



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

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Commissioner Praeger issues orders, sets meetings for SBC regulatory review process

TOPEKA, Kan. — Kansas Insurance Commissioner Sandy Praeger has issued orders to govern the regulatory review process for the proposed change of ownership of Security Benefit Corporation (SBC).

Commissioner Praeger has also set dates for public and regulatory meetings on the proposal.

The orders concern the proposed demutualization of Security Benefit Mutual Holding Company and the sale of Security Benefit Corporation and its subsidiaries, including Security Benefit Life Insurance Company. The sale would be to investors led by Guggenheim Partners LLC, a financial services firm.

The transaction was announced February 16 and involved an initial \$175 million of capital for Security Benefit Life Insurance Company, secured by a loan to SBC. A total \$400 million investment is called for by the Guggenheim-led investor group, with the remaining \$225 million to be invested at the transactions' closing.

The transaction requires regulatory and policyholder approval. Commissioner Praeger has scheduled a public comment meeting for April 28, 2010, and an evidentiary hearing on May 5, 2010, both beginning at 9 a.m. at the Ramada Hotel and Convention Center in Topeka, located at 420 SE 6th Avenue.

In addition, the Commissioner set out a plan for public and policyholder access to information regarding the transaction. A Web site at www.securitybenefit.com/#1294 will provide information on the process, questions and answers about the transaction, documents related to the transaction and orders and notices related to the regulatory proceeding. A link to the site is also at www.ksinsurance.org, the insurance department's Web site.

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The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. The department is an entirely self-funded agency. More about the department is online at www.ksinsurance.org.