

AGENT ADVISORY

Advisory #: 2008-94
Date: September 29, 2008
Effective: Immediately

TO: All Symetra Life Appointed Agents and Advisors
RE: Proper handling of replacements of life policies and annuity contracts

We are issuing this notice to remind life and annuity agents appointed to sell our products of their obligations for the proper handling of replacements of life policies and annuity contracts. These obligations have always existed – they have just been elevated during this time of financial market crisis.

The complexity of the current state of the financial markets and the sense of urgency your clients may place on you to take action may be problematic. Producers, in an attempt to do what they think is right for their clients, may actually run afoul of replacement regulations. As always, it is incumbent upon each producer to perform due diligence, including full disclosure, on applicable replacement and suitability forms. These forms must clearly disclose surrender charges, changes in deductibles or coverage, changes in benefits, pre-existing limitations and the like. If an application for a replacement is incomplete, or if full due diligence was not documented with the sale, the application will be considered Not In Good Order (NIGO) and returned to the producer.

Various state regulators have asked insurance companies to send a notice to producers to remind them of replacement obligations. Some state regulators have even specified the content of the message. As such, the required state notice is reproduced for you below.

As always, replacements of life and annuity products, when done properly and in compliance with replacement and suitability standards, are acceptable. If you have question on replacement obligations, please contact your agency principal or the Symetra Life Insurance Company Sales Center at 1-800-706-0700.

Sincerely,

Michele Kemper
VP, Chief Compliance Officer
Symetra Life Insurance Company

Notice to Life and Annuity Agents and Advisors

Annuity and life insurers are obligated to take immediate, proactive steps to ensure that Life and Annuity policyholders are not subject to misleading or unsuitable replacement solicitations, including false or misleading representation as to the financial condition of any insurer.

Insurers and insurance agencies are required to supervise agents to ensure that improper solicitations and sales do not occur. Therefore, Symetra Life Insurance Company will adhere to the following rules:

- An insurance agent must submit appropriate documentation to show that any life or annuity replacement recommendation is suitable and based on proper representation of the insurer's status. Only suitable replacements, in compliance with replacement standards and regulations, are acceptable.
- If application does not contain appropriate documentation, the application will be returned as Not In Good Order (NIGO). Producers with a pattern of repeat replacement NIGO's may be terminated for improper sales practices.
- Symetra requires approval, prior to use, of all advertisements for solicitation of life or annuity sales.