

Symetra Distributed Applications	Help Desk Supported	Core Image Applications	Standard	Not Supported	Bus. Needs Req.	License count	Site License	Limited Quantity amount	Notes
PCAnywhere				x					
PGP Encryption					x				
PowerSelect					x				
Qview4					x				
RoboHelp Office 2000					x				
Skill Vantage					x				
Snag-It! (screen shot capture)				x					
Source OffSite 3.5.1				x					
Spencer CD				x		x			
Trellis					x				
Unicenter					x				
UVT					x				
Web IIS					x				
WebTrends					x				
WELL Concession Calculator					x				
Window’s MDAC 2.61 sp2					x				
Window’s Media Player 7.1					x				
Winrapid Teledex					x				
WinZip 8.1					x				

Table of Contents

Help Desk Supported Hardware & Software
F.2 — Help Desk Supported SW

Compaq dc5000
IBM ThinkPad T40
IBM ThinkPad T41
IBM ThinkPad T20
IBM ThinkPad T21
IBM ThinkPad T22
IBM ThinkPad T23
Monitor — Compaq V7550 17”
Monitor — NEC FE991sb 19”
Monitor — Compaq P1210 21”
HP LaserJet 2100
HP LaserJet 4P, 5P, 4Plus, 6PXI
HP LaserJet 4, 4Si, 5, 5Si
LaserJet 4000, 4000T, 4050, 4050N, 8000
Dymo (Co-star) Printer
56K Fax Modem V.90 Internal 3COM U.S. Robotic
USR EXT 56K Modem V.92 Black Casing
Belkin Modem Cable — 9 Pin.
Network Card — IBM Token Ring Adapter 2, with Wake On LAN
IBM Turbo T/R Adapter 16/4 (ISA)*
IBM Turbo T/R Adapter 16/4 (ISA)*
3COM 10/100 PCI DESKTOP MGT Ethernet Adapter
IBM 3278/9 Emulation Adapter
RIM Blackberry 7280
RIM Blackberry 6210
RIM Blackberry 7230
Keyboard
Mouse

SCHEDULE 2G – OUTPUT PROCESSING SERVICES SOW

OCTOBER 28, 2004

Table of Contents

1.0 Project and Services Overview

Output processing systems and software that were owned by Safeco and used to process Symetra daily mainframe[1] printed outputs will become unavailable after transition to ACS. The goal of this project is to transfer the printed output services currently provided by Safeco to ACS. These Services include daily cut-sheet and forms-based printing, assembly, distribution, mailing, forms coding, data security, and archiving of printed output images. These needs are further defined within this Output Processing Services SOW.

This project is part of the Symetra transition program, which is responsible to ensure an integrated and successful overall transition from Safeco to Symetra.

In parallel, this project is:

- Linked to an “in flight” document and Content Management SOW project that will address post-transition requirements for: document scanning, indexing, and document and image storage
- Linked to an “in flight” print fulfillment project
- Required to support our ability to provide information through our agent/customer portal.

1.1 Assumptions

ACS will provide support services per Schedule 2A – Cross Functional Services. Related project assumptions include:

- ACS will establish an Symetra approved project schedule including key milestones and will manage to that project schedule.
- ACS will develop and Symetra will approve installation and cutover plans for those phases of the project allowing coordinated planning and the least possible disruption to current users.
- Upon project completion, Symetra will have an operational report per the design with complete documentation.
- After implementation, ACS will provide ongoing services support by keeping hardware, and software current.
- ACS will provide recommendations to improve output processing

1.2 Scope of Output Processing

Output processing includes, but is not limited to the following:

- Output service deliverables:
  - form coding and form management
  - page segments and overlays — creation and maintenance
  - data/forms/overlay conversion
  - forms library maintenance and management
  - generation of print streams from daily extract files
  - printing — local to Symetra and outsourced
  - post-processing and document assembly
  - conversion of current archived output documents to ACS systems
  - printed output image archiving
  - web intranet portal to access data from archive
  - access to archived data
  - development and testing processes
  - data security
  - customer privacy
  - disaster recovery
  - infrastructure / technology environment

1 To distinguish it from marketing, and other types of outputs.

  - work flow training
  - interfaces
  - testing
  - data transfer
  - reports
  - documentation
  - technology support for Symetra departments and associated End Users in the initial implementation.
- Implementation and acceptance of all output service deliverables to Symetra for the following departments:
  - Sales & Marketing
  - Compliance
  - Individual Life
  - Income Annuities
  - Group
  - Retirement Services
  - Life Finance
  - Mortgage Loans
  - SIS

1.3 Business Objectives

General

- Move toward more automated printing, processing and mailing/distribution.
- Outsource large volume and fully automated processes to ACS facilities
- Update and improve processes during the transition

Policies, contracts and statements

- Limited local printing capability – policies and contracts Checks

Checks

- Local on the spot check printing capability and automated printing and mailing at ACS facilities
- Support three processes that currently produce checks: CDS, Payroll, Accounts Payable, Mutual Funds and SIS, and using a variety of different check stocks.

Taxes

- Convert overlays to forms
- Produces both printed output and tapes to meet federal and state requirements.

Archive

- ACS must provide access to archive documents via web browser

1.4 Technical Objectives

The following mainframe systems have output processing feeds that need to be captured and processed; Cyberlife with IPS and work flow system (ViewStar), Paris, Vantage, LAB-Income Annuities, RPS, DSS, FMS systems, and Group Systems.

Specifications are presented in 9 parts in Section 2 of this Output Processing Services SOW – Output Processing Specifications:

1. Current output processes for Symetra
2. Test outputs
3. Audit reports
4. Proof of mailing
5. Printed output archive
6. Forms
7. File transfers
8. Process flows
9. Future needs

The majority of applications that generate printed output are vendor systems and reside on the mainframe – IBM z/OS with primarily DB2 and limited IMS databases. The extract files are mainly COBOL output formats. These applications are currently supported on Safeco’s systems but they will be migrated to ACS concurrent with the efforts of this project.

The following environment and Services are required, but are not limited the following, to assist in this transition:

1. Network with adequate capacity for file transfer to and from Symetra primary and secondary locations
2. Temporary/intermediate storage capacity for all specified extract files
3. Printed output archive
4. Portal to access archived printed output data/images, forms, and test outputs
5. Forms creation and management software
6. Forms library
7. Print stream generation software/hardware
8. Cut sheet, special forms and check printers
9. Post processing/mailing preparation systems
10. Mail sorting address correction reporting software
11. Life insurance policies and annuity contracts are forms intensive. Content and appearance must match the approved state-filed form to meet with state and federal compliance requirements.

1.5 Service Locations

Printed outputs fall into two categories: ACS location and Symetra local. Fully automated mailings, such as annual and quarterly statements are those that can be printed processed and mailed directly from ACS' locations.

Outputs that are not fully automated are those that require manual processing by the originating business operations department. These printed outputs must be made available according to Section 2 to this Output Processing Services SOW — Output Processing Specifications. Symetra data center space can be made available for limited local printing.

1.6 Confidentiality

ACS will be responsible for adhering to Symetra confidentiality policies. Extract files, and related printed output will include sensitive customer financial information. Secure data transfer to and from Symetra, secure processing, secure data storage, secure disposal, where applicable, and strict control of data access are required.

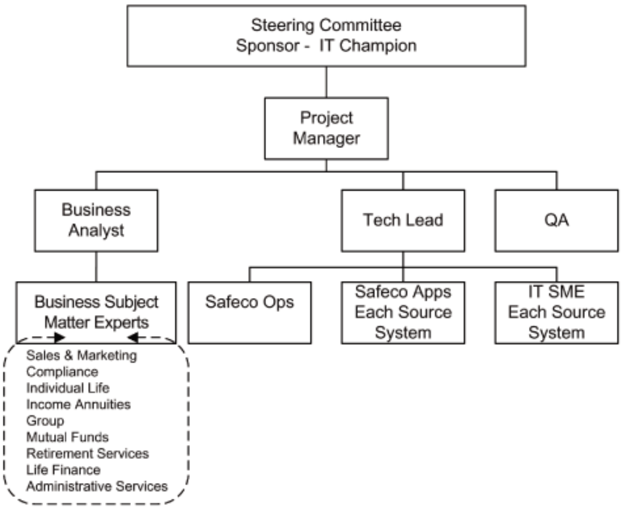
1.7 Out of Scope

- Network printer outputs – addressed in the Data Center Services SOW (Schedule 2B)
- Reports, both hardcopy and online in Control D – addressed in the Data Center Services SOW (Schedule 2B)
- Marketing material for agents, etc. – print/fulfillment/supply/distribution project
- Document and image scanning, storing, retrieving — document management systems and content management systems project

1.8 Staffing

ACS shall provide all personnel required to support the Services/specifications as defined in Section 2 of this Output Processing Services SOW. The following chart depicts Symetra's project organization and the primary customers of Output Processing Services.

Figure 1: Symetra Project Organization Chart



2.0 Output Processing Specifications

These specifications represent descriptions of current processes that must be replicated. These processes do not necessarily need to be duplicated exactly as presented here. Recommendations for improvements that are more cost efficient and are in line with the proposed schedule and project scope are encouraged.

ACS may propose either, processing and printing from the data extract files provided by Symetra systems, or replacement software systems and printing the output streams created by those software systems.

2.1 Current Output Processes for Symetra

The outputs described here will continue to be required after transition from Safeco. The minimum requirement is to reproduce the outputs the same as today. Recognizing that there have not been any efforts made to optimize these outputs for outsourcing, recommendations for improvements in the data extract structures, file sizes and processes will be considered when compatible with the defined time frame and project scope.

The outputs are described as currently processed and produced, and have been separated into categories with similar or common characteristics. The outputs are produced in various formats, using cut sheet paper, roll-fed cut sheet paper, or pre-printed forms. All outputs are currently printed black on white. Reports and program listings using continuous feed forms are not in scope. Rather, they are part of the infrastructure replacement project.

The outputs vary in design, with some using application-formatted text and plain paper or pre-printed forms, some using printer overlays, and some using Safeco's current electronic print system (EPS) with Documerge software.

Some outputs are automated so that they can be printed, processed and mailed directly to the recipient from ACS' chosen processing location. However, there are some outputs that will require local printing due the need for manual processing and/or to business processing time constraints.

2.1.1 Statements Processing

Symetra statements are currently processed in-house using Documerge as the print stream generator. This functionality must be replaced. The bulk of these statements can be generated, printed, processed and mailed in an automated manner.

Statements are currently produced by four vendor applications listed below:

- CK4 (CSC) — Converting to CyberLife in September 2004 – individual life annual statements
- Vantage-One (CSC) – deferred annuity statements
- Paris – deferred annuity statements and deferred annuity case statements
- DSS (CSC) — distribution support system — agent compensation

2.1.1.1 Individual Life Insurance Statements

Annual universal life insurance statements are produced daily based on policy anniversary date. Variable life insurance statements are produced quarterly. The extracts, including both types, are produced by the CK4 policy administration system. This system will be upgraded to CyberLife during 2004, but the output processing will remain the same.

The statement extract is created during nightly batch processing and is sent to an enterprise output system application (EOS) that sorts and formats the data, then generates the print stream using Documerge, and splits it into appropriate print jobs (e.g., bi-fold, flat, agent copy, etc.).

Functional Requirements

- Normal handling statements are printed and processed with Gunther post-processing systems where they are automatically sorted, packaged and readied for mailing. A Third Party vendor processes this mail to provide efficiency and reduced postage costs (bulk mailing).
- Agent copies are produced for both normal and special handling statements.
- Bi-fold packaging is preferred to reduce mailing costs. There is an automatic changeover to flat when a page count threshold is exceeded (~10 pages) and the fold becomes difficult.
- Overflow jobs are used to handle situations where more than 95 pages (reasonable flat limit) are to be packaged together.
- There are no inserts.

Business Requirements

- Normal handling statements can be printed, processed and mailed directly to the recipient.
- All special handling statements are printed and returned to Symetra for manual processing and mailing.
- Special request statements are manually processed by Symetra and must be completed by 8:00 AM the following Business Day. This may require local printing.
- Proof of mailing is required.

Archiving

Customer statements are archived in AFP format. The files are stored on tape, with the past 18 months also stored on DASD and available for on-line viewing. Direct access is provided to customer service representatives (CSR) and indirect access is also provided through a web-based application for customers, agents and CSR's. The stored AFP document is converted to a PDF on the fly for convenient handling and viewing.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LISA0102	CK4 extract - feeds EOS application	COBOL extract	10:00 PM					
EOS03LFB	Process life extract files (UL & VUL)	Documerge printstream	10:00 PM					
EOS04LFB	Split output between flats and bifold	Documerge printstream	10:00 PM					
EOS04400	Print special request statements	Documerge printstream	11:00 PM	2,651	1,825	1,014	1,304	1,442
EOS04410	Print customer statements - flats	Documerge printstream	11:00 PM	285	223	298	234	354
EOS04420	Print customer statements - bifold	Documerge printstream	11:00 PM	52,675	54,469	56,212	58,164	53,593
EOS04450	Print agent copies - flats	Documerge printstream	11:00 PM	13,485	12,549	14,860	14,834	13,543
EOS04460	Print agent copies - bifold	Documerge printstream	11:00 PM	33,045	37,171	34,197	38,663	34,322
EOS04470	Print agent copies - Bifold	Documerge printstream	11:00 PM	2,197	1,491	836	2,038	1,262
—	**Total impressions per month**	**—**		**104,338**	**107,728**	**107,417**	**115,237**	**104,516**
—	Approximate packages per month	—		25,000	26,000	26,000	29,000	25,000

Forms

Forms are hard coded in the application.

Statement front page:	**LO-1215/EP 6/02**
Second and continuing pages:	**LO-1216/EP 6/02**

2.1.1.2 Deferred Annuity Statements

Deferred annuity statements are produced daily from extracts produced by Vantage-One (job LVF02420) and Paris annuity administration systems (job LPA1S230). The EOS feed is EOS03LFS. Normal handling deferred annuity statements are produced quarterly. Quarterly statements run on the first Business Day following quarter end for the Vantage-One system and on days 2 through 5 for the Paris system. The runs are in the months of January, April, July and October.

The trigger event for normal quarterly statement production is the first Business Day of the new quarter for Vantage-One, and the second, third and fourth Business Days for Paris. The statement extract is created during nightly batch processing and is sent to an enterprise output system application (EOS) which sorts and formats the data, then generates the print stream using Documerge and splits it into appropriate print jobs (bi-fold, flat, agent copy, etc.). Due to the volume produced at quarter-end, the print stream is separated into approximately 12,000 page print jobs.

During the rest of the quarter, smaller special request statements are produced daily. These statements are automatically produced when transactions are backdated over the previous quarter end, and for special requests. Both Paris and Vantage statements can be processed at the same time.

Functional Requirements

- Normal handling statements are printed and then processed with Gunther post-processing systems where they are automatically sorted, packaged and readied for mailing. A Third Party vendor currently processes this mail for efficiency and reduced postage costs.
- Agent copy statements are also produced and mailed for both normal and special handling (these are intermixed from Vantage-One and are a separate output from Paris.
- First quarter statements carry a two-page, inline privacy notice.
- Normal handling statements are produced and mailed during the two weeks following quarter-end as shown in the following table. This distribution helps to minimize excessive peaks in customer service call volume.

Business Days after Quarter End à System â	1	2	3	4	5	6
Vantage-One	85,000 pkgs. produced	~40,000 pkgs. mailed	~40,000 pkgs. mailed			
Paris		40,000 pkgs. produced		~40,000 pkgs. mailed		
Paris			40,000 pkgs. produced		~40,000 pkgs. mailed	
Paris				30,000 pkgs. produced		~30,000 pkgs. mailed

- There are newsletter inserts included in selected second and fourth quarter statement packages. The selection is based on product line and product type. These inserts are pre-printed and delivered bi-folded for insertion. They typically consist of 4 pages (11 by 17 glossy, folded into $8\frac{1}{2}$ by 11, then bi-folded to $5\frac{1}{2}$ by $8\frac{1}{2}$). They occasionally have an additional $8\frac{1}{2}$ by 11 center page.
- Bi-fold packaging is preferred to reduce mailing costs. There is an automatic changeover to flat when a page count threshold is exceeded (typically 9 pages) and the fold becomes difficult. Overflow jobs are also provided to handle situations where more than 95 pages (reasonable flat limit) are to be packaged together.

Business Requirements

- Quarterly statements can be printed, processed and mailed from ACS' chosen location.
- Daily statements are manually processed by the business units, and are needed by 8:00 AM the next Business Day.
- Special handling statements must be returned to Symetra for manual processing and mailing the next Business Day. There are two special handling jobs to sort the statements for different departments.
- Foreign address statements can be mailed using appropriate postage (these are in with the special handling statements).
- All mailed statements must be out by the 15th day after quarter-end.
- Statements must be available for online viewing within 2 days of mailing.
- Proof of mailing is required.

Archiving

Customer statements are archived in AFP format. These are stored on tape, with the past 18 months also stored on DASD and readily available for on-line viewing. Direct access is provided to CSR's and indirect access is also provided through a web-based application for customers, agents and CSR's. The stored AFP document is converted to PDF on the fly for convenient handling and viewing. These documents are stored 18 months online and a minimum of 7 years in archive.

Print Volumes

Job	Description	Run Times *	January 2004	February 2004	March 2004	April 2004	May 2004
EOS04L11	Customer statements – flats	11:00 PM	869	357	138	936	168
EOS04L12	Customer statements – flats > 95 pages	11:00 PM	279	323	78	320	94
EOS04L21	Customer statements – bifold	11:00 PM	48,849	14,424	—	51,278	—
EOS04L22	Customer statements – bifold	11:00 PM	50,217	12,513	—	49,161	—
EOS04L23	Customer statements – bifold	11:00 PM	51,879	9	—	51,864	—
EOS04L24	Customer statements – bifold	11:00 PM	36,911	9	—	51,188	—
EOS04L25	Customer statements – bifold	11:00 PM	21,327	9	—	52,637	—
EOS04L26	Customer statements – bifold	11:00 PM	12,130	9	—	27,129	—
EOS04L27	Customer statements – bifold	11:00 PM	16,603	9	—	16,236	—
EOS04L28	Customer statements – bifold	11:00 PM	56	9	—	12,064	—
EOS04L29	Customer statements – bifold	11:00 PM	56	9	—	12,062	—
EOS04L31	Customer statements – bifold	11:00 PM	56	9	—	12,060	—
EOS04L32	Customer statements – bifold	11:00 PM	56	9	—	12,062	—
EOS04L33	Customer statements – bifold	11:00 PM	56	9	—	12,060	—
EOS04L34	Customer statements – bifold	11:00 PM	56	9	—	12,056	—
EOS04L35	Customer statements – bifold	11:00 PM	56	9	—	12,654	—
EOS04L36	Customer statements - bifold	11:00 PM	56	9	—	12,055	—
EOS04L37	Customer statements - bifold	11:00 PM	56	9	—	12,052	—
EOS04L38	Customer statements - bifold	11:00 PM	56	9	—	12,057	—
EOS04L39	Customer statements - bifold	11:00 PM	56	9	—	14,555	—
EOS04L40	Customer statements - bifold	11:00 PM	56	9	—	3,139	—
EOS04L51	Agent copy - bifold	11:00 PM	1,101	197	—	656	—
EOS04L52-69	Agent copy - bifold	11:00 PM	697	153	—	340	—
EOS04L71	Agent copy - flat	11:00 PM	3,753	751	—	3,114	—
EOS04L72-90	Agent copy - flat	11:00 PM	738	162	—	360	—
EOS04L95	Agent copy > 95 pages	11:00 PM	14,379	6,030	—	12,666	—
EOS04LS1	Special handling	11:00 PM	1,798	7,943	12,933	10,757	9,397
EOS04LS5	Special handling	11:00 PM	3,646	1,635	1,790	3,135	873
—	**Total impressions per month**		**265,848**	**44,641**	**14,939**	**470,653**	**10,532**
—	Approximate packages per month		200,000	38,000	10.000	200,000	6,000

* On quarter end, these jobs will not complete until 10:00 PM the following day.

Forms

Forms are hard coded in the application.

Statement front page – pie chart:	**LP-1376/EP 11/03**
Statement front page – no pie chart:	**LP-1376/EP 12/03**
Second and continuing pages:	**LP-1377/EP 11/03**

2.1.1.3 Paris Annuity Case Statements

Paris annuity case statements are mailed to plan sponsors/employers. These statements currently use an overlay with formatted text sent directly to the cut-sheet printers – Documerge software is not involved in the process.

Case statements are triggered by the system and are scheduled annually, quarterly, and are also available on request. The statement extract is created during nightly batch processing and is sent directly to the printer as formatted text. The printed output is sent to the mail distribution center where the packages are assembled and mailed.

Functional Requirements

- There are no inserts.
- Mailed in size-appropriate envelopes.

Business Requirements

- Special handling statements must be returned to Symetra for manual handling the next Business Day.
- Proof of mailing is required.

Archiving

These statements are not currently archived.

Print Volumes

Job	Description	Output File Format	Run Time	January 2004	February 2004	March 2004	April 2004	May 2004
LPA1S200	Paris case statements	Formatted printstream	11:00 PM	8,085	2,433	1,114	4,745	1,380

Forms

Forms are hard coded in the application.

Paris case statement forms:	**LP906A/EP 1/92 (boxed overlay)** **LP906N (boxed overlay)** **LP907A/EP 1/92 (boxed overlay)**

2.1.1.4 Agent Compensation Statements

Agent compensation statements are produced daily from extracts produced by the DSS system (job LVO04730). Checks related to the statements are generated out of the FMS system and are sorted in the same order as the statements.

The statement extract is created during nightly batch processing and is sent to an enterprise output system application (EOS) which sorts and formats the data, generates the print stream and splits it into appropriate print jobs (bi-fold or flat).

Functional Requirements

- Statements are sent to production mailing sorted into 6 groups:
  - 910 - New York (with and without checks)
  - 920 - Income annuities large check — value over $100,000
  - 930 - Hold code (special handling – sent back to Symetra)
  - 940 - LMKSGC (grouped by agency – all are addressed the same, but the statements are for many different producers)
  - 950 - No check (EFT used instead, or check value less than $100)
  - 960 - All others (statements that are to be matched with checks)
- Checks are manually matched and inserted with the corresponding compensation statement.
- Statements are generally packaged in bi-fold envelopes unless they exceed a threshold page count (10 pages) in which case they sent to the flat (9 by 12) envelope print job.
- Output schedule is:
  - o Fridays – weekly and bi-weekly statements
  - o Month end statements
  - o Quarter-end statements and annual statements

Business Requirements

- Statements for New York agencies (sort code 910) must be printed on New York letterhead and mailed in New York envelopes.
- Special handling output (sort code 930) must be returned to Symetra for manual handling the next Business Day.
- Statements for large checks (sort code 920) must be returned to Symetra for manual handling the next Business Day.
- Statements with no check (sort code 950) can be mailed out directly to the recipient.
- Statements for LMKSGC (sort code 940) must be matched up to the affiliated check and mailed.
- Statements for all others (sort code 960) must be matched up to the affiliated check and mailed.
- Mismatch statements (i.e., payment of $100 or greater with no check) must be returned to Symetra for manual handling the next Business Day.
- Proof of mailing is required.

Archiving

Agent compensation statements are partially stored on microfiche and partially stored on DSS history. Microfiche was used prior to having DSS. Manual transactions are stored in Filenet.

Print Volume

Job	Description	Output File Format	Run Times *	January 2004	February 2004	March 2004	April 2004	May 2004
EOS04LSA	Agent compensation – bifold	Documerge printstream	3:00 AM	40,362	18,005	32,688	21,702	19,193
EOS04LSB	Agent compensation — flat	Documerge printstream	3:00 AM	273	297	325	356	344
—	**Total impressions per month**	**—**		**40,635**	**18,302**	**33,013**	**22,058**	**19,537**

* 3:00 PM on quarter-end

Forms

Forms are hard coded in the application.

Mailing page – flat	**OC-635/EP 09/00**
Mailing page – bi-fold	**OC-686/EP 09/00**
Agent compensation statement front page:	**LSA365/EP 03/02**
Agent compensation statement detail page:	**LSA366/EP 10/01**
NY agent compensation statement front page:	**LSA367/EP 12/01**
NY agent compensation statement detail page:	**LSA368/EP 12/01**

2.1.2 Deferred Annuity Contracts and Individual Life Policies

Contracts and policies are produced by three applications. Symetra is interested in replacement methods for processing the contract forms and policy extract data, printing the statements, and distributing them.

Contracts and policies are currently processed in-house using an electronic forms management (EFM) database to manage the forms, Documerge V3.0.6 as the print stream generator, AFP format printers, and Gunther post-processing systems. There are some manual processes associated with the production and distribution of these documents.

ACS may propose to supply software systems to replace those systems, or they may propose to process the data extract files to create print streams using their own image generation software.

2.1.2.1 Deferred Annuity Contracts

Deferred annuity contracts are produced daily from extracts produced by the Vantage-One annuity administration system. They are automatically triggered when a policy is issued.

The annuity contract extract is created during nightly batch processing and is sent to an enterprise output system application (EOS) that sorts and formats the data, generates the print stream using Documerge, and splits it into appropriate print jobs. The forms are managed using the EFM database, and the forms are stored in an electronic library (EDL). The extract is created to supply all the necessary information to complete the selected forms. The extract is passed to the EOS application which formats the data and generates the print stream. The scanned and imaged customer application is pulled from an image archive database, converted from PDF to AFP and incorporated in a new, indexed form placed in the EDL. The entire contract package is printed in-stream then processed with the Gunther automated post-processing systems.

The contract package consists of; a) a loose, unbound group of forms including welcome letter, privacy notice, guarantee association notices, contract summaries and various other correspondence; b) the bound contract (currently using VeloBind), consisting of contract face page, contract data page with variable data (amounts, interest rates, customer information, etc.), the contract body, endorsements, an image of the application; and c) a stapled, multi-page buyers guide (for fixed annuities contracts only). The entire package is inserted into a 9 x 12 envelope ready for mailing.

A shortened agent copy is also created including the welcome letter, contract data page and a disclosure form for IRA contracts.

Functional Requirements

- Printed contracts are processed using Gunther automated post-processing equipment. The package is not sealed, and is returned to the new business unit of retirement services for final checkout and mailing.
- There are inserts included with the contract package, depending on product and line of business.
- Flat packaging (9 by 12 envelopes) is used for all contract packages.
- Many of these forms are filed with the states.

Business Requirements

- These contracts must be returned to Symetra by 8:00 AM the next Business Day.
- All contract packages are reviewed by the business unit and validated for mailing to the correct recipient (some go to the customer and some go to the agency).
- Variable contract packages must be mailed within 2 days of creation.
- Ability to re-issue or re-print old contracts is required (sometimes requests back to 1972 are received due to the fact that these are retirement accounts).

- Proof of mailing is required by five states.

Archiving

All contract pages are archived in the printed output archive with the exception of the scanned and imaged customer submitted application. Direct access is provided to CSR's through an intranet application. The stored AFP document is converted to PDF on the fly for convenient handling and viewing. Contracts must be stored at least 7 years; however the ability to access the contracts indefinitely is required.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LVF03710	Extract		1:00 AM	—	—	—	—	—
EOS04LEP	Contracts	Documerge printstream	2:00 AM	112	100	90	120	100
EOS04LE1	Contracts	Documerge printstream	2:00 AM	1,594	592	856	894	1,072
EOS04LE2	Contracts	Documerge printstream	2:00 AM	5,440	2,113	1,839	2,496	4,510
EOS04LE3	Contracts	Documerge printstream	2:00 AM	100	100	90	110	100
EOS04LE4	Contracts	Documerge printstream	2:00 AM	100	100	90	110	100
EOS04LMS	Contracts	Documerge printstream	2:00 AM	814	376	350	444	694
—	**Total impressions per month***	**—**		**8,160**	**3,381**	**3,315**	**4,174**	**6,576**

* These quantities are currently low based on a drop since the announcement of Symetra's sale. They are projected to potentially increase to more than 50,000 per month within a year based on the new Symetra corporate entity and increased sales.

Forms

There are nearly 1,000 Documerge/AFP forms associated with this application. The forms are managed through an application called EFM (electronic forms management) with an IMS database back-end. The forms have a high frequency of change.

2.1.2.2 Individual Life Policies

Individual life insurance policies are produced daily from extracts produced by the CK4 policy administration system (being converted to CyberLife in 2004). The extracts are automatically triggered when a policy is issued.

The individual life policy extract is created during nightly batch processing. The appropriate forms are selected from an electronic forms management database (EFM). The printstream is then generated with all the information needed to complete the set of selected forms. The policy package is printed and then processed with the Gunther automated post processing system. Other print jobs create matched output which is inserted by the Gunther system. A package consists of an unbound group of forms including a welcome letter, privacy notice, guarantee association notice, policy summary, automatic amendments and endorsements and the policy itself, inserted into a flat envelope. These packages are returned to the individual life new business area where a printed copy of the application and the part II documents are inserted. The contract is then bound, packaged and mailed.

Functional Requirements

- Policies are processed using Gunther automated post-processing equipment. The packages created are returned to Symetra early the next Business Day.
- Inserts into the contract include the application, part II, Amendments and endorsements.
- The application and part II are printed locally within the business unit. The automatic amendments and endorsements print with the contract pages and are manually inserted into the contract.
- Flat packaging is used for all policy packages.

Business Requirements

- All policy output must be available for print at Symetra H.Q. by 5:00am the next Business Day.
- Proof of mailing is not applicable.

Archiving

All policy pages are archived in the printed output archive with the exception of the scanned and imaged application. Direct access is provided to CSR’s through an intranet application. The stored AFP document is converted to PDF on the fly for convenient handling and viewing.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LISL0100	Individual policy pages	Documerge printstream	11:00 PM	9,491	8,049	8,188	9,280	9,770
LISL0110	Individual policy pages, agent cards/labels	Documerge printstream	11:00 PM	5,934	4,350	4,256	5,506	5,589
LISL0120	Individual policy pages	Documerge printstream	11:00 PM	118,021	81,602	80,512	100,289	104,642
LISL0125	Individual policy pages	Documerge printstream	11:00 PM	140	133	126	157	141
LISP0100	* ASL policy pages	Documerge printstream	11:00 PM	1,494	1,267	1,078	1,146	1,104
LISP0120	* Individual policy pages	Documerge printstream	11:00 PM	2,285	1,897	1,625	1,725	1,990
LISA0117	Policy cover letters	Formatted output	10:00 PM	3,045	2,117	2,141	2,717	2,413
LISA0130	DPFS schedule pages, new business worksheets, agent cards, mailing labels	Formatted output	2:00 PM	47	17	46	45	37
LISA0140	DPFS schedule pages, New business worksheets, agent cards, mailing labels DPFS schedule pages	Formatted output	9:00 PM	72	63	70	74	80
LISA0056	Amendment letters for new business	Formatted output	10:00 PM	—	—	36	1,075	1,042
—	**Total impressions per month**	—		**137,484**	**97,378**	**95,901**	**118,222**	**123,353**

* LISP0100 and LISP0120 may be phased out prior to completion of this project.

Forms

There are approximately 1,600 forms associated with this application. They are currently managed with an application called EFM (electronic forms management) which uses an IMS database. The majority of these forms are state-filed.

2.1.3 Billing Statements

Billing statements are produced by four applications applicable to three departments.

2.1.3.1 Group Billing Statements

Group list billing statements are produced monthly.

Statements are separated in 1-page, 2-page, 3-page, and 4-or-more-page bundles. The 1-page bundles are sent to mail distribution services for folding, stuffing and mailing. Multi-page bundles are handled manually. This process can be improved so that all are automated.

Job LCG40021 uses life envelope # V3727 and job LCG40024 uses life envelope # V3673 because the mail-to addresses are in different locations. Job LCG40021 requires trimming and bursting.

Functional Requirements

Return envelopes are inserted in the mailing.

Business Requirements

- Any errors or damaged pages must be returned to Symetra for review and manual handling.
- Proof of mailing is not applicable.

Archiving

Files are stored on microfiche. The microfiche is used to print old bills.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LCG40021	Billing statements - self-administered	Formatted output	9:00 PM	45	45	45	45	45
LCG40024	Billing statements - list bill	Formatted output	9:00 PM	1,212	1,212	1,212	1,212	1,212
—	**Total impressions per month**	**—**		**1,257**	**1,257**	**1,257**	**1,257**	**1,257**

Forms

Forms are hard coded in the application.

List bill form: **LG1110/EP 7/90**
DP-740/EP 7/90

2.1.3.2 Retirement Services — Deferred Annuity Billing Statements

List bill statements are produced daily from both the Paris and Vantage-One deferred annuity administration systems. Paris loan billings are also included here.

The Paris and Vantage-One list bills are created daily and are printed on plain cut sheet paper. The Paris Loan billing statements are run weekly or on request, and are also produced on plain cut sheet paper.

Functional Requirements

- There are no inserts.

Business Requirements

- Vantage-One list bills and Paris loan bills can be mailed directly from ACS' location.
- Retirement services requires the ability to request pulls from the Paris list bills.

Archiving

Printed output is not archived.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LPA1D140	Paris list bill statements	Formatted output	11:00 PM	5,668	6,768	5,499	5,546	5,320
LPA1L140	Paris loan billings	Formatted output	10:00 PM	1,045	876	806	826	847
LVF03600	Vantage-One list bill statements	Documerge printstream	12:00 PM	72	67	64	76	71
—	**Total impressions per month**	—		**6,785**	**7,711**	**6,369**	**6,448**	**6,238**

Forms

Paris list bill forms:	**LP-869/EP 7/99**
Paris loan bill forms:	
Vantage-One list bill forms:	**LN827/EP 5/01 Page 1** **LN828 Page 2-6 — Portrait** **LN829 Page 2-5 — Landscape**

Table of Contents

2.1.3.3 Individual Life Billing Statements

Billing statements are produced daily from the CK4 administration system. Triggers are: LISA0091 is 30 days prior to payment due date, LISA0092 is 28 days prior to payment due date, and LISA0124 is customer change request.

Functional Requirements

There are no inserts.

Business Requirements

- All output is currently returned to Symetra for manual handling early the next Business Day.
- Premium notices could be mailed out directly if pull requests could be accommodated.

Archiving

Letters are scanned into the policy file.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LISA0124	Billing letters	Formatted output	10:00 PM	—	—	—	—	45
LISA0091	List bill	Formatted output	10:00 PM	3,676	3,676	3,676	3,676	3,676
LISA0092	Premium payment notice	Formatted output	10:00 PM	82,500	82,500	82,500	82,500	82,500
—	**Total impressions per month**	**—**		**86,176**	**86,176**	**86,176**	**86,176**	**86,221**

Forms

Billing letters:

List bills: standard letterhead

Premium payment: **LO-1120/DP 4/03** (small partial page, perforated)

2.1.4 Check Printing

2.1.4.1 Checks

Check printing is done with on-line and batch processes. The checks produced from the CDS batch process are from administrative system feeds. The online CDS entry allows for same-day check processing. The on-line process is used to generate checks locally for large value amounts or when special processing is required.

Checks for the business lines are printed daily using a Third Party vendor supplied application to create the formatted outputs.

The batch jobs create check forms (stub and check) that can either be automatically processed and mailed, or packaged and returned to the business lines. The on-line jobs create a print stream which is sent to a local MICR printer for printing. On-line is used for check values greater than $250,000, special customer processing requests, and checks that need to be sent by FedEx that day. They are normally processed at 2:00 each afternoon.

Functional Requirements

- Printed output from LAD60303 is folded and inserted into envelopes ready for mailing.
- Printed output from LAD60304 is returned to Symetra for manual handling.
- The on-line manually input checks are processed by LAD60310 for special processing as defined in the description above.
- There are generally no inserts for the directly mailed checks; however, there may be ad-hoc insert requests at a company or product line level.
- Checks are packaged in standard tri-fold business envelopes.

Business Requirements

- The checks must be held until 1:00 PM in case any checks need to be pulled prior to mailing.
- Printed output from LAD60304 must be returned to Symetra for manual handling the next Business Day. The output is manually matched to other correspondence prior to mailing.
- Proof of mailing is required.

Archiving

Printed output is not archived. The files are copied to tape which is sent to storage and retained for 10 years.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LAD60303	Check printing – direct mailing	Documerge printstream	2:00 AM*	20,226	19,292	15,682	26,684	19,356
LAD60304	Check printing – return to Symetra	Documerge printstream	2:00 AM	11,528	4,333	6,678	5,074	4,906
LAD60310	Check printing – local printing	Documerge printstream	3:00 PM	300	300	300	300	300
—	**Total impressions per month**	—		**32,054**	**23,925**	**22,660**	**32,058**	**24,562**

* 9:00 AM on month-end

Forms

CDS check form:	**W776/EP 069700**
CDS overflow form:	**W775/EP 109100**
Check stock:	**W765 8/99**

2.1.5 Taxes

2.1.5.1 Tax Forms from Finance

These outputs include standard forms 1099, 5498 and W2.

A large percentage of the tax output is annual – January for the 1099 and May for the 5498. There is a small amount of daily processing throughout the year.

The administrative systems interface with LTR. The LTR system runs on software provided by check free. The business units can also manually update LTR.

The trigger is a taxable event (e.g., withdrawal, payment, etc.).

Functional Requirements

- Printed output is processed and mailed directly to the recipient.
- Inserts are not allowed.
- These notices are packaged in various envelopes based on the form.
- All forms can be run daily as required for corrections.

Business Requirements

- The envelopes must indicate “Tax Document Enclosed”.
- The SSN cannot show in the envelope window.
- The 1099 forms must be mailed no later than January 31th. They are typically printed for mailing January 15thand mailed a week before the deadline.
- The 5498 forms must be mailed no later than May 31st. The data should be available at the print and mail center 5 days prior to mail date.
- Foreign mail can be mailed directly to the recipient after the correct postage is applied.
- The following output must be returned to Symetra the next Business Day for manual handling:
  - State output — Some states require a copy of the 1099 or W-2 to be provided. Tapes are sometimes used based on volume of data and state requirements.
  - Reprints – The reprint ability is used to process mailings that are ripped or torn during handling or mail processing.
  - Corrections
  - Bad address mail
- Proof of mailing is not applicable.
- Reporting of output counts is required. The LTR system creates reports that are used in conjunction with data center processes, including counts.

Archiving

Archiving is currently supported on microfiche. By October 2004, the archiving should be transitioned to Control D. Symetra would prefer to have a web interface to the image archive storage.

Print Volumes

Job	Description	Output File Format	Run Times *	January 2004	February 2004	March 2004	April 2004	May 2004
LTRC0200	1099 and W2 corrections	Documerge printstream	1:00 AM	675	1,463	851	690	735
LTRY0150	1099R customer	Documerge printstream	1:00 AM	47,000	—	—	—	—
LTRY0200	1099I customer	Documerge printstream	1:00 AM	718	—	—	—	—
LTRY0210	1099M customer	Documerge printstream	1:00 AM	3,536	—	—	—	—
LTRY0220	1099LTC – typed manually	Documerge printstream	1:00 AM	9	—	—	—	—
LTRYS420	1099I state	Documerge printstream	1:00 AM	10	—	—	—	—
LTRYS430	1099M state	Documerge printstream	1:00 AM	26	—	—	—	—
LTRYS440	1099R state	Documerge printstream	1:00 AM	593	—	—	—	—
LTRY0800	5498 customer	Documerge printstream	1:00 AM	—	—	—	—	46,000
LTRY0300	W2 customer	Documerge printstream	1:00 AM	937	—	—	—	—
LTRY0230	W2G typed manually	Documerge printstream	1:00 AM	5	—	—	—	—
LTRSY620	W2 state	Documerge printstream	1:00 AM	104	—	—	—	—
LTRY0751	B-notice customer as-required	Documerge printstream	1:00 AM	—	—	—	—	—
LTR70752	B-Notice customer as-required – second notice	Documerge printstream	1:00 AM	—	—	—	—	—
—	**Total impressions per month**	—		**105,613**	**1,463**	**851**	**690**	**46,735**

* 7:00 AM on month-end

Forms

	PAGEDEF	FORMDEF	OVERLAY	FORM
Federal				
1099R	LTR5	LTRCR3	L9RCB3 L9RCF3	LO-1173 3-section, perforated
1099I	LTRA	LTRCI3	L9ICF3	Standard paper
1099M	LTRA	LTRCM3	L9MCF3	Standard paper
W2	LTR6T	LTRCW3	LW2CB3 LW2CF3	LO-1174 4-quadrants, perforated
5498	LTRA	LTRC53	L54CF3	Standard paper
State				
1099I	LTR9I	LTRSI3	L9ISF3	LO-1173 3-section, perforated
1099M	LTR9M	LTRSM3	L9MSF3	LO-1173 3-section, perforated
1099R	LTR7	LTRSR3	L9RSF3	LO-1172 2-section, perforated
W2	LTR8	LTRSW3	LW2SF3	LO-1172 2-section, perforated

2.1.6 Correspondence

2.1.6.1 Bank Reconciliation System

When a check has not been cashed within 6 months of the issue date, the check is stale dated and a letter is generated. These letters get reviewed to confirm the correct mailing address and then are mailed to the customer. The intention is to disburse the monies owed to the customer.

Functional Requirements

- This job runs monthly

Business Requirements

- All output mailed directly

Archiving

Documents are stored in paper files.

Print Volumes

Job	Description	Output File Format	Run Time	January 2004	February 2004	March 2004	April 2004	May 2004
BRS0STCS	Customer service letters for standard accounts	Formatted output	7:00 PM	865	981	1,099	1,270	1,212

Forms

Standard paper

Table of Contents

2.1.6.2 Agency Compensation Letters

E-comp letters (job LVO04550) and agent statements (job LVO04730) run from the same EOS extract. The extract file produced is picked up along with the agent compensation statement extract and the two are processed within the same EOS application (EOS03LFC).

The output for this job is processed daily using the Gunther post-processing equipment, and is mailed directly to agents.

Functional Requirements

- E-comp letters are packaged in standard tri-fold business envelopes.
- There are no inserts.

Business Requirements

See "Print Volumes" below.

Archiving

Agent E-comp letters are archived in AFP format and have been produced for approximately 2 years. These are stored on tape, with the past 18 months also stored on DASD and readily available for on-line viewing. The stored AFP document is converted to PDF on the fly for convenient handling and viewing.

Print Volumes

Job	Description	Output File Format	Run Times **	January 2004	February 2004	March 2004	April 2004	May 2004
EOS04LSA	EComp update validation letters	Documerge printstream	3:00 AM	*	*	*	*	*
EOS04LSB	EComp update validation letters	Documerge printstream	3:00 AM	*	*	*	*	*
—	**Total impressions per month (not available)**	—						

* These counts are included in the numbers for agent compensation statements. The interface files are processed in the same set of EOS jobs.

** Run can take up to 3:00 PM at quarter-end

Forms

EComp update validation letters: **OC-673/EP 03/02**
EComp update validation letters, NY: **OC-673/NYEP 05/02**

2.1.6.3 Retirement Services

Functional Requirements

- There are no inserts.
- Paris RMD Letters are printed locally.
- Vantage RMD Letters are triggered by the MDA transaction under one of three conditions:
  - o January 1 of the year that the annuitant turns 70$^1/_2$,
  - o the annuitant is already 70$^1/_2$ when the contract is added to the admin system, or
  - o when policies are added earlier in the year and the annuitant does not turn 70$^1/_2$ until later in the year, RMD will be triggered on the RMD notice date, which is 90 days before the day they turn 70$^1/_2$
- schedule a/commission reports are created monthly, with the largest volume in January. The volume is about 2,000 per year, multiplied by about 4 pages each times 4 copies, results in about 32,000 pages.

Business Requirements

- Special handling (such as multiple pages and foreign addresses) can be mailed out directly to the recipient.
- Need to have ability to contact vendor to pull letters from the output if unable to suppress.
- Corporate audit reports can be mailed out directly.
- Schedule a letters and commission reports must be returned to Symetra for manual handling the next Business Day.
- Need a count validation of output and next day notice of any print failures or errored output.

Archiving

- Online view of printed output must be available within 2 days following mailing.
- Documents must be stored in archive for a minimum of 7 years.
- For Paris, only variables go to archive for storage now. There is rarely a need to access confirms. It would be helpful though to have online view and archive of all confirms.
- For Vantage-one, all confirms go to archive.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LPA1F170	Confirmation statements	Documerge printstream	11:00 PM	2,095	2,105	2,018	2,354	2,256
LPA1F172	Confirmation statements	Documerge printstream	11:00 PM	1,496	1,162	1,055	1,810	1,446
LPA1F174	Confirmation statements	Documerge printstream	11:00 PM	4,340	4,311	3,814	4,211	5,640
LPA1F176	Confirmation statements	Documerge printstream	11:00 PM	—	—	—	—	5
LPA1E210	IVR participant interface — PIN change	Formatted output	10:00 PM	68	56	45	64	48
LPA1K400	Annuity payment confirms	Formatted output	10:00 PM	7	5	—	7	6
LPA1W180	RMD letters	Local print	11:00 PM	—	—	—	—	—
LPA1S800	Schedule a letters and commission reports	Formatted output	11:00 PM	4,482	208	146	834	894
LPA1Y200	Corporate audit reports	Formatted output	11:00 PM	—	—	—	1,237	9,765
LPA10158	Mutual fund letters	Documerge printstream	11:00 PM	—	—	—	—	—
LVF03000	Confirmation statements	Documerge printstream	12:00 PM	3,364	3,247	2,996	3,509	3,211
LVF03050	Confirmation statements	Documerge printstream	12:00 PM	52	42	33	50	58
LVF03400	RMD letters	Documerge printstream	12:00 PM	104	90	102	114	105
LVF03500	Mutual fund letters	Documerge printstream	12:00 PM	—	—	—	—	—
—	**Total Impressions per Month**	—		**16,008**	**11,226**	**10,209**	**14,190**	**23,434**

Forms

Paris confirms:	**LP-869/EP 7/99**
Vantage-One confirms:	**LN-811/EP 01/99**
Vantage-One RMD letters:	**LP-1240 11/01**
Vantage-One:	**LN-830 10/01**
Vantage-One NY:	**LN831 NYEP 01060200(1)**
Vantage-One MULIC:	**LN832 EP 100200(1)**
Schedule a letters:	**Letterhead**
IVR participant interface:	**Letterhead**
Corporate audit reports:	**Plain, legal**

2.1.6.4 Group

The output from these three jobs is handled entirely by group systems. The output from job LCG20070 is sent to our customers by group accounting services. Group policy services verifies rates on jobs LCG50020 and job LCG50050 and activity reports and enrollment cards are placed into the envelopes with the census letters.

Therefore, LCG20070, LCG50020, and LCG50050 do not require any mail center or operations activities, just the processing and printing.

Functional Requirements

There are no inserts.

Business Requirements

All output must be returned to Symetra for manual handling the next Business Day.

Archiving

Printed output is not archived.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LCG20070	ERISA policy holder letter	Formatted output	10:00 PM	1,241	166	—	—	100
LCG50020	Renewal activity reporting — census letters	Formatted output	11:00 PM	167	42	—	—	60
LCG50050	60 worksheets, rate sheets, renewals	Formatted output	9:00 PM	55	207	—	—	40
—	**Total impressions per month**	—		**1,463**	**415**			**200**

Forms

ERISA policy holder letter:
Renewal activity reporting — census letters:
60 worksheets, rate sheets, renewals:

2.1.6.5 Income Annuities

Customer correspondence is automatically generated by the LAB administrative system. The output is in the form of a letter and is printed on one of two letterhead forms: NY and Non-NY. The letters are folded, stuffed and mailed without the involvement of IA department personnel.

Functional Requirements

There are no inserts.

Business Requirements

- Output can be mailed directly to the recipients.
- Output for New York must be printed on New York letterhead and mailed in New York envelopes.
- Correspondence with a foreign address can be mailed directly with the appropriate postage applied.
- Proof of mailing is not applicable.

Archiving

Printed output is not archived.

Print Volumes

Job	Description	Output File Format	Frequency	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LABB0750	Termination of benefit letters	Formatted output	Daily	8:00 PM	206	194	—	226	238
LABM0350	Secured benefit account letters	Formatted output	Daily	8:00 PM	302	292	—	382	524
LABB0700	EFT audit letters	Formatted output	Monthly	8:00 PM	82	69	—	70	81
LABB0250	Explanation of benefit pages	Formatted output	Daily	8:00 PM	413	406	—	445	409
LABM0100	Verification of living status (VSL) letter	Formatted output	Annually	8:00 PM	—	—	—	—	—
—	**Total impressions per month**	—			**1003**	**961**		**1123**	**1252**

Forms

TOB:	**LA-4029/EP 11/01 – letterhead**
TOB New York:	**LA-4029/NYEP 3/02 – letterhead**
SBA:	**LA-4029/EP 11/01 – letterhead**
EFT audit:	**LA-4029/EP 11/01 – letterhead**
EOB:	**LA-4029/EP 11/01 – letterhead**
EOB NewYork:	**LA-4029/NYEP 03/02 – letterhead**
VLS:	**LA-4029/EP 11/01 – letterhead**
VLS New York:	**LA-4029/NYEP 3/02 — letterhead**

Termination of benefit (TOB) letters are produced daily by job LABB0750. Letters are sent based on selection criteria advising payees of last payment. The trigger is when a contract is at or near the end of benefit payout period.

Secure benefit account (SBA) letters are produced daily by job LABM0350. Letters are sent to selected payees offering an SBA program.

EFT audit letters are produced monthly by job LABB0700. The output is a report listing EFT recipients with payments starting in the month. The trigger is the entry of customer request for benefit payment via EFT.

Explanation of benefits (EOB) letters are produced daily by job LABB0250. The output is sent to EOB recipients. The trigger is the entry of customer EOB request into the administrative system.

Verification of living status (VLS) letters are produced annually by job LABM0100. Letters are sent to annuitants and payees without an SSN on their record in the administrative system. The trigger is when the SSN is not entered on customer record (this can be a valid condition when tax reporting is not required for the individual).

[Table of Contents](#)

2.1.6.6 Individual Life

Functional Requirements

There are no inserts.

Business Requirements

- All policy output must be available for print at Symetra H.Q. by 5:00am the next Business Day .

Archiving

Paper copies are scanned and stored.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LISA0095	Owner term renewal letter, agent term renewal letter, owner secondary addr. letter, agent secondary addr. letter	Formatted output	10:00 PM	1,257	1,188	1,041	1,339	1,105
LISA0105	Cyberscribe agent setters, surrender letter cyberscribe records letters, premium pymt letter cyberscribe owner letters, initial pymt letter	Formatted output	10:00 PM	16,185	15,317	13,152	15,523	15,326
LISA0106	Vul confirm owner letters, Vul confirm agent letters, Vul confirm records letters	Formatted output	10:00 PM	480	331	443	301	586
LISA0116	Disbursement payee letters, Disbursement agent letters, Disbursement Symetra letters	Formatted output	10:00 PM	1,017	1,205	1,082	1,451	1,346
LISA0118	Life fund allocation letters	Formatted output	9:00 PM	576	279	543	210	849
LISA0119	Life reinstatement letters	Formatted output	10:00 PM	453	541	358	414	380
LISA0121	Credit card expiry letter — payer, credit card sxpiry letter — agent, credit card expiry letter — payer, masterplan gio notify report, masterplan gio letters — owner, masterplan gio letter — agent	Formatted output	10:00 PM	1,593	1,434	1,490	1,605	1,796
LISA0122	Policyholder letters / ind accounting, Symetra copy of letters / ind. acct'ing, agent copy of letters / mail room	Formatted output	10:00 PM	763	672	664	856	773
LISA0123	Maintenance letters, address change letters	Formatted output	10:00 PM	1,165	1,282	1,246	1,595	1,390
LISA0125	GDB/GCB notify letters, term/expiry notify letters, term rider/expiry letters, ETI expiry notify letters, Maturing policy letters, Symetra gio notify letters	Formatted output	10:00 PM	880	823	730	978	854
LISA0126	Lapse/Nfo letters — insured copy, Lapse/Nfo letters — agent copy, Lapse/Nfo letters — record copy	Documerge printstream	10:00 PM	7,634	6,793	5,622	7,090	7,034
LISA0335	Lis.Pa0335.detail.crown, Lis.Pa0335.detail.lincoln, Lis.Pa0335.reports.lincoln, reinsurance report	Tape, formatted output	11:00 PM	—	—	—	—	—
—	**Total impressions per month**	**—**		**30,903**	**29,865**	**26,371**	**31,362**	**31,439**

Forms

Letterhead
Lapse: **LO-1147 10/01**

2.1.6.7 Mortgage Loan

Symetra offers mortgage loans to businesses for purchasing property, buildings, etc. The output produced to service these loans include tax statements for interest earned and invoices for loan payments.

Functional Requirements

- These outputs are mailed in standard packaging.
- The 1098's must be mailed in envelopes indicating "Tax Document Enclosed".
- Trigger for 1098's is year-end.
- Trigger for invoices is 20 days prior to payment due date.
- A return envelope is inserted with non-EFT invoices.

Business Requirements

- 1098's can be mailed directly to the recipient/borrower.
- If the mailing address on the invoice indicates Symetra, return the print to Symetra.
- Proof of mailing is created for the invoices.

Archiving

1098's are not currently archived.
Invoices are archived.

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
SCL02600	SCL 1098 misc. income (annual)	Formatted output	10:00 PM	1,237	—	—	—	—
EOS03000	SCL invoices	Formatted output	2:00 AM	500	500	500	500	500
—	**Total impressions per month**	—		**1,737**	**500**	**500**	**500**	**500**

Forms

1098's: **CR-289/EP 2/90**
Invoices: **CR-0322/EP 3/00 and CR-0317/EP 3/00 (perforated)**

[Table of Contents](#)

2.1.6.8 EFT Letters

These are letters of confirmation for benefit payments paid via electronic funds transfers (EFT) from the LRP administrative system for income annuities.

Functional Requirements

There are no inserts.

Business Requirements

There are no special handling requirements.

Archiving

Printed output is archived**.**

Print Volumes

Job	Description	Output File Format	Run Times	January 2004	February 2004	March 2004	April 2004	May 2004
LAD60306	EFT letters	Documerge printstream	10:00 PM	166	164	166	166	166

Forms

EFT letter: **letterhead (LA-4029/EP 11/01)**

Table of Contents

2.2 Test Environments

ACS must provide the ability to perform end-to-end testing in a fully functioning test environment for all stages of testing (unit, integration, acceptance, regression, parallel, system and quality assurance).

All test data must be secured according to Symetra standards. (There is potential that customer information is present in the test files and environments)

2.3 Test Outputs

Test outputs are produced for many of the same jobs used to create production outputs. Timing on these is random, and used only when maintenance or improvements are required.

Online viewing and/or test outputs must be available to Symetra within 24hrs.

Symetra needs the ability to run test jobs and print all, some, or none of the output. As an example: If Symetra is doing statement testing Symetra does not want to print contracts. Symetra may be able to accommodate this by sending only the files Symetra wants printed.

Symetra needs the ability to print and search specific data that is available for on-line viewing.

A method for generating outputs and readily reviewing the results is necessary. This includes both on-line viewing and reliable 1 to 1 test printing.

ACS must provide a process for ensuring that test runs are kept distinctly separate from production runs.

2.4 Audit Reports

Audit reports are required and must be designed and developed as part of this project. This report would contain, at a minimum, the number of prints produced, sorted by department and output type.

2.5 Proof of Mailing

The Proof of mailing consists of an affidavit page that lists some key identifying information, the documents in the packet and a signature space. The key identifiers would include the policy number. These are currently processed with the print job. These forms are completed, signed and stored for 10 years.

2.6 Printed Output Archive

Printed output is currently archived in a Symetra developed repository. The data is currently kept in the electronic print system (EPS) permanent archive forever (no limit on retention). There are approximately 6 million AFP images currently available on DASD or tape.

Data passes through either an EOS job or a department job that provides an indexed copy of the print file to the EPS system for archival. EPS archives the same file that originally goes to the printer to create the output sent to agents or customers. These archived documents are stored in APF format for use with IBM printers. The archive index key consists of up to 14 alphanumeric characters.

Reprints are currently requested through an IMS REPRINT transaction that batches up all the day’s reprint requests and prints/distributes them all at the same time during the nightly batch cycle. When a reprint is requested, the output generated is an exact duplicate of the original. The output is not “reconstructed” from form images plus data; rather, the output is a complete, intact copy of the original printed document.

In addition to the IMS REPRINT transaction, access is possible through browser-based viewing of both forms and stored transaction images. These images are converted from AFP to PDF format on the fly.

It is necessary for this archived information to continue to be available for reprint and on-line viewing after switching to the new output processing systems. Online viewing should be available for a minimum of 18 months. Symetra prefers that all images be located in one repository, rather than being scattered between many. This means that these images will need to be converted from Symetra's archive to another archive. To accomplish this, the following options have been identified:

Option 1. Convert Symetra's archived images to ACS' archive system. Images could be stored either by ACS or be Symetra after the appropriate software has been installed. This is Symetra's preferred option.

Option 2. Clone Symetra's existing archive and transfer all new archive images to it on a daily basis. This archive would be managed by a Third Party vendor for Symetra

ACS shall assist Symetra with conversion to their repository, whether residing with ACS or purchased from ACS and installed by Symetra.

Regardless of which option is chosen, the data shall remain the property of Symetra.

2.7 Forms

Forms currently exist in many formats, including electronic Documerge AFP forms, AFP page segments, and printer overlays, and also pre-printed forms including letterhead, covers, agent card stock. While IBM/AFP processes and printers are currently used, their continued use is not a requirement.

2.7.1 Documerge Forms

Documerge forms include the annuity contract forms, life insurance policy forms, annual and quarterly statements forms, and some of the correspondence forms. They are coded from mockups using WordPerfect with Print Commander and Tag Commander plug-ins.

2.7.2 Line Text Forms

Many outputs are printed directly using the IBM Print Services Facility. These processes tend to use pre-printed forms and overlays.

2.7.3 Page Segments

Page segments are graphic elements such as logos, symbols or small blocks of text that are inserted into forms. They are either coded directly onto the form or placed on the form dynamically by the application allowing substitution of different logos on the same form. There are currently 43 of these page segments being used as listed below.

Page segments are created either from mockups (usually in Word format) or from PDFs. They are created by processing through a bit converter and uploaded to the mainframe libraries using legacy developed code. They are saved in AFP format.

The PDF versions are created using the IBM PDFTOAFP conversion utility, and are used when graphic detail is more challenging and critical. Better resolution is achievable with this method.

Page Segments Currently in Use

FCD Number	Description	Comments
FCD303	"Correction"	
FCD365	Randy Talbot	
FCD385		
FCD416		
FCD546	Midwestern United Life Ins Co	Logo
FCD365	Randy Talbot	Signature
FCD374	Randy Talbot	Signature with title
FCD436	Scott L. Bartholomaus	Signature with full title
FCD563	!VIVA!	Logo
FCD569	"CURRENT ACCOUNT HOLDINGS.	
FCD572	Graphic element, 2 boxes	
FCD573	Graphic element, 3 boxes	
FCD574	Graphic element, 4 boxes	
FCD575	Graphic element, 5 boxes	
FCD576	Graphic element, 6 boxes	
FCD577	Graphic element, 7 boxes	
FCD578	Graphic element, 8 boxes	
FCD598	George Pagos	Signature
FCD599	TM line	
FCD600	Logo	
FCD601	TM line	
FCD602	How to Contact us	
FCD603	How to Contact us	

Table of Contents

FCD Number	Description	Comments
FCD604	How to Contact us	
FCD605	How to Contact us	
FCD606	If you have questions concerning this notice.	
FCD607	If you have questions concerning this statement,.	
FCD608	If you have questions concerning this notice,.	
FCD609	If you have questions concerning this notice,.	
FCD610	Amount received with.	Bold line with text
FCD611	If you have questions.	Bold line with text
FCD612	If you have questions.	Bold line with text
FCD613	American States Life Insurance	Address/Landscape
FCD614	Life Insurance Company	Address/Landscape
FCD615	American States Life Insurance	Address/Landscape
FCD616	Life Insurance Company	Address/Landscape
FCD617	Bold line with text	Landscape
FCD618	Bold line with text	Landscape
FCD619	Scott L. Bartholomaus	Signature with full title
FCD620	Scott L. Bartholomaus	Signature with full title for NY
FCD621	Logo with address	
FCD622	Logo with address	For NY
FCD623	American States Insurance	Logo
FCD624	Amount received with.	Bold line with text

2.7.4 Overlays

Printer overlays are currently used by many of the daily print jobs, especially those written using line text output. Their basic purpose was to allow creation of graphical elements that were previously difficult to code and maintain on forms, especially lines or boxes. Using more modern forms creation processes and tools, it should be possible to eliminate the need for these overlays. For example, one overlay is merely a box creating a border around a text page. Tax forms, billing statements and some correspondence currently use overlays. There are currently 31 overlays in use, as listed below.

Overlays	
010110	LTRC53
010120	LTRCI3
DMGALL	LTRCM3
DMGDFD	LTRCR3
DMGDFS	LTRCW3
DP701	LTRSI3
DP740	LTRSM3
DP1088	LTRSR3
DP1222	LTRSW3
FUL1SP	NY4029
LA4029	P701
LNB1	P740B
LPA2	P813
LPA4	SHORT
LPAA	STD1SP
LPAL	

Table of Contents

2.7.5 Character Sets

Character Sets Currently in Use

Character Set	Description
AM12	Gothic 12 pitch with Fat-Dash character in the Tilde (-) position. Used for processing on AIMS machine.
AOD	Gothic and OCR-A 10 pitch
CR10	Courier 10 pitch
FM12	Format 12 pitch
GB12	Gothic Bold 12 pitch
GF10	Gothic Folded 10 pitch
GF12	Gothic Folded 12 pitch
GF15	Gothic Folded 15 pitch
GS10	Gothic 10 pitch
GS12	Gothic 12 pitch
GS15	Gothic 15 pitch
GT10	Gothic Text 10 pitch
GT12	Gothic Text 12 pitch
GT15	Gothic Text 15 pitch
GT18	Gothic Text 18 pitch
GT20	Gothic Text 20 pitch
GU12	Gothic Underscored 12 pitch
GU15	Gothic Underscored 15 pitch
H10B	Helvetica Latin 1 Bold 10 pitch
H12B	Helvetica Latin 1 Bold 08 pitch
H12I	Helvetica Latin 1 Italic 12 pitch
H08M	Helvetica Latin 1 08 pitch
H10M	Helvetica Latin 1 10 pitch
H12M	Helvetica Latin 1 12 pitch
LC12	Gothic 12 Pitch with Lower Case
QN	Gothic

2.7.6 Pre-printed Forms

Refer to the following list of forms. pre-printed forms are used when the 8-1/2 by 11 format is not suitable, when special perforations are required, or when color is desired — on letterhead for instance. All of the daily printing is now done black on white.

Pre-printed Forms

Forms	Description
1280	3900 (tractor feed) continuous forms paper
4000	Cuts sheet roll paper
DP154	15” wide, 8.5” high, white, tractor feed, not perforated
DP300	
DP365	Labels, 13” wide, 12” high, tractor feed, 27 x 1-1/4 x 3-3/4
DP488/LU1184	New business worksheet, 9.5” wide, 11” high, pre-printed, tractor feed
G1190	W9 important tax notice — action is required
G1191	Second backup withholding warning
L-9610 08/01	Individual life policy cover, 8.5” wide, 11” high, cut sheet, pre-printed
L-9813	Individual life agent card, 11” wide, 8.5” high, cut sheet, pre-printed
LA-2090	Letterhead, 8.5” wide, 11” high, pre-printed, cut sheet
LA-2100	Letterhead, 9.5” wide, 11” high, pre-printed, tractor feed (not perforated)
LG-1105/DP 6/90	Group cards, 11” wide, 8.5” high, pre-printed, tractor feed, perforated edges
LO-1120/DP 4/03	Billing form, 9.5” wide, 7” high, pre-printed, tractor feed, not perforated
LO-1172	Card stock, 8.5” wide, 11” high, cut sheet, perforated 2 halves — top/bottom
LO-1173	Card stock, 8.5” wide, 11” high, cut sheet, perforated 3 thirds — top/middle/bottom
LO-1174	Card stock, 8.5” wide, 11” high, cut sheet, perforated 4 quadrants
LPC-339/DP 3/97	Certificate label, 7” wide, 10” high, tractor feed, two 6” by 4-3/4 labels
LU750	Letterhead, 8.5” wide, 11” high, pre-printed, cut sheet
W2-C	W2-C
W765	Check stock, MICR printer

2.7.7 Forms Conversion

Forms will need to be converted from the Safeco electronic forms libraries, along with page segments, overlays, and character sets. Suitable substitutions or replacements for some of these elements will be considered, especially for overlays. Forms usage is not currently directed by the existing Documerge capabilities.

- All forms are contained in either of two libraries. One contains only the american states forms (approximately 3,000), while the second contains all the other forms (approximately 2,450).
- **The approximately 3000 american states forms are currently part of a project effort to eliminate the forms, slated to be complete by year-end 2004.**
- **We may have up to an additional 1200 forms due to the name change not being accepted in all 50 states. The details will need to be further defined.**

Forms can be categorized as follows

- Deferred annuity contract related forms (~950)
- Individual life insurance policies — Symetra (~1,500)
- Individual life insurance policies — american states life (~3,000)
- Statements (~10)
- Confirmations (~5)
- Other correspondence (~25)

Annuity contracts include welcome letters, guarantee association, privacy and other notices, endorsements, contract summaries, state-filed contract pages, customer application, and covers.
Forms tracking is currently accomplished using an IMS database rather than the Documerge forms management functions. It is referred to as the electronic forms management (EFM), and it keeps track of which forms are to be used to complete a given contract or policy. The key to this database includes:

- Company
- Product
- Line of business
- State
- Working date (not process date)
- Department key (s)

This database will remain available to Symetra, but other methods for specifying and selecting the appropriate forms sets are also of interest and will be considered.

2.7.8 Forms Coding and Maintenance

Forms coding and maintenance functions are currently "outsourced" to Safeco. Symetra does not perform this function. Forms are coded using either WordPerfect with Print Commander and Tag Commander plug-ins, or using DCF (limited mainly to landscape formats). Forms are compatible with Documerge version V3.0.6 with DocuGraph installed for pie charts.

Since the workload is highly variable, ranging from little to very high when new products or re-filings are required making management of internal coding resources difficult, Symetra is interested in having these services provided.

Issues that need to be addressed include:

- Assignment of permanent contact representative and backup
- Defined escalation process for urgent or unresolved issues
- Qualification of coding staff
- Turn-around time, standard and expedited
- Cost for standard request
- Cost for expedited request
- Methods for proofing and approving forms in process
- Method for introducing and maintaining forms in test and production

2.8 File Transfers

File transfer protocols for daily extract files will need to be defined and developed for reliable, efficient, secure, cost-effective transfers. Symetra is contracting with a Third Party vendor to provide hosting of its mainframe and server-based applications. Output extract files will originate from the Third Party vendor location(s), and coordination of these transfers will be managed by them on Symetra's behalf.

The need for local printing can be accomplished in a number of ways. The methods chosen to accomplish this will determine the destination of files returned to Symetra.

- ACS could print at their local facilities and deliver printed documents on a regular daily schedule. A consideration however is that batch outputs are not produced until later in the evening or early the next morning.
- Symetra could provide space for certain local, time sensitive print jobs (e.g., check printing and cut-sheet documents, etc.). The printers themselves could be owned and run by either Symetra or ACS as negotiated.

2.8.1 Outgoing Files (from Symetra/Infrastructure Third Party vendor)

- Daily batch outputs
- On-line or special request
- Test outputs

2.8.2 Incoming Files (to Symetra)

- Reports and audits
- Local printstream files
- Printed output archive files

2.8.3 Specify the Following

- Facility recommendations
- Recommended production transfer methods
- Recommended test transfer methods
- Data encryption requirements
- Data security specifications

2.8.4 File Sizes

Refer to the following list of current file extract sizes. Please note that these extract files were created for internal use and have not been compressed or designed for network transfer efficiency.

Current Extract Files Sizes

Category/System	Description	Job	File Size (Mbytes)	Frequency
Statements				
CK4/Cyberlife	CK4 extract - feeds EOS03LFB	[***]	0.7 to 2.3	Daily
DSS	Agent compensation statements - feeds EOS03LFC	[***]	2	Daily
Paris	Case statements	[***]	700	Daily
Paris	Deferred annuity statements- feeds EOS03LFS	[***]	4 to 10,800	Quarterly/Daily
Vantage — One	Deferred annuity statements - feeds EOS03LFS	[***]	4 to 7,200	Quarterly/Daily
Policies and Contracts				
CK4/Cyberlife	Individual policy pages	[***]	31	Daily
CK4/Cyberlife	Individual policy pages, agent cards/labels	[***]	2	Daily
CK4/Cyberlife	Individual policy pages	[***]	32	Daily
CK4/Cyberlife	Individual policy pages	[***]	1	Daily
CK4/Cyberlife	ASL policy pages	[***]	2	Daily
CK4/Cyberlife	Individual policy pages	[***]	2	Daily
CK4/Cyberlife	DPFS schedule pages, new business worksheets, agent cards, mailing labels	[***]	3	Daily
CK4/Cyberlife	DPFS schedule pages, new business worksheets, agent cards, mailing labels DPFS schedule pages	[***]	5	Daily
CK4/Cyberlife	Policy cover letters	[***]	4	Daily
CK4/Cyberlife	Amendment letters for new business	[***]	1	Daily
Vantage — One	Deferred annuity contracts	[***]	20	Daily
Billing Statements				
CK4/Cyberlife	Billing letters	[***]	15	Daily
CK4/Cyberlife	List bill	[***]		Monthly
CK4/Cyberlife	Premium payment	[***]		Monthly
Group	Billing statements - self administered	[***]	2	Monthly
Group	Billing statements - List bill	[***]	2	Monthly
Paris	List bill statements	[***]	25	Daily
Paris	Paris loan billings	[***]	5	Weekly
Vantage — One	List bill statements	[***]	2	Daily
Tax Forms				
FMS — LTR	1099s and W2 corrections	[***]	2	Daily
FMS — LTR	1099R customer	[***]	50	Yearly
FMS — LTR	1099I customer	[***]	3	Yearly
FMS — LTR	1099M customer	[***]	9	Yearly
FMS — LTR	1099LTC - typed manually	[***]	1	Yearly
FMS — LTR	1099I state	[***]	1	Yearly
FMS — LTR	1099M state	[***]	1	Yearly
FMS — LTR	1099R state	[***]	1	Yearly
FMS — LTR	5498 customer	[***]	20	Daily
FMS — LTR	W2 (non-payroll) customer	[***]	1	Annual
FMS — LTR	W2 G typed manually	[***]	1	Yearly
FMS — LTR	W2 state	[***]	1	Yearly

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Category/System	Description	Job	File Size (Mbytes)	Frequency
FMS — B-Notice	B-notice customer as-required	[***]		On request
FMS — B-Notice	B-notice customer as-required	[***]		On request
Checks				
FMS — CDS	Check printing - direct mailing	[***]	62	Daily
FMS — CDS	Check printing - return to Symetra	[***]	34	Daily
FMS — CDS	Check printing - local printing	[***]	1	Daily
Notices/Correspondence				
Bank Reconciliation System	Customer service letters for standard accounts	[***]	8	Monthly
CK4/Cyberlife	Owner term renewal letter Agent term renewal letter Owner secondary addr. letter Agent secondary addr. letter	[***]	3	Daily
CK4/Cyberlife	Cyberscribe agent letters, surrender letters Cyberscribe records letters, premium pymt letters Cyberscribe owner letters, initial pymt letters	[***]	8	Daily
CK4/Cyberlife	Vul confirm owner letters Vul confirm agent letters Vul xonfirm records letters	[***]	2	Daily
CK4/Cyberlife	Disbursement payee letters Disbursement agent letters Disbursement Symetra letters	[***]	4	Daily
CK4/Cyberlife	Fund allocation letters	[***]	2	Daily
CK4/Cyberlife	Reinstatement letters	[***]	2	Daily
CK4/Cyberlife	Credit card expiry letters - payer Credit card expiry letters - agent Masterplan gio notify report Masterplan gio letters - owner Masterplan gio letters - agent	[***]	3	Daily
CK4/Cyberlife	Policyholder/Symetra/agent letters	[***]	2	Daily
CK4/Cyberlife	Maintenance letters Address change letters	[***]	4	Daily
CK4/Cyberlife	GDB/GCB notify letters, Term/expiry notify letters, Term rider/expiry letters, ETI expiry notify letters, Maturing policy letters, Symetra gio notify letters	[***]	2	Daily
CK4/Cyberlife	Lapse/Nfo letters - insured copy, Lapse/Nfo letters - agent copy, Lapse/Nfo letters - record copy	[***]	9	Daily
CK4/Cyberlife	Lis.Pa0335.detail.crown, Lis.Pa0335.detail.lincoln, Lis.Pa0335.reports.lincoln, Reinsurance report	[***]	2	monthly
DSS	EComp update validation letters feed	[***]	2 to 590	Daily
FMS — CAPS/PAC	EFT letters	[***]	1	Daily
Group	ERISA policy holder letter	[***]	4	Monthly
Group	Renewal activity reporting - census letters	[***]	1	Monthly
Group	60 worksheets, rate sheets, renewals	[***]	1	Monthly
LAB — Income Annuities	Termination of benefit letters	[***]	1	Daily
LAB — Income Annuities	Secured benefit account letters	[***]	2	Daily
LAB — Income Annuities	EFT audit letters	[***]	1	Monthly
LAB — Income Annuities	Explanation of benefit pages	[***]	6	Daily
LAB — Income Annuities	Verification of living status letters (VSL)	[***]		Annually
Paris	Confirmation statements	[***]	2	Daily
Paris	Confirmation statements	[***]	2	Daily
Paris	Confirmation statements	[***]	4	Daily
Paris	Confirmation statements	[***]	1	Daily
Paris	IVR participant interface - PIN change	[***]	1	Daily
Paris	Annuity payment confirms	[***]	2	Monthly

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Category/System	Description	Job	File Size (Mbytes)	Frequency
Paris	RMD letters	[***]	2	Daily
Paris	Schedule a letters and commission reports	[***]	4	Monthly
Paris	Corporate audit reports	[***]	1	Daily
Paris	Mutual fund letters	[***]	1	Daily
SCL	Mortgage loan 1098 misc. income	[***]	4	Annual
Vantage — One	Confirmation statements	[***]	1 to 21	Daily
Vantage — One	Confirmation statements	[***]	0.25	Daily
Vantage — One	RMD letters	[***]	0.5	Daily
Vantage — One	Mutual fund letters	[***]	1	Daily

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

2.9 Future Needs

Future needs are identified here so that ACS can verify their ability to support the requests. These may either be added to the scope of this project effort or delayed for future enhancements, depending on the complexity and timelines.

2.9.1 All Systems

- Automate handling of checks that come back to Symetra for various reasons.
- Automate handling of schedule a letters and commission reports for retirement services.
- Integrate systems for increased efficiency, improved automation, and movement toward electronic communication processes.
- Set up electronic information transfer with agents rather than continuing to print, process and mail large quantities of agent copies.
- Establish electronic billing presentment and payment capability.
- Automate foreign address mailings.
- Convert overlays to forms.

2.9.2 Income Annuities

- Online view capability for all correspondence generated and mailed/faxed.
- Automated contract issuance.

2.9.3 Agent Compensation Statements

- Ability to stuff mailers in with statements (preferably automated).
- Outsource Summit campaign production statements.
- Ability to add campaign letters and statements to related outputs (preferably automated).
- Ability to request stop pay on checks.

2.9.4 Retirement Services — Paris Annuity Case Statements and Annuity Billing Statements

- Cover letter auto generated.
- Non-formatted output converted to formatted using forms.
- Ability to insert free-form comments on statements.

2.9.5 Retirement Services — Confirms, Audit Reports, RMD Letters, and Commission Reports

- Ability to automate inserts with mailings.
- Online view and archive of all confirms from Paris output.
- Confirmation that the vendor pulled and disposed of the output.
- Incorporate trip credit reports into mailings to agents.
- Automate the matching and mailing of the schedule a letters and commission reports. Would require a database of TPA codes and Agent ID’s for corresponding addresses.
- Consider merging the content of the schedule a letters and the commission report into one output.
- Incorporate PSA mailings into other mailings as an insert.

2.9.6 Finance — Tax Forms

- The forms are currently created as overlays, and text is manually placed by the application (Checkfree IRS/SRS/W2). These are difficult to maintain. It is preferred that these overlays be converted to electronic forms with variable tags. Multiple versions (previous years) can then be readily retrieved and used as needed. Updating the form would require no programming changes, unless a new tag was added.
- Automate form 1042S for non-resident aliens.

2.9.7 Individual Life

- Electronic transmission of agent mailings.
- Automate policies

2.9.8 Mortgage Loan 1098's

Ability to reproduce documents from the archive.

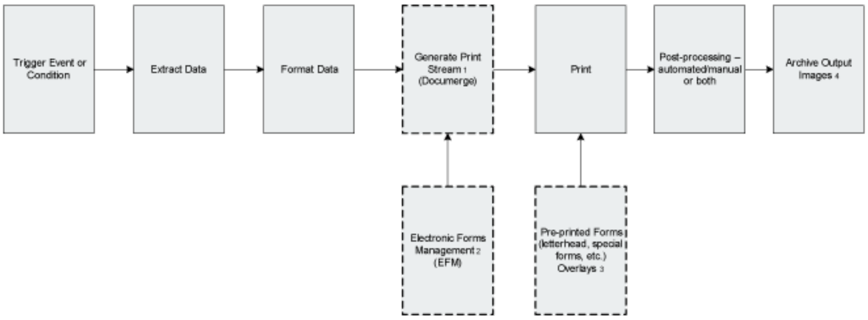
2.9.9 Group

- Archive and view online
- Automate mailings

Table of Contents

Appendix A — System Flows

Output Processes
This generic process applies to most of our printed outputs



1 Some processes create line text output directly and do not require print stream generation software

2 Electronic Forms Management is mainly needed for Contracts and Policies

3 Overlays are used for forms with complex lines and boxes (like federal or state tax forms)

4 Only Statements, Confirms, Contracts, Policies and some correspondence are archived

Table of Contents

CK4 and Cyberlife Printed Output Process

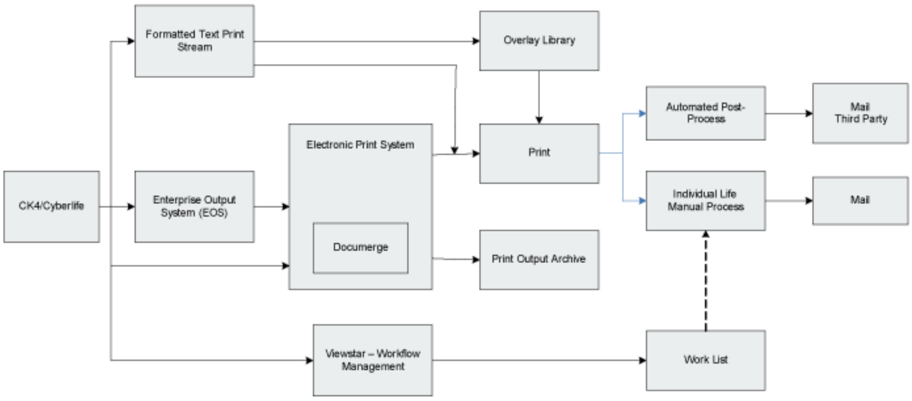


Table of Contents

DSS Printed Output Process

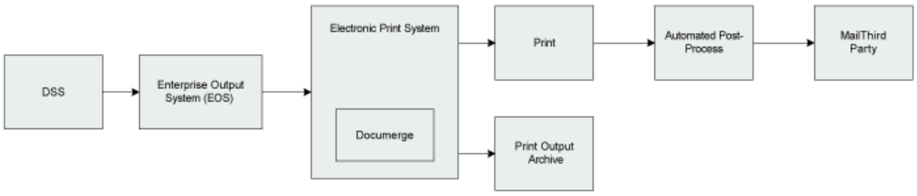
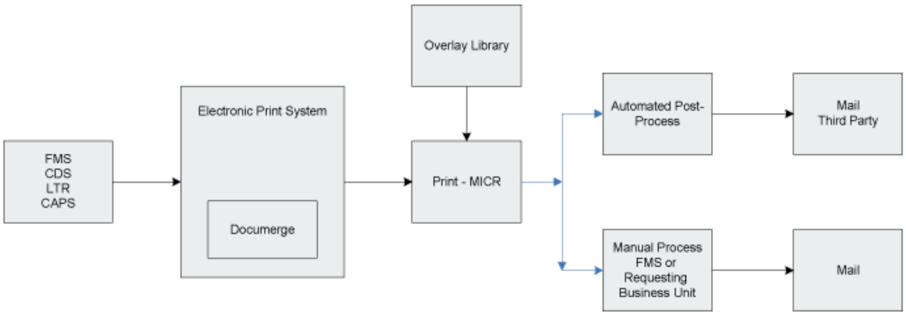


Table of Contents

FMS — CDS — LTR — CAPS Printed Output Process



Group Printed Output Process

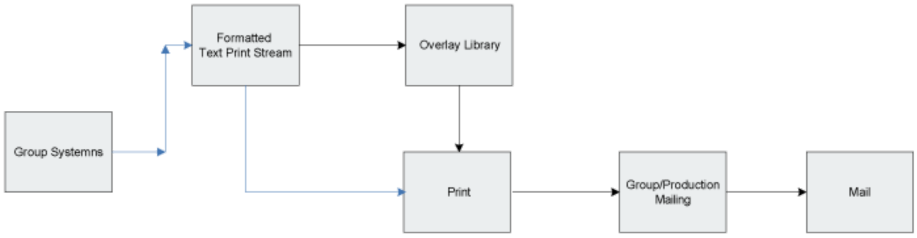
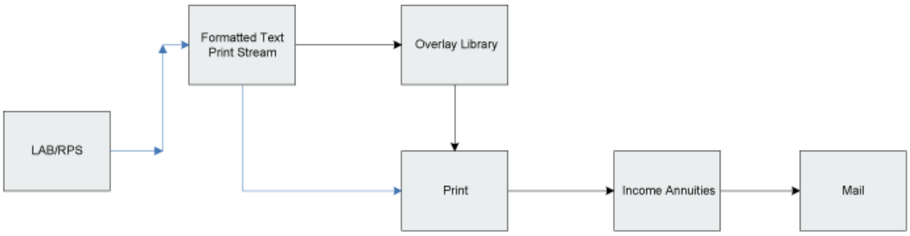


Table of Contents

Income Annuities Printed Output Process



Paris Printed Output Process

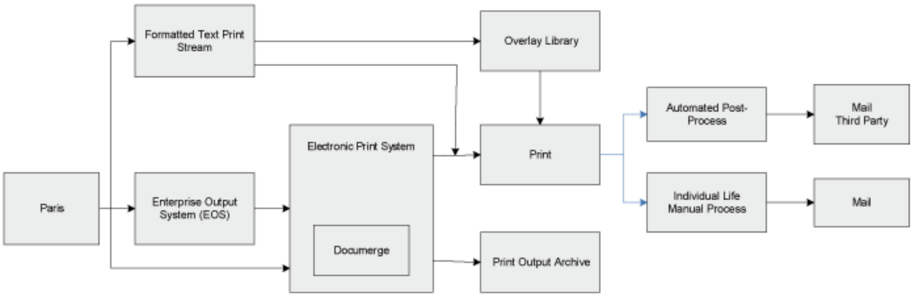


Table of Contents

Vantage-One Printed Output Process

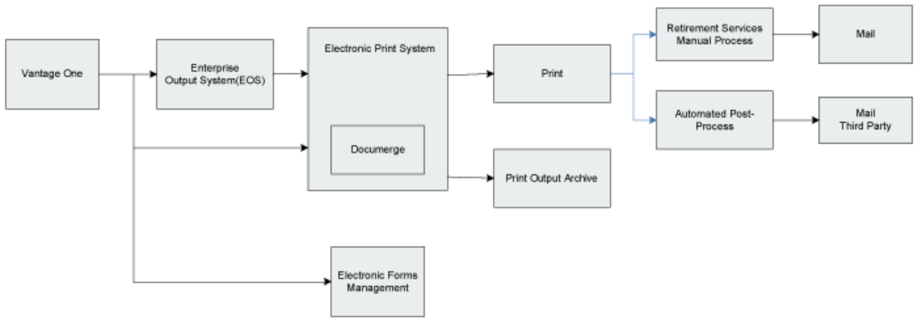


Table 1. Forms Creation and Maintenance SLRs.

ACS shall meet the following SLRs commencing on the Handover Date (unless a different date is expressly set forth in a particular SLR).

FORMS CREATION AND MAINTENANCE SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Code new forms from mockup (create draft)	Response time (SLA/SLR measurement and performance Target adjustment period of 90 calendar days after the Handover Date)	Within 3 Business Days	[***]%
Modify existing forms	Response time (SLA/SLR measurement and performance Target adjustment period of 90 calendar days after the Handover Date)	Within 2 Business Days	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

FORMS CREATION AND MAINTENANCE SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Create new page segments/graphic elements (i.e. logos)	Response time (SLA/SLR measurement and performance Target adjustment period of 90 calendar days after the Handover Date)	Within 2 Business Days	[***]%
Complete corrections based on review of new or modified drafts	Response time (SLA/SLR measurement and performance Target adjustment period of 90 calendar days after the Handover Date)	Within 1 Business Day	[***]%
Move to production	Response time (SLA/SLR measurement and performance Target adjustment period of 90 calendar days after the Handover Date)	Move to production - -completed upon approval for requests received per agreed to schedule	[***]%
Make form available to view online	Response time	Next Business Day after move to production	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

FORMS CREATION AND MAINTENANCE SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
	Formula	Number of requests completed within Performance Target /total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Table 2. Daily Production Processing SLRs

DAILY PRODUCTION PROCESSING SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Daily and Weekly Batch Outputs — ACS Location	Response time	Print, Package, Postage, mailing completed during next Business Day after receipt by print and mail center	[***]%
Daily and Weekly Batch Outputs — Local Processing Delivered to Symetra	Response time	Printed outputs returned to Symetra per agreed to schedule	[***]%
Monthly Batch Outputs — ACS Location	Response Time	Print, Package, Postage, mailing completed within two Business Days after receipt by print and mail center	[***]%
Monthly Batch Outputs — Local Processing Delivered to Symetra	Response time	Printed outputs returned to Symetra per agreed to schedule	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

General Administration Task	Service Measure	Performance Target	SLR Performance %
Quarterly and Annual Outputs	Response time	Print, Package, Postage, mailing completed per agreed to schedule	[***]%
Returns for bad address	Response time	Return information to Symetra by next Business Day after determination	[***]%
Returns for mail ruined during processing and handling	Response time	Recreate and mail by next Business Day. Mail ruined during pre-sort process will be delayed an additional Business Day.	[***]%
	Formula	Number of requests completed within performance Target /total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
Measurement tool		To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table 3. Testing SLRs

TESTING SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Printed, end-to-end test output availability	Response time	Complete test job within 1 Business Day of receipt of test extract file(s) and submission of job request	[***]%
Test support	Response time	Resolve testing output failures within 1 Business Day	[***]%
	Formula	Number of requests completed within performance Target /total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement tool	To be agreed by the Parties	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

SCHEDULE 2H

CONTENT MANAGEMENT SERVICES SOW

for

SYMETRA LIFE INSURANCE COMPANY (SYMETRA)

Final Draft

December 30, 2004

TABLE OF CONTENTS

1.0 Content Management Solution Overview

The Content Management Services are the Services and activities, detailed in this Content Management Services SOW, required to provide and support Symetra with a number of Content Management Services. ACS is responsible for full provision, operation and management of Content Management Services including, but not limited to, the following Services:

- Conversion off of the current content management solution (the "***Content Management Solution***")
- Ongoing document capture Services
- Records management processes to address the regulatory and compliance retention policies
- The Cross Functional Services as defined in Schedule 2A — Cross Functional Services SOW
- Possible addition conversion of some existing paper files and microfiche records

As depicted in Figure 1 below, in addition to the Services described in this Content Management Services SOW, ACS is responsible for providing the Services described in **Schedule 2A** - Cross Functional Services SOW. Figure 1 depicts the relationship between the Cross Functional Services SOW, and all SOWs within the scope of the Agreement as of the Effective Date.

Cross Functional SOW

Data Center Services SOW	Distributed Computing Services SOW	Data Network Services SOW	Voice Comm. Services SOW	Help Desk Services SOW	Output Processing Services SOW	Content Management Services SOW

Figure 1: Service Towers with Cross Functional Services View

2.0 Content Management Strategy Goals

The following are the key high-level Service objectives Symetra expects to achieve through outsourced content management Services and this Content Management Services SOW:

- Create a shared and common enterprise solution, which multiple lines of business can leverage to maximize value and minimize costs.
- Create a highly scalable multi-site platform that will allow Symetra to reuse content, business logic, and design elements to reduce implementation costs in new areas.

- Ensure compliance with industry regulations through improved records management.
- Provide the ability to integrate with other Third-Party systems.
- Increase Operational Efficiencies
- Improve customer service to internal and external customers
- Increase customer retention
- Reduction of lost documents
- Reduction of paper storage requirements and the physical space that it requires
- Dramatic decrease in the time and labor required to search for and retrieve documents
- Increased work capacity and productivity (without adding employees)
- Allow authorized End Users to put new and changed content into the Content Management Solution without IT involvement

3.0 Current Environment

Symetra currently has 24 million images and their associated index values in FileNet's Content Services 5.1, running on one Compaq DL380 server with 1 GIG RAM, 1.6 Terabytes of virtual memory (currently half full), and 2 RAID 5 arrays (each array has 14 drives). The property manager, storage manager and SQL v7.0 database (index metadata) are all located on the same server. The majority of the images are multi-page group IV tiffs (no annotations, no versioning). There are a small number of files in their native file format (Microsoft Word, Microsoft Excel, and PDF). The conversion process needs to be completed in as short a period of time as possible to minimize the impact on Symetra's ability to provide its current level of customer service.

Currently, there are five areas at Symetra that use document capture services provided by the Safeco Corporation: Retirement Services, Income Annuities, Group Benefits, Agency Appointments, and Individual. There are also a number of additional departments that are interested in participating in the content management solution once it has been implemented. Currently, with the exception of one process, the document capture occurs at the backend of the workflow after all processing has been completed. The exception is in Individual, where a portion of the documents are captured upfront and exported into Individual's Business Process Management ("***BPM***") tool (Viewstar). Symetra would like to modify its internal processes to allow for upfront scanning for all workflows, thus allowing Symetra to take advantage of some of the efficiencies provided by a BPM tool. Utilizing an upfront capture model will require that the vast majority of Symetra documents be captured within 24 hours of receipt at the capture facility. At this time, there are three known exceptions to this 24 hour turnaround; the Individual New Business workflow, and the variable products in both Individual and Retirement Services, all of which require four hour turnaround times. ACS will work with Symetra to develop more detailed Service specifications.

The 2003 document capture volumes for each of the Symetra entities using the Safeco Corporate Content Management Solution are as follows:

	Documents	Pages
Agency Appointments	18,644	41,319
Group Benefits	10,511	185,456
Income Annuities	24,145	156,858
Individual (upfront)	136,843	253,025
Individual	267,146	2,006,578
Retirement Services	286,760	755,380

In performing the content management Services required hereunder, ACS will work closely with Symetra to ensure a smooth transition and ACS shall meet all of the requirements set forth in this Content Management Services SOW.

The following provides additional detail on the current Content Management Solution provided by Symetra:

- FileNet Content Services 5.1
- 1 Compaq DL380 Server
    - 1 GIG RAM
    - 1.6 Terabytes of virtual memory (currently half full)
    - 2 RAID 5 arrays (each array has 14 drives).
- Property manager, storage manager and SQL v7.0 database (index metadata) are all located on the same server.
- Two content services libraries with 6 document classes (Individual and the rest of Symetra)
- Majority of images are multi-page group IV tiffs (no annotations, no versioning)
- A small number of files in their native file format (Microsoft Word, Microsoft Excel, and PDF)
- Captiva's Input Accel 4.0 for capture.
- 24 million images and their associated index values.
- 300,000 images added a month.
- 700 users accessing documents.
- Characters to Index 10-30 depending on business.

4.0 Content Management Requirements

ACS shall provide content management Services to support the following Services requirements and specifications:

- Document Capture:
  - Single or batch document scanning
  - Image enhancement (Deskew, despeckle, etc.)
  - OCR/ICR
  - Customizable interface
- Library functions:
  - Storage of scanned Images, digital assets (images, sound, movies), Microsoft Office documents, and publishing output.
  - Managed content with the ability for End Users to check in and check out documents, create versions, and track changes made to the content.
  - Ability to add annotations to scanned images
  - Ability to use Microsoft Active Directory for security
  - Records management for regulatory and compliance issues (Retention, SOX, etc)
  - A security model that controls access to view, publish, annotate, and delete content. Security by user groups, document class, and document.
- Search Function:
  - A robust search engine with index based search criteria to find content.
  - A security model that controls access to view, publish, annotate, and delete content.
  - An application programming interface (API) to provide a single browser-based interface to multiple repositories/systems.
  - Viewer with the following functions:
    - — Reverse, rotate, scale, scroll, and zoom.
    - — Annotations and markups, such as highlight, stamp, initials.
    - — Thin client — Internet Explorer
- Application Integration:
  - 401K On-Line enrollment — Upload to Content Management Solution
  - Facsimile Transmissions — Upload to Content Management Solution
  - Upload of files in their native file format (Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Microsoft Outlook, PDF) to Content Management Solution
  - Clarify CRM
  - EiStream ViewStar Workflow
  - RightFax

Content Management — Daily Production Processing SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Incoming mail returns	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Returns completed within 1 Business Day after determination that documents cannot be processed (illegible, damaged mail, out sorts, etc.)	[***]%
	Formula	To be agreed by the Parties	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	Web report	

Content Management — Printed Output Image Archive SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Accessibility of archived output data from FileNet	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Within 1 Business Day of corresponding print output	[***]%
Availability of archived images from FileNet	Number of responses (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Archive system available during scheduled hours	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Content Management — Printed Output Image Archive SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Online Viewing	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Document viewable within 5 seconds of valid request for data	[***]%
	Formula	Number of requests completed within performance Target/total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	To be agreed by the Parties	

Content Management — Capture Management SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Scanning	Scanning accuracy (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Straight on the screen and readable from left to right, In focus and clearly readable on the computer screen. No data is cutoff Less than 5 degrees of skew from the original image. Blank backside pages are properly deleted. Failure of any one or more of these targets contributes a reduction in scanning performance.	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Content Management — Capture Management SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Indexing	Scanning accuracy (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Index Accuracy is defined as the overall accuracy of all index fields except for memo fields. All index fields will be in error if one character is wrong. Memo field accuracy is based on the contents of the entire field. If the memo field is unreadable, it will count as an error in the accuracy calculation.	[***]%
Timeliness of turnaround	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Completed within 24 hours of cut-off schedule (cut-off schedule to be agreed by the parties)	[***]%
Backfiles	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Backfiles, (paper and/or fiche), are imaged within 1 Business Day as requested	[***]%
Records Retention	Document retention life cycle (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Documents retained according to schedule	[***]%

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Content Management — Capture Management SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Receipt and Sorting	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Within 24 hours of cut-off schedule (cut-off schedule to be agreed by the Parties) Overnight and Special Delivery mail are scanned within 4 Business Day Hours of receipt. Not to exceed 5% of the daily volume.	[***]%
Rescans	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Within 90 day retention period, rescans will occur within 24 hours of receipt of the request	[***]%
Requests for Originals	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Within the 90 day retention period, an original request will be returned to Symetra within 24 hours of receipt of the request provided that storage file is easily identifiable	[***]%
Destruction / Recycling	Response time (SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)	Documents destroyed per document retention/destruction schedule (schedule to be agreed by the Parties)	[***]%
	Formula	Total number of measured items minus the number of items in error, divided by the total number of measured items.	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	Varies depending on the task	

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

FileNet Content Management — Daily Hosting Production Processing SLRs

General Administration Task	Service Measure	Performance Target	SLR Performance %
Acceptance of Inbound PDF Images from Output	FileNet system's importation of inbound PDFs from the ACS supported output system per agreed to schedule	Images should be imported into the FileNet system within 4 Business Hours.	[***]%
	Response time		
	(SLA/SLR measurement and performance Target adjustment period of 90 days after production deployment date)		
	Formula	Number of requests completed within performance Target/total of all requests occurring during Measurement Interval	
	Measurement Interval	Capture daily, measure monthly, report monthly within approved operational windows	
	Measurement Tool	Varies depending on the task	

4.1 Reports

Without limiting the terms of **Section 2.11.1** of the Agreement, ACS shall provide written reports to Symetra regarding ACS' compliance with the SLRs and other content management reports specified in this Content Management Services SOW.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

5.0 Referenced SOW Appendices and SOW Schedules

5.1 Referenced Data Center SOW Appendices

Not applicable.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

SCHEDULE 3

FEES

for

SYMETRA LIFE INSURANCE COMPANY

October 28, 2004

Table of Contents

Table of Contents

List of Tables

Table of Appendices

1.0 Annual Services Fees

The following are the Annual Services Fees for the Services, subject to adjustments as provided for in this **Schedule 3** and in the Agreement. The Annual Services Fees will be divided by twelve (12) to determine the amount of fees to be invoiced monthly. If there is an adjustment to the Annual Services Fees, then the monthly amount will be recalculated on a going-forward basis, and the adjusted amount of Annual Services Fees will replace and supersede the prior Annual Services Fees for purposes of **Table 1** below.

Table 1. Annual Services Fees

YEAR	Amount
Year 1 Annual Services Fees	$13,640,154
Year 2 Annual Services Fees	$12,899,830
Year 3 Annual Services Fees	$12,516,300
Year 4 Annual Services Fees	$13,146,859
Year 5 Annual Services Fees	$13,844,623
Total Annual Services Fees	$**66,047,766**

Note: Annual Services Fees include all recurring carrier and network costs. Mod 04 removed output supplies and DR funding for output

ACS hereby grants to Symetra a sales inducement credit equal to $[***] Dollars ($ $[***]), which Symetra shall have the right to apply against invoices issued by ACS during the first twelve (12) months following the Effective Date, provided that the dollar amount of any single application shall not exceed $[***] ($ $[***]).

2.0 Management Fees

ACS will establish, staff and operate a program management office in accordance with **Schedule 1 (Relationship Management)** and **Schedule 2 (Service Tower Services)**. The Fees for those Services are included in the Annual Services Fees and are identified in **Table 2** below:

Table 2. Management Fees

Item Description	Monthly Year 1	Monthly Year 2	Monthly Year 3	Monthly Year 4	Monthly Year 5
Management Fees – Data Center	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Distributed Computing	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Help Desk	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Network	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Voice	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Output	$[***]	$[***]	$[***]	$[***]	$[***]
Management Fees – Content	$[***]	$[***]	$[***]	$[***]	$[***]
Total Management Fees	$[***]	$[***]	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

3.0 Transition Fees

The following are the transition / one-time Fees for the Services.

Table 3. Transition Fees

Item Description	Year 1	Year 2	Year 3	Year 4	Year 5
Transition Fees – Data Center	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Distributed Computing	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Help Desk	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Network	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Voice	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Output Processing	$[***]	$[***]	$[***]	$[***]	$[***]
Transition Fees – Content Management	$[***]	$[***]	$[***]	$[***]	$[***]
Total Transition Fees	$[***]	$[***]	$[***]	$[***]	$[***]

The transition Fees will be invoiced as Services are received, due in accordance with **Section 6.3.1 (b)** of the Agreement. Invoicing will itemize: hardware, software, telecommunication pass-through charges and professional Services fees. The transition Fees referenced above are described in greater detail in **Appendix A.**

4.0 Baselines

Table 4 sets forth the Baselines for each of the first five (5) Contract Years (estimates only in the case of Contract Years two (2) through five (5)). The Baselines shall be re-set as provided in **Section 6.2.3** of the Agreement.

Table 4. Baselines

	BASELINES				
Item Description	Year 1	Year 2	Year 3	Year 4	Year 5
Data Center					
Mainframe Server (MIPS)	410	410	410	437	503
Mainframe DASD (GB)	1,883	2,353	2,941	3,677	4,596
Mainframe Tape	13,540	14,217	14,928	15674	16,458
Microfiche	9,000	6,750	5,063	3,797	2,848
Laser (3900) Printer	415,972	332,742	266,193	212,955	170,364
NT Application Server	36	38	40	42	44
NT Database Server	6	7	8	9	10
NT File/Print Server	16	17	18	19	20
NT Messaging Server	9	10	10	11	12
NT Web/http	19	20	11	22	23
Other NT Servers	21	24	27	29	31
Additional Infrastructure Support	21	7.05	28.5	21	22.05
Development/Test/QA	80	84	88	92	97
NT Tape Backup	7.5	10	12.5	15.0	17.5
NT SAN Storage	16,384	16,384	18,432	20,480	22,528
Project Pool Hours	100	100	100	100	100
Distributed Computing					
Management Services	1	1	1	1	1
Desktop Support - Remote Offices	103	103	103	103	103
Laptop Support - Remote Offices	36	36	36	36	36

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	BASELINES Year 1	Year 2	Year 3	Year 4	Year 5
PDA Support - Remote Offices	26	26	26	26	26
**Distributed High-volume Production/Printing	1	1	1	1	1
Network-Attached Printer Support - HQ & Remote	73	75	77	79	81
IMProvider for PCs / Net Printers - Remote Offices	26	26	26	27	27
**IMProvider for Servers - HQ & Remote	1	1	1	1	1
Desktop Support and Engineering	1112	1108	1106	1103	1101
Help Desk					
Help Desk Calls	973	997	1,020	1,045	1,045
Help Desk Tool Use (Symetra IT Use of Provider Tools)	17	18	19	19	19
Data Network					
Managed Routers	15	15	15	15	15
Managed Switches	17	17	17	17	17
Managed DSUs/CSUs	5	5	5	5	5
Managed Firewalls	4	4	4	4	4
Voice					
Large PBX's (Over 300 handsets / Extensions)	1,007	1,030	1,053	1,077	1,101
PBX Handsets	1,110	1,133	1,156	1,180	1,204
PBX -Like Services	1,110	1,133	1,156	1,180	1,204
ACD-Like Services	150,000	153,600	157,286	161,061	164,927
IVR-Like Services	150,000	153,600	157,286	161,061	164,927
Voice Mail Systems	1,248	1,271	1,294	1,318	1,342
Voice Circuit Monitoring	1	1	1	1	1
Call Recording	1	1	1	1	1
Output					
Page Output (Simplex Printed Page)	612,214	673,435	740,779	814,857	896,343
Post-Processing	306,650	337,315	371,047	408,152	448,967
6x9 envelopes	287,105	315,816	347,398	382,138	420,352
Automated flat envelopes	9,014	9,915	10,907	11,998	13,198
Boxes	10,362	11,398	12,538	13,792	15,171
Binding	169	186	205	226	249
Storage	500	575	661	760	874
Forms Coding and Maintenance	208	208	208	208	208
Postal Presorting	287,105	315,816	347,398	382,138	420,352
Supplies to be supplied by Symetra					
6x9 envelopes	287,105	315,816	347,398	382,138	420,352
Flat envelopes	9,014	9,915	10,907	11,998	13,198
Boxes	10,362	11,398	12,538	13,792	15,171
Content Management					
744,049 annual document volumes	744,049	744,049	744,049	744,049	744,049
Annual number of pages	3,398,616	3,398,616	3,398,616	3,398,616	3,398,616
Mailroom	283,218	283,218	283,218	283,218	283,218
Scanning	283,218	283,218	283,218	283,218	283,218
Indexing	62,004	62,004	62,004	62,004	62,004
MicroFiche/Film BF Conversion (Scan on-demand only)	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

5.0 Fees For Recurring Services

5.1 Fixed Unit Pricing

Fees for recurring Services are aggregated and based upon fixed unit prices for the resource consumption or volumes identified in the applicable Baselines. The fees represent all variable and fixed cost components comprising ACS' charges to deliver the Services. In accordance with the terms set forth in **Section 6.2.3**, the fees will be adjusted (subject to the Deadband Allowance described below) to the actual resource consumption/volumes in the user environment, and will take effect on the invoice for the following month. For any resource consumption/volumes that may vary from day-to-day or other periodic basis, a monthly average will be used to determine whether an adjustment based on an increase or decrease in resource consumption or volumes should be made.

The Parties have established a "***Deadband Allowance***" that provides for Services growth and contraction within a five percent (5%) variance above and below the Baselines. Accordingly, if there is a variation in a resource consumption or volume within the Deadband Allowance, there will be no fee adjustment.

– ***Example (Fixed Unit Price)****: If the Baseline for a Service is one hundred (100) users, then the charge will be calculated as one hundred (100) times the unit price.*

– ***Example (Within Deadband Allowance)****: If the Baseline for a Service is one hundred (100) users, the Deadband Allowance starts at ninety-five (95) and ends at one hundred five (105). There is no adjustment of Fees for adding or subtracting users within this range.*

5.2 ARC/RRC Units; Adjustments Outside of Deadband Allowance

A. ARC/RRC Units. ARC and RRC unit charges/reductions have been defined for each component of Service in the Table included in **Appendix B**.

For additions or deletions to resource consumption/volumes outside the Deadband Allowance, the monthly fee will increase or decrease based on the incremental resource consumption/volume from the Deadband Allowance low point (for delete) or high point (for add) times the unit price.

– ***Example (ARC Within Deadband Allowance)****: If the Baseline is one hundred (100) users, and actual volume is one hundred thirty (130) users, on the next monthly invoice, the fee is calculated as 105 * x + (130-105) * y (where "x" = fixed unit price and "y" = unit price for add units)*

– ***Example (RRC Within Deadband Allowance)****: If the Baseline is one hundred (100) users, and actual volume is seventy-five (75) users, on the next monthly invoice, the fee is calculated as 95 * x + (75-95) * (z — x) (where "x" = fixed unit price and "z" = unit price for delete units)*

B. Adjustments Outside of Deadband Allowance. If Symetra's actual consumption/volume for a particular component of Service is twenty percent (20%) higher or lower than the applicable Baseline during any ninety (90) consecutive calendar days, the Parties agree to re-set the affected Baseline(s) and to negotiate in good faith pricing for the higher or lower Baseline(s).

6.0 Basis of Pricing and Assumptions

6.1 Basis of Pricing

The basis for the Fees in this **Schedule 3** include the following:

Data Center

- Pricing for hot site includes 300 MIPS, 1.2GB DASD, one hundred twenty (120) shared servers, one (1) email retention server, disaster recovery analyst travel and seventy-two (72) hours annual test time.
- "***Project Pool***" shall mean one hundred (100) hours per month for infrastructure-related IT work requested by Symetra so long as: (a) the request is for a discrete unit of non-recurring work, it requires start-up, planning and execution; (b) the work is not required for ACS to meet other obligations under the Agreement; (c) the work is not required to meet SLAs. Symetra and ACS will assess and adjust number of hours in the Project Pool during 1Q and 3Q of each calendar year. If Symetra authorizes an increase in the Project Pool hours per month, the rate for such additional Services shall be provided at the blended rate of [***] ($[***]) per hour. If Symetra exceeds the number of Project Pool hours available in a given month, the excess hours will be charged using the above blended rate. If Symetra does not fully utilize the Project Pool hours available in a given month, the balance of unused hours available for that month shall remain chargeable, and the hours shall accumulate and aggregate and be usable for a twelve (12) month period from the date they were not used, after which time such hours shall expire.
- The NT SAN storage Baseline is an approximate total. Actual NT SAN storage requirements will be refined during transition. Pricing is assumed as a linear scale basis for volume increases or decreases from the Baseline.

Distributed computing

- N/A

Help Desk

- N/A

Data Network

- Circuit rates represent monthly recurring charges. Installation charges are waived by carrier if circuit is kept in place for one (1) year. If a circuit is disconnected before one (1) year the carrier will impose the original install fee of up to [***] Dollars ($[***]). This fee, if applicable, will be charged to Symetra as a pass through expense.

Voice

- Symetra retains maintenance costs for owned or leased PBX systems.
- Voice transport and long distance rates are billed directly to Symetra with an additional [***] percent ([***]%) management fee.

Output Services

- Monthly fee will be based on actual volume processed.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

- Volume does not drop below twenty percent (20%) of volume stated in RFP.
- Symetra will prepay postage into USPS metered accounts.
- Symetra to provide all consumable print supplies with the exception of white 81/2 by 11 (cut-sheet and continuous feed) and 8/12 x 11 perforated cut sheets (SYM-100-continous feed, 200 cut sheet, 1400 perforated cut sheets).
- Output DR is not available at this time.

Content Management Services

- Five (5) indexed fields with no more than nine (9) keystrokes per field (defined by product line).
- Shipping, paper storage, and certified destruction, and telecom costs are pass-through items billed to Symetra, i.e., paper backfile, microfiche, outsorts, checks, patch sheets, etc.
- Paper and fiche storage costs not to exceed thirty (30), sixty (60), ninety (90), and one hundred eighty (180) days from receipt from Symetra depending upon product type.
- The FileNet software includes a test suite to perform testing against current applications.
- Assumes content management Services with two hundred fifty (250) dedicated SLUs and 110 SLUs at a ration of 4:1. A total of seven hundred (700) total system users is assumed.
- ACS assumes that Symetra's preferred approach for development of new, P8 compatible versions of the following applications will be completed via in-house development or the use of FileNet's professional services:
  - o 401(k) On-Line enrollment — Upload to content management solution
  - o Clarify CRM
  - o EiStream ViewStart Workflow

6.2 Key Assumptions

The following are key assumptions on which the Fees in this Schedule are based:

Data Center

- Pricing assumes software listed in **Attachment L** to the Agreement. Additional software requirements will incur additional charges if discovered after the Effective Date.
- ACS will be allowed to install and execute SOFT AUDIT to validate software inventory.
- Symetra will retain responsibility for copying Symetra Data at the Redmond data center from both physical tape and the VSM to ACS VTS and physical drives temporarily installed at the RDC for migration purposes.
- Safeco ACF2 security database with Symetra Data will be provided to ACS for migration purposes.
- ACS will be allowed to use full system lift methodology to perform the transition from the Safeco data center to the ACS data center.
- Channel and DASD requirements for migration purposes at Safeco data center are retained expenses.
- Assumes Symetra data will be segregated by DASD volumes to support full volume dumps.
- Safeco and Symetra will provide necessary IT configuration and architectural information in ACS-requested format required to establish the new Symetra IT

infrastructure, thus simplifying configuration of new enterprise equipment and environment.

- Pricing for hot site includes 300 MIPS, 1.2GB DASD, one hundred twenty (120) shared servers, one (1) email retention server, disaster recovery analyst travel and seventy-two (72) hours annual test time.
- Processor utilization is defined as physical machine utilization taken from the SMF type-70 records as reported by IBM's "RMF CPU Summary Report". SMF records are recorded on a fifteen (15)-minute interval (ninety-six (96) intervals each day) and report the average processor utilization during the interval.
- Baseline configuration is defined as an IBM Z890 system configured for 410 MIPS offered capacity. [***] Dollars ($[***]) monthly fee for twelve (12) months post transition that will serve as 'term insurance' for capability to increase to 489 MIPS with option to renew term insurance annually. Upon direction by Symetra to discontinue the 489 MIP option, ACS will reduce recurring billings by [***] Dollars ($[***]) per month.
- To increase mainframe capacity to a 489 MIP Mainframe processor, a High-Utilization-Week is defined as five (5) consecutive non-holiday weekdays (Monday through Friday) with average CPU utilization of seventy percent (70%) or higher of the Baseline configuration.
- To reduce mainframe capacity to a 312 MIP Mainframe processor, a High-Utilization-Week (as defined above) should measure below fifty percent (50%) processor utilization of the Baseline configuration for each of four (4) consecutive months. ACS will perform a capacity study and determine the feasibility of a mainframe downgrade. After presentation of the study, Symetra management, at its sole discretion, may elect to initiate a mainframe processor downgrade with associated RRC credits (as described in this **Schedule 3**). Mainframe processor downgrade will occur in the first quarter following fiscal year end.

Distributed computing

- None

Help Desk

- None

Data Network

- Pricing for VAN connections is not included.
- Circuit rates represent monthly recurring charges. Installation charges are waived by carrier if circuit is kept in place for one (1) year. If a circuit is disconnected before one (1) year the carrier may impose the original install fee of up to [***] Dollars ($[***]). This fee, if applicable, will be charged to Symetra as a pass through expense, without markup.
- Internet access- sold as a bundled service from the carriers and is not broken down by port and access charges.

Voice

- Symetra retains maintenance costs for owned or leased PBX systems.

Output Services

- Monthly fee will be based on actual volume processed.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

- Third Party presort house will be used for 6x9 envelopes to achieve postal discounts.
- Symetra to provide all consumable print supplies with the exception of white 81/2 by 11 (cut-sheet and continuous feed) and 8/12 x 11 perforated cut sheets (SYM-100-continous feed, 200 cut sheet, 1400 perforated cut sheets).

Content Management Services

- New business P.O. box mail will be immediately re-routed to Kentucky to begin pilot.
- Content management and mailroom image Services will be performed by ACS domestically in London, Kentucky.

[Table of Contents](#)

Appendix A – Detailed Transition Fees

[***]

The actual billing date may vary based on the final Transition Plan.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Appendix B – ARC/RRC Unit Prices

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband (Increase from 5.1% to 20% above the Initial Order Counts)	Price for Delete Units (RRC) Decrease Below the Deadband (Decrease from 5.1% to 20% below the Initial Order Counts)
Year 1			
Data Center			
Mainframe Server (per MIP)	$[***]	$[***]	$[***]
Mainframe DASD (per GB)	$[***]	$[***]	$[***]
Mainframe Tape	$[***]	$[***]	$[***]
Application Server	$[***]	$[***]	$[***]
Database Server	$[***]	$[***]	$[***]
File/Print Server	$[***]	$[***]	$[***]
Messaging Server	$[***]	$[***]	$[***]
Web/HTTP Server	$[***]	$[***]	$[***]
Development/Test/QA	$[***]	$[***]	$[***]
NT Tape Backup	$[***]	$[***]	$[***]
NT SAN Storage SLA-1	$ —	$[***]	$[***]
NT SAN Storage SLA-2	$[***]	$[***]	$[***]
IT Continuity	$[***]	$ —	$ —
Print	$[***]	$ —	$ —
Other - Project Pool Hours (rate per hour)	$[***]	$[***]	$[***]
EAM Project - Ongoing labor	$[***]	$ —	$ —
Distributed Computing			
Desktop Support - Remote Offices per desktop	$[***]	$[***]	$[***]
Laptop Support - Remote Offices per laptop	$[***]	$[***]	$[***]
PDA Support - Remote Offices per PDA	$[***]	$[***]	$[***]
E-Mail Server Support - HQ & Remote per server	$ —	$ —	$ —
File / Print Server Support - HQ & Remote per server	$ —	$ —	$ —
Network-Attached Printer Support - HQ & Remote per printer	$[***]	$[***]	$[***]
Remote High-volume Production/Printing	$ —	$ —	$ —
IMAC for PCs / Net Printers - Remote Offices per IMAC	$[***]	$[***]	$[***]
IMAC for Servers - HQ & Remote per IMAC	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Help Desk			
Per Call	$[***]	$[***]	$[***]
5 pack floating user Remedy licenses	$ —	$[***]	$[***]
5 pack fixed user Remedy licenses	$ —	$[***]	$[***]
100 P-Synch and ID-Synch licenses	$ —	$[***]	$[***]
Data Network			
Routers per unit	$[***]	$[***]	$[***]
Switches per unit	$[***]	$[***]	$[***]
DSUs/CSUs per unit	$[***]	$[***]	$[***]
Firewalls per unit	$[***]	$[***]	$[***]
FRADS per unit	$[***]	$[***]	$[***]
IMProvider per device	$[***]	$[***]	$[***]
Circuits-See Data Transport recurring tab			
Hardware for new remote site (Not including circuit costs)	$ —	$[***]	$[***]
Hardware cost at each remote site	$ —	$[***]	$[***]
Hardware cost for NWSC network module	$ —	$[***]	$[***]
BRI Circuit at remote site	$ —	$[***]	$[***]
PRI circuit to NWSC	$ —	$[***]	$[***]
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Internet access -Dual DS-3 burstable to 7.5M	$ —	$[***]	$[***]
-Access port fees for Internet access	$ —		
Circuits-Point to Point	$ —		
-DS3 Point to Point AT&T	$ —	$[***]	$[***]
-DS3 - Point to Point-Verizon	$ —	$[***]	$[***]
Circuits-Frame relay	$ —		
-56k	$ —	$[***]	$[***]
-128K	$ —	$[***]	$[***]
-256K	$ —	$[***]	$[***]
-384K	$ —	$[***]	$[***]
-512K	$ —	$[***]	$[***]
-768K	$ —	$[***]	$[***]
-1.024M	$ —	$[***]	$[***]
-1.544M	$ —	$[***]	$[***]
DS3- ATM/FR Internetworking	$ —	$[***]	$[***]
Voice Communications			
Circuit monitoring per trunk	$ —	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
IMProvider Per PBX	$ —	$ —	$ —
Large PBX's (over 300 Extensions) per unit	$ —	$ —	$ —
Small PBXs (LT 75 extensions) per unit	$ —	$ —	$ —
PBX Handsets per unit	$ —	$[***]	$[***]
ACD, IVR IMProvider	$ —	$ —	$ —
Voice Circuit IMProvider	$ —	$ —	$ —
Teleconferencing			
Teleconference Services	$ —	$ —	$ —
Calling Cards	$ —	$ —	$ —
Cell Phones	$ —	$ —	$ —
Voice Mailbox Users	$ —	$ —	$ —
Add Locations/Remote Offices/Remote Workers			
Location	$ —	$ —	$ —
Remote Office	$ —	$ —	$ —
Remote Worker	$ —	$[***]	
Voice Services-Local and Long Distance			
Dedicated	$ —	$ —	$ —
Switched	$ —	$ —	$ —
Circuits			
Fractional T-1:			
56/64k	$ —	$[***]	$[***]
128k	$ —	$[***]	$[***]
256k	$ —	$[***]	$[***]
384k	$ —	$[***]	$[***]
512k	$ —	$[***]	$[***]
DS3-FR	$ —	$[***]	$[***]
Fractional DS3- Internet BW	$ —	$[***]	$[***]
OCX	$ —	$ —	$ —
Other	$ —		
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Output Processing			
Simplex Printed Page	$[***]	$[***]	$[***]
Post-Processing			
6x9 envelopes	$[***]	$[***]	$[***]
Automated flat envelopes	$[***]	$[***]	$[***]
Boxes	$[***]	$[***]	$[***]
Binding	$[***]	$[***]	$[***]
Storage			
Forms Coding and Maintenance	$[***]	$[***]	$[***]
Postal Presorting	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Supplies			
deleted			
deleted			
deleted			
Duplex Printed Page	$ —	$[***]	$[***]
Content Management			
Mailroom services			
-Mailroom	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
MicroFiche/Film BF Conversion (Scan on-demand only)			$ —
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$[***]	$[***]
Paper Active BF Conversion			
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$ —	$ —
Lockbox (per check processed)	$[***]	$ —	$ —
T1 with 512 PVC	$[***]	$ —	$ —
FileNet Software Maintenance	$[***]	$ —	$ —
Disaster Recovery	$[***]	$ —	$ —
Year 2			
Data Center			
Mainframe Server (per MIP)	$[***]	$[***]	$[***]
Mainframe DASD (per GB)	$[***]	$[***]	$[***]
Mainframe Tape	$[***]	$[***]	$[***]
Application Server	$[***]	$[***]	$[***]
Database Server	$[***]	$[***]	$[***]
File/Print Server	$[***]	$[***]	$[***]
Messaging Server	$[***]	$[***]	$[***]
Web/HTTP Server	$[***]	$[***]	$[***]
Development/Test/QA	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
NT Tape Backup	$[***]	$[***]	$[***]
NT SAN Storage SLA-1	$ —	$[***]	$[***]
NT SAN Storage SLA-2	$[***]	$[***]	$[***]
IT Continuity	$[***]	$ —	$ —
Print	$[***]	$ —	$ —
Other - Project Pool Hours	$[***]	$[***]	$[***]
EAM Project - Ongoing labor	$[***]	$ —	$ —
Distributed Computing			
Desktop Support - Remote Offices per desktop	$[***]	$[***]	$[***]
Laptop Support - Remote Offices per laptop	$[***]	$[***]	$[***]
PDA Support - Remote Offices per PDA	$[***]	$[***]	$[***]
E-Mail Server Support - HQ & Remote per server			
File / Print Server Support - HQ & Remote per server			
Network-Attached Printer Support - HQ & Remote per printer	$[***]	$[***]	$[***]
Remote High-volume Production/Printing			
IMAC for PCs / Net Printers - Remote Offices per IMAC	$[***]	$[***]	$[***]
IMAC for Servers - HQ & Remote per IMAC	$[***]	$[***]	$[***]
Help Desk			
Per Call	$[***]	$[***]	$[***]
5 pack floating user Remedy licenses	$ —	$[***]	$[***]
5 pack fixed user Remedy licenses	$ —	$[***]	$[***]
100 P-Synch and ID-Synch licenses	$ —	$[***]	$[***]
Data Network			
Routers per unit	$[***]	$[***]	$[***]
Switches per unit	$[***]	$[***]	$[***]
DSUs/CSUs per unit	$[***]	$[***]	$[***]
Firewalls per unit	$[***]	$[***]	$[***]
FRADS per unit	$[***]	$[***]	$[***]
IMProvider per device	$[***]	$[***]	$[***]
Circuits-See Data Transport recurring tab			

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Hardware for new remote site (Not including circuit costs)	$ —	$[***]	$[***]
Hardware cost at each remote site	$ —	$[***]	$[***]
Hardware cost for NWSC network module	$ —	$[***]	$[***]
BRI Circuit at remote site	$ —	$[***]	$[***]
PRI circuit to NWSC	$ —	$[***]	$[***]
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Internet access -Dual DS-3 burstable to 7.5M	$ —	$[***]	$[***]
-Access port fees for Internet access			
Circuits-Point to Point			
-DS3 Point to Point AT&T	$ —	$[***]	$[***]
-DS3 - Point to Point-Verizon	$ —	$[***]	$[***]
Circuits-Frame relay			
-56k	$ —	$[***]	$[***]
-128K	$ —	$[***]	$[***]
-256K	$ —	$[***]	$[***]
-384K	$ —	$[***]	$[***]
-512K	$ —	$[***]	$[***]
-768K	$ —	$[***]	$[***]
-1.024M	$ —	$[***]	$[***]
-1.544M	$ —	$[***]	$[***]
DS3- ATM/FR Internetworking	$ —	$[***]	$[***]
Voice Communications			
Circuit monitoring per trunk	$ —	$ —	$ —
IMProvider Per PBX	$ —	$ —	$ —
Large PBX's (over 300 Extensions) per unit	$[***]	$ —	$ —
Small PBXs (LT 75 extensions) per unit	$ —	$ —	$ —
PBX Handsets per unit	$ —	$[***]	$[***]
ACD, IVR IMProvider	$ —		
Voice Circuit IMProvider	$ —	$ —	$ —
Teleconferencing		$ —	$ —
Teleconference Services	$ —		
Calling Cards	$ —	$ —	$ —
Cell Phones	$ —	$ —	$ —
Voice Mailbox Users	$ —	$ —	$ —
Add Locations/Remote Offices/Remote Workers	$ —	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Location	$ —		
Remote Office	$ —	$ —	$ —
Remote Worker	$ —	$ —	$ —
Voice Services-Local and Long Distance		$ —	$ —
Dedicated	$ —		
Switched	$ —	$ —	$ —
Circuits		$ —	$ —
Fractional T-1:	$ —		
56/64k	$ —	$[***]	$[***]
128k	$ —	$[***]	$[***]
256k	$ —	$[***]	$[***]
384k	$ —	$[***]	$[***]
512k	$ —	$[***]	$[***]
DS3-FR	$ —	$[***]	$[***]
Fractional DS3- Internet BW	$ —	$[***]	$[***]
OCX	$ —	$ —	$ —
Other			
Local Loop Charges for Circuits		$[***]	$[***]
Output Processing			
Simplex Printed Page	$[***]	$[***]	$[***]
Post-Processing			
6x9 envelopes	$[***]	$[***]	$[***]
Automated flat envelopes	$[***]	$[***]	$[***]
Boxes	$[***]	$[***]	$[***]
Binding	$[***]	$[***]	$[***]
Storage	$ —		
Forms Coding and Maintenance	$[***]	$[***]	$[***]
Postal Presorting	$[***]	$[***]	$[***]
Supplies			
Deleted			
Deleted			
Deleted			

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Symetra Life Insurance Company (Symetra)
Schedule 3-Fees

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Duplex Printed Page		$[***]	$[***]
Content Management			
Mailroom services			
-Mailroom	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
MicroFiche/Film BF Conversion (Scan on-demand only)			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$[***]	$[***]
Paper Active BF Conversion			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$ —	$ —
Lockbox (per check processed)	$[***]	$ —	$ —
T1 with 512 PVC	$[***]	$ —	$ —
FileNet Software Maintenance	$[***]	$ —	$ —
Disaster Recovery	$[***]	$ —	$ —
Year 3			
Data Center			
Mainframe Server (per MIP)	$[***]	$[***]	$[***]
Mainframe DASD (per GB)	$[***]	$[***]	$[***]
Mainframe Tape	$[***]	$[***]	$[***]
Application Server	$[***]	$[***]	$[***]
Database Server	$[***]	$[***]	$[***]
File/Print Server	$[***]	$[***]	$[***]
Messaging Server	$[***]	$[***]	$[***]
Web/HTTP Server	$[***]	$[***]	$[***]
Development/Test/QA	$[***]	$[***]	$[***]
NT Tape Backup	$[***]	$[***]	$[***]
NT SAN Storage SLA-1	$[***]	$[***]	$[***]
NT SAN Storage SLA-2	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Symetra Life Insurance Company (Symetra)
Schedule 3-Fees

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
IT Continuity	$[***]	$ —	$ —
Print	$[***]	$ —	$ —
Other — Project Pool Hours	$[***]	$[***]	$[***]
EAM Project — Ongoing labor	$[***]	$ —	$ —
Distributed Computing			
Desktop Support — Remote Offices per desktop	$[***]	$[***]	$[***]
Laptop Support — Remote Offices per laptop	$[***]	$[***]	$[***]
PDA Support — Remote Offices per PDA	$[***]	$[***]	$[***]
E-Mail Server Support — HQ & Remote per server			
File / Print Server Support — HQ & Remote per server			
Network-Attached Printer Support — HQ & Remote per printer	$[***]	$[***]	$[***]
Remote High-volume Production/Printing			
IMAC for PCs / Net Printers — Remote Offices per IMAC	$[***]	$[***]	$[***]
IMAC for Servers — HQ & Remote per IMAC	$[***]	$[***]	$[***]
Help Desk			
Per Call	$[***]	$[***]	$[***]
5 pack floating user Remedy licenses	$ —	$[***]	$[***]
5 pack fixed user Remedy licenses	$ —	$[***]	$[***]
100 P-Synch and ID-Synch licenses	$ —	$[***]	$[***]
Data Network			
Routers per unit	$[***]	$[***]	$[***]
Switches per unit	$[***]	$[***]	$[***]
DSUs/CSUs per unit	$[***]	$[***]	$[***]
Firewalls per unit	$[***]	$[***]	$[***]
FRADS per unit	$[***]	$[***]	$[***]
IMProvider per device	$[***]	$[***]	$[***]
Circuits-See Data Transport recurring tab			
Hardware for new remote site (Not including circuit costs)	$ —	$[***]	$[***]
Hardware cost at each remote site	$ —	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Hardware cost for NWSC network module	$—	$[***]	$[***]
BRI Circuit at remote site	$—	$[***]	$[***]
PRI circuit to NWSC	$—	$[***]	$[***]
Local Loop Charges for Circuits	$—	$[***]	$[***]
Internet access -Dual DS-3 burstable to 7.5M	$—	$[***]	$[***]
-Access port fees for Internet access	$—	$ —	$ —
Circuits-Point to Point	$—	$ —	$ —
-DS3 Point to Point AT&T	$—	$[***]	$[***]
-DS3 - Point to Point-Verizon	$—	$[***]	$[***]
Circuits-Frame relay	$—		
-56k	$—	$[***]	$[***]
-128K	$—	$[***]	$[***]
-256K	$—	$[***]	$[***]
-384K	$—	$[***]	$[***]
-512K	$—	$[***]	$[***]
-768K	$—	$[***]	$[***]
-1.024M	$—	$[***]	$[***]
-1.544M	$—	$[***]	$[***]
DS3- ATM/FR Internetworking	$—	$[***]	$[***]
Voice Communications			
Circuit monitoring per trunk	$—	$ —	$ —
IMProvider Per PBX	$—	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Symetra Life Insurance Company (Symetra)
Schedule 3-Fees

	Baseline Unit Price	Price for Add Units (ARC)	Price for Delete Units (RRC)
Item Description	Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Increase Above the Deadband	Decrease Below the Deadband
Large PBX's (over 300 Extensions) per unit	$[***]	$ —	$ —
Small PBXs (LT 75 extensions) per unit	$ —	$ —	$ —
PBX Handsets per unit		$[***]	$[***]
ACD, IVR IMProvider	$ —	$ —	$ —
Voice Circuit IMProvider	$ —	$ —	$ —
Teleconferencing			
Teleconference Services	$ —	$ —	$ —
Calling Cards	$ —	$ —	$ —
Cell Phones	$ —	$ —	$ —
Voice Mailbox Users	$ —	$ —	$ —
Add Locations/Remote Offices/Remote Workers			
Location	$ —	$ —	$ —
Remote Office	$ —	$ —	$ —
Remote Worker	$ —	$ —	$ —
Voice Services-Local and Long Distance			
Dedicated	$ —	$ —	$ —
Switched	$ —	$ —	$ —
Circuits			
Fractional T-1:			
56/64k	$ —	$[***]	$[***]
128k	$ —	$[***]	$[***]
256k	$ —	$[***]	$[***]
384k	$ —	$[***]	$[***]
512k	$ —	$[***]	$[***]
DS3-FR	$ —	$[***]	$[***]
Fractional DS3- Internet BW	$ —	$[***]	$[***]
OCX	$ —	$ —	$ —
Other			

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Output Processing			
Simplex Printed Page	$[***]	$[***]	$[***]
Post-Processing			
6x9 envelopes	$[***]	$[***]	$[***]
Automated flat envelopes	$[***]	$[***]	$[***]
Boxes	$[***]	$[***]	$[***]
Binding	$[***]	$[***]	$[***]
Storage	$ —		
Forms Coding and Maintenance	$[***]	$[***]	$[***]
Postal Presorting	$[***]	$[***]	$[***]
Supplies			
Deleted			
Deleted			
Deleted			
Duplex Printed Page		$[***]	$[***]
Content Management			
Mailroom services			
-Mailroom	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
MicroFiche/Film BF Conversion (Scan on-demand only)			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$[***]	$[***]
Paper Active BF Conversion			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$ —	$ —
Lockbox (per check processed)	$[***]	$ —	$ —
T1 with 512 PVC	$[***]	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Symetra Life Insurance Company (Symetra)
Schedule 3-Fees

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
FileNet Software Maintenance	$[***]	$ —	$ —
Disaster Recovery	$[***]	$ —	$ —
Year 4			
Data Center			
Mainframe Server (per MIP)	$[***]	$[***]	$[***]
Mainframe DASD (per GB)	$[***]	$[***]	$[***]
Mainframe Tape	$[***]	$[***]	$[***]
Application Server	$[***]	$[***]	$[***]
Database Server	$[***]	$[***]	$[***]
File/Print Server	$[***]	$[***]	$[***]
Messaging Server	$[***]	$[***]	$[***]
Web/HTTP Server	$[***]	$[***]	$[***]
Development/Test/QA	$[***]	$[***]	$[***]
NT Tape Backup	$[***]	$[***]	$[***]
NT SAN Storage SLA-1	$ —	$[***]	$[***]
NT SAN Storage SLA-2	$[***]	$[***]	$[***]
IT Continuity	$[***]	$ —	$ —
Print	$[***]	$ —	$ —
Other — Project Pool Hours	$[***]	$ —	$ —
EAM Project — Ongoing labor	$[***]	$ —	$ —
Distributed Computing			
Desktop Support — Remote Offices per desktop	$[***]	$[***]	$[***]
Laptop Support — Remote Offices per laptop	$[***]	$[***]	$[***]
PDA Support — Remote Offices per PDA	$[***]	$[***]	$[***]
E-Mail Server Support — HQ & Remote per server			
File / Print Server Support — HQ & Remote per server			
Network-Attached Printer Support - HQ & Remote per printer	$[***]	$[***]	$[***]
Remote High-volume Production/Printing			
IMAC for PCs / Net Printers — Remote Offices per IMAC	$[***]	$[***]	$[***]
IMAC for Servers — HQ & Remote per IMAC	$[***]	$[***]	$[***]
Help Desk			
Per Call	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
5 pack floating user Remedy licenses	$ —	$[***]	$[***]
5 pack fixed user Remedy licenses	$ —	$[***]	$[***]
100 P-Synch and ID-Synch licenses	$ —	$[***]	$[***]
Data Network			
Routers per unit	$[***]	$[***]	$[***]
Switches per unit	$[***]	$[***]	$[***]
DSUs/CSUs per unit	$[***]	$[***]	$[***]
Firewalls per unit	$[***]	$[***]	$[***]
FRADS per unit	$[***]	$[***]	$[***]
IMProvider per device	$[***]	$[***]	$[***]
Circuits-See Data Transport recurring tab			
Hardware for new remote site (Not including circuit costs)	$ —	$[***]	$[***]
Hardware cost at each remote site	$ —	$[***]	$[***]
Hardware cost for NWSC network module	$ —	$[***]	$[***]
BRI Circuit at remote site	$ —	$[***]	$[***]
PRI circuit to NWSC	$ —	$[***]	$[***]
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Internet access -Dual DS-3 burstable to 7.5M	$ —	$[***]	$[***]
-Access port fees for Internet access	$ —	$ —	$ —
Circuits-Point to Point	$ —	$ —	$ —
-DS3 Point to Point AT&T	$ —	$[***]	$[***]
-DS3 - Point to Point-Verizon	$ —	$[***]	$[***]
Circuits-Frame relay	$ —		
-56k	$ —	$[***]	$[***]
-128K	$ —	$[***]	$[***]
-256K	$ —	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
-384K	$ —	$[***]	$[***]
-512K	$ —	$[***]	$[***]
-768K	$ —	$[***]	$[***]
-1.024M	$ —	$[***]	$[***]
-1.544M	$ —	$[***]	$[***]
DS3- ATM/FR Internetworking	$ —	$[***]	$[***]
Voice Communications			
Circuit monitoring per trunk	$ —	$ —	$ —
IMProvider Per PBX	$ —	$ —	$ —
Large PBX’s (over 300 Extensions) per unit	$[***]	$ —	$ —
Small PBXs (LT 75 extensions) per unit	$ —	$ —	$ —
PBX Handsets per unit	$ —	$[***]	$[***]
ACD, IVR IMProvider	$ —	$ —	$ —
Voice Circuit IMProvider	$ —	$ —	$ —
Teleconferencing			
Teleconference Services	$ —	$ —	$ —
Calling Cards	$ —	$ —	$ —
Cell Phones	$ —	$ —	$ —
Voice Mailbox Users	$ —	$ —	$ —
Add Locations/Remote Offices/Remote Workers			
Location	$ —	$ —	$ —
Remote Office	$ —	$ —	$ —
Remote Worker	$ —	$ —	$ —
Voice Services-Local and Long Distance			
Dedicated	$ —	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Switched	$ —	$ —	$ —
Circuits			
Fractional T-1:			
56/64k	$ —	$[***]	$[***]
128k	$ —	$[***]	$[***]
256k	$ —	$[***]	$[***]
384k	$ —	$[***]	$[***]
512k	$ —	$[***]	$[***]
DS3-FR	$ —	$[***]	$[***]
Fractional DS3- Internet BW	$ —	$[***]	$[***]
OCX	$ —	$ —	$ —
Other			
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Output Processing			
Simplex Printed Page	$[***]	$[***]	$[***]
Post-Processing	$ —	$ —	$ —
6x9 envelopes	$[***]	$[***]	$[***]
Automated flat envelopes	$[***]	$[***]	$[***]
Boxes	$[***]	$[***]	$[***]
Binding	$[***]	$[***]	$[***]
Storage	$ —	$ —	$ —
Forms Coding and Maintenance	$[***]	$[***]	$[***]
Postal Presorting	$[***]	$[***]	$[***]
Supplies	$ —	$ —	$ —
Deleted			
Deleted			
Deleted			
Duplex Printed Page	$ —	$[***]	$[***]
Content Management			
Mailroom services			
-Mailroom	$[***]	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
-Scanning	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
MicroFiche/Film BF Conversion (Scan on-demand only)			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$[***]	$[***]
Paper Active BF Conversion			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$ —	$ —
Lockbox (per check processed)	$[***]	$ —	$ —
T1 with 512 PVC	$[***]	$ —	$ —
FileNet Software Maintenance	$[***]	$ —	$ —
Disaster Recovery	$[***]	$ —	$ —
Year 5			
Data Center			
Mainframe Server (per MIP)	$[***]	$[***]	$[***]
Mainframe DASD (per GB)	$[***]	$[***]	$[***]
Mainframe Tape	$[***]	$[***]	$[***]
Application Server	$[***]	$[***]	$[***]
Database Server	$[***]	$[***]	$[***]
File/Print Server	$[***]	$[***]	$[***]
Messaging Server	$[***]	$[***]	$[***]
Web/HTTP Server	$[***]	$[***]	$[***]
Development/Test/QA	$[***]	$[***]	$[***]
NT Tape Backup	$[***]	$[***]	$[***]
NT SAN Storage SLA-1	$ —	$[***]	$[***]
NT SAN Storage SLA-2	$[***]	$[***]	$[***]
IT Continuity	$[***]	$ —	$ —
Print	$[***]	$ —	$ —
Other — Project Pool Hours	$[***]	$ —	$ —
EAM Project — Ongoing labor	$[***]	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price / Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) / Increase Above the Deadband	Price for Delete Units (RRC) / Decrease Below the Deadband
Distributed Computing			
Desktop Support — Remote Offices per desktop	$[***]	$[***]	$[***]
Laptop Support — Remote Offices per laptop	$[***]	$[***]	$[***]
PDA Support — Remote Offices per PDA	$[***]	$[***]	$[***]
E-Mail Server Support — HQ & Remote per server			
File / Print Server Support — HQ & Remote per server			
Network-Attached Printer Support - HQ & Remote per printer	$[***]	$[***]	$[***]
Remote High-volume Production/Printing			
IMAC for PCs / Net Printers - Remote Offices per IMAC	$[***]	$[***]	$[***]
IMAC for Servers — HQ & Remote per IMAC	$[***]	$[***]	$[***]
Help Desk			
Per Call	$[***]	$[***]	$[***]
5 pack floating user Remedy licenses	$ —	$[***]	$[***]
5 pack fixed user Remedy licenses	$ —	$[***]	$[***]
100 P-Synch and ID-Synch licenses	$ —	$[***]	$[***]
Data Network			
Routers per unit	$[***]	$[***]	$[***]
Switches per unit	$[***]	$[***]	$[***]
DSUs/CSUs per unit	$[***]	$[***]	$[***]
Firewalls per unit	$[***]	$[***]	$[***]
FRADS per unit	$[***]	$[***]	$[***]
IMProvider per device	$[***]	$[***]	$[***]
Circuits-See Data Transport recurring tab			
Hardware for new remote site (Not including circuit costs)	$ —	$[***]	$[***]
Hardware cost at each remote site	$ —	$[***]	$[***]
Hardware cost for NWSC network module	$ —	$[***]	$[***]
BRI Circuit at remote site	$ —	$[***]	$[***]
PRI circuit to NWSC	$ —	$[***]	$[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Symetra Life Insurance Company (Symetra)
Schedule 3-Fees

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Internet access -Dual DS-3 burstable to 7.5M	$ —	$[***]	$[***]
-Access port fees for Internet access	$ —	$ —	$ —
Circuits-Point to Point	$ —	$ —	$ —
-DS3 Point to Point AT&T	$ —	$[***]	$[***]
-DS3 - Point to Point-Verizon	$ —	$[***]	$[***]
Circuits-Frame relay	$ —		
-56k	$ —	$[***]	$[***]
-128K	$ —	$[***]	$[***]
-256K	$ —	$[***]	$[***]
-384K	$ —	$[***]	$[***]
-512K	$ —	$[***]	$[***]
-768K	$ —	$[***]	$[***]
-1.024M	$ —	$[***]	$[***]
-1.544M	$ —	$[***]	$[***]
DS3- ATM/FR Internetworking	$ —	$[***]	$[***]
Voice Communications			
Circuit monitoring per trunk	$ —	$ —	$ —
IMProvider Per PBX	$ —	$ —	$ —
Large PBX’s (over 300 Extensions) per unit	$[***]	$ —	$ —
Small PBXs (LT 75 extensions) per unit	$ —	$ —	$ —
PBX Handsets per unit		$[***]	$[***]
ACD, IVR IMProvider	$ —	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
Voice Circuit IMProvider	$ —	$ —	$ —
Teleconferencing			
Teleconference Services	$ —	$ —	$ —
Calling Cards	$ —	$ —	$ —
Cell Phones	$ —	$ —	$ —
Voice Mailbox Users	$ —	$ —	$ —
Add Locations/Remote Offices/Remote Workers			
Location	$ —	$ —	$ —
Remote Office	$ —	$ —	$ —
Remote Worker	$ —	$ —	$ —
Voice Services-Local and Long Distance			
Dedicated	$ —	$ —	$ —
Switched	$ —	$ —	$ —
Circuits			
Fractional T-1:			
56/64k	$ —	$[***]	$[***]
128k	$ —	$[***]	$[***]
256k	$ —	$[***]	$[***]
384k	$ —	$[***]	$[***]
512k	$ —	$[***]	$[***]
DS3-FR	$ —	$[***]	$[***]
Fractional DS3- Internet BW	$ —	$[***]	$[***]
OCX	$ —	$ —	$ —
Other			
Local Loop Charges for Circuits	$ —	$[***]	$[***]
Output Processing			
Simplex Printed Page	$[***]	$[***]	$[***]
Post-Processing		$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Item Description	Baseline Unit Price Baseline Unit Price (extended Unit Pricing remains constant within the 10% Deadband)	Price for Add Units (ARC) Increase Above the Deadband	Price for Delete Units (RRC) Decrease Below the Deadband
6x9 envelopes	$[***]	$[***]	$[***]
Automated flat envelopes	$[***]	$[***]	$[***]
Boxes	$[***]	$[***]	$[***]
Binding	$[***]	$[***]	$[***]
Storage	$ —	$ —	$ —
Forms Coding and Maintenance	$[***]	$[***]	$[***]
Postal Presorting	$[***]	$[***]	$[***]
Supplies	$ —	$ —	$ —
Deleted			
Deleted			
Deleted			
Duplex Printed Page		$[***]	$[***]
Content Management			
Mailroom services			
-Mailroom	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
MicroFiche/Film BF Conversion (Scan on-demand only)			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$[***]	$[***]
Paper Active BF Conversion			—
-Prep documents	$[***]	$[***]	$[***]
-Scanning	$[***]	$[***]	$[***]
-Imaging	$[***]	$[***]	$[***]
-Copying	$[***]	$[***]	$[***]
-Indexing	$[***]	$[***]	$[***]
-Checks	$[***]	$[***]	$[***]
-Research	$[***]	$ —	$ —
Lockbox (per check processed)	$[***]	$ —	$ —
T1 with 512 PVC	$[***]	$ —	$ —
FileNet Software Maintenance	$[***]	$ —	$ —
Disaster Recovery	$[***]	$ —	$ —

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

SCHEDULE 4

SERVICE RATES

ACS Job Title / Labor Category	Hourly Rate (Symetra-site Rates)	Hourly Rate (ACS-site Rates)	Hourly Rate (Near-shore Rates)	Hourly Rate (Off-shore Rates)
Applications Programmer	$[***]	$[***]	$[***]	$[***]
Business Analyst	$[***]	$[***]	$[***]	NA
Communications Hardware Specialist	$[***]	$[***]	$[***]	NA
Communications Network Specialist	$[***]	$[***]	$[***]	$[***]
Communications Software Specialist	$[***]	$[***]	$[***]	$[***]
Computer Systems Analyst	$[***]	$[***]	$[***]	$[***]
Database Administrator (DBA)	$[***]	$[***]	$[***]	$[***]
Database Analyst	$[***]	$[***]	$[***]	$[***]
Documentation Specialist	$[***]	$[***]	$[***]	$[***]
Information Systems Engineer	$[***]	$[***]	$[***]	$[***]
Network Design Engineer	$[***]	$[***]	$[***]	$[***]
Project Manager	$[***]	$[***]	$[***]	NA
Quality Assurance Engineer	$[***]	$[***]	$[***]	$[***]
Security Systems Engineer	$[***]	$[***]	$[***]	$[***]
Software Engineer	$[***]	$[***]	$[***]	$[***]
Software Systems Specialist	$[***]	$[***]	$[***]	$[***]
Storage Operations Specialist	$[***]	$[***]	$[***]	$[***]
Storage Management Engineer	$[***]	$[***]	$[***]	$[***]
System Administrator/Operator	$[***]	$[***]	$[***]	$[***]
System Programmer	$[***]	$[***]	$[***]	$[***]
Systems Engineer	$[***]	$[***]	$[***]	$[***]
Tape Librarian	$[***]	$[***]	$[***]	NA
Technical Architect	$[***]	$[***]	$[***]	$[***]
Training Specialist	$[***]	$[***]	$[***]	$[***]
IBM Consulting for Advanced DR	NA	$[***]	NA	NA
Sun Professional Services for DR	NA	$[***]	NA	NA

- The on-site Service Rates set forth above were determined based on Services being provided within the United States.
- Travel time will not be billed to Symetra.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

- The Service Rates set forth above do not include travel (e.g., mileage, cab/bus/train fare, etc.), meals or other incidental expenses that may be incurred by ACS in performing the Other Services, and Symetra shall reimburse ACS for any such reasonable expenses so incurred. Notwithstanding the foregoing, Symetra will not pay for travel (e.g., mileage, cab/bus/train fare, etc.), meals or other incidental expenses for local resources based within a fifty (50) mile radius of Symetra's headquarters or the NWSC, as applicable.

SCHEDULE 5

FEE REDUCTIONS

1. General. The Fee Reductions are designed to encourage the consistent and timely delivery of Services and value to Symetra. The Fee Reductions are not intended to compensate Symetra for damages, but rather to estimate the value of the diminished Services actually provided. The goal of Fee Reductions is not to penalize ACS, but to provide a greater incentive to achieve the Agreement's stated objectives and focus ACS on Symetra's critical needs.

This Schedule outlines the circumstances under which ACS will be subject to Fee Reductions for failures to achieve the SLAs and/or Critical Milestones, and the circumstances under which ACS will be entitled to incentives. The tables attached to this Schedule shall be updated to reflect Symetra's current initiatives and Service requirements as provided in the Agreement. Fee Reductions are not capped on a monthly basis, but shall not exceed the total Annual At-Risk Amount at any point during any Contract Year, except as outlined below in **Section 3(b)**.

The tables attached to this Schedule identify, among other things:

(a) in Table 1, the SLAs and the Weighting Factors for each such SLA; and

(b) in Table 2, the Critical Milestones for the first Contract Year and the Weighting Factors and Corrective Assessments for each such Critical Milestone.

2. SLAs.

a. Fee Reductions. Each SLA identifies key performance measures that will be used to evaluate ACS' delivery of the Services. The overriding goal in developing SLAs is to support Symetra's desire to manage ACS by monitoring and measuring performance with respect to Symetra's most-important business requirements. The Fee Reductions for ACS' failure to achieve any SLA shall be equal to the product of: (i) the Annual At-Risk Amount, multiplied by (ii) the Weighting Factor (set forth in the attached Table 1) for the SLA that was missed. For example, given the following assumptions: (a) the Annual Services Fees are [***] Dollars ($[***]); (b) the total Annual At-Risk Amount therefore equals [***] Dollars ($[***]) ([***] percent ([***]%) of the Annual Services Fees); and (c) an SLA failure occurs with respect to an SLA having a [***] percent ([***]%) Weighting Factor, Fee Reductions would be calculated as follows:

Annual At-Risk Amount	$[***]
times	times
SLA Weighting Factor	[***]%
Fee Reduction	$[***], which does not exceed the monthly Fee Reduction cap of [***] percent ([***]%) of the Annual At-Risk Amount (in this case, $[***]). If the Fee Reduction had been greater than $[***] (either individually or in the aggregate when considering all Fee Reductions for that month), such Fee Reductions would be capped at $[***].

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

The earn-back rights described in **Section 4** below would apply to the missed SLA.

b. Priority SLAs. Symetra may classify two (2) SLAs as priority SLAs ("***Priority SLAs***") and allocate up to a [***] percent ([***]%) Weighting Factor to each such Priority SLA. With ACS' prior written consent, which shall not be unreasonably withheld, Symetra shall have the right to re-classify any other SLA as a Priority SLA, provided that: (a) unless otherwise agreed to by the Parties in writing, there shall never be more than two (2) Priority SLAs at any given point in time; (b) such re-classification shall become effective sixty (60) calendar days following ACS' consent to such re-classification (if given); and (c) unless otherwise agreed to by the Parties in writing, a Priority SLA must remain as such for the entirety of the Contract Year in which it first becomes a Priority SLA. Following any such re-classification, subject to the limitations set forth in **Section 5** of this Schedule, Symetra shall have the right to re-allocate the SLA Weighting Factors among the SLAs.

c. Performance Measurements. As further described in **Section 2.2.2(b)** of the Agreement, measurement of performance against the SLRs shall be in accordance with the SLR metrics set forth in the applicable **Schedules 2** to the Agreement.

3. Critical Milestones.

a. Fee Reductions. Each Critical Milestone identifies a key project milestone that will be used to evaluate ACS' delivery of the requested Services. The goal of identifying Critical Milestones is to support Symetra's desire to manage ACS by monitoring and measuring actual performance against Symetra's most-important business deadlines. The Fee Reductions for ACS' failure to timely achieve any Critical Milestone shall be equal to the product of: (i) the Annual At-Risk Amount, multiplied by (ii) the Weighting Factor (set forth in the attached Table 2) for the Critical Milestone that was missed. For example, given the following assumptions: (a) the Annual Services Fees are [***] Dollars ($[***]); (b) the total Annual At-Risk Amount therefore equals [***] Dollars ($[***]) ([***] percent ([***]%) of the Annual Services Fees); and (c) a Critical Milestone failure occurs with respect to a Critical Milestone having a [***] percent ([***]%) Weighting Factor, Fee Reductions would be calculated as follows:

Annual At-Risk Amount	$[***]
times	times
Critical Milestone Weighting Factor	[***]%
Fee Reduction	$[***], which does not exceed the monthly Fee Reduction cap of [***] percent ([***]%) of the Annual At-Risk Amount (in this case, $[***]). If the Fee Reduction had been greater than $[***] (either individually or in the aggregate when considering all Fee Reductions for that month), such Fee Reductions would be capped at $[***].

There is no earn back option associated with Critical Milestones. Additional Corrective Assessments may apply.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

*b. **Corrective Assessments***. Upon any failure with respect to a Critical Milestone, if specified in Table 2 to this Schedule, an initial Corrective Assessment and incremental Corrective Assessments may be imposed on ACS, in addition to any other Fee Reductions available under this Schedule. Such Corrective Assessments shall not apply toward satisfaction of the Annual At-Risk Amount.

4. Earn-Back Rights. ACS may earn back [***] percent ([***]%) of any Fee Reductions corresponding to a particular SLA if, with respect to SLAs with a monthly Measurement Interval, no failure occurs as to that SLA for a period of ninety (90) calendar days following the Measurement Interval in which the last failure to comply with that SLA occurred. If an SLA is measured in any manner other than monthly, ACS may earn back [***] percent ([***]%) of any Fee Reductions corresponding to that particular SLA if no additional failures occur as to that SLA in three (3) consecutive Measurement Intervals.

5. Weighting Factors. The Weighting Factors shall not exceed: (a) [***] percent ([***]%) in the aggregate for SLA (including Priority SLA) Weighting Factors; (b) [***] percent ([***]%) in the aggregate for Critical Milestone Weighting Factors; (c) [***] percent ([***]%) for any individual Priority SLA; (d) [***] percent ([***]%) for any individual SLA other than a Priority SLA; or (e) [***] percent ([***]%) for any individual Critical Milestone.

6. Limit on Monthly Fee Reductions. The Fee Reductions in any single month shall not exceed [***] percent ([***]%) of the Annual At-Risk Amount.

7. Interrelated SLAs. If ACS fails to achieve an SLA and, following such failure, a Root-Cause Analysis reveals that: (a) such failure would not have occurred but for ACS' failure to achieve a separate SLA; and (b) such SLA otherwise would have been achieved, ACS shall not be obligated to pay any Fee Reductions associated with its failure to achieve such SLA. For example, if ACS has failed to achieve the batch processing SLA and a Root-Cause Analysis reveals that: (c) the batch processing SLA would not have been missed but for ACS' failure to achieve the end-to-end network availability SLA; and (d) the batch processing SLA otherwise would have been achieved, ACS would not be obligated to pay any Fee Reductions associated with its failure to achieve the batch processing SLA (but would be responsible for Fee Reductions associated with its failure to achieve the end-to-end network availability SLA).

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

Table 1 — Contract Year 1: SLAs

Category	Performance Requirement	SLA	Weighting Factor %
	Help Desk		
Incident Resolution			
First Contact Resolution	Seventy percent (70%) with < five percent (5%) recalls	[***]%	[***]%
	Distributed Computing		
Distributed Computing Server Availability			
Remote server Availability	Sun-Sat, 0000-2400	[***]%	[***]%
Software Installation			
Service/security patches and antivirus updates	Within twenty-four (24) hours. Measured from approval or automatic updates from anti-virus vendor.	[***]%	[***]%
	Data Center		
General System Availability			
Mainframe OS and subsystems	Sun-Sat, 0000-2400	[***]%	[***]%[1]
Windows servers	7x24x365	[***]%	[***]%
Batch Processing			
Scheduled production batch	Complete jobs per Symetra approved schedule	[***]%	[***]%
	Network Services		
Network Availability			
End-to-end Availability — critical locations (Symetra headquarters and ACS data center)	Sun-Sat, 0000-2400	[***]%	[***]%[2]
Remote office availability	Sun-Sat, 0000-2400	[***]%	[***]%
Internet access Availability	Sun-Sat, 0000-2400	[***]%	[***]%
	Voice Services		
Voice Communication Availability			
Overall voice transport and system Availability	Sun-Sat, 0000-2400	[***]%	[***]%
	Cross Functional		
Restoration			
SL1 data restore requests for production & regulatory data (data backup to intermediate SAN storage, restore from intermediate SAN storage)	≤ Three (3) hours from Symetra request	[***]%	[***]%

1 This is a Priority SLA.

2 This is a Priority SLA.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table 2 — Critical Milestones

Critical Milestones	Weighting Factor %	Completion Period: Critical Milestone Due Date	Completion Period: Grace Period following due date before Corrective Assessment takes effect	Corrective Assessment ($)[1]	Incremental Corrective Assessment[1]
1) Final Transition Plan per **Section 2.3.1** of the Agreement	0%	11/30/04	One (1) week	$[***]	None
2) Data Center Development Environment	0%	12/30/04	One (1) week	$[***]	None
3) Phase 1 Network (connection to Hillsboro-Redmond	0%	02/01/05	One (1) week	$[***]	$[***]
4) Data Center Production Infrastructure Ready for test	0%	02/01/05	Ten (10) calendar days	$[***]	$[***]
5) Phase II network connection Remotes/Bellevue	0%	02/28/05	One (1) week	$[***]	$[***]
6) Voice Production	0%	02/04/05	Ten (10) calendar days	$[***]	$[***]
7) Help Desk Cutover and Distributed Computing Migration	0%	03/05/05	None	$[***]	$[***]
8) All applications operating on ACS Infrastructure	0%	06/19/05	None	$[***]	$[***]
9) Content Management	0%	05/09/05	None	$[***]	$[***]
10) Output Services	0%	04/04/05	One (1) Week	$[***]	$[***]
11) Final Cutover from Safeco of Infrastructure services	0%	07/31/05	None	$[***]	Actual incremental costs and expenses incurred by Symetra under the Safeco/Symetra Transition Services Agreement, up to a monthly cap of $[***], and an aggregate cap of $[***]

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Critical Milestones	Weighting Factor %	Completion Period: Critical Milestone Due Date	Completion Period: Grace Period following due date before Corrective Assessment takes effect	Corrective Assessment ($)[1]	Incremental Corrective Assessment[1]
12) Disaster Recovery Plan	0%	04/19/05	Two (2) weeks	$[***]	$[***]
13) Disaster Recovery Event	0%	Seventy-two (72) hours following the establishment of a DR event	None	$[***]	$[***]

The above-referenced Critical Milestone due dates are subject to change upon the mutual, written agreement of the Parties as a result of the transition planning activities that are expected to occur following the Effective Date.

1 Provided: (a) ACS has failed to timely achieve a Critical Milestone; and (b) such failure is not excused as provided in **Section 2.12.2** of the Agreement, the corresponding Corrective Assessment set forth in the Table above shall be incurred by ACS on the first day following the expiration of the applicable grace period (if any). Further: (c) if ACS continues to fail to timely achieve a Critical Milestone; and (d) such failure is not excused as provided in **Section 2.12.2** of the Agreement, incremental Corrective Assessments may be incurred by ACS for each applicable time interval, or portion thereof (such as a week) by which the Critical Milestone is not timely achieved.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

Table of Contents

SCHEDULE 6

TERMINATION FEE

	Termination Charges					
Month	During Transition	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5
1	5,000,000	5,000,000	4,000,000	3,000,000	375,500	289,286
2	5,000,000	5,000,000	3,916,667	2,781,250	367,857	282,143
3	5,000,000	5,000,000	3,833,333	2,562,500	360,714	275,000
4	5,000,000	5,000,000	3,750,000	2,343,750	353,571	244,444
5	5,000,000	5,000,000	3,666,667	2,125,000	346,429	213,889
6	5,000,000	5,000,000	3,583,333	1,906,250	339,286	183,333
7	5,000,000	5,000,000	3,500,000	1,687,500	332,143	152,778
8	5,000,000	5,000,000	3,416,667	1,468,750	325,000	122,222
9	5,000,000	5,000,000	3,333,333	1,250,000	317,857	91,667
10	NA	5,000,000	3,250,000	1,031,250	310,714	61,111
11	NA	5,000,000	3,166,667	812,500	303,571	30,556
12	NA	5,000,000	3,083,333	593,750	296,429	(0)

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

SCHEDULE 7

AFFILIATES OF SYMETRA

1. Symetra Financial Corporation
2. Symetra National Life Insurance Company
3. American States Life Insurance Company
4. First Symetra National Life Insurance Company of New York
5. Symetra Assigned Benefits Service Company
6. Symetra Administrative Services, Inc.
7. Symetra Asset Management Company
8. Symetra Securities, Inc.
9. Symetra Services Corporation
10. Symetra Investment Services, Inc.

ATTACHMENT A

BENCHMARKING PROCEDURES

1. Initiation of Benchmarking Procedures. Subject to the timing restrictions set forth in **Section 3** below, if Symetra believes that the Fees are not reflective of the industry's best rates, or believes that the SLRs are not reflective of the industry's best practices, then Symetra shall have the right to initiate the benchmarking procedures set forth in this Attachment. If Symetra wants to challenge the competitiveness of the Fees, Symetra shall deliver to ACS a written notice requesting that the Parties meet to discuss Symetra's concerns. ACS shall meet with Symetra within fifteen (15) calendar days following ACS' receipt of such notice from Symetra, and the Parties shall exchange any and all relevant information pertaining to the Fees that relate to the items being challenged. The Parties shall have thirty (30) calendar days from the date of such meeting to conclude such discussions. If the Parties agree as a result of such discussions to modify the terms of this Agreement, the Parties will develop and execute an amendment that reflects such agreed modifications in accordance with **Section 19.7** of the Agreement. If the Parties' discussions do not result in agreement within such thirty (30) calendar day period, then Symetra shall have the right to invoke the formal benchmarking procedures set forth below.

2. Benchmarker; Benchmarking Costs. Any benchmarking process initiated hereunder will be conducted by an independent, industry-recognized benchmarking service provider ("***Benchmarker***") designated by Symetra from among the list of acceptable Benchmarkers set forth below in this Section or otherwise agreed to by the Parties in writing. ACS and Symetra agree that the following companies are acceptable to act as the Benchmarker: Gartner, Hackett, Compass and Meta Group. [***].

3. Benchmarking Procedures. [***]. Promptly following Symetra's initiation of the benchmarking process, the Parties shall meet with the Benchmarker for purposes of agreeing upon a detailed plan for implementing the benchmark (including timelines for ACS' submission of data to the Benchmarker and a reasonable time period for concluding the benchmark); provided, however, that any changes to the Fees that occur as a result of the Benchmarking process shall in all instances be retroactive to the date on which Symetra first provided ACS with written notice of its desire to conduct a benchmark as provided in **Section 1** above. Pursuant to the mutually agreed plan, the benchmarking process shall be designed not to disrupt delivery of the Services or the ability for the Services to be provided in accordance with the SLRs.

The Benchmarker, with input from the Parties, will determine what factors are relevant for purposes of conducting the benchmark and shall "normalize" all data to obtain relevant comparisons for purposes of the benchmark. Normalization factors to be taken into consideration by the Benchmarker may include, without limitation: (a) geographic location of the peer companies; (b) industry differences affecting information technology costs; (c) economies of scale; and (d) workload and complexity factors (including operating environment). Other normalization factors may include, without limitation: (e) the SLRs offered; (f) duration and nature of the contractual commitment; (g) volume of services being provided; (h) contractual terms, conditions and allocation of risk; (i) the investment made by the provider in the customer's equipment and personnel;

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

(j) appropriate overhead; and (k) provisions to ensure the unique factors of each deal are taken into account by the Benchmarker, including out-of-scope deliverables.

If ACS fails to provide data or otherwise comply in a timely manner with the requirements set forth in the mutually agreed benchmark plan, ACS shall have a period of seven (7) calendar days following its receipt of written notice from Symetra regarding such failure during which to provide such data or comply with the agreed plan. [***].

4. Review of Benchmark Results.

(a) General. The Benchmarker shall provide a report on the results of the benchmark to both Symetra and ACS. Within fifteen (15) calendar days following receipt of the Benchmarker's report, Symetra and ACS will meet to jointly review the benchmark results.

(b) Fee Disparities. If the Benchmarker's report concludes that the then-current aggregate Fees for any benchmarked Service is greater than the Benchmarker's market-based average aggregate fees for such Service then: (i) if the difference between the rates payable hereunder and the rates identified by the Benchmarker (the "***Rate Differential***") is [***] percent ([***]%) or less, the Fees payable hereunder shall remain unchanged; (ii) if the Rate Differential is greater than [***] percent ([***]%), then the Fees payable hereunder shall be reduced by an amount necessary to cause the Rate Differential to be [***] percent ([***]%).

5. General Agreement of Cooperation. The Parties acknowledge that the benchmarking procedures described in this Attachment will require further definition and clarification as the Parties begin actual implementation of the benchmark. The Parties shall cooperate in good faith with one another and with the Benchmarker to reach reasonable and timely agreements on such further definition and clarification. To the extent the Benchmarker reasonably establishes that certain definitions, procedures and methodologies are widely used in information technology benchmarking, the Parties agree to generally rely on the Benchmarker's definitions, procedures and methodologies for guidance in reaching agreement. Further, the Parties acknowledge that in reaching the final results of the benchmark, the Benchmarker will be required to exercise its professional judgment and discretion in certain matters and, assuming such judgments are within established industry practices for information technology benchmarking, the Parties will defer to the conclusions of the Benchmarker.

ACS acknowledges that Symetra views the benchmark procedure described in this Schedule as a critical inducement to Symetra's agreement to many of the terms of this Agreement, including the Term and termination rights provided for in the Agreement, and therefore ACS agrees that it will cooperate in good faith to accomplish the objectives of the benchmark procedure for the benefit of Symetra.

6. Benchmark Metrics. At their highest level of classification, the Service Tower Services to be provided by ACS are the Service Towers identified in **Section 2.2.1** of the Agreement. ACS will be apprised of the specific Services or sub-Services (metrics) that will be included in the scope of the benchmark sufficiently in advance of the benchmarking study so that

ACS can establish administrative processes to capture the necessary metric data. The exact metrics to be included in the benchmark study will be contingent upon: (a) the detail in which the Benchmarker maintains cost, pricing and other relevant data within its database; and (b) ACS' ability to capture pricing and other relevant information at the desired level of detail. The following table is shown solely as an example of the types of metrics that may be included in the benchmarking study:

Service Tower Services	Possible Benchmark Service/Sub-Service
Help Desk or Call Center	Cost per contact Cost per call
Desktop Management	Cost per seat (hardware, standard software) Cost per seat (maintenance and support)
Distributed Computing Services and Web Hosting Services	Cost per Server Unix Operation & Maintenance Cost per server NT Operation & Maintenance Cost per AS400 system operations and maintenance Cost per kGEMS

ATTACHMENT B

SYMETRA SITES

Office City Location	Address	Approximate Number of Users (in 2005)
New Symetra Headquarters	777 108th Avenue NE, Bellevue, WA 98004	1008
Indianapolis, IN. (SRMS)	3600 Woodview Trace Suite 301, Indianapolis, IN 46268	12
Boston, MA	50 Congress Street, Suite 420, Boston, MA 02109	5
South Windsor (Hartford), CT	1170 Ellignton Road, South Windsor, CT 06074	25
Conshohocken, PA	One First Ave, Conshohocken, PA 19428	6
Pittsburgh (Bethel Park), PA	2000 Oxford Drive Suite 490, Bethel Park, PA 15102	5
Clairmont (Atlanta), GA	2957 Clairmont Road Suite 400, Atlanta, GA 30329	11
Miami, FL	7300 NW 19TH ST., Street. 205, Miami, FL 33126	31
Woodstock, IL	224 W. Judd Street, Woodstock IL 60098-3127	1

Remote Tele-workers		
City	Address	Approximate Number of Tele-Workers (in 2005)
Lake Oswego (Portland), OR		5
Portland, OR		1
Aliso Viejo-SoCal, CA		3
San Diego, CA		10
Golden, CO		1
Richardson (Dallas), TX		13
Overland Park, KS		3
Cincinnati, OH		4
Hoffman Estates (Chicago), IL		7
Duluth (Atlanta), GA		13
Fenton-South, MO		1
Maitland, FL		1
Doylestown, PA		2
Wexford, PA		2
Chicago, IL (Hoffman Estate)		4

Table of Contents

Attachment C
Transition Plan
Initial Draft of Transition Plan
Symetra Transition Program

Confidential Information

[Table of Contents](#)

Table of Contents

Initial Transition Plan

Table of Contents

1 Introduction

This preliminary Transition Plan is provided as **Attachment C** to the Agreement. The Parties acknowledge and agree that this plan is only intended to be an initial draft of the Transition Plan and will be replaced by a detailed Transition Plan in accordance with **Section 2.3.1** of the Agreement.

1.1 Detailed Transition Plan Background

The detailed transition plan will be developed to leverage the latest technology and the best in class practices ACS uses to support all of our Business Process and Information Technology Outsourcing clients. This approach provides a cost-effective solution insuring high performance levels, mitigation of risks, and flawless execution.

In the plan, we address the approach for services transition support (section 4.1 Transition Approach for Services Transition), the approach for data center's mainframe and midrange systems (section 4.2 Transition Approach for Data Center Migrations), the approach for knowledge transfer (section 4.3 Transition Approach for Knowledge Transfer), and the approach for testing (section 4.4 Transition Approach For Testing). Additionally, we discuss the program key milestones, program schedule, and Symetra acceptance of the program's criteria for success.

As a service organization that provides timely, accurate and dependable services, ACS brings numerous benefits. ACS offers Symetra unparalleled success in delivering outsourcing services and the knowledge gained through more than 15 years of experience. From this experience, we know that Symetra satisfaction depends on the availability, efficiency, flexibility and reliability of ACS services. And satisfaction will drive every responsibility Symetra entrusts to ACS.

1.2 Detailed Transition Plan Overview

The transition plan, supplemental management plans, and detailed program plan schedule are critical components of a successful outsourcing agreement. The purpose of these plans — managed by the ACS Transition Management Office (TMO) — is to provide a comprehensive reference source of project plans, activities, deliverables and resources for the successful completion of the Symetra Transition Program.

The transition plan acts as a road map for program and project team members. The ACS transition manager will provide leadership in the completion of tasks and resolution of issues that arise throughout the transition. A key to the plan's success is continuous communication between all team members and active client participation. The program scope and approach are detailed within the transition plan.

The roles, responsibilities, and project management processes that will be used to manage the program are defined in a supplemental set of management plans. The supplemental plans define the strategies and process sets for communications, risk, quality, schedule, and change management.

Table of Contents

2 Program Scope

The following subparagraphs describe the scope of the Symetra Transition Program that will be managed by the ACS Transition Management Office.

2.1 In Scope

- Help Desk Transition
- Remedy Implementation
- Security Transition
- End User Computing Transition
- Asset Management Transition
- Messaging Transition
- Disaster Recovery Transition
- NWSC Data Center Migration
- Content Management
- Output Processing
- Voice Services
- Data Network Services

2.2 Out of Scope

2.2.1 Activities Out of Scope of ACS Contract

- TBD

2.2.2 Activities In Scope of ACS Contract, Out of Scope for Transition

- In-flight projects
- TBD

2.3 Measures of Success

2.3.1 Client Business Objectives

The following bullet, from the ACS RFP response, is a high level recap of the selected Symetra sourcing objectives that directly applies to the transition program.

§ Smoothly and successfully transition Symetra to a new IT infrastructure in the required time frame.

2.3.2 Program Objectives

Meet all critical deliverables dates. This objective will be measured by the supplemental quality management plan.

Complete the transition with minimum disruption to Symetra IT and Symetra business units. The TMO Client Satisfaction Survey will measure the success of this objective.

Build a solid relationship between ACS and Symetra. The TMO Client Satisfaction Survey will measure the success of this objective. Stay within budgetary parameters. The SBU Management team will measure the success of this objective through the P&L. The ACS TMO will also implement and measure the success of the TMO portion of the budget through execution of the TMO financial management plan.

2.4 Stakeholders

2.4.1 Symetra

- TBD

2.4.2 ACS

- Solutions Management
- West Region
- Operations and Engineering
- HR

Table of Contents

- Finance
- SalesProgram Dependencies

2.5.1 Transition Program Dependencies on Non Program Areas

- Symetra Bellevue Facility Complete by TBD
- ACS has signed contract with CompuCom
- TBD

2.5.2 Non Program Areas Dependencies on Transition Program

- TBD

3 Project Boundaries

This section describes other factors that can affect the scope of the program and a summary of the management plans that will be used to manage the delivery of program deliverables.

3.1 Situation Analysis

This section of the plan identifies the constraints and assumptions that exist for the program. Program assumptions are statements taken for granted or truth that define the scope of the program. Constraints are restrictions that affect the scope of the program. Both are circumstances and events that need to be managed for the program to be successful but are outside the total control of the program team. The assumptions and constraints provide a historical perspective when evaluating the program's performance and determining justification for program-related decisions and direction.

3.1.1 Assumptions

- Network and hardware vendors will be able to deliver equipment and professional services within industry standard times.
- Safeco will allow a lift of the OS and all program products.
- Symetra user/application data will be segregated on existing or ACS supplied DASD prior to the first "lift".
- Safeco will segregate all archived data prior to the final "lift"
- Safeco will allow the installation of an IBM VTS at the RDC and will support the conversion of tape from the STK VSM
- TBD

3.1.2 Constraints

- All Symetra related equipments (servers, network, etc) removed from Safeco RDC no later than date TBD.
- TBD

3.2 Supplemental Management Plans

Following is a summary description of the supplemental management plans that will be utilized to manage program deliverables.

Table of Contents

3.2.1 Communications Management Plan

The Communications Management Plan defines the following areas:

- Program structure including program governance, organization, and roles and responsibilities
- Program communications schedule
- Program contacts
- Issue and action management process
- Escalation management process

3.2.2 Risk Management Plan

The Risk Management Plan defines the following areas:

- Risk definition
- Risk tracking tool
- Risk management process
- Risk escalation process

3.2.3 Quality Management Plan

The Quality Management Plan defines the following areas:

- Quality management events
- Quality management roles and responsibilities
- Quality management schedule

3.2.4 Schedule Management Plan

The Schedule Management Plan defines the following areas:

- Schedule development
- Schedule management
- Schedule change control

3.2.5 Change Management Plan

The Change Management Plan defines the following areas:

- Program change management process
- Roles and responsibilities
- Change Control Board (CCB)
- Change request tracking and reporting

4 Program Approach

The following paragraphs describe the approach that will be utilized to transition the Symetra infrastructure to ACS.

4.1 Transition Approach for Knowledge Transfer

Without limiting any of ACS' knowledge transfer obligations set forth in the Agreement including, without limitation, those set forth in **Section 10.3.1**, the objective of the following knowledge transfer process is to provide a seamless transition of knowledge, required to operate and support the Symetra's processing environments, from the current support organizations to the ACS support organizations.

There are four major elements related to knowledge transfer:

- Initial Knowledge Transfer
- Follow-up Knowledge Transfer
- Interface Process Development
- Operations Extended Site Visit

4.1.1 Initial Knowledge Transfer

At the kickoff of the transition project, the ACS transition team is established. Information from due diligence and the contract is "transitioned" to the new team members, and a kickoff meeting is held in which all team members are informed of the latest details of the transition project.

ACS team members, representing the involved functional areas, meet with their counterparts at Symetra and/or Safeco via site visits or conference calls in order to:

- Validate the transition, implementation, and migration approaches
- Complete detailed design to the level required for initial procurement
- Prepare to assume operational responsibility

The ACS transition manager works with Symetra's transition manager to set up the initial knowledge transfer meetings. This includes establishing the scope, timing, location, and participants for the required breakout sessions. During this sub-phase, ACS requires input from Symetra and/or Safeco Subject Matter Experts (SMEs) in the following areas:

Table of Contents

Subject Matter Expertise Required

☐ Hardware	☐ Software	☐ Network
☐ Systems administration	☐ Storage management	☐ Communications
☐ Program products	☐ Capacity planning	☐ Automation
☐ Console operations	☐ Media services	☐ Tape management
☐ Capacity and Performance Mgmt	☐ Incident, problem and change management	☐ Scheduling and production control
☐ Data security	☐ Print and Mail Services	☐ Disaster recovery
☐ Desktop Management	☐ Assets Management	☐ Service desk

The following are examples of initial knowledge transfer requirements for a representative set of functional areas:

4.1.1.1 Technical Services Areas

ACS Transition Team members representing technical services areas (e.g. OS/390, CICS, DB2, etc.) will meet with Symetra and/or Safeco personnel currently performing the same functions. The purpose of the meetings is as follows:

- Validate the transition, implementation, and migration approaches
- Complete detailed design to the level required for initial procurement
- Prepare to assume operational responsibility
  - Ø Complete a technical questionnaire and obtain related technical documentation
  - Ø Review operating system and/or program product implementation
  - Ø Review support processes and procedures
  - Ø Review standards and conventions
  - Ø Review application support requirements

4.1.1.2 Operations Areas

ACS Transition Team members representing Operations Areas (e.g. Console Operations, Help Desk, Scheduling, etc.) will meet with Symetra and/or Safeco personnel currently performing the same functions. The purpose of the meetings is as follows:

- Validate the transition, implementation, and migration approaches
- Complete detailed design to the level required for initial procurement
- Prepare to assume operational responsibility
  - Ø Complete a technical questionnaire and obtain related operational documentation
  - Ø Review operations processes & procedures, hours of operation
  - Ø Review help desk environment and problem management procedures
  - Ø Review scheduling package implementation, schedules, and administrative processes & procedures
  - Ø Review tape management package implementation, tape library, and tape drive configuration, processes & procedures, off site requirements, backup & recovery requirements, foreign tape requirements, mail tape requirements
  - Ø Review standards and conventions
  - Ø Observe daily processes for operations, production control & scheduling, & tape operations & administration
  - Ø Review interfaces to other platforms
  - Ø Review application support requirements

4.1.1.3 Application Areas

ACS Transition Team members representing both technical and operational areas meet with client personnel knowledgeable about the application portfolio. The purposes of the meetings are to assist ACS with packaging applications into groupings for the various phases of the data center migration. The main application suite discussion points for these meetings are as follows:

- Servers platforms
- Database systems utilized

- Application and network interfaces (internal and external)
- Maintenance windows
- Outage tolerances

4.1.2 Follow-Up Knowledge Transfer

ACS works with Symetra and/or Safeco to establish access rights and preliminary connectivity to Symetra system. This access is used to allow ACS to further its data collection activities without directly impacting Symetra or Safeco personnel. The ACS Project Manager works with the Symetra Transition Coordinator to determine the “ground rules” for access and to determine if there are interim means (e.g. web, dial-up) to access the systems. Once an agreement is reached, the ACS Data Security Team identifies access requirements for ACS team members and submits formal requests. Symetra and/or Safeco then works with ACS to establish connectivity and process the access requests.

After the initial knowledge transfer activities, further interaction between ACS team members and their Symetra and/or Safeco counterparts is conducted to finalize and validate the detailed design for each transition, implementation, and migration area.

The knowledge transfer process is strengthened as the ACS project team begins to put the information to use. For the technical groups, this involves building and testing the new system and networking environments at ACS. For operations groups, this involves setting up and rehearsing operations procedures such as system start-up, shutdown, and monitoring.

4.1.3 Interface Process Development

During the knowledge transfer process, ACS team members collect process requirements from their meetings with Symetra personnel. These requirements are then merged with ACS core processes to create new interface processes and procedures. In a typical transition, interface processes are developed, at a minimum, for problem management, change management, and service requests. The ACS Service Delivery Manager spearheads the development of interface processes. Technical and operational teams also provide significant input into this activity. Major tasks include the following:

ACS team members collect requirements.

- An interface process model is developed and reviewed with involved Symetra personnel.
- ACS updates the process model based on Symetra’s input.

- The interface model is again reviewed with and presented for approval by involved Symetra personnel.
- ACS rolls out the final approved model to ACS personnel.
- Symetra rolls out the final approved model to Symetra personnel.

4.1.4 Operations Extended Site Visits

Four to six weeks prior to the start of cutovers, ACS personnel participate in extended site visits in order to obtain hands-on experience while working side-by-side with their Symetra and/or Safeco counterparts.

4.2 Transition Approach for Services Transition

The following paragraphs describe the service transition project life cycle and the approach for the seven projects that comprise the service transition portion of the Symetra transition program:

- Help Desk Transition
- Remedy Implementation
- Security Transition
- End User Computing Transition
- Messaging Transition
- Assets Management Transition
- Content Management Transition

4.2.1 Project Life Cycle for Service Transition Projects

ACS employs a standard system development & implementation approach to each defined discipline within the transition. The following provides a general description of the approach applied to each area of this transition:

Analysis & Knowledge Transfer

- See Section 4.1 for a detailed description of Knowledge Transfer.

Design & Procurement

- Discovery — ACS will identify current environment information and obtain knowledge of existing processes for Symetra services support. This will be accomplished through assignments of transition team members and knowledge transfer sessions.
- Obtain System/Workflow Inputs — ACS will obtain input from Symetra business workflow, policy & procedures, incident management, change management and reporting.
- Procurement – Initiate procurement of hardware, software, or services required to complete the deliverable.

Construct

- Development — ACS will build and implement the necessary hardware, software and business workflow processes necessary to support the defined requirements. This may also include set up of physical space and network connectivity to ACS.
- Training – Determine training requirements based on the existing knowledge base and the solution to be implemented. Define and execute a training program based on these requirements.
- Testing and Quality Assurance — This includes development of test plans, configuration test, dry run test, and Go/No Go decision.

Implement

- Following a “go” decision based on successful testing and approval, the implemented solution is put into production.
- During post implementation there is a defined “critical care” period where all activities associated with the implemented solution are closely monitored and issues or incidents are addressed by the transition team. Once this “critical care” period is over, incident management will be addressed by the defined operational support organization.

Close

- Complete turnover from the TMO to the SBU Management team.
- Obtain customer concurrence that deliverables associated with this effort have been met
- Obtain customer approval to close project
- Complete administrative project close activities

4.2.2 Help Desk Transition

ACS will provide in-scope help desk services for Symetra from our NWSC. A large portion of the transition timeline is dedicated to knowledge transfer and building appropriate processes that the new agents can use to support Symetra. The transition will take approximately TBD days to complete. The transition activities associated with the Help Desk transition will consist of:

Knowledge Transfer sessions with and shadowing of the current Help Desk staff.

Implementation of Help Desk tools such as Remedy and Aspect

Implementation of Automatic Call Distribution (ACD) and Knowledge Management Systems

Additional activities required for this transition beyond the approach activities described above include:

Design

- Discovery to define the steps for each activity such as Remedy setup, process improvements, and relocation of the help desk to the NWSC.
- TBD

Construct

- Infrastructure Development — ACS will complete the infrastructure set up for the help desk. ACS will install the required network connectivity between Symetra sites and the NWSC, configure the agent workstations, and establish access to required systems.
- Process improvements and efficiencies will be implemented incrementally, utilizing best practices employed by ACS.
- ACS will hire and train 2 additional Help Desk agents.
- TBD

Implement

- At cutover, the Symetra PBX will be updated to forward Help Desk calls to NWSC.
- TBD

4.2.3 Remedy Transition

Problem and change management will be performed from the Remedy system in the NWSC. Symetra employees that require access to this system in order to enter problem tickets or review them will be given the appropriate access. The transition to the Remedy system will take place in conjunction with the migration of the help desk, approximately TBD days after contract sign.

The Remedy transition will consist of moving Symetra users onto the ACS Remedy application. Symetra will be able to take advantage of a tool that has been built around industry best practices.

Design

- TBD

Construct

- TBD

Implement

- TBD

4.2.4 Security Transition

The security transition will address Symetra's application and data security requirements and will provide a structured migration, knowledge transfer and management process for physical and logical security of in-scope systems, data, infrastructure and environments. The transition will run concurrent with the data center migration activities.

4.2.4.1 Logical Security Operations Transition

This methodology provides for 24 x 7 threat assessments, incident response and threat mitigation, regulatory assessments, risk or vulnerability assessments and remediation. The goal of the Information Security Team is to provide Symetra a secure network that meets or exceeds the stated security requirements with confidentiality, integrity and availability.

ACS will deliver a secure computing environment for Symetra and its user community through the following activities:

Design

- Policy and procedure gap analysis
- Firewall configuration rule review

- IDS monitoring review
- Classification of data review
- Roles and responsibility rules
- Management tools/reporting
- Escalation procedures
- Software support and SLA metrics
- TBD

Construct

- Security platform selection, testing and implementation
- Intrusion detection systems placement
- Vulnerability assessment and threat analysis
- Monitoring and bandwidth analysis
- Review application configurations
- Test and validate escalation procedures
- Identify problems/corrective actions

§ TBD

Implement

- Transition to active monitoring
- TBD

4.2.5 End User Computing Transition

The transition approach documents the major deliverables necessary to complete a successful transition of End User Computing services from Symetra to ACS. Desktop management services will be provided for the Symetra environment. These servers consist of overall desktop engineering, configuration management, and software distribution. An SMS server will be set up in the Symetra headquarter building to enable ACS to perform electronic software distribution and asset tracking to all of the Symetra desktops. ACS will contract with a third-party vendor to conduct break/fix and IMACs in the remote Symetra locations. These services include installation, maintenance and user support. The transition activities associated with Desktop Support will consist of Knowledge Transfer sessions with and shadowing of the current Desktop Support staff.

4.2.5.1 Third Party contracts

TBD

4.2.5.2 Transition Approach

The following are the major activities and milestones that are part of the ACS Desktop Services approach:

Design

- Obtain organizational charts and map to ACS support organization.
- Review Symetra and ACS roles and responsibilities.
- Review Symetra, ACS and vendor interface procedures. Review the times, days and procedures for the regularly scheduled status and support services meetings.
- Review the formats of the existing reports and escalation models (to include VIP support).
- Conduct knowledge exchange activities.
- Review the service level tracking and reporting procedures.
- TBD

Construct

- Obtain working space for the ACS onsite staff and plan for implications of remote support staff.
- Update Symetra, ACS and vendor interface procedures.
- Establish the times, days and procedures for the regularly scheduled status and support services meetings.
- Update the formats of the existing reports and escalation models (to include VIP support).
- Update the service level tracking and reporting procedures.

- Develop the staff augmentation plan, as necessary
- Finalize Hardware Support Services
- Develop the support services turnover plan.
- TBD

Implement

- Conduct contract administration turnover as required.
- Establish the accounting and billing processes for third party contracts
- Incorporate ACS tools, processes, and procedures into the current Desktop Services environment.
- Implement next day remote depot
- Execute the support services turnover plan.
- TBD

4.2.6 Disaster Recovery Transition

Disaster recovery services will be provided through the ACS Continuous Availability Services (CAS) team. ACS will review Safeco's current plan as requested in the RFP. At the conclusion of each phase of the data center migration (mainframe and servers), ACS will develop disaster recovery procedures specific to the needs of Symetra for the new servers located in the NWSC. The procedures will be in place TBD days after the completion of each data center phase.

The following major activities drive the ACS Disaster Recovery (DR) transition approach:

Design

- Assign a DR coordinator and establish a DR support team for the participation in DR planning sessions, testing exercises and post-testing review meetings.
- Review existing Symetra DR Plan
- Conduct technical and business walk-through of Symetra existing DR plan.
- Analyze and define Symetra existing DR roles and responsibilities.

- Identify any business functions that require special equipment, network connectivity, supplies or unique workspace environments.
- TBD

Construct

- Develop and maintain complete listing of application files needed for recovery processing.
- Define application availability recovery times and prioritize each application's importance in the business environment.
- Develop and maintain application file backup and recovery procedures.
- Administer and coordinate activities with non-ACS contracted DR service providers.
- Develop alternate processing methods for maintaining continuity of business transactions that have been identified as critical for client survival; these methods are planned for interim use following a disaster until usual information processing activities can occur at an alternate site.

Implement

- Review new DR plan with Symetra
- Gain approval/acceptance of new DR plan from Symetra.
- Perform turnover of DR plan to Account SDM

4.2.7 Asset Management Transition

The Asset Management transition will be executed following ACS's standard implementation processes. Transition will be accomplished in two phases. The first phase involves performing an initial inventory collection. The second phase will address rollout of the Asset Management component of Remedy. Additional activities required for this transition include:

Design

- Initial Inventory Plan — ACS will develop a plan for the initial inventory assessment.
- TBD
- The initial inventory baseline will be provided to Symetra for review and approval.

- Desktop Software Inventory – The baseline inventory will be provided electronically for those desktops and laptops that are network attached.
- Hardware Maintenance and leasing contracts will be captured and associated with the inventory in the Asset Management Application.
- Obtain Service Inputs — Interim inventory change controls will be established based on input from Symetra.

Construct

- Initial Inventory — ACS will conduct an asset inventory assessment capturing the required attributes for each asset type.
- Application Setup – ACS will establish a client's instance in the Asset Management component of Service Center. Identify appropriate users of the application and perform the necessary user setup.
- Data Import – ACS will work with Symetra to verify the accuracy of the initial inventory. Corrections to the data will be made prior to importing into the Asset Management application.
- Process/Procedures – ACS will develop the inventory change control procedures for use, management, and administration of the Asset Management application.
- Training – Symetra employees utilizing the Asset Management application will be trained on its use and the appropriate change control procedures.
- Testing and Quality Assurance — This section will include import data verification, Dry Run Testing, and Go/No Go Decision for implementation into production.

Implement

- Upon successful "go" decision, the inventory will be baselined and changes to this inventory will be managed through established change control processes
- Perform turnover to Account SDM

4.2.8 Content Management Transition

Please see attached Appendix 1 to this Attachment C.

Table of Contents

4.3 Transition Approach for Data Center Migrations

For all platforms, the transition approach incorporates a series of network and application tests to ensure a seamless migration. See section 4.4 (Transition Approach for Testing) for a detailed description of the testing approach.

The following paragraphs describe the data center migration project life cycle and the approach for data center migration portion of the Symetra transition program:

4.3.1 Project Life Cycle for Data Center Migration Projects

ACS employs a standard system development & migration approach to each defined discipline within the transition. The following provides a general description of the approach.

Knowledge Transfer

See Section 4.1 for a detailed description of Knowledge Transfer.

Design and Procurement

During knowledge transfer, ACS will collect information that is required to finalize the system configuration and network design. Final detailed specifications are developed for hardware, software, and network circuits/equipment. ACS then initiates the procurement process for the required resources.

Construct

For Symetra, ACS will install similarly configured hardware in the NWSC. This approach eliminates the need to physically move any hardware during the actual cutover and provides for easy fallback in the event of a cutover problem.

Data Copies

Per standard process, ACS will make four full copies of the system for systems operated at the RDC. The first copy establishes a base for initial customization, network unit testing, and application unit testing. The second copy is a data refresh to facilitate integrated application/network testing. The third copy occurs at the dry run, and the fourth copy occurs at the hot cut.

For systems being moved by tape copy, all processing must be stopped while the copies occur in order to ensure data integrity.

Customization and Start-Up of Systems

Once the new hardware is installed at ACS and the first data copy is completed, the customization process begins. Minimal changes will be made to the systems software environment. The following paragraphs describe typical activities for the mainframe and open systems environments.

Mainframe

The migration team will establish the ACS internal systems integration processes, apply the necessary software maintenance upgrades and authorization pass-codes, set up the internal automation and systems support processes, and install additional systems utilities.

The Migration Team will make no changes to the applications environment. All logical definitions remain the same, and all systems software products should function the same. ACS will not add new versions, releases or maintenance to the environment without Symetra's prior approval.

Wintel Systems

Operating Systems — ACS will perform a fresh OS installation of the current OS on all servers unless a change is specifically requested by Symetra, designated by the hardware vendor, or specific application vendor for supportability reasons.

In most cases, the approach for the Wintel environment will be fresh application installs using vendor supplied media or downloadable files from their web sites. The configuration and customization of these and other products will be performed cooperatively between ACS and Symetra.

Exceptions to the product installation rule are when Symetra engages vendor supplied professional services or when the entire system image of the source server can be moved to the target server. Symetra will be responsible for overseeing efforts related to vendor assistance and engage ACS on an as needed basis to address environmental or operating system requirements.

Testing

A comprehensive testing methodology is executed to verify the transition process is sound and the systems and network function properly. This includes unit testing for network and application components, integrated application/network testing, and a dry run that is a dress rehearsal of the final cutover. For more information, refer to the Section 4.4 (Transition Approach for Testing).

Prior to the Dry Run, a "freeze" for discretionary changes is required to ensure that the systems are stabilized for the cutover. This "freeze" is in effect beginning one week before the “dry run” and extends one week after the “hot cut”.

Implement

The Hot Cut is the final move (cutover) of the Symetra processing environment to ACS. The general scenario for the Hot Cut is as follows:

- Quiesce systems at RDC
- For tape copy:
  - Ø Perform disk-to-tape copies at RDC
  - Ø Transport copy tapes to ACS
  - Ø Perform tape-to-disk restores at ACS
- Cut network over to ACS
- Transport tape library to ACS
- Perform system customization at ACS
- Perform Customer Application Acceptance Test
- Make “go” decision
- Start production processing at ACS
- Transport off-site tapes to ACS vault

ACS will develop the master cutover plan and manage the move. Symetra is responsible for developing and executing application test scripts. This event will require participation from ACS technical, operations, and network groups; Safeco technical, operations, network, and Symetra application groups; and a select group of business users.

Fallback

In the event that a catastrophic problem is encountered at the Hot Cut, the transition approach employed by ACS allows for a controlled fallback to Symetra original systems at RDC. As part of developing the cutover plan and script, ACS also develops a fallback plan based on potential “showstoppers” that are pre-identified by ACS and Symetra. The following paragraphs highlight key aspects of ACS’ fallback approach.

ACS works with Symetra to develop an Acceptance Test that is executed at the final Hot Cut. The Acceptance Test checks the validity of the “just-moved” systems to ensure that all business-critical functions are working properly prior to making a "go" decision and starting production processing at ACS.

If a major problem surfaces, ACS, along with its supporting vendors, works to resolve the problem within the pre-designated outage window. If the issue cannot be resolved to the satisfaction of Symetra, the fallback plan is implemented. Since the original systems have not been dismantled, the fallback plan is to point the network back to the original systems and restart the production applications. This is done with little or no loss of data.

Regarding the tape library, ACS works with Symetra prior to the Hot Cut to identify if there are any critical master tapes that need to be copied by Safeco prior to the cutover. In the event that fallback is required, the copies will remain at the original data center and will be used until the tape library can be returned.

If problems are encountered after production processing is started in the new processing environment, ACS, with its supporting vendors and Symetra, works to resolve the issues and move forward on the systems at ACS.

Following a "go" decision based on successful testing and approval, the implemented solution is put into production.

During post implementation there is a defined "critical care" period where all activities associated with the implemented solution are closely monitored and issues or incidents are addressed by the transition team. Once this "critical care" period is over, incident management will be addressed by the defined operational support organization.

Close

- Complete turnover from the TMO to the SBU Management team.
- Obtain customer concurrence that deliverables associated with this effort have been met
- Obtain customer approval to close project
- Complete administrative project close activities

4.3.2 Detailed Symetra Migration Approach

PHASES/APPLICATION GROUPINGS

Phase 1

- TBD

Phase 2

- TBD

Phase 3

- TBD

4.3.3 Network

4.3.3.1 Managed Network Services

ACS will design a network infrastructure to support the mainframe and server migration from the Safeco Redmond data center (RDC), and applicable remote sites, to the ACS NWSC in Hillsboro. The appropriate network infrastructure will be built for the systems that will be housed in the NWSC and at Symetra headquarters in Bellevue, Washington. There will be enough bandwidth installed to support remote access to the servers and mainframe. Network connectivity will take approximately 90 days to install from contract sign date. At that time, the remote sites can be configured and tested on the network which will take approximately 30 days. The voice strategy will consist of implementing a new Avaya PBX solution at the Bellevue, Washington facility, and of managing the existing Avaya switches in six sites and Centrex switches in two sites.

Upon contract signing, ACS will plan and engineer the installation and establishment of circuit connectivity between the RDC and the NWSC that will be used to facilitate the migration activities. This also will allow the RDC and the NWSC to access the existing Safeco-provided Symetra network as required to support the business.

As each additional circuit and site is turned up, associated network management services will be installed, configured and made available at the ACS ECC in the Dallas data center-with visibility from the NWSC-to ensure visibility and manageability. After new service has been established at all sites, existing connections will no longer be required and ACS will submit a request to Symetra to disconnect the circuit. This work will be performed in a coordinated and seamless fashion, ensuring an invisible transition from the existing network to the new network with no impact on Symetra users, customers or affiliates.

As this is a Greenfield network implementation, ACS will manage the acquisition, configuration and staging of new network equipment for deployment to all applicable Symetra sites. ACS will perform the necessary discovery on the current network state as part of the network engineering transition planning. Network engineering will take into account IP addressing, summarization, application loading, security requirements and traffic patterns. ACS network engineering will ensure that application access is not impacted during the transition of network by performing a traffic analysis of all applications to ensure that application interdependencies are fully understood before services are migrated from the RDC to the NWSC.

Our transition planning for voice services focuses on implementing standard management practices for change, problem and request management. ACS will establish functional personnel responsibility matrices to identify primary support for locations and equipment. Support queues will be created in ACS Remedy for all Symetra-related problem tickets, changes and requests. We will establish regular meetings between ACS support personnel, vendors and Symetra personnel as appropriate. A daily, weekly and monthly task list will be identified per location with responsibilities clearly defined and assigned. The first 60 days will focus on evaluating the state of the system and process documentation. ACS will identify all required information and document all systems, processes and lacking information. On-call responsibilities will be established and their respective escalation procedures will be documented.

4.3.3.2 VPN Transition

TBD

4.3.3.3 Enterprise Command Center

A follow the sun approach will be used to provide Enterprise Command Center (ECC) services. The ECC's will be located in Dallas and <ECC loc #2>. Data network connectivity from the NWSC to the ECC locations will be provided by production circuits between the three locations.

Beginning with Network Test 2, ACS will begin monitoring any ACS-provisioned circuit. ACS will use HP OpenView at the NWSC to manage and monitor the Symetra network including the Symetra LAN and WAN. NetCool will be used as a "manager of managers" to collect data from all infrastructure monitoring systems, including Openview. The NetCool system will communicate with Dallas and <ECC loc #2> NetCool systems so that management and monitoring may be provided by the ACS Enterprise Command Centers in each location.

As servers are placed into production in the NWSC data center, the ECC will begin active monitoring for those servers.

4.3.4 Mainframe

Overview

The mainframe environment will be migrated to the NWSC using a “system lift and drop” methodology. This methodology entails copying (“lift”) the operating system, applications, and user data currently in production at the RDC and restoring (“drop”) them at the NWSC. This approach ensures that the new mainframe environment is a mirror image of the production environment, with little or no change introduced during the transition. The data migration strategy will be a tape migration. ACS will set up a VTS/ATL device in the Safeco L&I data center and perform a data migration to this device in order to create the tapes that will be restored at the NWSC. The mainframe migration to NWSC will take approximately 120 days from contract sign date.

Methodology

Disk Storage System

ACS will install an IBM 2105 Shark DASD to handle Symetra storage requirements at our NWSC. ACS will migrate the Symetra mainframe workload to our NWSC in April 2005 using a tape dump/restore migration, or system lift. This is a proven methodology and will minimize cost while retaining data integrity. This methodology also allows for dry runs (tests) to finely tune the process and to facilitate user acceptance testing

Tape Storage System

To facilitate the migration to our NWSC, ACS also will install a temporary tape solution at the existing Safeco RDC.

The hardware will be installed within 60 days of contract signing. This equipment will consist of an IBM 3494 ATL and a VTS that will allow transition of Symetra’s tape processing from the existing STK VSM and 9840 solution.

Modifications to the existing ACS routines on the Safeco systems will be made, in cooperation with the Safeco systems staff, that will route all Symetra tape activity to the transition ATL/VTS equipment.

Critical tape data stored on existing STK tapes will be copied to the 3590 media using the IBM 3590 drives.

All existing 3480 and 3490 tape volumes will be copied to the VTS, consolidating all Symetra tape processing onto the new IBM technology.

4.3.5 Wintel

Overview

The majority of the Wintel server environment will be migrated to the NWSC. The servers located in the remote offices will be replaced with ACS owned hardware that is comparable or better than the technology currently in place today. ACS will create a Wintel server environment that will allow for migration of the applications with little or no application changes. Hardware configurations for the new servers will closely match the existing servers; enabling us to simply back-up the current server operating system, applications, and user data and restoring them on the new servers. Servers that are currently SAN attached will continue to be SAN attached when replicated at the NWSC. Servers that currently have internal storage will be converted to SAN-attached during the migration. The migration will be a multi-phased approach that takes approximately 240 days from contract sign to implement. The number of phases and exact timing for each server migration will be determined during the Initial Knowledge Transfer phase as additional information is provided detailing server/application dependencies and data transfer requirements. The preliminary plan is to:

- Migrate key infrastructure related applications such as Exchange and DNS first
- Establish lab-based application testing area for application and data segregation
- Migrate lab-tested applications and servers next
- Migrate non-critical path servers and applications next
- Migrational method is discretional based upon unique nature of application

Methodology

4.3.6 Output Processing

To quickly and seamlessly migrate Symetra to an efficient and easy to use outsource print and mail service capable of handling the complexities of your business requirements, the following 10 step project development and workflow process will be followed:

1. Define Channels of Communication

By ensuring we know the protocol for development and approval process we can better streamline the project process and set a solid foundation for a smooth engagement.

2. Define and Approve Project Plan

Build realistic timelines for deliverables and approvals to ensure timely completion of implementation, testing and go-live functions.

3. Forms Design and Coding

Given the requirements, design the document(s) to accomplish the stated goals. Special considerations may include bar codes, optical marks and so on.

4. Print Output and Fulfillment Development

Identify the specific criteria for each document output. Establish and prioritize criteria for each document flow and fulfillment. Test in production environment, provide samples for approval and document all process and procedure.

5. Develop and Document Delivery Timelines and Delivery Protocol.

Establish delivery and turnaround time requirements.

6. Establish Protocol and Requirements for Reporting:

Establish requirements for client notification of project completion.

7. Inventory management.

Coordinate the monitoring and replenishing of consumables to ensure continuous and timely production.

8. Production Auditing and Performance Reviews.

Improvement comes from continually monitoring and reviewing process and procedure.

9. Evaluation and coordination of process enhancements

Once possible improvements are identified they have to be weighed and understood how they will affect the rest of the process.

10. Change Management Process: Establish and maintain procedure.

4.4 Transition Approach for Testing

ACS employs a comprehensive proven testing methodology aimed at ensuring that the transition process is accurate and that the new systems and network environments will function properly. The methodology is based on the key elements covered in the following subsections.

4.4.1 Testing Integration and Refinement

ACS utilizes a building-block approach to testing. System components, network components, application components, and interfaces are all tested both individually and then in an integrated fashion. Once the cloned systems are installed at ACS, the technical support staffs will perform basic systems testing to ensure that the systems are up and functional. As network circuits and equipment are installed, the network staff performs standalone testing with providers. At the point these two areas are ready, three network tests are conducted in order to test connectivity to the systems. In addition, application unit testing commences using a small subset of the network. These tests are followed by two integrated application/network tests. The Dry Run test that follows is a simulation of the final Hot Cut and involves thorough integrated testing.

The integrated test plan is also known as an “acceptance test”. The acceptance test is executed at both integrated tests, at the Dry Run, and again at the Hot Cut. It is rehearsed and refined so that by the Hot Cut, its execution becomes second nature.

Throughout the transition period, migration processes are repeated, integrated, and refined. The purpose of this approach is to build a level of proficiency and confidence in the transition team so that by the time the Hot Cut occurs, execution of the process is timely and accurate.

4.4.2 Mirrored Systems and Functional Testing

As indicated previously, ACS will install a “mirrored” hardware configuration on the floor at the NWSC. Disk storage will then be copied and restored “as is” on a volume-per-volume basis. Although the volumes will be restored to a new hardware configuration, the new systems and their applications environments will logically be identical to the original systems. Changes will be limited to configuration-related items such as hardware configuration, network connectivity, software authorization codes.

In light of this methodology, ACS recommends that the Symetra acceptance test plan be based on a “functional interface testing” approach. This means that Symetra test scripts focus on testing the interfaces of components of the systems and network, particularly those that have changed. Selecting small functional subsets of key applications that exercise targeted systems and network components is an excellent way to do this.

It is necessary to test the following areas:

- Network connectivity – Test inter-platform and intra-platform connectivity; inter-site and intra-site connectivity; connectivity with workstations, network printers, gateways, and other unique devices; transmissions (FTP, EDI, file transfer), dial-up, Internet access, connectivity with business partners, access to value-added networks. It is essential that all connectivity and interfaces be tested.
- Application development and support environment – Test access to and function of operating software, utilities, development tools, test-to-production promotion procedures, and QA environments
- Applications – Test access to and function of representative sequences of transactions, batch jobs, and cross-platform application interfaces.

ACS will work with Symetra to identify key interfaces, system components, and application components that are highly critical candidates for testing.

4.4.3 Test Plans

Symetra will be responsible for developing and executing its acceptance test plans in accordance with the transition methodology defined by ACS and approved by Symetra. The following defines the two types of test plans that are applicable.

The Application Unit Test is conducted over a window of approximately two to three weeks. This type of testing can be done mid-week via TCP/IP access to the cloned system(s) at ACS. The test plan should contain scripts that Symetra personnel can execute in order to ensure proper function of system and application components as well as interfaces to other test systems.

The Acceptance Test Plan is executed four times: at the two Integrated Applications / Network Tests, at the Dry Run, and at the Hot Cut. This plan is comprised of a subset of the functional test scripts. These scripts define “quick hit” tests that can be performed in a short period to verify that the systems have been successfully built and the network has been successfully pointed to ACS. *At the Hot Cut, the Acceptance Test Plan execution is the final check to ensure that the environment is healthy prior to a “Go / No-Go” decision.* It is essential that this test plan be executed more than once to insure that test scripts are functioning as expected prior to beginning production processing at the ACS data center.

4.4.4 Testing Limitations

When testing on the new systems at ACS, there are some limitations that must be considered. Some of these limitations are as follows:

- Minimal scratch tapes are available at ACS
- No production input tapes are available at ACS
- No archived datasets can be recalled from tape
- Disk data is aged to the prior copy date
- Passwords are aged to the prior copy date

In some cases, special arrangements can be made to overcome certain limitations, such as shipping a copy of a specific production tape dataset to ACS. ACS will work with Symetra to support testing needs as required.

4.4.5 Acceptance Criteria

Based on Symetra knowledge of its systems and applications, it is anticipated that the Symetra Team will develop test scripts for business-critical functions along with acceptance criteria (expected results) for these tests. ACS will provide input to Symetra on critical technical functions that are candidates for acceptance testing.

Final acceptance is based on successful test of each critical function. If a test fails, due to issues with performance, integrity, or functionality, ACS will work with Symetra to resolve the problem. It is essential that each critical function be successfully tested prior to the “Go / No-Go” decision. During the development of the Symetra Acceptance Test Plan, it is expected that Symetra will identify which potential functional failures are “showstoppers” and communicate these to ACS.

4.4.6 Testing Events

This subsection identifies the various testing events that occur during the transition period.

4.4.6.1 ACS Systems Testing

Once the mirrored systems at ACS have been started and customized, the technical support and operations staffs will test them. This testing ensures that all system components are starting properly and functioning to proper technical specifications. ACS Technical Support and Operations personnel will be responsible for developing and executing the test plans.

Table of Contents

4.4.6.2 1st Network Test

The purpose of this test is to initially verify connectivity to the new systems at ACS and to begin testing network cutover process. This type of test usually includes base connectivity checks such as bringing lines and devices active, establishing sessions between peers, "pinging" devices, logging onto a system, and executing simple data transmissions.

At the 1st Network Test, a key subset of interfaces is tested in order to ensure that all primary and redundant paths through the network are working properly. Most activities involve testing access from Symetra-only sites.

ACS will develop the master test script and manage the test. The estimated test window is approximately eight hours. Some network devices will be impacted for the time that they are pointed to the ACS systems for testing.

4.4.6.3 2nd Network Test

Additional interfaces are tested for connectivity to the new systems at ACS. Any items that failed during the 1st Network Test are re-tested. Depth and complexity may be added to tests. Testing of the network cutover process is continued. Some initial testing with business partners and non-Symetra sites is introduced.

ACS will develop the master test script and manage the test. Participation from Symetra application/business groups may be required for testing with third parties. It is estimated that the test window will be approximately eight hours. Some network devices will be impacted for the time that they are pointed to the systems at ACS for testing.

4.4.6.4 3rd Network Test

Remaining interfaces are tested for connectivity. Any items that failed during the 2nd Network Test are re-tested. More in-depth functional testing may be introduced (application transaction/transmission sequences). The process to cut over the network is further refined. Testing with business partners continues.

ACS will develop the master test script and manage the test. Participation from Symetra application/business groups may be required for testing with third parties. Again, it is estimated that the test window will be approximately eight hours. Some network devices will be impacted for the time that they are pointed to the systems at ACS for testing.

4.4.6.5 Application Unit Testing

ACS recommends that the Symetra acceptance test plan be based on a "functional interface testing" approach for systems/ application testing. This type of testing focuses on system components that have changed and focuses on small subsets of key applications. Unit testing is done to ensure proper function of system and application components such as hardware devices, systems software, key application transactions and jobs, printing, interfaces to other systems, and key parts of the application development environment. This testing will occur during the workweek.

A maximum of a three week window will be established during which Customer systems/applications personnel can log on to the new systems in ACS in order to execute their test scripts. ACS will establish coordination procedures for handling test set-ups and problem tracking. Symetra personnel are responsible for developing and executing test scripts. There will be no disruption of production processing.

4.4.6.6 1st Integrated Application / Network Test

This activity integrates application testing along with network testing. Its primary purposes are to test network connectivity, to test the network cutover process, and to rehearse the acceptance test that will be used again at the Dry Run and Hot Cut. As mentioned previously, the acceptance test is one that can be performed in a short period to verify that the systems have been successfully built and that the network has been successfully pointed ACS prior to a "Go" decision.

ACS will develop the overall execution plan. Symetra is responsible for developing and executing the Symetra acceptance test plan. This event will require participation from ACS technical, operations, and network groups; Symetra technical, operations, network, and applications groups; and possibly a select group of business users.

It is estimated that the test window will be approximately eight hours. During this time, network components will be pointed to ACS and be unavailable for production.

4.4.6.7 2nd Integrated Application / Network Test

This activity is similar to the 1st Integrated Test. Its primary purposes are to rehearse the acceptance test that will be used again at the Dry Run and Hot Cut, re-test any items that failed during the 1st Integrated Test, and add new test items that were excluded at the 1st Integrated Test.

ACS will develop the overall execution plan. Symetra is responsible for developing and executing the Symetra acceptance test plan. This event will require participation from ACS technical, operations, and network

Table of Contents

groups; Symetra technical, operations, network, and applications groups; and possibly a select group of business users.

It is estimated that the test window will be approximately eight hours. During this time, network components will be pointed to ACS and be unavailable for production.

4.4.6.8 Dry Run

The Dry Run is a rehearsal of the Hot Cut. The objective is to simulate, as closely as possible, the final cutover with the given exception that physical moves do not occur (tape library, etc.). The general plan is as follows:

- Quiesce systems at Symetra
- For tape copy:

  Perform disk-to-tape copies at Symetra

  Transport copy tapes to ACS

  Perform tape-to-disk restores at ACS
- Cut network over to ACS
- Transport tape library to ACS
- Perform system customization at ACS
- Perform Customer Application Acceptance Test
- Make “go” decision
- Start production processing at ACS
- Transport off-site tapes to ACS vault

ACS will develop the overall execution plan. Symetra is responsible for developing and executing the Symetra acceptance test plan. This event will require participation from ACS technical, operations, and network groups; Symetra technical, operations, network, and applications groups; and possibly a select group of business users.

When using a tape copy approach, production system outages at will be limited to TBD hours plus tape transport time plus the amount of test time defined by Symetra.

During this time, network components will be pointed to ACS and be unavailable for production.

5 Transition Program Key Milestones and Project Plan (Schedule)

5.1 Key Transition Milestones

The key Transition Milestones, dates to be determined at a later date, are:

1. Transition Plan Completed and Delivered
2. Data Center Development Environment (Sandbox) Completed and Available
3. Phase I Network Completed and Available (NWSC-Redmond)
4. Data Center Production Infrastructure Completed and Available (Mainframe and Critical Server Support Ready)
5. Phase II Network Completed and Available (Remotes-NWSC)
6. Voice Production Infrastructure Completed and Available (Bellevue)
7. Help Desk Cutover (Includes Double-dipping with Safeco Help Desk)
8. All Applications Operating on ACS Infrastructure
9. Content Management Service Ready for Production
10. Output Services Ready for Production
11. Distributed Computing Services Ready for Support (CompuCom Ready for Dispatch)
12. Final Cutover from Safeco RDC to NWSC
13. Disaster Recovery Plan Completed and Delivered

5.2 Program Project Plan (Schedule)

Version XX of the Symetra transition program project plan supports this plan and the achievement of the key transition milestones. As required by the agreement, the Symetra transition program project plan (schedule) will be revised by ACS and submitted to Symetra for review, comment, and approval during detailed transition planning activities early in the transition.

Following are the milestone dates review, comment, and approval.

- Review: Detailed Transition Plan approval plus 30 calendar days

- Comments:— Within 7 calendar days of review
- Approval: Within 14 calendar days of comments

Table of Contents

6 Detailed Transition Plan Approvals

6.1 Approvals Required

Name	Signature	Approval	Date
Jim Ryan Symetra Transition Executive		o Approved o Disapproved	
Debbie Dawes Symetra Transition Manager		o Approved o Disapproved	
Erik Johnson ACS SBU Manager		o Approved o Disapproved	
Joe Gentry ACS Transition Manager		o Approved o Disapproved	

6.2 Comments

Name	Approval/Disapproval Comments
Jim Ryan Symetra Transition Executive	
Debbie Dawes Symetra Transition Manager	
Erik Johnson ACS SBU Manager	
Joe Gentry ACS Transition Manager	

Table of Contents

ATTACHMENT D

FORM OF IN-SCOPE SERVICE REQUEST

<table>
<tr><td rowspan="5">**Information From SR**</td><td colspan="2">Project Name</td><td>SR Number</td><td>Requester</td><td>Requester's Extension</td></tr>
<tr><td colspan="2">Department, Business Line or Distribution Channel</td><td colspan="2">Manager Of Requester</td><td>IT Director</td></tr>
<tr><td>Requested Start Date</td><td>Requested End Date</td><td colspan="3">Priority; Urgent___ Standard___ Low___</td></tr>
<tr><td colspan="5">Project Summary</td></tr>
<tr><td colspan="5">Project Objective:</td></tr>
<tr><td colspan="6">Negotiated Project Scope, Deliverables & Requirements</td></tr>
<tr><td colspan="6">Project Scope Exclusions (Show specific services or deliverables that will be out of scope per customer agreement.)</td></tr>
<tr><td colspan="6">Possible Constraints/Risks (Time, resources, technology, geographic, legal, etc.)</td></tr>
<tr><td colspan="6">Assumptions Example: (Assuming a deliverable or action from another group or process will take place.)</td></tr>
<tr><td colspan="6">Business Opportunity/Impacts: (Identify customer businesses and/or business activities that may be impacted by this request.)</td></tr>
<tr><td colspan="3">Department/ Work related to this Request:</td><td colspan="3">Regulatory Requirements (Fed/State, Agency)</td></tr>
<tr><td colspan="3">Distribution Channel and Number of Agents, Sales staff or Clients Affected:</td><td colspan="3">Documentation and/or Reporting Requirements:</td></tr>
<tr><td colspan="3">Training Requirements for Agents, Sales staff or Clients:</td><td colspan="3">Training Requirements to ACS Staff:</td></tr>
<tr><td colspan="3">Applications or Services Affected:</td><td colspan="3">Business Processes, Products, or Services Affected:</td></tr>
<tr><td colspan="3">Special Testing & Acceptance Requirements:</td><td colspan="3">Special Availability Requirements: (Maintenance windows, Scheduling dependencies)</td></tr>
</table>

Table of Contents

Identify any new reoccurring workload being generated as a result of this project's completion: (Check if New Business. ☐)	
Data Conversion Requirements:	Security Classification: ☐ Confidential ☐ Sensitive ☐ General
Check if Production Readiness applicable. ☐	Disaster Recovery Requirements:

SUPPORTING GROUP REQUIREMENTS

Check the applicable support groups below.

Group						
Symetra	Application Development ☐ (Application Development Group Name(s)	Quality Assurance ☐	Customer Connectivity ☐			
	Enterprise Architecture and Planning ☐					
	Deliverables:	Agreed Upon Dates:				
Security	Electronic Access Control ☐	Data Analysis ☐	Virus Management ☐			
	Deliverables:	Agreed Upon Dates:				
Customer Services	Helpdesk ☐	Client / Advanced Client Support ☐	Client Moves ☐			
	Deliverables:	Agreed Upon Dates:				
Distributed Infrastructure Services	NT Engineering & Support ☐	Client Engineering Mgmt ☐	Midrange Eng. & Support ☐			
	Deliverables:	Agreed Upon Dates:				
Application Develop. & Support	DBA Services ☐	Infrastructure Application Services ☐	Customer Application Services ☐			
	Deliverables:	Agreed Upon Dates:				
Computing Services & Facilities	System Software ☐	Operations ☐	Production Control & Scheduling ☐	Automation Support ☐	Performance Management ☐	Disaster Recovery ☐
	Deliverables:	Agreed Upon Dates:				
Business Operations	Systems Mgmt & Control [Reporting] ☐	Procurement ☐	Asset Management ☐			
	Deliverables:	Agreed Upon Dates:				
Network Services	Data Network Engineering & Ops ☐	Network Provisioning & Management ☐	Voice Operations Services ☐	Voice / Telephone ☐	External Net & ☐ Remote Access	
	Deliverables:	Agreed Upon Dates:				
Planni	Project Management ☐	Technology Planning ☐				

Table of Contents

<table>
<tr><td></td><td colspan="3">Deliverables:</td><td colspan="2">Agreed Upon Dates:</td></tr>
<tr><th colspan="6">Project Expense Authorization</th></tr>
<tr><td colspan="6">Total Estimated Expenses should be summarized here or as an attachment to the DOU.</td></tr>
<tr><td colspan="6">Organization(s) ID: (Identifies a department(s) for which services are being provided to.)</td></tr>
<tr><th colspan="6">Project Milestones</th></tr>
<tr><td colspan="2">Start Date:</td><td colspan="3">Negotiated Completion Date:</td><td rowspan="2">Reoccurring Milestones:
(Date and Frequency)</td></tr>
<tr><td colspan="2">Production Readiness Review Date:
(Determined jointly by Requester, SR Point Person, and GSD facilitator.)</td><td colspan="3">Prod. Readiness Completion Date:
(Determined jointly by Requester, SR Point Person, and GSD facilitator.)</td></tr>
<tr><th colspan="6">Project Scope & Requirements Acceptance Agreement</th></tr>
<tr><td colspan="3">SR Requester
Date: Signed ☐ E-mail commitment ☐</td><td colspan="3">Project Point Person
Date:</td></tr>
<tr><th colspan="6">Project Completion Acceptance</th></tr>
<tr><td colspan="3">SR Requester
Date: Signed ☐ E-mail commitment ☐</td><td colspan="3">Project Point Person
Date:</td></tr>
</table>

ATTACHMENT E

ACS KEY PERSONNEL

Each of the following individuals constitutes Key Personnel under the terms of the Agreement:

Position	Name
ACS Project Executive	Erik S. Johnson
ACS Service Delivery Manager (All Service Towers)	Fran Nesbitt

ATTACHMENT F

PROVIDER'S TECHNOLOGY REFRESH REQUIREMENTS

The Parties shall meet upon Symetra's reasonable request to discuss Symetra's refresh requirements.

Symetra will be responsible for hardware necessary to provide the Services purchased throughout the Term of the Agreement.

ACS' refresh recommendations are as follows:

- Server refresh — Cycle of one hundred percent (100%) of candidate servers between thirty-six (36) and forty-eight (48) months post-Handover Date, with subsequent server refreshes every thirty-six (36) to forty-eight (48) months thereafter. This strategy would ensure that no server extends beyond a forty-eight (48)-month refresh window.
- Mainframe and peripherals thirty-six (36) month refresh cycle, only for systems or equipment requiring refresh at that time, or for equipment approaching manufacturer EOL at that time.
- Router and data communications equipment — Refresh no less than every forty-eight (48) months, or as required to provide Services and meet the SLRs.
- Telecommunications equipment (e.g., telephone switch and handsets) — Refresh only as required to support new feature sets or discontinued equipment, estimated between sixty (60) and seventy-two (72) months.

ATTACHMENT G

SHARED RESOURCES

Software:

- iStar proprietary web portal, and associated proprietary tools and systems owned and operated by ACS, including but not limited to SRP, iDrive, and CrystalReports.
- Category 5 Software which is content management software, including but not limited to MCP and ACS Capture.
- Monitoring systems software, including but not limited to HP Openview, Micromuse NetCool, IBM Tivoli, and Concord *e*Health.

Hardware:

- Facilities support, including but not limited to HVAC, electrical power distribution and backup, fire suppression, and equipment racks.
- Network infrastructure, including but not limited to core network switches and routers, cable plant, and monitoring tools.
- Storage area network ("***SAN***"), including but not limited to SAN switches, drive arrays, cable plant, and monitoring tools. Symetra data will be segregated on dedicated physical volumes.
- Print and mail hardware including but not limited to inserters, sorters, high speed printers and velo binders.
- Image capture hardware including but not limited to scanners, sorters and bar code readers.

ATTACHMENT H

ASSIGNED CONTRACTS

None as of the Effective Date.

ATTACHMENT I

MANAGED CONTRACTS

None as of the Effective Date; provided, however, that ACS acknowledges and agrees that all maintenance contracts for telephony services for the remote offices identified in **Attachment B** shall, at Symetra's option, become Managed Contracts.

ATTACHMENT J

INVOICE FORMAT

General Invoice -

Table of Contents

Invoice Number 00000000
DATE: Month Day, Year

Customer No: SYM001
Invoice Account Number SYM001
Customer A/R Number

INVOICE TO:

Symetra Life Insurance Company
Attn: [Name]
5069 154th Place, N.E.
Redmond, WA 98052-9669

U.S.

PLEASE REMIT TO:

ACS Commercial Solutions, Inc.
Attn: Accounts Receivable
P.O. Box 200790
Dallas, TX 75320-0790

U.S.

DESCRIPTION	AMOUNT
Resource Utilization Charges	**0.00**
Third Party Charges	**0.00**
Recurring Charges	**0.00**
SUB-TOTAL	**$0.00**
TAX	**$0.00**
TOTAL AMOUNT DUE	**$0.00**

[Table of Contents](#)

Final Billing Summary Report —

Final Billing Summary Report

Billing Period : Month 2004 Page : 1
Posting Date : 00/00/2004

Customer Number : SYM001	Customer Name : Symetra		CPU Type: CPU Factor: 1.00 relative to			
	Resource Name	Number Of Units Unit Type		Bill Rate	Tier Amount	Bill Amount
Utilization Charges :						
Recurring Charges :						
Invoice Account Tax						
Invoice Account Total	Account SYM001 Amt of Invoice					0.00

ARC Invoice —

A C S

Invoice Number 00000000
DATE: Month, Day, Year

Customer No: SYM001
Invoice Account Number SYM002
Customer A/R Number

INVOICE TO:

Symetra Life Insurance Company
Attn: [Name]
5069 154th Place, N.E.
Redmond, WA 98052-9669

U.S.

PLEASE REMIT TO:

Affiliated Computer Services, Inc.
Attn: Accounts Receivable
P.O. Box 200790
Dallas, TX 75320-0790

U.S.

DESCRIPTION	AMOUNT
Resource Utilization Charges	**0.00**
Third Party Charges	**0.00**
Recurring Charges	**0.00**
Customer Credits	**0.00**
SUB-TOTAL	**$0.00**
TAX	**$0.00**
TOTAL AMOUNT DUE	**$0.00**

[Table of Contents](#)

ARC/RRC Final Billing Summary Report —

Final Billing Summary Report

Billing Period : Month 2004
Posting Date : 00/00/2004

Page : 1

Customer Number : SYM001	Customer Name : Symetra		CPU Type: CPU Factor: 1.00 relative to		
Credits:	Resource Name	Number Of Units Unit Type	Bill Rate	Tier Amount	Bill Amount
	RRC/ Baseline 0/Difference 0.00 @ $0.00	0.000000	0.000000		0.00
Third Party Charges :					
Invoice Account Tax					0.00
Invoice Account Total	Account SYM002 Amt of Invoice				0.00

Table of Contents

ARC/RRC Billing Description Report-

Billing Description Report

Billing Period : Month 2004 Page : 1
Posting Date : 00/00/2004

Customer Number : SYM001
Invoice Account: SYM002

Customer Name : Symetra

CPU Type:
CPU Factor: 1.00 relative to

	Resource Name	Number Of Units	Unit Type	Bill Rate	Tier Amount	Bill Amount
Credits: RRC/	Baseline /Difference					
Third Party Charges :	Baseline /Actual					

ATTACHMENT K

HIPAA TERMS

The Agreement contemplates that: (1) ACS will perform certain services for the benefit of Symetra and/or certain of its Affiliates; and (2) in connection therewith, ACS may have access to certain Protected Health Information "***PHI***") collected, maintained, transmitted or otherwise used by Symetra and/or one (1) or more Symetra Affiliates (whether in their capacity as a Covered Entity or as a Business Associate of another Covered Entity) (collectively referred to herein as "***Symetra PHI***").

1. HIPAA Privacy Regulations.

(a) General. ACS acknowledges that it is a Business Associate or sub-Business Associate of Symetra for purposes of HIPAA's Standards for Privacy of Individually Identifiable Health Information (as the same may have been and/or may be amended from time-to-time, the "***Privacy Regulations***"). ACS shall comply with the provisions set forth in **Addendum 1** to this **Attachment K** with respect to Symetra PHI.

(b) Uses and Disclosures of Protected Health Information. ACS shall Use and Disclose Symetra PHI only as minimally necessary to perform its obligations under the Agreement and/or as otherwise authorized by Symetra in writing.

(c) Failure to Comply with HIPAA Obligations.

(i) Mitigation Obligation. If ACS has violated any of its obligations under this **Section 1**, at its sole cost and expense, ACS immediately shall take commercially reasonably steps to mitigate the harmful effects of such violation, if any.

(ii) Opportunity to Cure; Termination. If ACS notifies Symetra, or Symetra otherwise has reason to believe, that ACS has violated a material term of any of the requirements set forth in this **Section 1**, and a cure of such violation is possible, not later than five (5) calendar days following Symetra's request, the Parties shall meet (in person or by telephone, as requested by Symetra) to discuss Symetra's concerns. Following such meeting, ACS shall advise Symetra whether it agrees or disagrees with Symetra's concerns. If ACS agrees with Symetra's concerns, not later than five (5) calendar days after such meeting, ACS shall propose to Symetra a plan for addressing Symetra's concerns (the "***Corrective Plan***") and, if necessary, the Parties thereafter shall engage in good faith discussions in an effort to reach agreement on the terms of the Corrective Plan. If ACS materially fails to implement the terms of the mutually agreed Corrective Plan, then, in addition to any other rights and remedies that may be available to Symetra, upon written notice to ACS, Symetra shall have the right to terminate the Agreement and any or all country-specific agreements either in their entirety or as they relate to Symetra only. If ACS disagrees with Symetra's concerns, then the Parties will engage in good faith discussions at successively higher levels of management until the Problem has been resolved. Notwithstanding the foregoing, if the Parties are unable to reach agreement on the terms of the Corrective Plan or otherwise are unable to reach agreement with respect to Symetra's concerns within sixty (60) calendar days following Symetra's initial request for a meeting as described above, and Symetra has determined that ACS has violated a material term of any of its HIPAA-related obligations hereunder, then, upon written notice to ACS, Symetra shall have the right to terminate, the Agreement and any or all country-specific agreements either in their entirety or as they relate to Symetra only.

(iii) No Opportunity to Cure; Termination. If ACS notifies Symetra, or Symetra otherwise has reason to believe, that ACS has violated a material term of any of the requirements set forth in this **Section 1** and a cure of such violation is not possible, Symetra shall have the right upon written notice to ACS to terminate the Agreement and any or all country-specific agreements either in their entirety or as they relate to Symetra only.

(iv) Effect of Termination. Any termination the Agreement and/or any country-specific agreements as provided herein shall be without liability or further obligation on the part of Symetra to ACS, except for those provisions that would, by their nature, survive any termination of the Agreement and/or any country-specific agreement.

(d) State Law Requirements. Any Use or Disclosure of Symetra PHI by ACS shall be made in accordance with More Stringent state laws and regulations and as ACS may be specifically instructed by Symetra; provided, however, that ACS shall continue to be bound by and comply with the terms and conditions of this **Attachment K** to the extent such terms and conditions do not conflict with the applicable laws and regulations of such states.

(e) Audit Rights. Upon Symetra's request, but no more often than once annually except: (a) as necessary for Symetra to respond to any regulatory requirement or inquiry; or (b) as deemed reasonably necessary by Symetra as a result of Symetra's good faith belief that ACS has breached any of its obligations under this Attachment K, and not later than ten (10) calendar days following Symetra's request (unless the terms of **subsection (a)** apply, in which case such time period shall be five (5) calendar days following Symetra's request), ACS shall make available to Symetra its internal practices, books and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by ACS on behalf of, Symetra in order to permit Symetra to confirm and/or investigate ACS' compliance with its HIPAA-related obligations (including any obligations under applicable state laws and regulations) hereunder. ACS shall cooperate with Symetra in all reasonable respects in connection with such audits.

(f) ACS' Employees, Agents, Representatives and Subcontractors. ACS represents and warrants that ACS' employees, agents and subcontractors who will or may potentially have access to Symetra PHI will have been provided with general HIPAA-related training and education as well as specific knowledge of ACS' HIPAA-related responsibilities and contractual requirements to Symetra (including applicable state laws and regulations to the extent that ACS has received written instructions from Symetra concerning More Stringent state laws and regulations), in each case prior to being allowed to have access to Symetra PHI. At Symetra's request, ACS will provide Symetra with all information reasonably requested by Symetra regarding the training provided to those ACS employees, agents and subcontractors who will or potentially may have access to Symetra PHI. ACS further represents and warrants to Symetra that it will impose appropriate sanctions on any employee and will take appropriate action under its contract with any agent and/or Subcontractor of ACS if such Person violates any of ACS' HIPAA-related obligations under this **Attachment K**, and agrees, at Symetra's request if the violation is egregious or recurring in nature, to prevent any such employee, agent and/or Subcontractor from having any further access to Symetra PHI.

(g) Aggregate Data. Without the express prior written consent of Symetra, ACS shall not have the right to engage in Data Aggregation activities with respect to Symetra's data, whether or not such data constitutes Symetra PHI.

(h) Defined Terms. Capitalized terms used in the opening paragraph, in this **Section 1,** in **Addendum 1** and/or **Addendum 2** but not defined herein shall have the meanings ascribed to them in the Agreement and/or in the Privacy Regulations, as applicable. If a capitalized term is defined in both the Agreement and in the Privacy Regulations, the definition in the Privacy Regulations shall apply.

(i) Interpretation. Any ambiguity in any term or condition of the Agreement, including this Attachment (including **Addenda 1** and **2**), or any inconsistency between any term or condition of the Agreement and this Attachment (including **Addenda 1** and **2**), shall be resolved in favor of a meaning that permits Symetra to comply with the Privacy Regulations.

2. HIPAA Electronic Transactions Standards.

(a) General. If ACS agrees to conduct on behalf of Symetra all or part of any Transaction covered under HIPAA's Standards for Electronic Transactions (as the same may have been and/or may be amended from time-to-time, the "***Electronic Transactions Regulations***"), then ACS shall conduct, and cause its employees, agents and subcontractors to conduct, such Transactions as standard transactions under the Electronic Transactions Standards.

(b) Defined Terms. Capitalized terms used in this **Section 2** but not defined herein shall have the meanings ascribed to them in the Agreement and/or the Electronic Transactions Regulations, as applicable. If a capitalized term is defined in both the Agreement and in the Electronic Transactions Regulations, the definition in the Electronic Transactions Regulations shall apply.

3. HIPAA Security Regulations. Beginning on April 20, 2005, Symetra and ACS will be required to comply with HIPAA's security standards, which were issued in their final form on February 20, 2003 (as the same may have been and/or may be amended from time to time, the "***Security Regulations***"). In connection therewith, as of that compliance date ACS shall: (a) have implemented safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI that it creates, receives, maintains or transmits on behalf of Symetra; (b) ensure that any agent, including a subcontractor, to whom ACS provides this information agrees to implement reasonable and appropriate safeguards; (c) report to Symetra any security incident of which it becomes aware; and (d) make ACS' policies and procedures, and documentation required by the Security Regulations relating to such safeguards, available to the Secretary for purposes of determining Symetra's compliance with the Security Regulations. Without limiting any other rights and remedies that may then be available to Symetra, Symetra shall have the right to terminate the Agreement and any or all country-specific agreements, either in their entirety or as they relate to Symetra only, immediately and without penalty upon written notice by Symetra to ACS if Symetra determines that ACS has violated a material term of this Section.

4. Changes or Modifications to HIPAA and/or HIPAA Regulations. If, following the Effective Date, HIPAA and/or any of the HIPAA regulations are modified and/or additional regulations are issued pursuant to HIPAA (each, a "***Modification***") and, as a result, Symetra determines that modifications to the terms of the Agreement are required in order for Symetra to comply with such Modification(s) (including by way of example and not of limitation, if additional provisions are required to be included in agreements between Covered Entities and Business Associates), promptly following Symetra's request, the Parties shall engage in good faith negotiations regarding any modifications to the terms of this Agreement that may be necessary or appropriate. If the Parties are unable to agree on any such modifications to the terms of the Agreement following such good faith negotiations, which negotiations shall not exceed sixty (60) calendar days from the date of Symetra's request for negotiations unless otherwise agreed to by the Parties, then following expiration of such sixty (60) calendar day period, Symetra shall have the right, at its option, to terminate the Agreement and any country-specific agreements as of a date specified in a notice of termination to ACS, which date shall be any date on or before the applicable compliance date relating to such Modification. Such termination shall be without liability or further obligation on the part of Symetra to ACS, except for those provisions that would, by their nature, survive any termination of the Agreement.

5. Indemnity for Third Party Claims. ACS shall indemnify, defend and hold Symetra and its Affiliates, as well as their respective members, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, harmless from and against any and all Third-Party claims, damages, liabilities, judgments, fines, assessments and/or other losses or expenses (including reasonable attorneys' fees) arising out of or relating to any failure by ACS to comply with its HIPAA-related obligations (including any similar obligations under applicable state laws and regulations to the extent that ACS has received written instructions from Symetra concerning More Stringent state laws and regulations) under this Attachment.

6. Notices. Any notices required or permitted to be delivered to Symetra under this Attachment shall be delivered to the Persons identified in **Section 19.6** of the Agreement and to Symetra's Privacy Officer at the following addresses via facsimile or via overnight mail delivery:

Symetra Life Insurance Company
5069 154th Place NE
Redmond, WA 98052-9669
Attn: Privacy Officer
Fax: (425) 376-6080

7. Injunctive Relief. ACS agrees that the remedies at law for any breach by it of the terms of this Attachment shall be inadequate and that monetary damages resulting from such breach are not readily measured. Accordingly, in the event of a breach or threatened breach by ACS of the terms of this Attachment, Symetra shall be entitled to immediate injunctive relief. Nothing herein shall prohibit Symetra from pursuing any other remedies that may be available to it for such breach, and the rights provided under this Attachment and the section(s) of the Agreement related to injunctive relief, if any, shall be cumulative.

ADDENDUM 1

BUSINESS ASSOCIATE REQUIREMENTS UNDER PRIVACY REGULATIONS

1. ACS shall not Use or further Disclose Symetra PHI except as permitted or required by the Agreement, including this Attachment, or as Required by Law.

2. ACS shall use appropriate safeguards to prevent Use or Disclosure of Symetra PHI other than as provided for in the Agreement, including this Attachment.

3. ACS shall report to Symetra any Use or Disclosure of Symetra PHI not permitted under the terms of the Agreement, including this Attachment, of which it becomes aware.

4. ACS shall ensure that any agents, including subcontractors, to whom ACS provides Symetra PHI received from, or created or received by ACS on behalf of Symetra, agree to the same restrictions and conditions that apply to ACS with respect to such Symetra PHI by causing such agents, including subcontractors, to execute a subcontract agreement with ACS that includes as an attachment substantially the same terms as the terms set forth in the attached **Addendum 2**.

5. If ACS maintains Symetra PHI in a Designated Record Set, at the request of Symetra, and in the time and manner designated by Symetra, ACS shall make available or provide access to such data in a Designated Record Set to Symetra (or to Individuals, if so directed by Symetra) in order to permit Symetra to satisfy the requirements of Section 164.524 of the Privacy Regulations.

6. If ACS maintains Symetra PHI in a Designated Record Set, at the request of Symetra, and in the time and manner designated by Symetra, ACS shall make any amendments to such data in a Designated Record Set that Symetra directs or agrees to pursuant to Section 164.526 of the Privacy Regulations.

7. ACS shall document any Disclosure of Symetra PHI as to which Symetra has an accounting obligation under Section 164.528 of the Privacy Regulations and information related to such Disclosure as required for Symetra to respond to a request by an Individual for an accounting of Disclosures of Protected Health Information in accordance with Section 164.528 of the Privacy Regulations.

8. At the request of Symetra, and in the time and manner designated by Symetra, ACS shall make available and provide to Symetra (or to an Individual, if so directed by Symetra) the information collected in accordance with **Section 7** above to permit Symetra to respond to a request by an Individual for an accounting of Disclosures of Protected Health Information in accordance with Section 164.528 of the Privacy Regulations.

9. ACS shall make available its internal practices, books and records relating to the Use and Disclosure of Symetra PHI received from, or created or received by ACS on behalf of Symetra, available to Symetra, or at the request of Symetra, to the Secretary, in a time and manner

designated by Symetra or the Secretary, for purposes of the Secretary determining Symetra's compliance with the Privacy Regulations.

10. Upon termination or expiration of the Agreement, if feasible, ACS shall return or destroy all Symetra PHI received from, or created or received by ACS on behalf of Symetra, that ACS still maintains in any form and retain no copies of such Symetra PHI. If such return or destruction of Symetra PHI is not feasible, the terms and conditions of the Agreement and this Addendum that are applicable to Symetra PHI shall survive termination or expiration of the Agreement for as long as ACS retains Symetra PHI, and ACS shall comply with such terms and conditions and shall limit its further Uses and Disclosures of such Symetra PHI to those purposes that make the return or destruction of Symetra PHI infeasible. ACS shall include a similar provision regarding return or destruction of Symetra PHI upon termination of its contracts with any subcontractor or agent.

ADDENDUM 2

HIPAA REQUIREMENTS FOR ACS SUBCONTRACT AGREEMENTS

1. HIPAA Privacy Regulations.

(a) General. Subcontractor acknowledges that it is an indirect Business Associate of Symetra and/or one of its affiliates (collectively for purposes of this Attachment, "***Symetra***") for purposes of the HIPAA Standards for Privacy of Individually Identifiable Health Information (as the same may have been and/or may be amended from time-to-time, the "***Privacy Regulations***"). Subcontractor shall comply with the provisions set forth in **Appendix 1** to this Addendum with respect to the Protected Health Information collected, maintained, transmitted or otherwise used by Symetra (collectively referred to herein as "***Symetra PHI***").

(b) Uses and Disclosures of Protected Health Information. Subcontractor shall Use and Disclose Symetra PHI only as minimally necessary to perform its obligations under its agreement with ACS (the "***Subcontract Agreement***") and/or as otherwise authorized in writing by ACS or Symetra.

(c) Failure to Comply With HIPAA Obligations.

(i) Mitigation Obligation. If Subcontractor has violated any of its obligations under this **Section 1**, at its sole cost and expense, Subcontractor immediately shall take commercially reasonable steps to mitigate the harmful effects of such violation, if any.

(ii) Opportunity to Cure; Termination. If Subcontractor notifies ACS and/or Symetra, or ACS and/or Symetra otherwise have reason to believe, that Subcontractor has violated a material term of any of the requirements set forth in this **Section 1**, and a cure of such violation is possible, not later than five (5) calendar days following ACS' and/or Symetra's request, Subcontractor, ACS and Symetra shall meet (in person or by telephone, as requested by Symetra) to discuss ACS' and/or Symetra's concerns. Following such meeting, Subcontractor shall advise ACS and Symetra whether it agrees or disagrees with ACS' and/or Symetra's concerns. If Subcontractor agrees with such concerns, not later than five (5) calendar days after such meeting, Subcontractor shall propose to ACS and Symetra a plan for addressing those concerns (the "***Corrective Plan***") and, if necessary, Subcontractor, ACS and Symetra thereafter shall engage in good faith discussions in an effort to reach agreement on the terms of the Corrective Plan. If Subcontractor materially fails to implement the terms of the mutually agreed Corrective Plan, then, in addition to any other rights and remedies that may be available to ACS and Symetra, ACS and/or Symetra shall have the right to terminate the Subcontract Agreement. If Subcontractor disagrees with ACS' and/or Symetra's concerns, then Subcontractor, ACS and Symetra shall follow the dispute resolution procedures set forth in the Subcontract Agreement, if any, or if dispute resolution procedures are not specified therein, then Subcontractor, ACS and Symetra shall engage in negotiations at successively higher levels of management until the dispute has been resolved. Notwithstanding the foregoing or any contrary provisions or terms in the Subcontract Agreement, if Subcontractor, ACS and

Symetra are unable to reach agreement on the terms of the Corrective Plan or otherwise are unable to reach agreement with respect to ACS' and/or Symetra's concerns within ninety (90) calendar days following the initial request for a meeting as described above, then, upon written notice to Subcontractor, ACS and/or Symetra shall have the right to terminate the Subcontract Agreement if ACS and/or Symetra have determined that Subcontractor has violated a material term of any of its HIPAA-related obligations hereunder.

(iii) No Opportunity to Cure; Termination. If Subcontractor notifies ACS and/or Symetra, or ACS and/or Symetra otherwise have reason to believe, that Subcontractor has violated a material term of any of the requirements set forth in this **Section 1**, and a cure of such violation is not possible, ACS and/or Symetra shall have the right to terminate the Subcontract Agreement upon written notice to Subcontractor.

(iv) Effect of Termination. Any termination of the Subcontract Agreement shall be without liability or further obligation on the part of ACS or Symetra to Subcontractor, except for those provisions that survive any termination of the Subcontract Agreement.

(d) State Law Requirements. Any Use or Disclosure of Symetra PHI by Subcontractor shall be made in accordance with More Stringent state laws and regulations and as ACS may be specifically instructed by Symetra; provided, however, that Subcontractor shall continue to be bound by and comply with the terms and conditions of this **Addendum 2** to the extent such terms and conditions do not conflict with the applicable laws and regulations of such states.

(e) Audit Rights. Not later than five (5) calendar days following ACS' or Symetra's request, Subcontractor shall make available to ACS and Symetra its internal practices, books and records relating to the Use and Disclosure of Symetra PHI received from, or created or received by Subcontractor on behalf of Symetra (directly or indirectly), in order to permit ACS and Symetra to confirm and/or investigate Subcontractor's compliance with its HIPAA-related obligations (including any obligations under applicable state laws and regulations) hereunder. Subcontractor shall cooperate with ACS and Symetra in all reasonable respects in connection with such audits.

(f) Subcontractor's Employees, Agents, Representatives and Subcontractors. Subcontractor represents and warrants to ACS and Symetra that Subcontractor's employees, agents and subcontractors who will or potentially may have access to Symetra PHI shall have been provided with general HIPAA-related training and education as well as specific knowledge of Subcontractor's HIPAA-related responsibilities and contractual requirements to ACS and Symetra (including applicable state laws and regulations to the extent that ACS has received written instructions from Symetra concerning More Stringent state laws and regulations), in each case prior to being allowed to have access to Symetra PHI. At ACS' or Symetra's request, Subcontractor shall provide ACS and Symetra with all information reasonably requested by ACS or Symetra regarding the training provided to those Subcontractor employees, agents and subcontractors who will or may potentially have access to Symetra PHI. Subcontractor further represents and warrants to ACS and Symetra that it will impose appropriate sanctions on any employee, and will take appropriate action under its contract with any agent and/or subcontractor of Subcontractor if such Person violates any of Subcontractor's HIPAA-related obligations hereunder, and agrees, at ACS' or Symetra's request if the violation is egregious or recurring in nature, to prevent any such employee, agent and/or subcontractor from having any further access to Symetra PHI.

(g) Aggregate Data. Without the express prior written consent of ACS and Symetra, Subcontractor shall not have the right to engage in any type of data aggregation activities with respect to Symetra's data, whether or not such data constitutes Symetra PHI.

(h) Defined Terms. Capitalized terms used in this **Section 1** and in **Appendix 1** but not defined herein shall have the meanings ascribed to them in the Privacy Regulations.

(i) Interpretation. Any ambiguity or inconsistency in any term or condition of the Subcontract Agreement (including this Addendum and **Appendix 1**) shall be resolved in favor of a meaning that permits Symetra to comply with the Privacy Regulations.

2. HIPAA Electronic Transactions Standards.

(a) General. If Subcontractor agrees to conduct on behalf of ACS and/or Symetra all or part of any Transaction covered under HIPAA's Standards for Electronic Transactions (as the same may have been and/or may be amended from time-to-time, the "***Electronic Transactions Regulations***"), then Subcontractor shall conduct, and cause its employees, agents and subcontractors to conduct, such Transactions as standard transactions under the Electronic Transactions Standards.

(b) Defined Terms. Capitalized terms used in this **Section 2** but not defined herein shall have the meanings ascribed to them in the Electronic Transactions Regulations.

3. HIPAA Security Regulations. Beginning on April 20, 2005, Symetra and ACS will be required to comply with HIPAA's security standards, which were issued in their final form on February 20, 2003 (as the same may have been and/or may be amended from time to time, the "***Security Regulations***"). In connection therewith, as of that compliance date Subcontractor shall: (a) have implemented safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic Symetra PHI that it creates, receives, maintains or transmits on behalf of Symetra; (b) ensure that any agent, including a subcontractor, to whom Subcontractor provides this information agrees to implement reasonable and appropriate safeguards; (c) report to Symetra any security incident of which it becomes aware; and (d) make Subcontractor's policies and procedures, and documentation required by the Security Regulations relating to such safeguards, available to the Secretary for purposes of determining Symetra's compliance with the Security Regulations. Without limiting any other rights and remedies that may then be available to Symetra or ACS, Symetra or ACS shall have the right to terminate the Subcontract Agreement immediately and without penalty upon written notice by Symetra or ACS to Subcontractor if either Symetra or ACS determines that Subcontractor has violated a material term of this Section.

4. Changes or Modifications to HIPAA and/or HIPAA Regulations. If, following the date of the Subcontract Agreement, HIPAA and/or any of the HIPAA regulations are modified and/or additional regulations are issued pursuant to HIPAA (each, a "***Modification***") and, as a result, Symetra or ACS determines that modifications to the terms of the Subcontract Agreement are required in order for Symetra or ACS to comply with such Modification(s) (including by way of example and not of limitation, if additional provisions are required to be included in agreements between Covered Entities and Business Associates), promptly following ACS' or Symetra's request, Subcontractor, ACS and Symetra shall engage in good faith negotiations regarding any modifications to the terms of the Subcontract Agreement that may be necessary or appropriate. If Subcontractor, ACS and Symetra are unable to agree on any such modifications to the terms of the Subcontract Agreement following such good faith negotiations, which negotiations shall not exceed sixty (60) calendar days from the date of ACS' or Symetra's request for negotiations unless otherwise agreed to by the Parties, then following expiration of such sixty (60) calendar day period, ACS and/or Symetra shall have the right to terminate the Subcontract Agreement as of a date specified in a notice of termination to Subcontractor, which date shall be any date on or before the applicable compliance date relating to such Modification. Such termination shall be without liability or further obligation on the part of ACS or Symetra to Subcontractor, except for those provisions that survive any termination of the Subcontract Agreement.

5. Third-Party Beneficiary. Symetra is acknowledged to be a direct and intended third-party beneficiary of the terms of the Subcontract Agreement.

6. Indemnity for Third Party Claims. Subcontractor shall indemnify, defend and hold harmless ACS, Symetra and their respective Affiliates, and all of their members, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, from and against any and all Third-Party claims, damages, liabilities, judgments, fines, assessments and/or other losses or expenses (including reasonable attorneys' fees) arising out of or relating to any failure by Subcontractor to comply with its HIPAA-related obligations (including any similar obligations under applicable state laws and regulations to the extent that Subcontractor has received written instructions from Symetra and/or ACS concerning More Stringent state laws and regulations) hereunder.

7. Notices. Any notices required or permitted to be delivered to ACS and/or Symetra hereunder shall be delivered to ACS and Symetra at the following addresses via facsimile or via overnight mail delivery:

If to ACS:

Affiliated Commercial Solutions, Inc.
2828 N. Haskell Avenue, Bldg. 1
Dallas, Texas 75204
Attn: Chief Privacy Officer
Telecopier No.: (214) 584-5525
If to Symetra:

Symetra Life Insurance Company
5069 154th Place NE
Redmond, WA 98052-9669Attn: Privacy Officer
Fax: (425) 376-6080

8. Injunctive Relief. Subcontractor agrees that the remedies at law for any breach by it of the terms hereof shall be inadequate and that monetary damages resulting from such breach are not readily measured. Accordingly, in the event of a breach or threatened breach by Subcontractor of the terms hereof, ACS and/or Symetra shall be entitled to immediate injunctive relief. Nothing herein shall prohibit ACS and/or Symetra from pursuing any other remedies that may be available to them individually or jointly for such breach, and the rights provided hereunder and in any section(s) of the Subcontract Agreement related to injunctive relief, if any, shall be cumulative.

9. No Assignment or Subcontracting. Notwithstanding anything contained herein to the contrary, Subcontractor shall not assign, subcontract or delegate any of its obligations under the Subcontract Agreement without the prior written consent of ACS and Symetra.

APPENDIX 1 TO ADDENDUM 2

BUSINESS ASSOCIATE REQUIREMENTS UNDER PRIVACY REGULATIONS

1. Subcontractor shall not Use or further Disclose Symetra PHI except as permitted or required by the Subcontract Agreement or as Required by Law.

2. Subcontractor shall use appropriate safeguards to prevent Use or Disclosure of Symetra PHI other than as provided for in the Subcontract Agreement.

3. Subcontractor shall report to ACS and Symetra any Use or Disclosure of Symetra PHI not permitted under the terms of the Subcontract Agreement of which it becomes aware.

4. Subcontractor shall ensure that any agents, including subcontractors, to whom Subcontractor provides Symetra PHI received from, or created or received by Subcontractor on behalf of Symetra, agree to the same restrictions and conditions that apply to Subcontractor with respect to such Symetra PHI.

5. If Subcontractor maintains Symetra PHI in a Designated Record Set, at the request of ACS or Symetra, and in the time and manner designated by ACS or Symetra, Subcontractor shall make available or provide access to Symetra PHI in a Designated Record Set to ACS or Symetra (or to Individuals, if so directed by ACS or Symetra) in order to permit Symetra to satisfy the requirement of and in accordance with Section 164.524 of the Privacy Regulations.

6. If Subcontractor maintains Symetra PHI in a Designated Record Set, at the request of ACS or Symetra, and in the time and manner designated by ACS or Symetra, Subcontractor shall make available Symetra PHI for amendment and incorporate any amendments to Symetra PHI in a Designated Record Set that Symetra directs or agrees to, pursuant to and in accordance with Section 164.526 of the Privacy Regulations.

7. Subcontractor shall document any Disclosure of Symetra PHI as to which Symetra has an accounting obligation under Section 164.528 if the Privacy Regulations and information related to such Disclosure as required for Symetra to respond to a request by an Individual for an accounting of Disclosures of Symetra PHI in accordance with Section 164.528 of the Privacy Regulations.

8. At the request of ACS or Symetra, and in the time and manner designated by ACS or Symetra, Subcontractor shall make available and provide to ACS or Symetra (or to an Individual, if so directed by ACS or Symetra) the information collected in accordance with **Section 7** above, and as required to provide an accounting of Disclosures in accordance with Section 164.528 of the Privacy Regulations.

9. Subcontractor shall make available its internal practices, books and records relating to the Use and Disclosure of Symetra PHI received from, or created or received by

Subcontractor on behalf of, Symetra (directly or indirectly) available to ACS or Symetra, or at the request of Symetra, to the Secretary, in the time and manner designated by ACS, Symetra or the Secretary, for purposes of the Secretary determining Symetra's compliance with the Privacy Regulations.

10. Upon termination or expiration of the Subcontract Agreement, if feasible, Subcontractor shall return or destroy all Symetra PHI received from, or created or received by Subcontractor on behalf of, Symetra (directly or indirectly) that Subcontractor still maintains in any form and retain no copies of such Symetra PHI. If such return or destruction of Symetra PHI is not feasible, the terms of the Subcontract Agreement that are applicable to Symetra PHI shall survive the termination or expiration of the Subcontract Agreement for as long as Subcontractor retains Symetra PHI, and Subcontractor shall comply with such terms and conditions and shall limit its further Uses and Disclosures of such Symetra PHI to those purposes that make the return or destruction of Symetra PHI infeasible. Subcontractor shall include a similar provision regarding return or destruction of Symetra PHI upon termination of its contract with any subcontractor or agent.

ATTACHMENT L

SOFTWARE SCHEDULE

Supplier Name	Product Name	Category
BMC	Catalog Manager for DB2 * (CA R/C Compare)	1
BMC	Change Manager for DB2 * (CA R/C Migrator)	1
BMC	Control-D	1
BMC	Control-D\WebAccess (Per Site)	1
BMC	DASD Manager for DB2 *(CA Data Analyser)	1
BMC	DASD MANAGER PLUS for DB2 * (CA Data Analyser)	1
BMC	DATABASE INTEGRITY PLUS *	1
BMC	FAST REORG FACIILITY for IMS * (MAX Reorg / online for IMS)	1
BMC	IMAGE COPY PLUS for IMS *	1
BMC	LOADPLUS for DB2 * (CA Fast Load)	1
BMC	LOADPLUS for IMS * (MAX Reorg / online for IMS)	1
BMC	POINT CHECKER PLUS for IMS *	1
BMC	SECONDARY INDEX UTIL for IMS * (MAX Reorg / online for IMS)	1
BMC	SNAPSHOT UPGRADE FEATURE * (MAX Reorg / online for IMS)	1
BMC	ULTRAOPT/IMS *	1
BMC	UNLOAD PLUS for DB2 * (CA Fast unload)	1
BMC	UNLOAD PLUS for IMS * (MAX Reorg /online for IMS)	1
CA	ACF2	1
CA	ACF2/DB2 Option	1
CA	CA-1 [Tape Management] *	1
CA	Detector(DB2) *	1
CA	Endevor/MVS **	1
CA	Netspy	1
CA	Plan Analyzer for DB2 *	1
CA	UNICENTER CA-7 JOB MANAGEMENT	1
CA	Unicenter CA-OPS/MVS Event Management and Automation for JES2	1
CA	UNICENTER DATABASE ANALYZER FOR DB2 FOR Z/OS	1
CA	UNICENTER FAST LOAD FOR DB2 FOR Z/OS	1
CA	UNICENTER FAST UNLOAD FOR DB2 FOR Z/OS	1

Supplier Name	Product Name	Category
CA	UNICENTER RC/COMPARE FOR DB2 FOR Z/OS	1
CA	UNICENTER RC/MIGRATOR FOR DB2 FOR Z/OS	1
CA	UNICENTER RC/QUERY FOR DB2 FOR Z/OS	1
CA	UNICENTER RC/UPDATE FOR DB2 FOR Z/OS	1
CA	View [Sysout Archive Retrieval] *	1
CA	Vision: Interface for DB2	1
CA	Vision: Results [DYL280, DYL260]	1
Candle CL	Supersession (VTAMPLUS)	1
Compuware	File-Aid for MVS*	1
Compuware	File-Aid for IMS IMS *	1
Compuware	XPEDITER CICS, XPEDITER/IMS *XPEDITER/TSO	1
IBM	BMS Mapset [DFSMS/MVS]	1
IBM	CICS/TS	1
IBM	DB2	1
IBM	Enterprise COBOL for z/OS	1
IBM	High Level Assembler/MVS	1
IBM	IMS & DB2 Utility Tools S&S	1
IBM	IMS/ESA *	1
IBM	IMS/ESA BTS *	1
IBM	ISPF/PDF [included in z/OS]	1
IBM	JES2 [included in z/OS]	1
IBM	QMF	1
IBM	SDF II/MVS	1
IBM	TCP/IP (HIP6140)	1
IBM	TSO/E [included in z/OS]	1
IBM	VS FORTRAN	1
IBM	VTAM (HVT6140)	1
IBM	Websphere Business Intergration Message Broker with Rules and forematting Extentions	1
IBM	WebSphere MQ	1
IBM	z/OS	1
ISOGON	Softaudit	1
Opentech	DASD Backup Stacker (DBS)	1
Opentech	TapeCopy/VDR (Licensed together)	1

Supplier Name	Product Name	Category
Sterling	Connect:Direct OS/390 with 2 concurrent sessions (SNA and TCP/IP Protocols)	1
Allen Systems Group	ASG-TMON for CICS/ESA *	2
Allen Systems Group	ASG-TMON for DB2 * (CA insite for DB2)	2
Allen Systems Group	JCLPREP *	2
BI Moyle	BIM-RECOV (CICS VSAM) *	2
Chicago-Soft	MVS/QuickRef	2
Cybermation	ESP Agent for Windows *	2
Cybermation	ESP Workload Manager *	2
DTS	The Space Recovery System (SRS)	2
Freeware	PDS (supercedes Serena's Star Tool)	2
Innovation	ABR/FDR * [Application Backup function of FDR (or equivalent product) needed to support Archive/Restore of Control-D reports]	2
LRS Software	VPS *	2
LRS Software	VPS / TCPIP	2
Macro 4	Dumpmaster MVS	2
Macro 4	Insync MVS	2
Oblix	Oblix	2
Merrill	MXG	2
Pitney-Bowes	Finalist [Zip Code]	2
Princeton Softech	DB2 Relational Tools	2
Princeton Softech	Version Merger	2
SPC Systems	Level 2 Report Writer for OS/390	2
2	SYNCSORT for z/OS	2
Tone Software	DYNA-STEP	2
Tone Software	Flasher (OS/390 Spool Display) *	2
Unitech	ACR/Detail	2
Unitech	ACR/Summary	2
Utility Software	USCCopy [aka COPYMACS]	2
SAS	BASE	2
DST Systems	TA2000	4
DST Systems	TRAC2000	4
SunGard Systems International	ABC	4
Bloomberg, L.P.	Bloomberg Professional	4
	Bond Edge	4
	CAPS — Corporate Automated Payment System	4

Supplier Name	Product Name	Category
SunGard Systems International	CDS	4
Computer Sciences Corp (CSC)	CK4/CyberLife	4
CheckFree	Disc-IRS	4
Computer Sciences Corp (CSC)	DSS	4
Computer Sciences Corp (CSC)	JETS	4
Computer Sciences Corp (CSC)	Plan Advisor	4
Computer Sciences Corp (CSC)	RPS	4
Computer Sciences Corp (CSC)	V1	4
Stonebranch	Application systems Scheduling	1
Altris	Wise Package Suite	2
Best Software	Blackberry Enterprise Server	2
Best Software	BlackBerry Enterprise Server (to support 500 users)	2
CA	Argis (Database software)	2
Captaris	Windows 2000 RightFax	2
Citrix	50 user pack Citrix Metaframe xPE Presentation (350 users)	2
Citrix	Citrix MF Xpe 1.0-10 User Conn. Pack w/Sub Adv	2
Citrix	Citrix MF XPe 1.0-20 User Conn. Pack w/Sub Adv	2
Citrix	Citrix MF XPe 1.0-Starter Sys. w/20 User w/Sub Adv	2
COMM-PRESS Inc.	COMM-PRESS (File compression tool)	2
DBArtisan	DBArtisan	2
Famatech	Famatech Remote Administrator	2
IBM	DB2 Connect	2
IBM	MQ Integrator	2
IBM	MQSeries	2
InfoExpress	CyberArmor	2
InfoExpress	CyberGatekeeper Server	2
Legato	Legato DiskBackup Option Tier 2	2
Legato	Legato DiskXtender Data Manager	2
Legato	Legato DiskXtender RAID/NAS 1TB Capacity	2
Legato	Legato Gold Care Premier support agreement	2
Legato	Legato Networker Client Connection	2
Legato	Legato NetWorker Module for MS Exchange Server Tier 2	2
Legato	Legato NetWorker Module for SQL Tier 2	2
Legato	Legato NetWorker Power Ed Dedicated Storage Node	2

Supplier Name	Product Name	Category
Legato	Legato NetWorker Power Edition Storage Node for Windows	2
Legato	Legato NetWorker Server Power Edition for Windows	2
Legato	Legato NetWorker Sharepoint Portal Server Win2000 Client Tier 2	2
Legato	Legato Silo Software Module unlimited	2
Melillo	eMail Retention Server software	2
Mercator	Ascential (FTP)	2
Microsoft	Exchange 2003 Enterprise	2
Microsoft	Exchange 2003 Standard	2
Microsoft	Sharepoint Server	2
Microsoft	SMS 2003 Client Access Licenses	2
Microsoft	SMS 2003 Enterprise Server	2
Microsoft	SMS Enterprise Server Disk Kit	2
Microsoft	SQL Server Database Enterprise Edition	2
Microsoft	SQL Server Database Standard	2
Microsoft	Terminal server (Included with Citrix)	2
Microsoft	Windows 2003 Enterprise Edition	2
Microsoft	Windows 2003 Standard Edition	2
Microsoft	Sharepoint Portal server	2
Microsoft	Systems Management server ENT	2
Net IQ	NetIQ AppManager Agent — BES Module	2
Net IQ	NetIQ AppManager Agent — Exchange Module	2
Net IQ	NetIQ AppManager Agent — Mail Mashal	2
Net IQ	NETIQ APPMANAGER V5.0.1 CITRIX METAFRAME XP NT/2K (LIC)(EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 MS ACTIVE DIRECTORY NT/2K (LIC)(EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 MS INTERNET INFO SVR (LIC)(EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 MS SQL SVR NT/2K (LIC)(EU,MR,EU)	2
Net IQ	NETIQ APPMANAGER V5.0.1 MS WIN 2000 BASE AGT ADV SVR W2K (LIC)(EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 MS WINDOWS NT/2000 SVR NT/2K (LIC)(MR,EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 OPERATOR CONSOLE (LIC)(EU,NR)	2
Net IQ	NETIQ APPMANAGER V5.0.1 WEB ACCESS CONSOLE NT/2K (LIC)(EU,MR,EU)	2
Net IQ	NetIQ Mail Mashal	2
Net IQ	Webtrends	2

Table of Contents

Supplier Name	Product Name	Category
Network Associates	McAfee Active Virus Defense Perpetual	2
Nortel	Contivity (VPN) — (Replaced with Cisco VPN solution)	2
Northern	Northern Storage Suite 2003	2
PGP	Encryption Software	2
Proginet	SecurPass	2
Quest	Fastlane Active Roles (Policy manager)	2
RIM	RIM T-Support for Blackberry	2
RSA	SecureID	2
Secure Computing	SmartFilter (Replacement for WebSense)	2
St Bernard	St. Bernard Update Expert 100 node pack	2
Symantec	Antivirus	2
Symantec	Symantec Deploy Center	2
Winzip	Winzip	2
ActivePDF	Toolkit (Application Tool — Retained)	4
Actuate	Actuate (Application — Retained)	4
AmDocs	Clarify (Application — Retained)	4
Avaya, Inc	CentreVu. (To be supplied by Symetra)	4
Best Software	FAS Asset Accounting (Application — Retained)	4
Borland	Turbo Pascal (To be supplied by Symetra)	4
Brainshark	Brainshark (online presentations) (To be supplied by Symetra)	4
BusinessObjects	Crystal Reports (Application — Retained)	4
CA	CleverPath Eureka Reporter (Application - Retained)	4
CA	CleverPath Portal (Application — Retained)	4
Captiva	Input Accel (Application — Retained)	4
CheckFree	APECS (Application — Retained)	4
CheckFree	RECON-Plus (Application — Retained)	4
DST Systems	Vision (To be supplied by Symetra)	4
DST Systems	FAN Mail (Financial Advisor Network) (To be supplied by Symetra)	4
Edify	Data Integration (Application — Retained))	4
Edify	Telephony (Application — Retained)	4
Edify	Web (Application — Retained)	4
eiStream	Viewstar (Application-Retained solution)	4
FileNet	P8	4
FiServ Insurance Solutions	Freedom 2000 Annual Statements (Application-Retained)	4
Fugent	Virtual Meeting (To be supplied by Symetra)	4
Hyperion	Analyzer (Application — Retained)	4

Supplier Name	Product Name	Category
Hyperion	**Essbase (Application - Retained)**	**4**
Imagenet (Application supplied by In-house	**Imagenet Document Services (To be supplied by Symetra)**	**4**
	CMA - Cash Management (Application - Retained)	**4**
Medical Information Bureau	**MIB-Link/Plus (To be supplied by Symetra)**	**4**
Mercury Interactive	**Test Director (Application Tool - Retained)**	**4**
Mercury Interactive	**Test Director 7.2 (To be supplied by Symetra)**	**4**
Mercury Interactive	**Winrunner (To be supplied by Symetra)**	**4**
Microsoft	**Access (Application - Retained)**	**4**
Microsoft	**MSDN Subscription (Application Tool - Retained)**	**4**
Microsoft	**Visual SourceSafe (Application Tool - Retained)**	**4**
Microsoft	**Visual Studio 6 (Application Tool - Retained)**	**4**
Microsoft	**Visual Studio.NET 2003 (Application Tool - Retained)**	**4**
NFS SIS	**Streetscape (To be supplied by Symetra)**	**4**
Onyx	**Onyx Employee Portal - (Application - Retained)**	**4**
Output Technology Solutions SRI Group, Inc.	**Output Technologies (To be supplied by Symetra)**	**4**
Paymentech	**eCommerce Solutions - (Application - Retained)**	**4**
Paymentech, L.P.	**Select Merchant Payment Card Processing (To be supplied by Symetra)**	**4**
Remedy	**Remedy (Modeled in Help Desk)**	**4**
SourceForge	**Source Offsite (Application Tool - Retained)**	**4**
SunGard	**EAS (Application - Retained)**	**4**
Thomson	**NetG (To be supplied by Symetra)**	**4**
Transunion, LLC	**TU Desktop (To be supplied by Symetra)**	**4**
Univeral Conversion Tools, Inc.	(CSC) **Conversion Case Tool (To be supplied by Symetra)**	**4**
ACS	***i*-Star Portal**	**5**
CA	**Unicenter (Replaced with NetIQ and NetCool)**	**N/A**
Checkpoint	**Firewall (Replaced with PIX Firewall)**	**N/A**
CYBERMATION	**ESP Agent for Windows (Replaced by Stonebranch)**	**N/A**
F5	**BigIP (Replaced by Cisco CSS)**	**N/A**
Microsoft	**IIS (Included with MS OS)**	**N/A**
Symmetricom	**NTP (Not Required, ACS will use Microsoft NTP)**	**N/A**
WebSense	**WebSense (Replaced with Secure Computing SmartFilter)**	**N/A**
Barton & Bolton Associates	**UVT (Unit Value Trade System)**	**4**

Table of Contents

Supplier Name	Product Name	Category
Broker Dealer Solutions	BONUS	4
Chalke Inc.	PTS	4
Cognos, Inc.	Impromptu	4
Cognos, Inc.	ReportNet	4
Concur Technologies, Inc.	Concur Expense Reimbursement	4
Economic Analysis Group, Ltd.	CaseTrack	4
GEAC Computer Corp	AllTax	4
Institutional Shareholder Services	ISS Proxy Master	4
Insurance Technolgies	ForeSight	4
Interactive Data Corp	FT Interactive	4
Lab1, Inc.	Lab1 Net	4
Medical Information Bureau	Knowledge Now	4
Milliman USA	ALFA	4
New River	New River	4
NFS	NFS	4
NiiS/APEX	APEX	4
nomoreforms, inc.	nomoreforms	4
NSCC	Fund/Serve	4
NSCC	IPS	4
Polysystems, Inc.	Master (Annuity, UL, Life)	4
QuoteMedia, Inc.	QuoteMedia Market Info	4
Sharebuilder Corp	Sharebuilder (formerly Netstock)	4
Thomson TFP	ACH Participant Directory File	4
Thomson TFP	US Electronic Payments File	4
Tritech Software	Premium Pro	4
	Annuity Master	4
	APECS — CheckFree	4
	APL	4
	BPWin	4
	Camtasia	4
	Centerpiece	4
	Cumulus (Canto)	4
	FAS Asset Accounting	4
	FLOW4	4
	Freedom 2000	4
	HotDocs	4
	InputAccel	4
	InsMark	4
	Marketing Auto Balancing	4
	Mercator (EDI project)	4

Table of Contents

Supplier Name	Product Name	Category
	Monarch	4
	Protobase	4
	QuarkXPress	4
	ROSTER — DST GUI	4
	Trilogy	4
	UL Master	4

Supplier Name	Product Name	Responsibility Category
Content Management Software and Tools:		
Deleted		
Deleted		
Deleted		
MCP	Workflow tracking	5
OCR	Quality/Quantity improvements	1
Deleted		
ACS Capture	Image enhancement	5
Output processing software and tools		
Xerox	DocuPrint™ Series 180	1
Pitney Bowes	APS DM-Series™	1
Pitney Bowes	StreamWeaver®	1
Group 1	DOC1®	1

ATTACHMENT M

OFFSHORE SERVICES

Function	Off-Shore Year 1 (Est.)	Off-Shore Year 2-5 (Est.)	Location Off-shore	Description of Services Provided by Job Function
Mainframe Systems Engineering				
DB2	1.00	1.00	Bangalore	DB2 DBMS and table maintenance and tuning.
CICS	0.00	0.50	Bangalore	CICS system maintenance and tuning.
z/OS	0.25	0.75	Bangalore	Systems programming and maintenance activities, performance analysis, problem resolution, system configurations, and service in off-hours situations.
Middleware / MQSeries	0.00	0.75	Bangalore	Operational maintenance of MQSeries services and software.
Sub-Total	**1.25**	**3.00**		
Wintel Systems Engineering				
NT Engineering	0.00	2.50	Bangalore	Operating system engineering and maintenance activities, including image, upgrade, and patching maintenance activities, tuning, new solution engineering for servers and enterprise services (Exchange).
Enterprise Services (Citrix)	0.00	1.00	Bangalore	Citrix Engineer responsible for application publishing, environmental management and support of the Citrix environment.
Sub-Total	**0.00**	**3.50**		
Pooled Systems Engineering				
Storage Management	0.00	1.00	Bangalore	SAN storage management and allocation/deallocation requests and maintenance.
Asset Management	0.00	1.00	Bangalore	Management and application administration of the Asset Insight environment.
Sub-Total	**0.00**	**2.00**		
Operations				
MF Operations	0.75	1.50	Bangalore	Software maintenance, performance analysis, problem resolution, product installations, system configurations, working problem management tickets and providing customer service in off hour situations.
MF Prod Control	1.00	2.00	Bangalore	Production control work during off-hours conditions.

Function	Off-Shore Year 1 (Est.)	Off-Shore Year 2-5 (Est.)	Location Off-shore	Description of Services Provided by Job Function
MF Monitoring	1.50	1.50	Bangalore	Production control work during off-hours conditions.
NT Monitoring	0.00	1.00	Bangalore	Production control work during off-hours conditions.
Sub-Total	**3.25**	**6.00**		
SMC& Business Ops				
EAC	0.00	0.50	Bangalore	ID management and password management services.
Sub-Total	**0.00**	**0.50**		
Applications				
SQL DBA	0.00	1.00	Bangalore	SQL DBA services including DBMS and table maintenance and tuning.
Web Hosting	1.00	1.00	Bangalore	Supplements on-shore Web Hosting team with monitoring for availability and response time, monitor problem management queue; assist in 24X7 problem resolution; assists in project work
Sub-Total	**1.00**	**2.00**		
Network (Data and Voice)				
Mail Gateway	1.00	1.00	Bangalore	Mail gateway operations including dead letter queue monitoring, spam filter maintenance, and quarantine maintenance.
NOC	0.50	0.50	Bangalore	Network operations and support.
Sub-Total	**1.50**	**1.50**		
Total Off-shore FTEs (Est.)	**7.00**	**18.50**		

ATTACHMENT N

MINIMUM REQUIRED INSURANCE COVERAGES

1. Commercial General Liability Insurance.

1.1 General. During the Term and the Disentanglement Period, ACS shall maintain a policy of commercial general liability insurance (including coverage for contractual liability assumed by ACS under this Agreement to the extent such liability can be insured by a standard commercial general liability policy without endorsement, premises-operations, completed operations—products, and independent contractors) providing coverage for bodily injury, personal injury and property damage with combined single limits of not less than [***] Dollars ($[***]) per occurrence and [***] Dollars ($[***]) in the aggregate per ACS policy year.

1.2 Required General Liability Policy Coverage. Any general liability policy provided by ACS hereunder shall include, but not be limited to, the following coverage: (i) premises and operations; (ii) products/completed operations; (iii) contractual liability to the extent such liability can be insured by a standard commercial general liability policy without endorsement; (iv) personal injury and advertising injury liability; (v) independent contractor's liability; (vi) severability of interest clause; (vii) broad form property damage, and shall be an occurrence-based policy.

1.3 Primary Insurance Endorsement. Any general liability policy provided by ACS shall apply as primary insurance, and any other insurance maintained by Symetra or its Affiliates, or any of their directors, officers, agents or employees, shall be excess only and not contributing with such coverage.

1.4 Form of General Liability Insurance Policies. All general liability policies shall be written to apply to bodily injury, including death, property damage and personal injury, during the policy term.

2. Business Automobile Liability Insurance. ACS shall procure business automobile liability insurance written for bodily injury and property damage occurring during the policy term, in the amount of not less than [***] Dollars ($[***]), combined single limit per occurrence, applicable to all owned, non-owned, and hired vehicles.

3. Statutory Workers' Compensation and Employers' Liability Insurance. ACS shall maintain a policy of workers' compensation coverage (or any alternative plan of coverage as permitted or required by applicable law) for no less than the minimum statutory amount required for the state or states in which ACS' employees are performing Services on Symetra's and/or an Affiliate's behalf, and employers' liability coverage for not less than [***] Dollars ($[***]) per occurrence for all employees of ACS engaged in the performance of Services or operations under this Agreement.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

4. Umbrella (Excess) Coverage. ACS shall maintain umbrella (excess) insurance coverage in the amount of [***] Dollars ($[***]) written on a per occurrence, non-contributory basis for commercial general liability, automobile liability, and employers' liability coverage.

5. Professional Errors and Omissions Liability Insurance/Electronic Errors and Omissions. ACS shall obtain professional errors and omissions liability insurance in an amount of not less than [***]n Dollars ($[***]) per claim, with an aggregate limit of not less than [***] Dollars ($[***]) per ACS policy year, providing coverage for wrongful acts in the rendering of, or failure to render, professional services under this Agreement, and shall include, but not be limited to, electronic data losses or damage or breaches of electronic data security. As of the Effective Date, the coverage will not contain specific, express exclusions for design errors, destruction of data (other than casualty exclusions) or failure to design an adequate system arising out of ACS' wrongful acts in the rendering of, or failure to render, professional services under this Agreement. ACS will exercise commercially reasonable efforts to provide that such specific, express exclusions will not be contained in such insurance during the Term of this Agreement and Disentanglement Period. This coverage shall be maintained for a minimum of two (2) years following termination or completion of ACS' performance of its obligations under this Agreement. In the event of a claim and upon Symetra's request, ACS shall provide Symetra with a certified copy of its professional errors and omissions liability policy.

6. Employee Dishonesty and Computer Fraud. ACS shall maintain employee dishonesty and computer fraud coverage in an amount not less than [***] Dollars ($[***]) per occurrence and [***] Dollars ($[***]) in the aggregate per ACS policy year.

7. Property Insurance. ACS shall provide insurance on all property owned by ACS and provided under this Agreement. Such policy shall provide "all risk" perils and shall be written on a basis of [***] percent ([***]%) replacement value of the property. Coverage shall include business personal property, electronic data processing equipment, tenant improvements, business interruption (including mechanical breakdown), business income and extra expense, transit and property of others in the care, custody, and control of the insured. In the event Symetra or any of its Affiliates places any real or personal property (whether owned or leased) in the care, custody, and control of the ACS, Symetra or its Affiliates, as appropriate, must provide ACS with the replacement cost value of such real or personal property within thirty (30) calendar days of ACS' written request for such information. Should Symetra or its Affiliates, as applicable, fail to provide the replacement cost of the real or personal property within thirty (30) calendar days of ACS' written request, ACS shall be relieved of all liability for loss or damage to such property regardless of how such loss or damage occurs. ACS shall maintain flood and earthquake insurance with respect to its property used to provide Services in such amounts as ACS deems appropriate.

8. Deductible/Self Insured Retention. Any deductible, self-insured retention or use of an insurance company subsidiary in excess of [***] Dollars ($[***]) must be declared to Symetra along with any changes thereto and shall be subject to Symetra's reasonable prior approval. ACS shall be responsible for any deductible, self-insured retention or use of an insurance company subsidiary.

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

9. Additional Insureds. The coverages maintained by ACS under **Sections 1** and **2** above shall name Symetra and its Affiliates, and the directors, officers, agents and employees of Symetra and its Affiliates, individually and collectively, as additional insureds. The ACS insurance policies required under **Section 6** above shall name Symetra and its Affiliates, and the directors, officers, agents and employees of Symetra and its Affiliates, individually and collectively, as loss payees.

Table of Contents

ATTACHMENT O

APPROVED SUBCONTRACTORS

1. Avaya
2. Compucom
3. FileNet
4. HP
5. IBM (approved only to provide equipment)
6. M-Tech
7. Pitney-Bowes
8. Sun
9. Xenos
10. Critical Watch

ATTACHMENT P

DEFINITIONS

"***Acceptance***" is defined in **Section 5.2.8(b)**.

"***Acceptance Criteria***" is defined in **Section 5.2.8(b)**.

"***Acceptance Testing Period***" is defined in **Section 5.2.8(b)**.

"***Acquiring Entity***" is defined in **Section 9.2.2**.

"***ACS***" means ACS Commercial Solutions, Inc., and its successors and permitted assigns.

"***ACS Bid***" is defined in the Recitals.

"***ACS Confidential Information***" means records, data, and other information marked as "confidential" that is obtained by Symetra in confidence from ACS or its Subcontractors in connection with this Agreement, except for any information that was: (a) at the time of disclosure to Symetra and/or its Affiliates, in the public domain; (b) after disclosure to Symetra and/or its Affiliates, published or otherwise made a part of the public domain through no fault of Symetra and/or its Affiliates; (c) in the possession of Symetra and/or its Affiliates at the time of disclosure to it or them; (d) received after disclosure by ACS to Symetra and/or its Affiliates from a Third Party who had a lawful right to disclose such information to Symetra and/or its Affiliates; or (e) independently developed by Symetra and/or its Affiliates without reference to ACS Confidential Information. For purposes of this provision, information is in the public domain if it is generally known (through no fault of Symetra and/or its Affiliates) to Third Parties that are not subject to nondisclosure restrictions with respect to such information.

"***ACS Competitor***" means the entities set forth in **Addendum 2** to this **Attachment P** and any other provider of services substantially similar to the Services.

"***ACS Derivative Works***" is defined in **Section 12.1.4**.

"***ACS Equipment***" is defined in **Section 4.2**.

"***ACS Indemnitees***" means ACS, and each of its officers, directors, employees, agents, successors and assigns.

"***ACS Key Personnel***" means, initially, those personnel of ACS and its Subcontractors who are identified in **Attachment E**.

"***ACS Project Executive***" is defined in **Section 1.2.2**.

"***ACS Service Delivery Manager***" is defined in **Section 1.2.3**.

"***ACS Underlying Works***" means those Underlying Works conceived, invented, created or acquired by ACS, rather than by a Third Party.

"***Act***" is defined in **Section 14.6(a)**.

"***Administrative Functions***" are routine functions such as setting up user IDs, changing authorization tables, changing account codes, and similar functions handled by ACS.

"***Affiliate***" means, as to any Person, any other Person that, now or in the future, directly or indirectly, controls, is controlled by, or is under common control with, such Person, whether through ownership of voting securities or otherwise. For this purpose, and without limiting the foregoing, any Person that owns more than twenty percent (20%) of the outstanding voting securities of any other Person shall be deemed to control such other Person.

"***Affiliates of Symetra***" means those entities that are Affiliates of Symetra and identified in **Schedule 7**, all of which shall be authorized to receive Services from ACS hereunder.

"***Agreement***" means this Information Technology Services Agreement, including all Schedules, Attachment, Exhibits, Appendices, Addenda and other documents attached hereto or incorporated herein by reference, as amended from time-to-time.

"***Annual At-Risk Amount***" means: (a) for the first Contract Year, the sum of: (i) [***] percent ([***]%) of the total transition Services fees; plus (ii) [***] percent ([***]%) of the sum of that Contract Year's monthly Annual Services Fees, which will be estimated at the beginning of the first Contract Year based on that year's Annual Services Fees; and (b) for the second and each subsequent Contract Year, [***] percent ([***]%) of the sum of that Contract Year's monthly Annual Services Fees, which will be estimated at the beginning of each such Contract Year based on that year's Annual Services Fees.

"***Annual Service Baselines***" are set forth in **Table 4** of **Schedule 3**.

"***Annual Services Fees***" is defined in **Section 6.1.3**.

"***ARC***" means additional resource charge.

"***Availability***" is the percentage of time that a given Service or system is fully operational and available when its resources are called upon at a random point in time. Availability represents a measure of the fraction of time (expressed as a percentage) during a defined period when the Service or system is deemed to be equal to or better than an SLR.

Availability (%) = 100% – Unavailability (%)

Where Unavailability is defined as:

$$\frac{\text{S Unplanned Outage Duration x 100\%}}{\text{Schedule Time – Pre-planned Downtime}}$$

Availability measurement calculations shall be limited to those Service and system components that are directly under the control of ACS, as well as Services and systems components for which ACS is responsible for subcontracting to Third Parties. Availability measurement calculations

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

shall exclude any Service or system elements downtime that is caused by a Force Majeure Event, as well as any Service or system that is controlled exclusively by Symetra.

"***Baseline***" means, for each of the Service Tower Services, the quantity of Resource Units included in the Annual Services Fees.

"***Benchmarking Company***" is defined in **Attachment A**.

"***Bridge Group***" or "***Bridge***" means the production control team responsible for providing support for client interactive sessions and applets in the production cluster environment.

"***Business Days***" means Monday through Friday, excluding New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

"Business Day Hours" means a local Business Day "window of coverage" hours within which Symetra requires the Services to be provided for a specific SLR. While 'normal' business hours are generally 0400-1700, Pacific time, most schedules operate or provide support on a 7x24x365 (0000-2400) basis.

"***California Statute*** " is defined in **Section 14.5**.

"***CAP***" is defined in **Section 11.1**.

"***Category 1 Software***" is defined in **Section 4.3.1(a)**.

"***Category 2 Software***" is defined in **Section 4.3.1(b)**.

"***Category 3 Software***" is defined in **Section 4.3.2(a)**.

"***Category 4 Software***" is defined in **Section 4.3.2(b)**.

"***Category 5 Software***" is define4d in **Section 4.3.3**.

"***Category 6 Software***" is defined in **Section 4.3.4**.

"***Change in Control***" means: (a) any transaction or combination of transactions as a result of which either a Person or a group of Persons that customarily has acted in concert and that presently is in control of a Party ceases to be in control of such Party; (b) the sale, transfer, exchange or other disposition (including disposition in full or partial dissolution) of fifty percent (50%) or more of the beneficial ownership (as defined in Rule 13(d) of the Securities Exchange Act of 1934) of the voting power of a Party, or of the assets of such Party that constitute a substantial or material business segment of such Party; (c) individuals who as of the Effective Date constituted the Board of Directors of a Party cease for any reason to constitute a majority of such Party's Board of Directors then in office; or (d) with respect to ACS, the unit, division or operating group of ACS that is responsible in providing the Services to Symetra is sold, transferred or otherwise experiences a change in ownership or control.

"***Change in Control Expenses***" is defined in **Section 11.2(c)**.

"***Client Satisfaction***" means a subjective rating obtained through a combination of periodic End-User surveys and feedback from random End-User follow-up calls.

"***Collaborative Computing***" means the use of computers to support and promote shared experience, peer exchange, the development of shared models, purpose, common practices of interaction and communication – allowing for more efficient deployment across heterogeneous environments and enabling joint collaborative projects.

"***Commercial Applications***" means those applications that are part of Symetra's revenue-generating processes.

"***Conditional Acceptance***" is defined in **Section 5.2.8(b)**.

"***Confidential Information***" means ACS Confidential Information or Symetra Confidential Information, as the case may be.

"***Contract Year***" or "***CY***" means: (a) the period from the Effective Date through and including a period that is twelve (12) months following the last to occur of the Handover Dates (which shall constitute the first Contract Year); and (b) thereafter, each twelve (12) month period beginning on each subsequent anniversary of the end of the first Contract Year.

"***Corporate Applications***" means those applications that support Symetra's internal management systems.

"***Correct IMAC Dispatch***" means that an IMAC is correctly dispatched, based on the information provided to ACS or that should be reasonably verifiable by ACS, in terms of:

- the action that is to be performed;
- the replacement technology that is to be used, if appropriate;
- the person or location involved;
- the cost center to be charged; and
- the time period in which the IMAC is to occur.

"***Corrective Assessment***" means a type of Fee Reduction that may be assessed upon ACS' failure to achieve an SLA or a Critical Milestone; all Corrective Assessments will be specified in the tables attached to **Schedule 5**.

"***Corrective Plan***" is defined in **Section 7.4.3**.

"***Country Agreement***" is defined in **Section 1.3.2**.

"***CPI***" means the annual increase in percentage points (or fraction thereof) of the official Consumer Price Index, All Urban Consumers, U.S. City Average, All Items, published by the Bureau of Labor Statistics, United States Department of Labor.

"***Critical Milestones***" means those milestones, activities, actions and projects identified as such in this Agreement including, without limitation, in any applicable **Schedule 2**, in **Schedule 5**, in any In-Scope Service Request, in any Out-of-Scope Work Order and/or elsewhere in this Agreement.

"***Data and Modified Data***" is defined in **Section 12.3**.

"***Data Protection Laws***" is defined in **Section 14.6(a)**.

"***Deadband Allowance***" is defined in **Section 5.1** of **Schedule 3**.

"***Derivative Works***" means a revision, modification, translation, abridgment, compilation, condensation or expansion of the applicable underlying work or any other form in which that work may be recast, transformed or adapted, and which, if prepared without the consent of the copyright owner, would be a copyright infringement.

"***Disabling Device***" is defined in **Section 8.1.2**.

"***Disclosing Party***" means the Party that has disclosed Confidential Information to the other Party or to such other Party's employees, agents or contractors (including Subcontractors).

"***Disentanglement*** " is defined in **Section 10.1**.

"***Disentanglement Period***" means the period of time during which ACS is providing Disentanglement services to Symetra.

"***Effective Date***" is defined in the opening paragraph of the Agreement.

"***End-to-End Response Time***" is defined as the total elapsed time for a discrete data packet (e.g., ping) to complete a round-trip traversal of the computing infrastructure from the initiation point device to a specific computing device resource and return of a response acknowledgement to the point of initiation (i.e., "ping"). This shall exclude any local processing overhead time that may result from any Symetra or Third Party computing resources over which the ACS has minimal control.

"***End-User***" means: (a) any employee of Symetra or any of the Affiliates of Symetra; and (b) any other Person who is determined by Symetra, in its sole discretion, to require access to any of the Services.

"***Enhanced Technology***" is defined in **Section 2.5.4**.

"***Environmental Laws***" means all applicable federal, state and local statutes, laws, regulations, rules, ordinances, codes, licenses, orders or permits of any governmental entity relating to environmental matters including, without limitation: (a) the Clean Air Act (42 U.S.C. 7401 et seq.); the Federal Water Pollution Control Act (33 U.S.C. §1251); the Safe Drinking Water Act (42 U.S.C. §5 300f et seq.); the Toxic Substances Control Act (15 U.S.C. 55 2601 et seq.); the Endangered Species Act (16 U.S.C. §1531 et seq.); the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 55 110011 et seq.); and (b) similar state and local provisions.

"***EU Directive***" means Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the Protection of Individuals with Regard to the Processing of Personal Data and on the Free Movement of Such Data.

"***Events of Default***" means any of the events described in **Section 9.3**.

"***Exception Report***" is defined in **Section 5.2.8(c)**.

"***Expiration Date***" is defined in **Section 10.2**.

"***Extraordinary Event***" means a Force Majeure Event and any other event not exceeding ninety (90) calendar days in duration that: (a) could not have been adequately planned for; and (b)(i) substantially interferes with or impacts Symetra's ordinary business operations; or (ii) causes substantial increase or decrease in demand for Symetra's products or services or the Services that are provided or that could be provided by ACS under this Agreement.

"***Fee Reductions***" means the dollar amount by which the Fees will be reduced based on ACS' failure to: (a) timely achieve any Critical Milestone; or (b) achieve any SLA. The methodology for calculating all Fee Reductions is set forth in **Schedule 5**.

"***Fees***" means the fees payable by Symetra to ACS hereunder in consideration of ACS' provision of the Services and Other Services.

"***Final Acceptance***" is defined in **Section 5.2.8(d)**.

"***Final Acceptance Testing Period***" is defined in **Section 5.2.8(d)**.

"***Fixed Charges*** " means the Annual Service Fees, expressed as a monthly amount.

"***For Cause***" means the applicable employee committed or participated in actions that are or were dishonest, fraudulent, illegal, unethical, involving insubordination or moral turpitude, or involving disclosure or trade secrets, proprietary information or other forms of confidential information.

"***Force Majeure Event***" means an act of God, act of governmental body or military authority, fire, explosion, flood, epidemic, riot or civil disturbance, war, sabotage, insurrections, blockades, embargoes, storms or other similar events that are beyond the reasonable control of the affected Party. Notwithstanding the foregoing, "Force Majeure Event" expressly excludes: (a) any event that ACS reasonably could have prevented by any system testing either required to be performed pursuant to the Services or necessary to provide the Services; (b) (i) any single point of failure where ACS was obligated to provide fault tolerant Services; (ii) where fault tolerant architecture was deployed for Symetra notwithstanding the absence of specifying same; or (iii) where a fault tolerant infrastructure or architecture should have reasonably been implemented by ACS; (c) any ACS strike, walkout or other labor shortage; and/or (d) any non-performance of an ACS Subcontractor, regardless of cause (unless due to a Force Majeure Event).

"***GAAP***" is defined in **Section 7.1**.

"***GLB***" means the Gramm-Leach-Bliley Act, 15 U.S.C. Sections 6801-6809.

"***Guiding Principles***" is defined in **Section 1.1**.

"***Handover Date***" means, with respect to each of the Service Tower Services, the date on which ACS is scheduled to begin providing such Service Tower Services ; each such date constitutes a Critical Milestone and is specified in the Transition Plan.

"***Hazardous Materials***" means any substances the presence of which requires investigation or remediation under any Environmental Law, or that is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any Environmental Law.

"***HIPAA***" is defined in **Section 14.4.1**.

"***IMAC" (Install, Move, Add or Change)*** means activities performed as pre-scheduled events to install, remove, relocate, upgrade, modify, or otherwise reconfigure the Symetra computing system and/or telecommunications infrastructure components that are covered by this Agreement. IMACs are included in Services and will be performed at no additional charge to Symetra, provided the work can be performed with normally assigned staffing levels. One (1) IMAC is counted for each unique action that occurs during normal business hours. If IMAC-related work must be performed outside of normal Business Day work hours due to operating/scheduling constraints, the parties will mutually agree how these IMACs will be addressed. Any repeat visits to correct problems that arise or result from implementing an IMAC will be considered an Incident and will not be included under the IMAC count. If multiple upgrades or reconfigurations are scheduled for a single piece of equipment, only one (1) IMAC will be counted.

"***In-Scope Service Request***" means a request, in the form set forth in **Attachment D**, for the performance of work that is not being performed at a particular time but that is within the scope of the Services.

"***Incident***" means a single event requiring an ACS response typically denoted by an In-Scope Service Request or identification of a problem. Symetra will determine the Severity Level of each reported Incident. Repeat visits to correct problems that arise from previously implemented IMACs are considered Incidents, not IMACs, and will not be added to the IMAC count. ACS will provide Symetra with an escalation procedure (to be approved by Symetra) for resolution of reported Incidents.

"***Incident Resolution***" means the point at which ACS has responded to an Incident and ACS has either: (a) conducted and successfully completed a Root Cause Analysis on a reported problem and appropriately corrected both the results and the cause of the problem; or (b) has provided an appropriate answer to an inquiry or an informational question that is understood by and acceptable to Symetra. In both cases, the Incident is not resolved until Symetra is convinced and satisfied that it has been resolved.

"***Incident Resolution Time***" (aka Time to Repair) means the time elapsed from the initiation of a trouble ticket until service is restored and/or call is resolved to the caller's satisfaction.

"***Indemnified Party***" means either the Symetra Indemnities, in the case of claims, suits or proceedings subject to indemnification by ACS under **Section 15.1** of the Agreement, or the ACS Indemnitees, in the case of claims, suits or proceedings subject to indemnification by Symetra under **Section 15.2** of the Agreement.

"***Indemnifying Party***" means ACS, in the case of claims, suits or proceedings subject to indemnification by ACS under **Section 15.1** of the Agreement, or Symetra, in the case of claims, suits or proceedings subject to indemnification by Symetra under **Section 15.2** of the Agreement.

"***Infringement Claim***" is defined in **Section 15.1.1**.

"***Initial Term*** " is defined in **Section 9.1.1**.

"***Interest Rate***" means the prime rate as published in the *Wall Street Journal* on the Business Day immediately preceding the date in which interest began to accrue under this Agreement plus one percent (1%).

"***IT***" means information technology.

"***IT Outsourcing Committee***" is defined in **Section 1.2.1.**

"***Key Subcontractors***" is defined in **Section 18.1**.

"***Local Currency***" is defined in **Section 6.1.6**.

"***Losses***" is defined in **Section 15.1.1**.

"***Measurement Interval***" means the period during which a given SLR is measured (e.g., one (1) month, one (1) year, etc.). This takes into consideration the impact of a continuous outage. For example, a monthly measurement interval for a ninety-nine percent (99%) Minimum Performance for a 24x7 system with eight (8) hours of weekly planned downtime would allow 6.4 hours of a continuous outage, with no other outages during the calendar month. A weekly interval would only allow 1.6 hours of a continuous outage.

"***Measurement Period***" means the calendar period with respect to which a measurement for a given SLR is aggregated, measured and reported (e.g., one (1) month, one (1) year, etc.) as stated in each **Schedule 2**.

"***Middleware***" means software that serves as a data-passing intermediary between operating system software and an application. Middleware is also used to describe separate products that serve as the glue between two applications, distinct from import and export features that may be built into one of the applications.

"Minimum Performance" means the lowest level of acceptable service performance before Fee Reductions apply for non-performance during a monthly period.

"***New Country***" is defined in **Section 1.3.2**.

"***NWSC***" means the ACS Northwest Service Center located in Hillsboro, Oregon.

"***OES***" or "***OESs***" means operating environment specification(s).

"***OLAP***" or "***On-line Analytical Processing***" means a category of database software which provides users the ability to examine, select or change raw data quickly and interactively using pre-defined functions.

"***Other Services***" is defined in **Section 6.1.4**.

"***Outage Duration/Incident Resolution Time (a.k.a. Time to Repair)***" is the time elapsed from the initiation of an Incident trouble ticket until Incident Resolution is achieved.

Calculation: Performance = Actual time to resolve/target time to resolve

"***Outage Reporting***" means that, upon detecting a Service outage, ACS will notify the designated Symetra contact within the specified time-to-notify interval.

"***Out-of-Scope Service(s)***" is defined in **Section 2.9.1**.

"***Out-of-Scope Work Order***" is defined in **Section 2.9.1**.

"***Party***" or "***Parties***" means, individually or collectively, Symetra and/or ACS.

"***Peak Demand Period***" means the period between 0100-2000 hours, Pacific time, Monday through Friday.

"***Person***" means any natural person, corporation, limited liability company, limited liability partnership, general partnership, limited partnership, trust, association, governmental organization or agency, political subdivision, body politic or other legal person or entity of any kind, legally constituted.

"***Premises Devices***" means devices used by Symetra End-Users to interface with the computing infrastructure, including workstations, network-attached printers and other network-attached peripherals.

"***Pricing Band***" means [***] percent ([***]%) above or below the applicable Baseline.

"***Priority SLA***" is defined in **Section 2(b)** of **Schedule 5**.

"***Problem***" means any dispute or problem arising out of or relating to this Agreement, including those that relate to any of the following:

(a) an alleged failure by either Party to perform its obligations under this Agreement;

(b) an alleged inadequacy or delay of either Party's performance under this Agreement;

Portions marked [***] have been omitted pursuant to a Confidential Treatment Request by Symetra Financial Corp., this information has been filed separately with the Securities and Exchange Commission.

(c) a request for products, services or resources, where the Parties disagree whether such products, services or resources are within the scope of the Services (and therefore included in the Fees) or otherwise within the scope of this Agreement; and/or

(d) a disagreement as to the responsibilities either Party has under this Agreement.

"***Procured Technology***" is defined in **Section 2.4**.

"***Rate Differential***" is defined in **Section 4(b)** of **Attachment A**.

"***Records***" is defined in **Section 7.4.2.2**.

"***Receiving Party***" means the Party that has received Confidential Information from the other Party or such other Party's employees, agents or contractors (including Subcontractors)."***Relief Event***" is defined in **Section 2.2.4**.

"***Renewal Term***" is defined in **Section 9.1.2**.

"***Replacement Provider***" is defined in **Section 10.1**

"***Reporting Period***" means all reports are provided on a monthly basis, within three (3) Business Days of the close of the calendar month, unless stated otherwise.

"***Resolve***" means to repair, replace, reconfigure, reinstall, re-route, or otherwise provide a complete solution to an Incident that returns the system and/or End-User(s) to non-degraded full functionality. A workstation Incident at a VORA site is considered "resolved" by the overnight shipment of a repaired or a replacement workstation that is fully operational. Implementing a Workaround is a partial or temporary resolution.

"***Resource Unit***" or "***RU***" means, for each Service described in the applicable **Schedule 2**, a unit of resource for which Symetra and ACS have established a minimum purchase requirement.

"***Resources***" is defined in **Section 2.7**.

"***RFP***" is defined in the Recitals.

"***Root Cause Analysis***" is a problem analysis process undertaken to identify and quantify the underlying cause(s) of an Incident, and document the necessary corrective actions to be taken to prevent recurring problems and/or trends which could result in problems.

"***RRC***" means reduced resource credit.

"***SAS 70***" means the American Institute of Certified Public Accountants' Statement on Auditing Standards (SAS) No. 70, *Reports on the Processing of Transactions of Service Organizations*, and any replacement or successor standard.

"***SAS 70 Type II Audit***" means an audit conducted pursuant to SAS 70 that results in a report that both describes an organization's description of controls at a specific point in time and includes detailed testing of those controls over a minimum six (6) month period, or any replacement or successor audit standard or process.

"***Schedule Time***" is the time during which Service is to be operational as designated in the applicable **Schedule 2**. All references to schedule time (e.g., 0730 hours) in the SLR tables are local time for the point of service.

"***Secretary***" means the Secretary of Health and Human Services.

"***Security Standards***" is defined in **Section 14.4.2**.

"***Service Rates***" is defined in **Section 6.1.4**.

"***Service Tower***" means each of the categories of Services as set forth in each applicable **Schedule 2**.

"***Services***" means all of the services, functions and activities in any one or more of the following categories:

(a) the services described in **Schedule 1**, **Schedules 2A**, **2B**, **2C**, **2D**, **2E**, **2F**, **2G** and **2H** and in any additional Service Tower Schedules that may be agreed to by the Parties following the Effective Date;

(b) any other services specified elsewhere in this Agreement and not designated as Other Services;

(c) any other IT-related services that are requested by Symetra from time-to-time that do not require additional start-up expenses or the use of additional resources not otherwise required for the performance of the services described in **subsections (a)**, **(b)**, **(d)** and **(e)** of this definition; and

(d) any services, functions, responsibilities or tasks not specifically described in this Agreement that are required for the proper performance of any of the foregoing and that are an inherent part of, or a necessary sub-part included within, any of the foregoing;

(e) any management, planning and other services that are ancillary to, and appropriate for the performance of, any of the foregoing.

"***Severity Levels***" (aka Incident Priority Level) are defined categories that identify the degree of business criticality and importance to Symetra (the "***Business Impact***") of specific Incidents, and the associated ACS response requirements attributed to any such Incident. The following Severity Level table categories and descriptions apply to all Services:

Priority Level	Description
1 – Emergency/Urgent	The problem has caused a complete and immediate work stoppage affecting a primary business process or a broad group of users such as an entire department, floor, branch, line of business, or external customer. No work around available. Examples: Major application problem (e.g. payroll, call center, etc.) Severe problem during critical periods (e.g. month-end processing) Security Violation (e.g. denial of service, widespread virus, etc.)
2 – High	A business process is affected in such a way that business functions are severely degraded, multiple users are impacted or a key customer is affected. A workaround may be available; however the workaround is not easily sustainable. Examples: Major application (e.g. exchange) VIP Support
3 – Medium	A business process is affected in such a way that certain functions are unavailable to end users or a system and/or service is degraded. A workaround may be available Examples: Telecommunication problem (e.g. Blackberry, PBX digital/analog card) Workstation problem (e.g. hardware, software)
4 – Low	An incident that has little impact on normal business processes and can be handled on a scheduled basis. A workaround is available. Examples: User requests (e.g. system enhancement) Peripheral problems (e.g. network printer) Preventative Maintenance Benchmarks

"***Shared Resources***" is defined in **Section 2.5.6**.

"***SLA***" or "***Service Level Agreement***" means SLRs that have a Fee Reduction associated with them.

"***SLR***" means service level requirement and is a standard for performance of the Services.

"***SLR Reports***" are defined in **Section 2.2.2(b)**.

"***SOP***" or "***SOPs***" means standard operating procedure(s).

"***SOX Laws***" means the Sarbanes-Oxley Act of 2002, applicable rules and regulations issued by the U.S. Securities and Exchange Commission and applicable rules and regulations of the Public Company Accounting Oversight Board including, without limitation, provisions relating to internal controls over financial reporting, as any of the foregoing may have been and/or may be amended from time to time.

"***Standards and Procedures Manual***" is defined in **Section 2.6.1**.

"***Subcontractor***" means, subject to the terms of **Section 18.1**, any Person other than ACS including, without limitation, any ACS Affiliate, that provides Services to Symetra pursuant to an agreement (whether oral or written) with ACS.

"***Substantially Dedicated Resources***" is defined in **Section 10.4.5**.

"***Symetra***" means Symetra Life Insurance Company, and its successors and permitted assigns.

"***Symetra Competitors***" means the entities set forth in **Addendum 1** to this **Attachment P** and any other insurance and/or financial services company that markets annuities, life insurance, disability insurance, medical excess loss insurance, and/or limited benefit health insurance through independent agents.

"***Symetra Confidential Information***" means all records, data and other information of Symetra and/or its Affiliates that is disclosed to ACS or any of its employees, contractors (including Subcontractors) and/or agents, whether in tangible, intangible and/or oral form, and whether in written form or readable by machine, including, without limitation:

(a) all Symetra Data;

(b) all financial information, personnel information, customer information, reports, documents, correspondence, plans and specifications relating to Symetra and/or its Affiliates;

(c) all technical information, materials, data, reports, programs, documentation, diagrams, ideas, concepts, techniques, processes, inventions, knowledge, know-how, and trade secrets, developed or acquired by Symetra and/or its Affiliates, including Work Product;

(d) any information that Symetra and/or its Affiliates identifies to ACS as confidential by a stamp or other similar notice; and

(e) all other records, data or information collected, received, stored or transmitted in any manner connected with the provision of Services hereunder.

Symetra Confidential Information shall not include information that ACS can demonstrate was: (f) at the time of disclosure to ACS, in the public domain; (g) after disclosure to ACS, published or otherwise made a part of the public domain through no fault of ACS; (h) in the possession of ACS at the time of disclosure to it, if ACS was not then under an obligation of confidentiality with respect thereto; (i) received after disclosure by Symetra to ACS from a Third Party who had a lawful right to disclose such information to ACS; or (j) independently developed by ACS without reference to Symetra Confidential Information. For purposes of this provision, information is in the public domain if it is generally known (through no fault of ACS) to Third Parties who are not subject to nondisclosure restrictions with respect to such information.

"***Symetra Data***" means, in or on any media or other form of any kind: (a) all data that is in the possession of Symetra and/or its Affiliates, and all data concerning or indexing such data (regardless of whether or not owned by Symetra and/or its Affiliates or generated or compiled by Symetra and/or its Affiliates); (b) all personal data, meaning any information relating to an identified or identifiable natural person who can be identified, directly or indirectly, including sensitive data (as defined in the Act) which is under, or subject to or intended to be subject to processing (as defined in the Act) by ACS pursuant to this Agreement; and (c) all other records, data, files, input materials, reports, forms and other such items that may be received, computed, developed, used or stored by ACS or any of its employees, contractors (including Subcontractors) or agents from, for or on behalf of Symetra and/or any of its Affiliates, or in connection with the Services.

"***Symetra Facilities***" is defined in **Section 4.7**.

"***Symetra Holidays***" are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

"***Symetra Indemnitees***" means Symetra and its Affiliates, and each of their respective directors, officers, employees, attorneys, agents, representatives, consultants, successors and assigns.

"***Symetra-Leased Equipment***" is defined in **Section 4.1.1**.

"***Symetra-Owned Equipment***" is defined in **Section 4.1.1**.

"***Symetra Project Executive***" is defined in **Section 1.2.2**.

"***Symetra Service Delivery Manager***" is defined in **Section 1.2.3**.

"***Symetra Sites***" is defined in **Section 2.2.3**.

"***Target***" is the desired service performance level Symetra is seeking for a particular SLR.

"***Technology Plan***" is defined in **Section 2.5.4**.

"***Term***" means the Initial Term and any Renewal Terms.

"***Termination Date***" means 11:59 p.m. on the specified date of termination, as set forth in a Termination Notice.

"***Termination Fee***" is defined in **Section 9.2.1**.

"***Termination Notice***" means a written notice of termination delivered by one Party to the other.

"***Third Party***" means a person or entity other than the Parties.

"***Third-Party Resources***" is defined in **Section 2.7**.

"***Third-Party Works***" is defined in **Section 12.1.5**.

"***Time to Respond***" is the duration between when an Incident is reported to ACS and an ACS support technician or engineer provides initial feedback to Symetra.

Calculation: Performance = Actual time to respond/target time to respond

"***Transition Plan***" is defined in **Section 2.3.1**.

"***Triggering Event***" is defined in **Section 9.2.1**.

"***UCITA***" is defined in **Section 19.16**

"***Underlying Works***" means all works of authorship fixed in any tangible medium of expression that: (a) had already been conceived, invented, created or acquired by ACS or a Third Party prior to the Effective Date and that were not conceived, invented or created for Symetra's use or benefit in connection with this Agreement; or (b) are conceived, invented, created or acquired by ACS or a Third Party after the Effective Date, but only to the extent such works of authorship do not constitute Work Product. An Underlying Work includes all intermediate and partial versions thereof, as well as all source code, object code, documentation, formulae, processes, algorithms, designs, specifications, inventions, discoveries, concepts, improvements, materials, program materials, software, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, apparatus, methods, techniques, other creations, and the like, whether or not patented or patentable or otherwise protectable by law.

"***User Account IMAC***" means routine functions, such as setting up user IDs, changing user authorization tables, changing account codes and similar functions handled by the ACS. Examples include completion of one or more steps necessary to establish or modify an account for a user, such as: (re)set up user login environment; (re)set up home directory and shared directory access; (re)set up e-mail access; (re)set up access permissions.

"***Variable Charges*** " means charges that vary in amount from month to month including, without limitation, ARCs and RRCs, telephone usage charges and the like.

"VORA" is an acronym for Virtual Office/Remote Access pertaining to Symetra remote users whose office is either permanently or temporarily located outside of an Symetra Site and who connect to the Symetra network via remote access facilities (i.e., VPN, Dial-up) using a laptop or desktop PC and having different service requirements from that of an Symetra IT-managed/staffed business facility.

"***Week***" is seven (7) days, Sunday through Saturday, including Symetra Holidays.

"***Weighting Factor***" means, for any SLA or Critical Milestone, the percentage factor that is applied to the Annual At-Risk Amount for purposes of calculating Fee Reductions in the event of any failure with respect to an SLA or Critical Milestone during a given Measurement Interval. The Tables attached to **Schedule 5** specify the Weighting Factor for each SLA and each Critical Milestone as of the Effective Date.

"***Workaround***" is a temporary solution that ACS or Symetra can implement in the event of an Incident as an alternate method of providing full Service or process functionality that allows the affected system(s) and/or process(es) to deliver to Symetra an acceptable level of business operations functionality until a permanent Incident Resolution can be implemented. Any such Workaround must be acceptable to and approved by Symetra.

"***Work Product***" means all works of authorship fixed in any tangible medium of expression (including, without limitation, computer programs), and all intermediate and partial versions thereof, as well as all source code, object code, documentation, formulae, processes, algorithms, designs, specifications, inventions, discoveries, concepts, improvements, ideas, know-how, techniques, materials, program materials, software, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, apparatus, methods, techniques, other creations, and the like, whether or not patented or patentable or subject to copyright, or otherwise protectable by law, that are created, invented or conceived for the use or benefit of Symetra in connection with this Agreement: (a) by any ACS personnel, any Symetra personnel, where "personnel" includes employees, contractors (including, in the case of ACS, Subcontractors), agents and the like; (b) any Person who was an employee of Symetra and then became an employee of ACS or any of its contractors (including Subcontractors) or agents, where, although creation or reduction-to-practice is completed while the Person is an employee of ACS or such contractors (including Subcontractors) or agents, any portion of the same was created, invented or conceived by such Person while an employee of Symetra.

"***Workstation***" means an End-User computing device, ranging in power and function from a desktop or laptop PC to a high-end engineering or graphic workstation.

ADDENDUM 1

SYMETRA COMPETITORS

1. AIG Life Group
2. Hartford Life Group
3. Metropolitan Life & Affiliated
4. Equitable Group
5. AEGON USA Inc.
6. Allianz Insurance Group
7. Manulife Financial
8. Genworth Financial Group
9. Allstate Financial
10. ING Group
11. New York Life Group
12. Pacific Life Group
13. American Express Financial
14. Citigroup
15. Jackson National Group
16. Lincoln National Group
17. John Hancock Financial Svs Group
18. Prudential of America Group
19. MassMutual Financial Group
20. Northwestern Mutual Group
21. Sun Life Financial Group
22. Sammons Financial Group
23. American National Group
24. Thrivent Financial Lutherns
25. Old Mutual US Life Holdings
26. Western & Southern Life Group
27. Phoenix Life Group
28. AmerUs Group
29. Ohio National Life Group
30. AFLAC Incorporated Group
31. Guardian Life
32. American Equity Investment Grp.
33. Jefferson-Pilot Corp
34. Principal Life Insurance Co.
35. Assurant
36. Security Benefit Group
37. TIAA Group
38. Conseco Insurance Group

ADDENDUM 2

ACS COMPETITORS

1. Accenture
2. APAC Customer Services
3. BearingPoint
4. Brigade Corporation
5. Cap Gemini Ernst & Young
6. CGI Group
7. Computer Sciences Corporation
8. Coefficient Backoffice Solutions Corporation
9. Convergys
10. Creditek
11. Datamark
12. Deloitte
13. Deloitte Consulting
14. Diversified IT Solutions
15. Electronic Data Systems Corporation
16. Ephinay Corporation
17. Equitant
18. Hewitt/Exult
19. First Consulting Group
20. First Health Group Corporation
21. Geller & Company
22. GTESS Corporation
23. Hewlett-Packard
24. IBM Corporation
25. ICT Group
26. Infosys
27. LASON
28. MAXIMUS
29. NCIC
30. OPI
31. Outsource Partners
32. PeopleSupport
33. Perot Systems Corporation
34. Precision Response Corporation
35. Progeon (an Infosys company)
36. QCSI
37. SCS
38. Siemens
39. SITEL Corporation
40. SourceNet Solutions

41. Stream International
42. Sykes
43. SOURCECORP
44. Teletek Corporation
45. The TriZetto Group
46. Unisys
47. Verizon
48. Wipro
49. Xerox Corporation

ATTACHMENT Q

APPROVED AUDITORS

1. KPMG
2. Ernst & Young
3. PricewaterhouseCoopers
4. Deloitte & Touche

If any of the above-listed firms becomes an ACS Competitor, then such firm shall be excluded from the foregoing list of approved auditors as long as such firm remains an ACS Competitor.

Exhibit 10.15

Symetra Financial Corporation (the "Company")
IPO Grant Program

Set forth below are the material terms and conditions of the Company's IPO Grant Program (the "Program"):

- IPO Grant Pool: A one-time IPO transaction grant pool will be established with an aggregate value equal to $14.6 million in value, as determined below. The pool will be paid out to participants through awards ("Awards") as set forth below.
- Eligibility: Eligibility for the Program is limited to those current employees of the Company and its subsidiaries who, as of the IPO Pricing Date (defined below), hold outstanding awards under the Company Performance Share Plan for 2007-2009.
- Awards: Twenty percent (20%) of the pool will be paid out to participants in the form of fully-vested shares of Common Stock ("Shares"), forty percent (40%) will be paid out in the form of restricted stock units ("RSUs"), and forty percent (40%) will be paid out in the form of stock options ("Options"), as follows:

  Shares. The aggregate number of shares to be granted under the Program shall equal $14.6 million, multiplied by 20%, divided by the "Public Offering Price" set forth in the prospectus for the IPO. Shares will be granted on the ***closing date*** of the IPO, subject to such closing occurring. Shares will be fully vested on the date of grant, subject only to a lock-up agreement entered into in connection with the IPO.

  RSUs. The aggregate number of RSUs to be granted shall equal $14.6 million, multiplied by 40%, divided by the "Public Offering Price" set forth in the prospectus for the IPO. RSUs will be granted on the date on which the Company enters into an underwriting agreement for the IPO (the "IPO Pricing Date"), but shall terminate if the IPO is terminated. RSUs will vest as to 50% of the units on the second anniversary of the IPO Pricing Date, and as to 50% of the units on the fourth anniversary of the IPO Pricing Date.

  Options. The aggregate number of Options to be granted shall equal $14.6 million, multiplied by 40%, divided by the value of an Option on the IPO Pricing Date in accordance with the Black-Scholes-Merton model. Options will have an exercise price equal to 110% of the midpoint of the price range for the Common Stock set forth in the Company's S-1 Registration Statement on file as of the commencement of the road show for the IPO; provided, however, that if such amount is less than 100% of the fair market value of the Common Stock on the IPO Pricing Date, then the exercise price shall instead be 100% of the fair market value of the Common Stock on the IPO Pricing Date. Options will be granted on the IPO Pricing Date, but shall terminate if the IPO is terminated. Options will vest as to 50% of the units on the third anniversary of the IPO Pricing Date, and as to 50% of the units on the fifth anniversary of the IPO Pricing Date, and will have a 7-year term.

- Allocation of Awards: Individual Awards will be made by the Chief Executive Officer of the Company (the “CEO”) with the approval of the Compensation Committee of the Board (the “Committee”). Any Awards made to the CEO will be made by the Committee.
- Terms of Awards: All Awards will be made pursuant to the Symetra Financial Corporation Equity Plan (the “Plan”) and subject to the terms of the Plan and the applicable Award agreements.
- Amendments: The Board reserves the right to amend the Program at any time prior to the IPO.

Exhibit 10.16

Symetra Financial Corporation Equity Plan

1. PURPOSE

The purpose of the Symetra Financial Corporation Equity Plan (the "Plan") is to advance the interests of Symetra Financial Corporation (the "Company") and its stockholders by providing long-term incentives to certain employees, directors and consultants of the Company and its subsidiaries.

2. ADMINISTRATION

The Plan shall be administered by the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of the Company; provided that, following the initial public offering of the Company' common shares (the "IPO"), each member of the Committee shall qualify as (a) a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (b) an "outside director" under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and (c) otherwise meets the independence requirements of the New York Stock Exchange (the "NYSE"). In the event that, following the IPO, any member of the Committee does not so qualify, the Plan shall, to the extent practicable, be administered by a sub-committee of Committee members who do so qualify. If it is later determined that one or more members of the Committee do not so qualify, actions taken by the Committee prior to such determination shall be valid despite such failure to qualify.

The Committee shall have exclusive authority to select the employees, directors and consultants to be granted awards under the Plan ("Awards"), to determine the type, size and terms of the Awards and to prescribe the form of the instruments embodying Awards. With respect to Awards made to directors and consultants, the Committee shall, and with respect to employees may, specify the terms and conditions applicable to such Awards in an Award agreement (each, an "Award Agreement"). The Committee is hereby authorized to interpret the Plan, Award Agreements and the Awards granted under the Plan, to establish, amend and rescind any rules and regulations relating to the Plan and to make any other determinations which it believes necessary or advisable for the administration of the Plan. In connection with any Award, the Committee in its sole discretion may provide for vesting provisions that are different from the default vesting provisions that are contained in the Plan and such alternative provisions shall not be deemed to conflict with the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Award or Award Agreement in the manner and to the extent the Committee deems desirable to carry it into effect. Any decision of the Committee in the administration of the Plan, as described herein, shall be final and conclusive. The Committee may act only by a majority of its members, except that the members thereof may authorize any one or more of their number or any officer of the Company to execute and deliver documents on behalf of the Committee. No member of the Committee shall be liable for anything done or omitted to be done by him or her or by any other member of the Committee in connection with the Plan, except for his or her own willful misconduct or as expressly provided by statute.

The Committee may delegate, on such terms and conditions as it determines in its sole and plenary discretion, to one or more executive officers of the Company the authority to make grants of Awards to officers (other than executive officers), employees and consultants of the Company and its affiliates (including any prospective officer, employee or consultant) and all necessary and appropriate decisions and determinations with respect thereto.

3. PARTICIPATING SUBSIDIARIES

If a subsidiary of the Company wishes to participate in the Plan and its participation shall have been approved by the Board, the Board of Directors of the subsidiary (the "Subsidiary Board") shall adopt a resolution in form and substance satisfactory to the Committee authorizing participation by the subsidiary in the Plan. As used herein, "subsidiary" shall mean a "subsidiary corporation" as defined in Section 424(f) of the Code.

A subsidiary may cease to participate in the Plan at any time by action of the Board or by action of the Subsidiary Board, which latter action shall be effective not earlier than the date of delivery to the Secretary of the Company of a certified copy of a resolution of the Subsidiary Board taking such action. Termination of participation in the Plan shall not relieve a subsidiary of any obligations theretofore incurred by it under the Plan.

4. AWARDS

(a) **Eligible Participants**. Any employee, director or consultant of the Company or any of its subsidiaries is eligible to receive an Award hereunder. The Committee shall select which eligible employees, directors or consultants shall be granted Awards hereunder. No employee, director or consultant shall have a right to receive an Award hereunder and the grant of an Award to an employee, director or consultant shall not obligate the Committee to continue to grant Awards to such employee, director or consultant in subsequent periods or to grant Awards to any other person at any time.

(b) **Type of Awards.** Awards shall be limited to the following seven types: (i) "Stock Options," (ii) "Stock Appreciation Rights," (iii) "Restricted Stock," (iv) "Restricted Stock Units," (v) "Performance Shares," (vi) "Performance Units" and (vii) other stock-based awards.

(c) **Maximum Number of Shares That May Be Issued.** A maximum of nine hundred thousand (900,000)* shares of common stock of the Company, $0.01 par value ("Shares"), may be issued by the Company in satisfaction of its obligations with respect to Award grants. The maximum aggregate number of Shares with respect to which Awards may be issued to any participant in any fiscal year of the Company is fifty thousand (50,000*), subject to adjustment as provided in Section 17. For purposes of the foregoing, the exercise of a Stock Appreciation Right shall constitute the issuance of Shares equal to the Shares delivered under such Stock Appreciation Right. If any Shares issued as Restricted Stock shall be

---

* To be adjusted to give effect to the stock split or stock dividend to be implemented in connection with the Company's initial public offering.

* To be adjusted to give effect to the stock split or stock dividend to be implemented in connection with the Company's initial public offering.

repurchased pursuant to the Company's option described in Section 6 below, or if any Shares issued under the Plan shall be reacquired pursuant to restrictions imposed at the time of issuance or pursuant to the satisfaction of tax withholding or related obligations, such Shares may again be issued under the Plan.

(d) **Rights With Respect to Shares**.

(i) A participant to whom Restricted Stock has been issued shall have, prior to the expiration of the Restricted Period or the earlier repurchase of such Shares as herein provided, ownership of such Shares, including the right to vote the same and to receive dividends thereon, subject, however, to the options, restrictions and limitations imposed thereon pursuant hereto.

(ii) A participant to whom Stock Options, Stock Appreciation Rights, Restricted Stock Units, Performance Shares or Performance Units are granted (and any person succeeding to such participant's rights pursuant to the Plan) shall have no rights as a shareholder with respect to any Shares issuable pursuant thereto until the date of the issuance of a stock certificate (whether or not delivered) therefor. Except as provided in Section 17, no adjustment shall be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, securities or other property) the record date for which is prior to the date such stock certificate is issued.

(iii) The Company, in its discretion, may hold custody during the Restricted Period of any Shares of Restricted Stock.

5. STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

(a) Stock Options, which include "Incentive Stock Options" and other stock options or combinations thereof, are rights to purchase shares of Common Stock of the Company. A Stock Appreciation Right is an unfunded and unsecured promise to deliver Shares, cash, other securities, other Awards or other property equal in value to the excess, if any, of the Fair Market Value per Share over the exercise price per Share of the Stock Appreciation Right, subject to the terms of the applicable Award Agreement. The maximum number of Shares with respect to which Incentive Stock Options may be issued to a participant in one year is, fifty thousand (50,000) *subject to adjustment pursuant to Section 17. Each Stock Option shall comply with the following terms and conditions:

(i) The Committee shall determine the participants to whom Stock Options shall be granted, the number of shares to be covered by each Stock Option, whether the Stock Option will be an Incentive Stock Option and the conditions and limitations applicable to the vesting and exercise of the Option. Unless otherwise set forth in the applicable Award Agreement, the per share exercise price shall not be less than the greater of (i) the Fair Market Value per Share at the time of grant and (ii) the par value per

---

* To be adjusted to give effect to the stock split or stock dividend to be implemented in connection with the Company's initial public offering.

Share. However, the exercise price of an Incentive Stock Option granted to a participant who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or of a subsidiary (a “Ten Percent Participant”) shall not be less than 110% of the greatest of (i) the Fair Market Value per share at the time of grant, and (ii) the par value per Share.

(ii) The Stock Option shall not be transferable by the optionee otherwise than by will or the laws of descent and distribution, and shall be exercisable during such optionee’s lifetime only by such optionee, unless otherwise set forth in the applicable Award Agreement.

(iii) The Stock Option shall not be exercisable unless payment in full is made for the Shares being acquired thereunder at the time of exercise (including any Federal, state or local income or other taxes which the Committee determines are required to be withheld in respect of such Shares), and such payment shall be made in United States dollars by cash or check or, if permitted by the Committee, (A) by tendering to the Company Shares owned by the person exercising the Stock Option and having an aggregate Fair Market Value equal to the aggregate cash exercise price thereof, (B) if there shall be a public market for the Shares at such time, subject to such rules as may be established by the Committee, through delivery of irrevocable instructions to a broker to sell a number of Shares otherwise deliverable upon the exercise of the Stock Option and to deliver promptly to the Company an amount equal to the aggregate exercise price, or (C) by a combination of United States dollars and Shares pursuant to (A) and/or (B) above.

(iv) The aggregate Fair Market Value of Shares (determined at the time of grant of the Stock Option pursuant to Section 5(a)(i) of the Plan) with respect to which Incentive Stock Options granted to any participant under the Plan are exercisable for the first time by such participant during any calendar year may not exceed the maximum amount permitted under Section 422(d) of the Code at the time of the Award grant. In the event this limitation would be exceeded in any year, the optionee may elect either (i) to defer to a succeeding year the date on which some or all of such Incentive Stock Options would first become exercisable (but no longer than the term specified in Section 5(c)(i) herein) or (ii) to convert some or all of such Incentive Stock Options into non-qualified Stock Options.

(b) Each Stock Appreciation Right shall comply with the following terms and conditions:

(i) The Committee shall determine the participants to whom Stock Appreciation Rights shall be granted, the number of shares to be covered by each Stock Appreciation Right and the conditions and limitations applicable to the vesting and exercise of the Stock Appreciation Right. Unless otherwise set forth in the applicable Award Agreement, the per share exercise price shall not be less than the greater of (i) the Fair Market Value per Share at the time of grant and (ii) the par value per Share.

(ii) The Stock Appreciation Right shall not be transferable by the awardee otherwise than by will or the laws of descent and distribution, and shall be exercisable during such awardee's lifetime only by such awardee, unless otherwise set forth in the applicable Award Agreement.

(iii) A Stock Appreciation Right shall entitle the Participant to receive an amount equal to the excess, if any, of the Fair Market Value of a Share on the date of exercise of the Stock Appreciation Right over the exercise price thereof. The Committee shall determine, in its sole and plenary discretion, whether a Stock Appreciation Right shall be settled in cash, Shares, other securities, other Awards, other property or a combination of any of the foregoing.

(iv) No fractional Shares shall be delivered under this Section 5(b), but in lieu thereof a cash adjustment may be made as determined by the Committee.

(c) Each Stock Option or Stock Appreciation Right shall not be exercisable:

(i) after the expiration of ten years from the date it is granted (or such earlier date specified in the grant of the Stock Option or Stock Appreciation Right or applicable Award Agreement) and may be exercised during such period only at such time or times as the Committee may establish; or

(ii) unless otherwise set forth in the applicable Award Agreement, by participants who were employees of the Company or one of its subsidiaries at the time of the grant of the Stock Option or Stock Appreciation Right unless such participant has been, at all times during the period beginning with the date of grant of the Stock Option or Stock Appreciation Right and ending on the date three months prior to such exercise, an officer or employee of the Company or any of its subsidiaries, or of a corporation, or a parent or subsidiary of a corporation, issuing or assuming the Stock Option or Stock Appreciation Right in a transaction to which Section 424(a) of the Code is applicable, except that:

(A) unless otherwise set forth in the applicable Award Agreement, if such person shall cease to be an officer or employee of the Company or one of its subsidiaries solely by reason of a period of Related Employment (as defined in Section 12), he or she may, during such period of Related Employment (but in no event after the Stock Option or Stock Appreciation Right has expired under the provisions of Section 5(c)(i) hereof), exercise such Stock Option or Stock Appreciation Right as if he or she continued to be such an officer or employee; or

(B) unless otherwise set forth in the applicable Award Agreement, if an optionee shall become Disabled (as defined in Section 10) he or she may, at any time within three years of the date he or she becomes disabled (but in no event after the Stock Option or Stock Appreciation Right has expired under the provisions of Section 5(c)(i) hereof), exercise the Stock Option or Stock Appreciation Right with respect to (i) any Shares as to which he or she could have exercised the Stock Option or Stock Appreciation Right on the date he or she became disabled and (ii) if the Stock Option or Stock Appreciation Right is not fully exercisable on the date he or she becomes disabled, the number of additional Shares as to which the Stock Option or Stock Appreciation Right would have become exercisable had he or she remained an employee through the next date on which additional Shares were scheduled to become exercisable under the Stock Option or Stock Appreciation Right; or

(C) unless otherwise set forth in the applicable Award Agreement, if an optionee shall die while holding a Stock Option or Stock Appreciation Right, his executors, administrators, heirs or distributees, as the case may be, at any time within one year after the date of such death (but in no event after the Stock Option or Stock Appreciation Right has expired under the provisions of Section 5(c)(i) hereof), may exercise the Stock Option or Stock Appreciation Right with respect to any Shares as to which the decedent could have exercised the Stock Option or Stock Appreciation Right at the time of his or her death, and if the Stock Option or Stock Appreciation Right is not fully exercisable on the date of his or her death, the number of additional Shares as to which the Stock Option or Stock Appreciation Right would have become exercisable had he or she remained an employee through the next date on which additional Shares were scheduled to become exercisable under the Stock Option or Stock Appreciation Right; provided, however, that if death occurs during the three-year period following a Disability as described in Section 5(c)(ii)(B) hereof or any period following a voluntary termination (including retirement) in respect of which the Committee has exercised its discretion to grant continuing exercise rights as provided in Section 5(c)(ii)(D) hereof, the Stock Option or Stock Appreciation Right shall not become exercisable as to any Shares in addition to those as to which the decedent could have exercised the Stock Option or Stock Appreciation Right at the time of his or her death; or

(D) unless otherwise set forth in the applicable Award Agreement, if such person shall voluntarily terminate his or her employment with the Company (including retirement), the Committee, in its sole discretion, may determine that such optionee may exercise the Stock Option or Stock Appreciation Right with respect to some or all of the Shares subject to the Stock Option or Stock Appreciation Right as to which it would not otherwise be exercisable on the date of his or her voluntary termination provided, however, that in no event may such exercise take place after the Stock Option or Stock Appreciation Right has expired under the provisions of Section 5(c)(i) hereof.

(E) notwithstanding anything herein to the contrary and subject to Section 13, unless otherwise set forth in the applicable Award Agreement, in the event a Change in Control (as defined in Section 13(a)) occurs and within 12 months thereafter: (A) there is a Termination Without Cause (as defined in Section 14) of an optionee's or awardee's employment or (B) there is a Constructive Termination (as defined in Section 15) of an optionee's or awardee's employment (any such Termination Without Cause or Constructive Termination, a "Trigger Event"), the optionee or awardee may exercise the entire Stock Option or Stock Appreciation Right at any time within 30 days following such Trigger Event (but in no event after the Stock Option or Stock Appreciation Right has expired under the provisions of Sections 5(c)(i)).

6. RESTRICTED STOCK

Each Award of Restricted Stock shall comply with the following terms and conditions, unless otherwise set forth in the applicable Award Agreement:

(a) The Committee shall determine the number of Shares to be issued to a participant pursuant to the Award.

(b) Shares issued may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent and distribution, for such period from the date on which the Award is granted as the Committee shall determine (the "Restricted Period"). The Company shall have the option to repurchase the Shares subject to the Award at such price as the Committee shall have fixed (including zero consideration), in its sole discretion, when the Award was made, which option will be exercisable on such terms, in such manner and during such period as shall be determined by the Committee when the Award is made (which may include, for illustration, the participant's cessation of continuous employment or the failure to satisfy performance conditions). Certificates for Shares issued pursuant to Restricted Stock Awards shall bear an appropriate legend referring to the foregoing option and other restrictions. Any attempt to dispose of any such Shares in contravention of the foregoing option and other restrictions shall be null and void and without effect. If Shares issued pursuant to a Restricted Stock Award shall be repurchased pursuant to the option described above, the participant to whom the Award was granted, or in the event of his or her death after such option became exercisable, his or her executor or administrator, shall forthwith deliver to the Secretary of the Company any certificates for the Shares awarded to the participant, accompanied by such instruments of transfer, if any, as may reasonably be required by the Secretary of the Company. If the option described above is not exercised by the Company, such option and the restriction imposed pursuant to the first sentence of this Section 6(b) shall terminate and be of no further force and effect.

(c) Unless otherwise set forth in the applicable Award Agreement, if a participant who has been in the continuous employment of the Company or of a subsidiary shall:

(i) die or become Disabled during the Restricted Period, the option of the Company to repurchase (and any and all other restrictions on) a pro rata portion of the Shares awarded to such participant under such Award shall lapse and cease to be effective as of the date on which his or her death or disability occurs which shall be determined as follows: (A) the number of Shares awarded under the Award multiplied by (B) a percentage, the numerator of which is equal to the number of months elapsed in the Restricted Period as of the date of death or disability (counting the month in which the death or disability occurred as a full month) and the denominator of which is equal to the number of months in the Restricted Period; or

(ii) voluntarily terminate his or her employment with the Company (including retirement) during the Restricted Period, the Committee may determine that all or any portion of the option to repurchase and any and all other restrictions on some or all of the Shares awarded to him or her under such Award, if such option and other restrictions are still in effect, shall lapse and cease to be effective as the date on which such voluntary termination or retirement occurs.

(d) Unless otherwise set forth in the applicable Award Agreement, in the event within 12 months after a Change in Control and during the Restricted Period there is a Trigger Event, then the option to repurchase (and any and all other restrictions on) all Shares awarded to the participant under his or her Restricted Stock Award shall lapse and cease to be effective as of the date on which such Trigger Event occurs.

7. RESTRICTED STOCK UNITS

The grant of a Restricted Stock Unit Award to a participant will entitle him or her to receive, without payment to the Company, an amount equal to the number of Shares underlying such Restricted Stock Unit Award multiplied by the Fair Market Value of a Share on the date of vesting of the Restricted Stock Unit Award, if the terms and conditions specified herein and in the Award are satisfied. Payment in respect of a Restricted Stock Unit Award shall be made as provided in Section 7(e). Each Restricted Stock Unit Award shall be subject to the following terms and conditions:

(a) The Committee shall determine the number of Shares underlying the Restricted Stock Units to be granted to a participant.

(b) Restricted Stock Unit Awards shall be subject to the vesting schedule determined by the Committee and set forth in the applicable Award Agreement. Payment in respect of a vested Restricted Stock Unit may be made in cash, stock or any combination thereof, as specified in the applicable Award Agreement.

(c) Except as otherwise determined by the Committee or in an Award Agreement, Restricted Stock Units shall be cancelled if the participant's continuous employment with the Company or any of its subsidiaries shall terminate for any reason prior to the vesting of the Restricted Stock Units, except solely by reason of a period of Related Employment, and except as otherwise specified in this Section 7(c) or in Section 7(d). Notwithstanding the foregoing, unless otherwise set forth in the applicable Award Agreement, if an employee participant shall:

(i) while in such employment, die or become Disabled prior to the vesting of the Restricted Stock Units, such Restricted Stock Units shall be immediately canceled and the participant, or the participant's legal representative, as the case may be, shall receive a payment in respect of such canceled Restricted Stock Units equal to the product of (A)(i) the number of Shares underlying such Restricted Stock Units multiplied by (ii) a fraction, the numerator of which is equal to the number of full or partial months within the period commencing on the grant date of such Restricted Stock Units and such death or Disability (including, for this purpose, the month in which the death or Disability occurs), and the denominator of which is equal to the total number of months from the grant date to the date when such Restricted Stock Units were intended to vest; or

(ii) retire with the approval of the Committee in its sole discretion prior to the vesting of the Restricted Stock Units, the Restricted Stock Units shall be immediately canceled; provided that the Committee in its sole discretion may determine to make a payment to the participant in respect of some or all of such canceled Restricted Stock Units.

(d) Unless otherwise set forth in the applicable Award Agreement, if within 12 months after a Change in Control there is a Trigger Event, then with respect to Restricted Stock Unit Awards that were outstanding on the date of the Trigger Event (each, an "Applicable Award"), each such Applicable Award shall be immediately canceled and, in respect thereof, such participant shall be entitled to receive a cash payment equal to the product of (A) the number of Shares underlying such Applicable Awards and (B) the Fair Market Value of a Share on the date the applicable Trigger Event occurs.

(e) Unless payment is deferred in accordance with an election made by the participant in accordance with procedures adopted by the Company in its sole discretion (if any), payment of any amount in respect of any Restricted Stock Units shall be made by the Company no later than 60 days after the end of the calendar year in which such Restricted Stock Units vest or become payable.

8. PERFORMANCE SHARES

The grant of a Performance Share Award to a participant will entitle such participant to receive, without payment to the Company, all or part of the value (the “Actual Value”) of a specified number of hypothetical Shares (“Performance Shares”) determined by the Committee, if the terms and conditions specified herein and in the Award are satisfied. Payment in respect of a Performance Share Award shall be made as provided in Section 8(h). Each Performance Share Award shall be subject to the following terms and conditions:

(a) The Committee shall determine the target number of Performance Shares to be granted to a participant. Performance Share Awards may be granted in different classes or series having different terms and conditions.

(b) The Actual Value of a Performance Share Award shall be the product of (i) the target number of Performance Shares subject to the Performance Share Award, (ii) the Performance Percentage (as determined below) applicable to the Performance Share Award and (iii) the Fair Market Value of a Share on the date the Award is paid or becomes payable to the participant. The “Performance Percentage” applicable to a Performance Share Award shall be a percentage of no less than 0% and no more than 200%, which percentage shall be determined by the Committee based upon the extent to which the Performance Objectives (as determined below) established for such Award are achieved during the Award Period (as defined below). The method for determining the applicable Performance Percentage shall also be established by the Committee.

(c) At the time each Performance Share Award is granted, the Committee shall establish performance objectives (“Performance Objectives”) to be attained within the Award Period as the means of determining the Performance Percentage applicable to such Award. The Performance Objectives shall be approved by the Committee (i) while the outcome for that Award Period is substantially uncertain and (ii) no more than 90 days after the commencement of the Award Period to which the Performance Objective relates or, if less than 90 days, the number of days which is equal to 25 percent of the relevant Award Period. The Performance Objectives established with respect to a Performance Share Award shall be specific performance targets established by the Committee with respect to one or more of the following criteria selected by the Committee: (i) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (ii) net income; (iii) operating income; (iv) earnings per Share; (v) book value per Share; (vi) return on stockholders’ equity; (vii) expense management; (viii) return on investment; (ix) improvements in capital structure; (x) share price; (xi) combined ratio; (xii) operating ratio; (xiii) profitability of an identifiable business unit or product; (xiv) maintenance or improvement of profit margins; (xv) market share; (xvi) revenues or sales; (xvii) costs; (xviii) cash flow; (xix) working capital; (xx) return on assets; (xxi) customer satisfaction; (xxii) employee satisfaction; (xxiii) economic value per Share, (xxiv) underwriting return on capital and (xxv) underwriting return on equity. The foregoing criteria may relate to the Company, one or more of its subsidiaries or one or more of its divisions, units, partnerships, joint ventures or minority investments, product lines or products or any combination of the foregoing, and may be applied on an absolute basis and/or be relative to one or more peer group companies or indices, or any combination thereof, all as the Committee shall determine. In addition, to the degree consistent with Section 162(m) of the Code (or any successor section thereto), the Performance Objectives may be calculated without regard to extraordinary items.

(d) The award period (the "Award Period") in respect of any grant of a Performance Share Award shall be such period as the Committee shall determine commencing as of the beginning of the fiscal year of the Company in which such grant is made. An Award Period may contain a number of performance periods; each performance period shall commence on or after the first day of the Award Period and shall end no later than the last day of the Award Period. If the Committee does not specify in a Performance Share Award agreement or elsewhere the performance periods contained in an Award Period, each 12-month period beginning with the first day of such Award Period shall be deemed to be a performance period.

(e) Except as otherwise determined by the Committee or in an Award Agreement, Performance Shares shall be canceled if the participant's continuous employment with the Company or any of its subsidiaries shall terminate for any reason prior to the end of the Award Period, except by reason of a period of Related Employment as defined in Section 11, and except as otherwise specified in this Section 8(e) or in Section 8(f). Notwithstanding the foregoing, unless otherwise set forth in the applicable Award Agreement, if an employee participant shall:

(i) while in such employment, die or become Disabled prior to the end of an Award Period, the Performance Share Award for such Award Period shall be immediately canceled and he or she, or his or her legal representative, as the case may be, shall receive a payment in respect of such canceled Performance Share Award equal to the product of (A)(i) the target number of Performance Shares for such Award multiplied by (ii) a fraction, the numerator of which is equal to the number of full or partial months within the Award Period during which employee was continuously employed by the Company or its subsidiaries (including, for this purpose, the month in which the death or Disability occurs), and the denominator of which is equal to the total number of months within such Award Period, multiplied by (B) the Fair Market Value of a Share on the last day of the performance period in which the death or Disability occurred, multiplied by (C) the Performance Percentage determined by the Board to have been achieved through the end of the performance period in which the death or Disability occurred (but which in no event shall be less than 50%); or

(ii) retire with the approval of the Committee in its sole discretion prior to the end of the Award Period, the Performance Share Award for such Award Period shall be immediately canceled; provided that the Committee in its sole discretion may determine to make a payment to the participant in respect of some or all of such canceled Performance Share Award.

(f) Unless otherwise set forth in the applicable Award Agreement, if within 12 months after a Change in Control there is a Trigger Event, then with respect to Performance Share Awards that were outstanding on the date of the Trigger Event (each, an "Applicable Award"), each such Applicable Award shall be immediately canceled and, in respect thereof, such participant shall be entitled to receive a payment equal to the product of (A) (i) the target number of Performance Shares for such Applicable Award multiplied by (ii) a fraction, the numerator of which is equal to the number of full months within the Award Period during which the participant was continuously employed by the Company or its subsidiaries, and the denominator of which is equal to the total number of months within such Award Period, multiplied by (B) the Fair Market Value of a Share on the date the applicable Trigger Event occurs, multiplied by (C) a Performance Percentage equal to 100%. Unless otherwise set forth in the applicable Award Agreement, if following a Change in Control, a Participant's employment remains continuous through the end of an Award Period, then the Participant shall be paid with respect to such Awards for which he would have been paid had there not been a Change in Control and the Actual Value shall be determined in accordance with Section 8(g) below.

(g) Except as otherwise provided in Section 8(f), as soon as practicable after the end of the Award Period or such earlier date as the Committee in its sole discretion may designate, the Committee shall (i) determine, based on the extent to which the applicable Performance Objectives have been achieved, the Performance Percentage applicable to an Award of Performance Shares, (ii) calculate the Actual Value of the Performance Share Award and (iii) shall certify the foregoing to the Board. The Committee shall cause an amount equal to the Actual Value of the Performance Shares earned by the participant to be paid to him or his beneficiary. The Committee shall determine, in its sole and plenary discretion, whether Performance Shares shall be settled in cash, Shares, other securities, other Awards, other property or a combination of any of the foregoing.

(h) Unless payment is deferred in accordance with an election made by the participant in accordance with procedures adopted by the Company in its sole discretion (if any), payment of any amount in respect of any Performance Shares shall be made by the Company no later than 60 days after the end of the calendar year in which such Performance Shares are earned.

9. PERFORMANCE UNITS

The grant of a Performance Unit Award to a participant will entitle such participant to receive, without payment to the Company, all or part of a specified amount (the "Earned Value") determined by the Committee, if the terms and conditions specified herein and in the Award are satisfied. Payment in respect of a Performance Unit Award shall be made as provided in Section 9(h). Each Performance Unit Award shall be subject to the following terms and conditions:

(a) The Committee shall determine the target number of Performance Units to be granted to a participant. The maximum Earned Value that may be earned by a participant for Performance Units for any single Award Period of one year or longer shall not exceed $25,000,000. Performance Unit Awards may be granted in different classes or series having different terms and conditions.

(b) The Earned Value of an Award of Performance Units shall be the product of (i) the target number of Performance Units subject to the Performance Unit Award, (ii) the Performance Percentage (as determined below) applicable to the Performance Unit Award and (iii) the Value (as defined below) of a Performance Unit on the date the Award is paid or becomes payable to the employee. The "Performance Percentage" applicable to a Performance Unit Award shall be a percentage of no less than 0% and no more than 200%, which percentage shall be determined by the Committee based upon the extent to which the Performance Objectives (as determined below) established for such Award are achieved during the Award Period (as defined below). The method for determining the applicable Performance Percentage shall also be established by the Committee. The "Value" of a Performance Unit shall be a fixed dollar value (or a dollar value determined pursuant to a formula or similar process) specified by the Committee and set forth in the applicable Award Agreement.

(c) At the time each Performance Unit Award is granted the Committee shall establish performance objectives ("Performance Objectives") to be attained within the Award Period as the means of determining the Performance Percentage applicable to such Award. The Performance Objectives shall be approved by the Committee (i) while the outcome for that Award Period is substantially uncertain and (ii) no more than 90 days after the commencement of the performance period to which the performance objective relates or, if less than 90 days, the number of days which is equal to 25 percent of the relevant performance period. The Performance Objectives established with respect to a Performance Unit Awards shall be specific performance targets established by the Committee with respect to one or more of the following criteria selected by the Committee: (i) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (ii) net income; (iii) operating income; (iv) earnings per Share; (v) book value per Share; (vi) return on stockholders' equity; (vii) expense management; (viii) return on investment; (ix) improvements in capital structure; (x) share price; (xi) combined ratio; (xii) operating ratio; (xiii) profitability of an identifiable business unit or product; (xiv) maintenance or improvement of profit margins; (xv) market share; (xvi) revenues or sales; (xvii) costs; (xviii) cash flow; (xix) working capital; (xx) return on assets; (xxi) customer satisfaction; (xxii) employee satisfaction; (xxiii) economic value per Share, (xxiv) underwriting return on capital and (xxv) underwriting return on equity. The foregoing criteria may relate to the Company, one or more of its subsidiaries or one or more of its divisions, units, partnerships, joint ventures or minority investments, product lines or products or any combination of the foregoing, and may be applied on an absolute basis and/or be relative to one or more peer group companies or indices, or any combination thereof, all as the Committee shall determine. In addition, to the degree consistent with Section 162(m) of the Code (or any successor section thereto), the Performance Objectives may be calculated without regard to extraordinary items.

(d) The award period (the “Award Period”) in respect of any grant of a Performance Unit Award shall be such period as the Committee shall determine commencing as of the beginning of the fiscal year of the Company in which such grant is made. An Award Period may contain a number of performance periods; each performance period shall commence on or after the first day of the Award Period and shall end no later than the last day of the Award Period. If the Committee does not specify in a Performance Unit Award Agreement or elsewhere the performance periods contained in an Award Period, each 12-month period beginning with the first day of such Award Period shall be deemed to be a performance period.

(e) Except as otherwise determined by the Committee or in an Award Agreement, Performance Units shall be cancelled if the participant’s continuous employment with the Company or any of its subsidiaries shall terminate for any reason prior to the end of the Award Period, except solely by reason of a period of Related Employment, and except as otherwise specified in this Section 9(e) or in Section 9(f). Notwithstanding the foregoing, unless otherwise set forth in the applicable Award Agreement, if an employee participant shall:

(i) while in such employment, die or become Disabled prior to the end of an Award Period, the Performance Unit Award for such Award Period shall be immediately canceled and the participant, or his or her legal representative, as the case may be, shall receive a payment in respect of such canceled Performance Unit Award equal to the product of (A)(i) the target number of Performance Units for such Award multiplied by (ii) a fraction, the numerator of which is equal to the number of full or partial months within the Award Period during which employee was continuously employed by the Company or its subsidiaries (including, for this purpose, the month in which the death or disability occurs), and the denominator of which is equal to the total number of months within such Award Period, multiplied by (B) the value of a Performance Unit on the last day of the performance period in which the death or disability occurred, multiplied by (C) the Performance Percentage determined by the Board to have been achieved through the end of the performance period in which the death or disability occurred; or

(ii) retire with the approval of the Committee in its sole discretion prior to the end of the Award Period, the Performance Unit Award for such Award Period shall be immediately canceled; provided that the Committee in its sole discretion may determine to make a payment to the participant in respect of some or all of such canceled Performance Unit Award.

(f) Unless otherwise set forth in the applicable Award Agreement, if within 12 months after a Change in Control there is a Trigger Event, then with respect to Performance Unit Awards that were outstanding on the date of the Trigger Event (each, an “Applicable Award”), each such Applicable Award shall be immediately canceled and, in respect thereof, such participant shall be entitled to receive a payment equal to the product of (A) (i) the target number of Performance Units for such Applicable Award multiplied by (ii) a fraction, the numerator of which is equal to the number of full months within the Award Period during which the participant was continuously employed by the Company or its subsidiaries, and the denominator of which is equal to the total number of months within such Award Period, multiplied by (B) the Value of a Performance Unit on the date the applicable Trigger Event occurs, multiplied by (C) a Performance Percentage equal to 100%. If following a Change in Control, unless otherwise set forth in the applicable Award Agreement, a Participant's employment remains continuous through the end of an Award Period, then the Participant shall be paid with respect to such Awards for which he or she would have been paid had there not been a Change in Control and the Earned Value shall be determined in accordance with Section 9(g) below.

(g) Except as otherwise provided in Section 9(f), as soon as practicable after the end of the Award Period or such earlier date as the Committee in its sole discretion may designate, the Committee shall (i) determine, based on the extent to which the applicable Performance Objectives have been achieved, the Performance Percentage applicable to an Award of Performance Units, (ii) calculate the Earned Value of the Performance Unit Award and (iii) shall certify all of the foregoing to the Board of Directors. The Committee shall cause an amount equal to the Earned Value of the Performance Units earned by the participant to be paid to him or her or his or her beneficiary. The Committee shall determine, in its sole and plenary discretion, whether a Performance Unit shall be settled in cash, Shares, other securities, other Awards, other property or a combination of any of the foregoing.

(h) Unless payment is deferred in accordance with an election made by the participant in accordance with procedures adopted by the Company in its sole discretion (if any), payment of any amount in respect of any Performance Units shall be made by the Company no later than 60 days after the end of the calendar year in which such Performance Units are earned.

10. OTHER STOCK-BASED AWARDS

Subject to the provisions of the Plan, the Committee shall have the sole and plenary authority to grant to participants other equity-based or equity-related Awards (including, but not limited to, fully-vested Shares) in such amounts and subject to such terms and conditions as the Committee shall determine.

11. DISABILITY

For the purposes of this Plan, unless otherwise specified in the applicable Award Agreement, a participant shall be deemed to be "Disabled" if the Committee shall determine that the physical or mental condition of the participant is such as would entitle him or her to payment of long-term disability benefits under any disability plan of the Company or a subsidiary in which he or she is a participant.

12. RELATED EMPLOYMENT

For the purposes of this Plan, Related Employment shall mean the employment of a participant by an employer which is neither the Company nor a subsidiary provided: (i) such employment is undertaken by the participant and continued at the request of the Company or a subsidiary; (ii) immediately prior to undertaking such employment, the participant was an officer or employee of the Company or a subsidiary, or was engaged in Related Employment as herein defined; and (iii) such employment is recognized by the Committee, in its sole discretion, as Related Employment for the purposes of this Section 12. The death or Disability of a participant during a period of Related Employment as herein defined shall be treated, for purposes of this Plan, as if the death or onset of disability had occurred while the participant was an officer or employee of the Company.

13. CHANGE IN CONTROL

(a) For purposes of this Plan, unless otherwise specified in the applicable Award Agreement, a “Change in Control” within the meaning of this Section 13(a) shall occur if:

(i) Any person or group (within the meaning of Section 13(d) and 14(d)(2) of the Exchange Act), other than (x) White Mountains Insurance Group, Ltd., Berkshire Hathaway, Inc. or the respective wholly owned subsidiaries thereof, as applicable (the “Significant Investors”), (y) an underwriter temporarily holding Shares in connection with a public issuance thereof or (z) an employee benefit plan of the Company or its affiliates, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of thirty-five percent (35%) or more of the Company’s then outstanding Shares and such ownership percentage exceeds the beneficial ownership percentage of the Significant Investors in the Company’s then outstanding Shares;

(ii) the Continuing Directors, as defined in Section 13(b), cease for any reason to constitute a majority of the Board of the Company; or

(iii) the business of the Company and its subsidiaries is disposed of by the Company pursuant to a sale or other disposition of all or substantially all of the business or business-related assets of the Company and its subsidiaries.

(b) For the purposes of this Plan, “Continuing Director” shall mean a member of the Board who either was a member of the Board on the Effective Date (as defined below) or subsequently became a director of the Company and whose election, or nomination for election, by the Company’s shareholders was approved by a vote of a majority of the Continuing Directors then on the Board (which term, for purposes of this definition, shall mean the whole Board and not any committee thereof), but excluding any such individual whose initial assumption of office occurred pursuant to an actual or threatened proxy contest or consent solicitation with respect to the election or removal of directors.

(c) In the event of a Change in Control, the Committee as constituted immediately prior to the Change in Control shall determine the manner in which "Fair Market Value" of Shares will be determined following the Change in Control.

14. TERMINATION WITHOUT CAUSE

For purposes of this Plan, unless otherwise specified in the applicable Award Agreement, "Termination Without Cause" shall mean a termination of the participant's employment with the Company or subsidiary or business unit of the Company by the Company (or subsidiary or business unit, as applicable) or, by a purchaser of the participant's subsidiary or business unit after a Change in Control as described in Subsection 13(a)(iii), other than (i) for death or Disability or (ii) for Cause. "Cause" shall mean, unless otherwise set forth in the applicable Award Agreement, (a) an act or omission by the participant that constitutes a felony or any crime involving moral turpitude; or (b) willful gross negligence or willful gross misconduct by the participant in connection with his employment which causes, or is likely to cause, material loss or damage to the Company, subsidiary or business unit. Notwithstanding anything herein to the contrary, if the participant's employment with the Company, subsidiary or business unit shall terminate due to a Change in Control as described in Subsection 13(a)(iii), where the purchaser (the "Purchaser"), as described in such subsection, formally assumes the Company's obligations under this Plan or places the participant in a similar or like plan with no diminution of the value of the awards, such termination shall not be deemed to be a "Termination Without Cause."

15. CONSTRUCTIVE TERMINATION

"Constructive Termination" shall mean, unless otherwise set forth in the applicable Award Agreement, a termination of employment with the Company or a subsidiary at the initiative of the participant that the participant declares by prior written notice delivered to the Secretary of the Company to be a Constructive Termination by the Company or a subsidiary and which follows (a) a material decrease in his total compensation opportunity or (b) a material diminution in the authority, duties or responsibilities of his position with the result that the participant makes a determination in good faith that he or she cannot continue to carry out his or her job in substantially the same manner as it was intended to be carried out immediately before such diminution. Notwithstanding anything herein to the contrary, Constructive Termination shall not occur within the meaning of this Section 15 until and unless (a) the participant provides 30 days written notice of termination to the company of the occurrence of the circumstances described in this Section 15 within 30 days following such occurrence and (b) 30 days have elapsed from the date the Company receives such written notice from the participant without the Company curing or causing to be cured the circumstance or circumstances described in this Section 15 on the basis of which the declaration of Constructive Termination is given.

16. [RESERVED]

17. DILUTION AND OTHER ADJUSTMENTS

(a) In the event of any change in the outstanding Shares of the Company by reason of any stock split, stock or extraordinary cash dividend, recapitalization, merger, consolidation, reorganization, combination or exchange of Shares or other similar event, and if the Committee shall determine, in its sole discretion, that such change equitably requires an adjustment in the number or kind of Shares that may be issued under the Plan pursuant to Section 4, in the number or kind of Shares subject to, or the Stock Option or Stock Appreciation Right price per Share under, any outstanding Award, in the number or kind of Shares which have been awarded as Restricted Stock or in the repurchase option price per share relating thereto, in the target number of Performance Shares or Performance Units which have been awarded to any participant, or in any measure of performance, then such adjustment shall be made by the Committee and shall be conclusive and binding for all purposes of the Plan.

(b) The Committee is hereby authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, any extraordinary dividend or other extraordinary distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, stock split, reverse stock split, split-up or spin-off, merger, consolidation, stock sale, asset sale or the occurrence of a Change of Control) affecting the Company, any affiliate, or the financial statements of the Company or any affiliate, or of changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange, accounting principles or law (i) whenever the Committee, in its sole and plenary discretion, determines that such adjustments are appropriate or desirable, including, without limitation, providing for a substitution or assumption of Awards, accelerating the exercisability of, lapse of restrictions on, or termination of, Awards or providing for a period of time for exercise prior to the occurrence of such event, (ii) if deemed appropriate or desirable by the Committee, in its sole and plenary discretion, by providing for a cash payment to the holder of an Award in consideration for the cancelation of such Award, including, in the case of an outstanding Option or Stock Appreciation Right, a cash payment to the holder of such Option or Stock Appreciation Right in consideration for the cancelation of such Option or Stock Appreciation Right in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the Shares subject to such Option or Stock Appreciation Right over the aggregate Exercise Price of such Option or Stock Appreciation Right and (iii) if deemed appropriate or desirable by the Committee, in its sole and plenary discretion, by canceling and terminating any Option or Stock Appreciation Right having a per Share exercise price equal to, or in excess of, the Fair Market Value of a Share subject to such Option or Stock Appreciation Right without any payment or consideration therefor.

18. DESIGNATION OF BENEFICIARY BY PARTICIPANT

A participant may name a beneficiary to receive any payment to which he may be entitled in respect of Restricted Stock Units, Performance Shares, Performance Units or Stock Appreciation Rights under the Plan in the event of his death, on a form to be provided by the Committee. A participant may change his beneficiary from time to time in the same manner. If no designated beneficiary is living on the date on which any amount becomes payable to a participant's executors or administrators, the term "beneficiary" as used in the Plan shall include such person or persons.

19. CERTAIN ADDITIONAL DEFINITIONS

As used in the Plan, the term "Fair Market Value" shall mean (a) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee and (b) with respect to Shares, as of any date, (i) the closing per share sales price of the Shares (A) as reported by the NYSE for such date or (B) if the Shares are listed on any other national stock exchange, as reported on the stock exchange composite tape for securities traded on such stock exchange for such date or, with respect to each of clauses (A) and (B), if there were no sales on such date, on the closest preceding date on which there were sales of Shares or (ii) in the event there shall be no public market for the Shares on such date, the fair market value of the Shares as determined in good faith by the Committee.

20. MISCELLANEOUS PROVISIONS

(a) No employee or other person shall have any claim or right to be granted an Award under the Plan. Neither the Plan nor any action taken hereunder shall be construed as giving an employee any right to be retained in the employ of the Company or any subsidiary.

(b) A participant's rights and interest under the Plan may not be assigned or transferred in whole or in part either directly or by operation of law or otherwise (except in the event of a participant's death), including but not limited to, execution, levy, garnishment, attachment, pledge, bankruptcy or in any other manner and no such right or interest of any participant in the Plan shall be subject to any obligation or liability or such participant.

(c) No Shares shall be issued hereunder unless counsel for the Company shall be satisfied that such issuance will be in compliance with applicable Federal and state securities laws.

(d) The Company and its subsidiaries shall have the right to deduct from any payment made under the Plan any Federal, state or local income or other taxes required by law to be withheld with respect to such payment. It shall be a condition to the obligation of the Company to issue Shares upon exercise of a Stock Option, upon settlement of a Stock Appreciation Right, or upon payment of a Restricted Stock

Unit, Performance Share or a Performance Unit that the participant (or any beneficiary or person entitled to payment under Section 5(c)(ii)(C) hereof) pay to the Company, upon its demand, such amount as may be required by the Company for the purpose of satisfying any liability to withhold Federal, state or local income or other taxes. If the amount requested is not paid, the Company may refuse to issue Shares.

(e) The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the payment of any Award under the Plan.

(f) By accepting any Award or other benefit under the Plan, each participant and each person claiming under or through him or her shall be conclusively deemed to have indicated his or her acceptance and ratification of, and consent to, any action taken under the Plan by the Company, the Board or the Committee.

21. AMENDMENT

The Plan may be amended at any time and from time to time by the Board, but no amendment which increases the aggregate number of Shares which may be issued pursuant to the Plan or the class of employees eligible to participate shall be effective unless and until the same is approved by the shareholders of the Company. No amendment of the Plan shall adversely affect any right of any participant with respect to any Award previously granted without such participant's written consent.

22. TERMINATION

This Plan shall terminate upon the earlier of the following dates or events to occur:

(a) the adoption of a resolution of the Board terminating the Plan; or

(b) ten years from the Effective Date.

No termination of the Plan shall alter or impair any of the rights or obligations of any person, without his consent, under any Award previously granted under the Plan.

23. EFFECTIVE DATE

The Plan shall be effective as of the date of its adoption by the Board and approval by the Company's shareholders (such date, the "Effective Date"); provided, however, that no Incentive Share Options may be granted under the Plan unless it is approved by the Company's shareholders within twelve (12) months before or after the date the Plan is adopted by the Board.

[FORM OF]
SYMETRA FINANCIAL CORPORATION

NON-QUALIFIED STOCK OPTION AGREEMENT

AGREEMENT (this "Agreement") made as of this __________th day of __________ 2007, by and between Symetra Financial Corporation (the "Company"), and __________ (the "Optionee").

W I T N E S S E T H :

WHEREAS, the Optionee is now employed by the Company or a subsidiary of the Company and the Company desires to promote the interests of the Company and its subsidiaries by providing the Optionee with incentives to continue and increase his or her efforts with respect to, and remain in the employ of, the Company and its subsidiaries and, as an inducement thereto, the Company has determined to grant to the Optionee an option pursuant to the Symetra Financial Corporation Equity Plan (the "Plan"). Capitalized terms not otherwise defined in this Agreement shall have the meanings assigned to such terms in the Plan.

NOW, THEREFORE, it is agreed between the parties as follows:

i) Grant of Option. Subject to the terms and conditions hereof, the Company hereby grants to the Optionee the right and option to purchase from the Company up to, but not exceeding in the aggregate, __________ Shares, at an exercise price of $__________ per Share (the "Option"). The Option is not intended to be an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

ii) Vesting of Right to Exercise Option. The Optionee may purchase from the Company the following aggregate number of Shares covered by the Option ("Option Shares") on and after each of the following dates during the term of the Option:

Date	Number of Option Shares Vested On a Cumulative Basis
Third anniversary of the date the Company consummates the initial public offering of its Common Shares (the "IPO Date")	One-half of all Option Shares, rounded down to the nearest whole number of Shares
Fifth anniversary of the IPO Date	100% of all Option Shares

The Option, to the extent vested, shall be exercisable in whole or in part at any time during the term of the Option. The term of the Option shall be seven (7) years from the IPO Date or such shorter period as is prescribed in paragraph 3.

iii) Termination of Employment. If at any time the Optionee's employment with the Company or any subsidiary shall be terminated for any reason other than death or Disability (as described below), the Optionee shall have the right to exercise this Option to the extent of the Shares with respect to which the Option could have been exercised by the Optionee as of the date of his or her termination of employment in accordance with its terms but in no event beyond the earlier of (i) three months after the date of termination of employment or (ii) the scheduled expiration of the term of such Option. If the Optionee shall voluntarily terminate his or her employment with the Company (including retirement), the Board may determine that the Optionee may exercise his or her Option with respect to some or all of the shares subject to the Option as to which it would not otherwise be exercisable on the date of his or her voluntary termination; provided, however, that in no event may the Option be exercised after the scheduled expiration of the term of the Option.

If the Optionee shall become Disabled, he or she may, at any time within three years of the date he or she becomes Disabled (but in no event after the scheduled expiration of the term of the Option), exercise the Option with respect to (i) any Shares as to which he or she could have exercised the Option on the date he became Disabled and (ii) if the Option is not fully exercisable on the date he or she becomes Disabled, the number of additional Shares as to which the Option would have become exercisable had he or she remained an employee through the next date on which additional Shares were scheduled to become exercisable under the Option.

If the Optionee shall die while holding an Option, his or her executors, administrators, heirs or distributees, as the case may be, at any time within one year after the date of such death (but in no event after the scheduled expiration of the term of the Option), may exercise the Option with respect to (i) any Shares as to which the decedent could have exercised the Option at the time of his or her death, and (ii) if the Option is not fully exercisable on the date of his or her death, the number of additional Shares as to which the Option would have become exercisable had he or she remained an employee through the next date on which additional Shares were scheduled to become exercisable under the Option; provided, however, that if death occurs during the three-year period following a Disability or any period following a retirement or voluntary termination in respect of which the Board has exercised its discretion to grant continuing exercise rights, the Option shall not become exercisable as to any Shares in addition to those as to which the decedent could have exercised the Option at the time of his or her death.

[If the Optionee ceases to be employed by the Company or one of its subsidiaries by reason of Related Employment, he or she shall not be considered to have incurred a termination of employment for purposes of this Agreement.]

iv) Exercise of Option. The Optionee, from time to time during the period when the Option hereby granted may by its terms be exercised, may exercise the Option by delivering to the Company a written notice signed by the Optionee stating the number of Shares that the Optionee has elected to purchase and the manner of payment for such Shares. The notice shall be accompanied by payment in full by [(a)] cash or check [or (b) delivery of Shares, duly endorsed for transfer (or with duly executed stock powers attached), (c) if there shall be a public market for the Common Shares at such time, subject to such rules as may be established by the Committee, through delivery of irrevocable instructions to a broker to sell a number of Shares otherwise deliverable upon the exercise of the Option and to deliver promptly to the Company an amount equal to the exercise price or (d) any combination of the foregoing], for an amount equal to the purchase price of the Shares then to be purchased (including any withholding taxes as determined by the Committee). [Shares surrendered as payment for Shares purchased pursuant to the exercise of this Option will be valued, for such purposes, at Fair Market Value on the date of such Option exercise.] As soon as practicable after receipt of the foregoing, the Company shall issue the shares in the name of the Optionee and deliver the certificates therefor to the Optionee.

Anything to the contrary herein notwithstanding, the Company's obligation to sell and deliver Shares under this Option is subject to such compliance with Federal and state laws, rules and regulations applying to the authorization, issuance or sale of securities as the Company deems necessary or advisable. The Company shall not be required to sell and deliver stock pursuant hereto unless and until it receives satisfactory proof that the provisions of the Securities Act of 1933 or the Securities Exchange Act of 1934 or the rules and regulations of the Securities and Exchange Commission promulgated thereunder or the provisions of any state law governing the sale of securities, or that there has been compliance with the provisions of such acts, rules, regulations and state laws.

v) Non-Assignability. The Option shall not be transferable by the Optionee other than by will or the laws of descent and distribution and may be exercised during the Optionee's lifetime only by the Optionee or by his or her guardian or legal representative. Any transferee of the Option shall be subject to the terms and conditions of this Agreement. No such transfer of the Option shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and/or such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of this Agreement. No assignment or transfer of this Option, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise except a transfer by the Optionee by will or by the laws of descent and distribution, shall vest in the purported assignee or transferee any interest or right herein whatsoever.

vi) Disputes. As a condition of the granting of the Option, the Optionee and the Optionee's successors and assigns agree that any dispute or disagreement which shall arise under or as a result of this Agreement shall be determined by the Committee in its sole discretion and judgment and that any such determination and any interpretation by such Committee of the terms of this Agreement shall be final and shall be binding and conclusive for all purposes.

vii) Dilution and Other Adjustments. In the event of any change in the Outstanding Shares of the Company by reason of any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination or exchange of shares or other similar event, [and if the Committee shall determine, in its sole discretion, that such change equitably requires an adjustment] in the number of Shares subject to, or the Option price per Share under, any outstanding Option, which has been awarded to any participant Optionee, then such adjustment shall be made by the Committee and shall be conclusive and binding for all purposes of the Plan.

viii) Rights as Shareholder. The Optionee shall have no rights as a shareholder of the Company with respect to any of the unexercised Shares until the issuance of a stock certificate or certificates upon the exercise of the Option in full or in part and the payment or withholding of any applicable withholding taxes is made, and then only with respect to the shares represented by such certificate or certificates.

ix) Notices. Every notice relating to this Agreement shall be in writing and if given by mail shall be given by registered or certified mail with return receipt requested. All notices to the Company shall be delivered to the Vice President of Human Resources at 777 108th Avenue NE, Suite 1200, Bellevue, Washington, 98004. All notices by the Company to the Optionee shall be delivered to the Optionee personally or addressed to the Optionee at the Optionee's last address as then contained in the records of the Company or such other address as the Optionee may designate. Either party by notice to the other may designate a different address to which notices shall be addressed. Any notice given by the Company to the Optionee at the Optionee's last designated address shall be effective to bind any other person who shall acquire rights hereunder.

x) Provisions of Plan Controlling. The provisions hereof are subject to the terms and conditions of the Plan. In the event of any conflict between the provisions of this Option and the provisions of the Plan, the provisions of the Plan shall control. All capitalized concerning this Agreement shall have the same meaning, as in the Plan unless otherwise defined in this Agreement.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SYMETRA FINANCIAL CORPORATION:

By: ______________________________
Name:
Its:

OPTIONEE:

By: ______________________________
Name:

[FORM OF]
SYMETRA FINANCIAL CORPORATION

RESTRICTED STOCK UNIT AGREEMENT

AGREEMENT (this “Agreement”) made as of this ___th day of __________ 2007, by and between Symetra Financial Corporation (the “Company”), and __________ (the “Awardee”).

W I T N E S S E T H :

WHEREAS, the Awardee is now employed by the Company or a subsidiary of the Company and the Company desires to promote the interests of the Company and its subsidiaries by providing the Awardee with incentives to continue and increase his or her efforts with respect to, and remain in the employ of, the Company and its subsidiaries and, as an inducement thereto, the Company has determined to grant to the Awardee an award of restricted stock units pursuant to the Symetra Financial Corporation Equity Plan (the “Plan”).

Capitalized terms not otherwise defined in this Agreement shall have the meanings assigned to such terms in the Plan.

NOW, THEREFORE, it is agreed between the parties as follows:

xi) Grant of RSUs. Subject to the terms and conditions hereof, the Company hereby grants to the Awardee restricted stock units with respect to [NUMBER] Shares (the “RSUs”).

xii) Vesting of RSUs. The RSUs shall vest on each of the following dates and shall be settled in Shares as set forth in Section xiv), immediately upon vesting:

Date	Number of Shares Underlying the RSUs Vesting on such Date
Second anniversary of the date the Company consummates the initial public offering of its Shares (such date, the “IPO Date”)	One-half of all Shares underlying the RSUs, rounded down to the nearest whole number of Shares
Fourth anniversary of the IPO Date	All remaining Shares underlying the RSUs

xiii) Termination of Employment. If at any time the Awardee’s employment with the Company or any subsidiary shall be terminated for any reason other than death or Disability, any unvested RSUs shall be forfeited and terminated.

If the Awardee ceases to be employed by the Company and its subsidiaries by reason of death or Disability, a portion of the RSUs (to the extent not already vested pursuant to paragraph 2) shall immediately vest thereupon. Such portion shall be the number of Shares underlying the RSUs equal to the product of (i) the total number of Shares underlying the RSUs and (ii) a fraction, the numerator of which is the number of full or partial months within the period commencing on the IPO Date and ending on the month in which such termination occurs, and the denominator of which is equal to the number of full or partial months within the period commencing on the IPO Date and ending on the fourth anniversary of the IPO Date. For the avoidance of doubt, the vesting provided in this paragraph will only apply to the extent such portion of the RSUs did not previously vest in accordance with paragraph 2.

If the Awardee ceases to be employed by the Company or one of its subsidiaries by reason of Related Employment, he or she shall not be considered to have incurred a termination of employment for purposes of this Agreement.

xiv) Settlement of RSU. Upon the vesting of any portion of the RSUs, the Company shall issue a number of Shares equal to the number of Shares underlying such vested portion of the RSUs in the name of the Awardee and deliver the certificates therefor to the Awardee.

Anything to the contrary herein notwithstanding, the Company's obligation to sell and deliver Shares under this Agreement is subject to such compliance with Federal and state laws, rules and regulations applying to the authorization, issuance or sale of securities as the Company deems necessary or advisable. The Company shall not be required to sell and deliver stock pursuant hereto unless and until it receives satisfactory proof that the provisions of the Securities Act of 1933 or the Securities Exchange Act of 1934 or the rules and regulations of the Securities and Exchange Commission promulgated thereunder or the provisions of any state law governing the sale of securities, or that there has been compliance with the provisions of such acts, rules, regulations and state laws.

xv) Non-Assignability. The RSUs shall not be transferable by the Awardee other than by will or the laws of descent and distribution and may be exercised during the Awardee's lifetime only by the Awardee or by his or her guardian or legal representative. Any transferee of the RSUs shall be subject to the terms and conditions of this Agreement. No such transfer of the RSUs shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of the will and/or such other evidence as the Company may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions of this Agreement. No assignment or transfer of the RSUs, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise except a transfer by the Awardee by will or by the laws of descent and distribution, shall vest in the purported assignee or transferee any interest or right herein whatsoever.

xvi) Disputes. As a condition of the granting of the RSUs, the Awardee and the Awardee's successors and assigns agree that any dispute or disagreement which shall arise under or as a result of this Agreement shall be determined by the Committee in its sole discretion and judgment and that any such determination and any interpretation by such Committee of the terms of this Agreement shall be final and shall be binding and conclusive for all purposes.

xvii) Dilution and Other Adjustments. In the event of any change in the Outstanding Shares of the Company by reason of any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination or exchange of shares or other similar event, [and if the Committee shall determine, in its sole discretion, that such change equitably requires an adjustment] in the number of shares subject to any outstanding RSU, which has been awarded to any participant Awardee, then such adjustment shall be made by the Committee and shall be conclusive and binding for all purposes of the Plan.

xviii) Rights as Shareholder. The Awardee shall have no rights as a shareholder of the Company with respect to any Shares underlying the RSUs [until the issuance of a stock certificate or certificates upon the settlement of the RSUs in full or in part and the payment or withholding of any applicable withholdings taxes is made, and then only with respect to the shares represented by such certificate or certificates].

xix) Notices. Every notice relating to this Agreement shall be in writing and if given by mail shall be given by registered or certified mail with return receipt requested. All notices to the Company shall be delivered to the Vice President of Human Resources at 777 108th Avenue NE, Suite 1200, Bellevue, Washington, 98004. All notices by the Company to the Awardee shall be delivered to the Awardee personally or addressed to the Awardee at the Awardee's last address as then contained in the records of the Company or such other address as the Awardee may designate. Either party by notice to the other may designate a different address to which notices shall be addressed. Any notice given by the Company to the Awardee at the Awardee's last designated address shall be effective to bind any other person who shall acquire rights hereunder.

xx) Provisions of Plan Controlling. The provisions hereof are subject to the terms and conditions of the Plan. In the event of any conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall control. All capitalized concerning this Agreement shall have the same meaning, as in the Plan unless otherwise defined in this Agreement.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SYMETRA FINANCIAL CORPORATION:

By: ______________________________
Name:
Its:

AWARDEE:

By: ______________________________
Name:

Exhibit 10.17

Symetra Financial Corporation

EMPLOYEE STOCK PURCHASE PLAN

The following constitute the provisions of the Employee Stock Purchase Plan of Symetra Financial Corporation.

1. **Purpose**. The purpose of the Plan is to provide employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. It is the intention of the Company to have the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed so as to extend and limit participation in a uniform and nondiscriminatory basis consistent with the requirements of Section 423.

2. **Definitions**.

(a) "**Administrator**" shall mean the Board or any Committee designated by the Board to administer the plan pursuant to Section 14.

(b) "**Board**" shall mean the Board of Directors of the Company.

(c) "**Change of Control**" shall, for the purpose of this plan, occur if:

(i) Any person or group (within the meaning of Section 13(d) and 14(d)(2) of the Exchange Act), other than (x) White Mountains Insurance Group, Ltd., Berkshire Hathaway, Inc. or the respective wholly owned subsidiaries thereof, as applicable (the "Significant Investors"), (y) an underwriter temporarily holding Shares in connection with a public issuance thereof or (z) an employee benefit plan of the Company or its affiliates, becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of thirty-five percent (35%) or more of the Company's then outstanding Shares and such ownership percentage exceeds the beneficial ownership percentage of the Significant Investors in the Company's then outstanding Shares;

(ii) the Continuing Directors (defined as a member of the Board who either was a member of the Board on the Effective Date, or subsequently became a director of the Company and whose election, or nomination for election by the Company's shareholders was approved by a vote of a majority of the Continuing Directors then on the Board (which term, for purposes of this definition, shall mean the whole Board and not any committee thereof), but excluding any such individual whose initial assumption of office occurred pursuant to an actual or threatened proxy contest or consent solicitation with respect to the election or removal of directors) cease for any reason to constitute a majority of the Board of the Company;

(iii) the business of the Company and its subsidiaries is disposed of by the Company pursuant to a sale or other disposition of all or substantially all of the business or business-related assets of the Company and its subsidiaries.

(d) "**Code**" shall mean the Internal Revenue Code of 1986, as amended.

(e) "**Committee**" means the Compensation Committee of the Board appointed by the Board in accordance with Section 14 hereof.

(f) "**Common Stock**" shall mean the common stock of the Company.

(g) "**Company**" shall mean Symetra Financial Corporation, a Delaware corporation.

(h) "**Compensation**" shall mean all taxable compensation reportable by Employer on IRS Form W-2, before any salary reduction contributions made to an Employee-sponsored cafeteria, qualified transportation fringe, simplified employee pension, 401(k), 457(b) or 403(b) plan, and including sales incentive compensation and overtime pay; but excluding reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, welfare benefits, Annual Incentive Bonus (AIB), any other bonus, the taxable value of qualified or non-qualified stock option, severance pay, Employer-paid cash and non-cash fringe benefits, long-term disability benefits, and any long term incentive plan payments to include the Performance Share Plan.

(i) "**Designated Subsidiary**" shall mean any Subsidiary selected by the Administrator as eligible to participate in the Plan and noted on Schedule A. Schedule A may be modified by the Administrator.

(j) "**Eligible Employee**" shall mean any individual who is a salaried employee of the Company or any Designated Subsidiary and whose customary employment with the Company or Designated Subsidiary is at least twenty (20) hours per week and more than five (5) months in any calendar year. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company. Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

(k) "**Fair Market Value**" of a Share shall mean, as of any date, (i) the closing per share sales price of the Shares (A) as reported by the NYSE for such date or (B) if the Shares are listed on any other national stock exchange, as reported on the stock exchange composite tape for securities traded on such stock exchange for such date or, with respect to each of clauses (A) and (B), if there were no sales on such date, on the closest preceding date on which there were sales of Shares or (ii) in the event there shall be no public market for the Shares on such date, the fair market value of the Shares as determined in good faith by the Committee. Not withstanding the above, in the event of a Change in Control, the Committee as constituted immediately prior to the Change in Control shall determine the manner in which "Fair Market Value" of Shares will be determined following the Change in Control.

(l) "**Offering Date**" shall mean the first Trading Day of each Offering Period.

(m) "**Offering Periods**" shall mean the periods of approximately six (6) months during which payroll deductions of the participants are accumulated under this Plan, commencing on the first Trading Day on or immediately after February 15 and August 15 of each year and terminating on the next August 14 or February 14, respectively; provided, however, that in the event the first day of an Offering Period would not fall on a Trading Day, the Offering Period shall instead begin on the next Trading Day, and in the event the last day of an Offering Period would not fall on a Trading Day, the Offering Period shall instead end on the Trading Day immediately prior to such date. The first Offering Period under the Plan shall commence on February 15, 2008. The duration and timing of Offering Periods may be changed pursuant to Section 4 of this Plan.

(n) "**Plan**" shall mean this Employee Stock Purchase Plan.

(o) "**Purchase Date**" shall mean the last day of each Purchase Period.

(p) "**Purchase Periods**" shall mean periods of approximately three (3) months within an Offering Period, with the first Purchase Period of each Offering Period commencing on the first day of the Offering Period (for example, February 15 or August 15) and ending on the next May 14 or November 14, respectively, and with the second Purchase Period of each Offering Period commencing the next Trading Day following the end of the first Purchase Period (for example, May 15 or November 15) and ending on the next August 14 or February 14, respectively; provided that in the event the beginning of a Purchase Period would not fall on a Trading Day, the Purchase Period shall instead begin on the next Trading Day, and in the event the last date of a Purchase Period would not fall on a Trading Day, the Purchase Period shall instead end on the Trading Day immediately prior to such date.

(q) "**Purchase Price**" shall mean eighty-five percent (85%) of the Fair Market Value of a share of Common Stock on the applicable Purchase Date; provided however, that the Purchase Price may be adjusted by the Administrator pursuant to Section 20.

(r) "**Subsidiary**" shall mean a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

(s) "**Trading Day**" shall mean a day on which national stock exchanges and the NYSE System are open for trading.

3. **Eligibility**.

(a) **Offering Periods**. Any individual who is an Eligible Employee one month prior to an Offering Date shall be eligible to participate in the Plan for that Offering Period.

(b) **Limitations**. Any provisions of the Plan to the contrary notwithstanding, no Eligible Employee shall be granted an option under the Plan (i) to the extent that, immediately after the grant, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company and/or hold outstanding options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the capital stock of the Company or of any Subsidiary, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its subsidiaries under Section 423 of the Code accrues at a rate which exceeds Twenty-Five Thousand Dollars ($25,000) worth of stock (determined at the fair market value of the shares at the time such option is granted) for each calendar year in which such option is outstanding at any time.

4. **Offering Periods**. The Plan shall be implemented by consecutive Offering Periods, which will continue until terminated in accordance with Section 20 hereof. The Committee shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without shareholder approval if such change is announced prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. **Participation**.

(a) **First Offering Period**. An Eligible Employee shall be entitled to participate in the first Offering Period only if such individual submits a subscription agreement authorizing payroll deductions in a form determined by the Administrator (i) no earlier than the effective date of the Form S-8 registration statement with respect to the issuance of Common Stock under the Plan and (ii) no later than five (5) business days (or such other number of days as determined by the Administrator) from the effective date of such S-8 registration statement (the “Enrollment Window”). An Eligible Employee’s failure to submit the subscription agreement during the Enrollment Window shall result in the automatic termination of such individual’s participation in the Offering Period.

(b) **Subsequent Offering Periods**. An Eligible Employee may become a participant in the Plan with respect to Offering Periods after the first Offering Period by completing a subscription agreement authorizing payroll deductions in a form determined by the Administrator and filing it with the Company’s payroll office prior to the applicable Offering Date.

6. **Payroll Deductions**.

(a) At the time a participant files his or her subscription agreement, he or she shall elect to have payroll deductions made on each pay day during the Offering Period in an amount not exceeding fifteen percent (15%) of the Compensation which he or she receives on each pay day during the Offering Period (or such lower limit as determined by the Committee), but in any event not to exceed the limit specified in Section 3(b); provided, however, that should a payday occur on an Purchase Date, a participant shall have the payroll deductions made on such day applied to his or her account under the new Offering Period or Purchase Period, as the case may be. A participant’s subscription agreement shall remain in effect for successive Offering Periods unless terminated as provided in Section 10 hereof.

(b) Payroll deductions for a participant shall commence on the first payday following the Offering Date and shall end on the last payday in the Offering Period to which such authorization is applicable, unless sooner terminated by the participant as provided in Section 10 hereof; provided, however, that for the first Offering Period, payroll deductions shall commence on the first payday on or following the end of the Enrollment Window.

(c) All payroll deductions made for a participant shall be credited to his or her account under the Plan and shall be withheld in whole percentages only. A participant may not make any additional payments into such account.

(d) A participant may discontinue his or her participation in the Plan as provided in Section 10 hereof, or may increase or decrease the rate of his or her payroll deductions during the Offering Period by completing or filing with the Company a new subscription agreement authorizing a change in payroll deduction rate. The Administrator may, in its discretion, limit the nature and/or number of participation rate changes during any Offering Period. The change in rate shall be effective with the first full payroll period following ten (10) business days after the Company’s receipt of the new subscription agreement unless the Company elects to process a given change in participation more quickly.

(e) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(b) hereof, a participant’s payroll deductions may be decreased to zero percent (0%) at any time during a Purchase Period. Payroll deductions shall recommence at the rate provided in such participant’s subscription agreement at the beginning of the first Purchase Period which is scheduled to end in the following calendar year, unless terminated by the participant as provided in Section 10 hereof.

(f) At the time the option is exercised, in whole or in part, or at the time some or all of the Company’s Common Stock issued under the Plan is disposed of, the participant must make adequate provision for the Company’s federal, state, or other tax withholding obligations, if any, which arise upon the exercise of the option or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the participant’s compensation the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Eligible Employee.

7. **Grant of Option**. On the Offering Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted an option to purchase on each Purchase Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of the Company’s Common Stock determined by dividing such Eligible Employee’s payroll deductions accumulated prior to such Purchase Date and retained in the Participant’s account as of the Purchase Date by the applicable Purchase Price; and provided that such purchase shall be subject to the limitations set forth in Sections 3(b) and 12 hereof. The Eligible

Employee may accept the grant of such option by turning in a completed Subscription Agreement to the Company on or prior to an Offering Date, or with respect to the first Offering Period, prior to the last day of the Enrollment Window. The Administrator may, for future Offering Periods, increase or decrease, in its absolute discretion, the maximum number of shares of the Company's Common Stock an Eligible Employee may purchase during each Purchase Period of such Offering Period. Exercise of the option shall occur as provided in Section 8 hereof, unless the participant has withdrawn pursuant to Section 10 hereof. The option shall expire on the last day of the Offering Period.

8. **Exercise of Option**.

(a) Unless a participant withdraws from the Plan as provided in Section 10 hereof, his or her option for the purchase of shares shall be exercised automatically on the Purchase Date, and the maximum number of full shares subject to option shall be purchased for such participant at the applicable Purchase Price with the accumulated payroll deductions in his or her account. No fractional shares shall be purchased; any payroll deductions accumulated in a participant's account which are not sufficient to purchase a full share shall be retained in the participant's account for the subsequent Purchase Period or Offering Period, subject to earlier withdrawal by the participant as provided in Section 10 hereof. Any other funds left over in a participant's account after the Purchase Date shall be returned to the participant. During a participant's lifetime, a participant's option to purchase shares hereunder is exercisable only by him or her.

(b) If the Administrator determines that, on a given Purchase Date, the number of shares with respect to which options are to be exercised may exceed (i) the number of shares of Common Stock that were available for sale under the Plan on the Offering Date of the applicable Offering Period, or (ii) the number of shares available for sale under the Plan on such Purchase Date, the Administrator may in its sole discretion (x) provide that the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Offering Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all participants exercising options to purchase Common Stock on such Purchase Date, and continue all Offering Periods then in effect, or (y) provide that the Company shall make a pro rata allocation of the shares available for purchase on such Offering Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all participants exercising options to purchase Common Stock on such Purchase Date, and terminate any or all Offering Periods then in effect pursuant to Section 20 hereof. The Company may make pro rata allocation of the shares available on the Offering Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's shareholders subsequent to such Offering Date.

9. **Delivery**. As soon as reasonably practicable after each Purchase Date on which a purchase of shares occurs, the Company shall arrange the delivery to each participant the shares purchased upon exercise of his or her option in a form determined by the Administrator.

10. **Withdrawal**.

(a) A participant may withdraw all but not less than all the payroll deductions credited to his or her account and not yet used to exercise his or her option under the Plan at any time by giving written notice to the Company in a form determined by the Administrator to this Plan five (5) or more business days prior to the Purchase Date as designated by the Administrator. All of the participant's payroll deductions credited to his or her account shall be paid to such participant promptly after receipt of notice of withdrawal and such participant's option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period. If a participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the succeeding Offering Period unless the participant delivers to the Company a new subscription agreement.

(b) A participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the participant withdraws.

11. **Termination of Employment**. Termination of a participant's employment for any reason, including retirement, death or the failure of a participant to remain an Eligible Employee of the Company or of a Designated Subsidiary, immediately terminates his or her participation in this Plan. In such event, the payroll deductions credited to the participant's account during the Offering Period but not yet used to purchase shares under the Plan will be returned without interest to him or her or, in the case of his or her death, to the person or persons entitled thereto under Section 15 hereof. For purposes of this Section 11, an employee will not be deemed to have terminated employment or failed to remain in the continuous employ of the Company or of a Designated Subsidiary in the case of sick leave, military leave, or any other leave of absence approved by the Board; provided that such leave is for a period of not more than ninety (90) days or reemployment upon the expiration of such leave is guaranteed by contract or statute.

12. **Interest**. No interest shall accrue on the payroll deductions of a participant in the Plan.

13. **Stock**.

(a) Subject to adjustment upon changes in capitalization of the Company as provided in Section 19 hereof, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan shall be one hundred thousand (100,000)* shares.

(b) Until the shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), a participant shall

---

* To be adjusted to give effect to the stock split or stock dividend to be implemented in connection with the Company's initial public offering.

only have the rights of an unsecured creditor with respect to such shares, and no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to such shares.

(c) Shares to be delivered to a participant under the Plan shall be registered in the name of the participant or in the name of the participant and his or her spouse.

14. **Administration**. The Administrator shall administer the Plan and shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Administrator shall, to the full extent permitted by law, be final and binding upon all parties.

15. **Designation of Beneficiary**.

(a) A participant may file a written designation of a beneficiary who is to receive any shares and cash, if any, from the participant's account under the Plan in the event of such participant's death subsequent to a Purchase Date on which the option is exercised but prior to delivery to such participant of such shares and cash. In addition, a participant may file a written designation of a beneficiary who is to receive any cash from the participant's account under the Plan in the event of such participant's death prior to exercise of the option. If a participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

(b) Such designation of beneficiary may be changed by the participant at any time by written notice. In the event of the death of a participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such participant's death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

(c) All beneficiary designations shall be in such form and manner as the Administrator may designate from time to time.

16. **Transferability**. Neither payroll deductions credited to a participant's account nor any rights with regard to the exercise of an option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15 hereof) by the participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 10 hereof.

17. **Use of Funds**. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be

obligated to segregate such payroll deductions. Until shares are issued, participants shall only have the rights of an unsecured creditor.

18. **Reports**. Individual accounts shall be maintained for each participant in the Plan. Statements of account shall be given to participating Eligible Employees at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

19. **Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Change of Control**.

(a) **Changes in Capitalization**. Subject to any required action by the shareholders of the Company, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan, the maximum number of shares each participant may purchase each Purchase Period (pursuant to Section 7), the number of shares that may be added annually to the shares reserved under the Plan (pursuant to Section 13(a)(i), as well as the price per share and the number of shares of Common Stock covered by each option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other change in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an option.

(b) **Dissolution or Liquidation**. In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall be shortened by setting a new Purchase Date (the "New Purchase Date"), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator. The New Purchase Date shall be before the date of the Company's proposed dissolution or liquidation. The Administrator shall notify each participant in writing, at least ten (10) business days prior to the New Purchase Date, that the Purchase Date for the participant's option has been changed to the New Purchase Date and that the participant's option shall be exercised automatically on the New Purchase Date, unless prior to such date the participant has withdrawn from the Offering Period as provided in Section 10 hereof.

(c) **Merger or Change of Control**. In the event of a merger or Change of Control, each outstanding option shall be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the option, any Purchase Periods then in progress shall be shortened by setting a New Purchase Date and any Offering Periods then in progress shall end on the New Purchase Date. The New Purchase Date shall be before the date of the Company's proposed merger or Change of Control. The Administrator shall notify each participant in writing, at least ten (10) business days prior to the New Purchase Date, that the Purchase Date for the participant's option has been changed to the New Purchase Date and that the participant's option shall be exercised automatically on the New Purchase Date, unless prior to such date the participant has withdrawn from the Offering Period as provided in Section 10 hereof.

20. **Amendment or Termination**.

(a) The Administrator may at any time and for any reason terminate or amend the Plan. Except as otherwise provided in the Plan, no such termination can affect options previously granted, provided that an Offering Period may be terminated by the Administrator on any Purchase Date if the Administrator determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its shareholders. Except as provided in Section 19 and this Section 20 hereof, no amendment may make any change in any option theretofore granted which adversely affects the rights of any participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain shareholder approval in such a manner and to such a degree as required.

(b) Without shareholder consent and without regard to whether any participant rights may be considered to have been "adversely affected," the Administrator shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each participant properly correspond with amounts withheld from the participant's Compensation, and establish such other limitations or procedures as the Administrator determines in its sole discretion advisable which are consistent with the Plan.

(c) In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) increasing the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

(ii) shortening any Offering Period so that Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Board action; and

(iii) allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan participants.

21. **Notices**. All notices or other communications by a participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form and manner specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

22. **Conditions Upon Issuance of Shares**. Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

23. **Term of Plan**. The Plan shall become effective upon the earlier to occur of its adoption by the Board of Directors or its approval by the shareholders of the Company. It shall continue in effect until terminated under Section 20 hereof.

SCHEDULE A

Symetra Financial Corporation

Designated Subsidiaries

Symetra Life Insurance Company

Employee Benefit Consultants, Inc.

Medical Risk Managers, Inc.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our reports dated February 20, 2007, in Amendment No. 5 to the Registration Statement (Form S-1 No. 333-144162) and related Prospectus of Symetra Financial Corporation dated October 16, 2007.

/s/ Ernst & Young LLP

Seattle, Washington

October 15, 2007