

**SETTLERS LIFE INSURANCE COMPANY**  
**APPLICATION FOR CHANGE IN DOMESTIC COMPANY STATUS**

**Item 1 – Transmittal Letter**

Please see the attached transmittal letter with regard to the Form A Statement Regarding the Acquisition of Control of Settlers Life Insurance Company.



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January 7, 2022

**VIA ELECTRONIC APPLICATION**

Nathan Houdek  
Commissioner of Insurance  
Office of the Commissioner of Insurance  
State of Wisconsin  
125 South Webster Street  
Madison, Wisconsin 53703-3473

**Re: Form A Statement Regarding the Acquisition of Control of Settlers Life Insurance Company (NAIC # 97241)**

Dear Commissioner Houdek:

On behalf of Everly Holdings, LLC, a Delaware limited liability company ("Everly"), we are pleased to submit the attached Form A Statement Regarding the Acquisition of Control of a Domestic Insurer (the "Form A") seeking approval of the Wisconsin Office of the Commissioner of Insurance (the "OCI"), pursuant to Wis. Stat. § 611.72 and Wis. Admin. Code § Ins 40.02, of Everly's proposed acquisition of control of Settlers Life Insurance Company, a Wisconsin domestic insurer ("Settlers Life"). In accordance with Wis. Admin. Code § Ins 40.02(1)(b)1., a copy of the Form A is being sent to Settlers Life.

As further described in the Form A, Everly and its affiliates have a significant presence in the insurance industry and are pleased to leverage that experience with the acquisition of Settlers Life. Everly's affiliate, Security Benefit Life Insurance Company ("SBLIC"), is a well-established Kansas insurance company, licensed in Wisconsin and all other states except New York. SBLIC was founded in 1892 and is a leader in the U.S. retirement industry due to its combination of product innovation, best-in-class investment management and unique distribution strategy. SBLIC provides a broad suite of solutions to assist its customers meeting their investment and retirement goals. As of September 30, 2021, SBLIC had over \$43 billion of assets under management and over \$4.8 billion of total adjusted capital.

Everly, LLC, a Kansas-domiciled insurance producer and operating subsidiary of Everly, maintains a digital platform targeting new consumers in the insurance marketplace and maintains

the highest standards of underwriting, compliance and product administration. SBLIC recently began writing a Universal Life insurance product that is distributed and administered by Everly, LLC. SBLIC is the only insurer currently offering permanent life insurance direct to consumers online through a producer such as Everly, LLC.

SBLIC's products are administered by Everly's affiliate, SE2 LLC ("SE2"), which is a leading technology and third party administration company. SE2 supports more than 25 direct clients and more than 37 insurance carriers in North America and services more than 1.7 million life and annuity contracts. SE2 has over \$160 billion of assets under administration and has been recognized as an industry leading innovator.

As you'll note from the confidential business plan in the Form A, Everly has exciting plans for Settlers Life. Everly and its affiliates described above have spent years building a platform that welcomes new consumers to the insurance marketplace while maintaining the highest standards of underwriting, compliance and product administration. Acquiring Settlers Life to service that market fits well within Everly's strategic vision and long-term plan.

The Form A includes a confidential supplement with exhibits that contain confidential and/or proprietary information, sensitive personal information and strategies that are not otherwise available to the public that, if disclosed, could cause substantial injury to the competitive position and/or personal privacy of Everly and certain of the other parties referenced therein (the "Confidential Supplement"). Pursuant to Wis. Admin. Code § Ins 40.05, the Confidential Supplement is required under Wis. Stat. § 601.42. Thus, the OCI may withhold that information from public disclosure under Wis. Stat. § 601.465(1m)(a) and Wis. Admin. Code § Ins 6.13(3). Moreover, because the Confidential Supplement is not public, it is presumed under Wis. Stat. § 601.465(1n)(a), notwithstanding the public records law, that it is proprietary and confidential and that the potential for harm and competitive disadvantage if it is made public by OCI outweighs the public interest in the disclosure of the information.

The Confidential Supplement also includes "trade secrets" as defined under Wis. Stat. § 134.90(1)(c) because it "derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use [and] is the subject of efforts to maintain its secrecy that are reasonable under the circumstances." A trade secret is exempt from the public records law under Wis. Stat. § 19.36(5) and may be withheld by the OCI under Wis. Admin. Code § Ins 6.13(2).

Finally, the public value of the personal information in the Biographical Affidavits, attached as Exhibit CE-2 to the Confidential Supplement to the Form A, is outweighed by the privacy interests of persons submitting those affidavits, and by the public interest in encouraging qualified people to serve in the capacities described therein (*see* the Wisconsin Attorney General's October 2019 *Wisconsin Public Records Law Compliance Guide*, pp. 36-39, and, in particular, the portions thereof noting that home address information and the social security numbers of employees provided by an employer are exempt from the public records law). *Id.* at p. 23, *citing* Wis. Stat. § 19.36(10)(a).

Therefore, Everly respectfully requests that the OCI treat the Confidential Supplement to the Form A and the documents and information referenced in or attached to such Confidential Supplement, as confidential and exempt from disclosure pursuant to all applicable provisions of law, including, but not limited to, those laws referenced above, and afford all relevant protections under those laws to such information. Everly also requests that it be notified in advance if any person requests access to the Confidential Supplement or any of the exhibits contained therein so that they have the opportunity to prevent or limit such disclosure.

In furtherance of this request, the materials for which we are requesting confidential treatment have not been included among the "Public Documents" uploaded to the OCI's Application Form for Change in Domestic Company Status. The "Confidential Documents" uploaded to the OCI's Application Form for Change in Domestic Company Status include all information and materials for which we are requesting confidential treatment.

We request that you kindly acknowledge receipt of this filing by email.

Should you have any questions, please feel free to contact me by phone at (608) 283-2434 or email at [william.toman@quarles.com](mailto:william.toman@quarles.com) or Michael Rosenfield at Sidley Austin LLP at (213) 896-6076 or email at [mrosenfield@sidley.com](mailto:mrosenfield@sidley.com). We look forward to working with you and your staff. Thank you for your attention to this matter.

Very truly yours,

QUARLES & BRADY LLP

A handwritten signature in black ink, appearing to read "Bill Toman", with a long horizontal flourish extending to the right.

William Toman

Enclosures

cc: George Esposito, Everly  
Michael Rosenfield, Sidley Austin LLP  
Michael D. Devins, Sidley Austin LLP