



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

DIVISION OF
INVESTMENT MANAGEMENT

April 21, 2020

VIA ELECTRONIC MAIL

RESPONSE OF CHIEF ACCOUNTANT'S OFFICE
DIVISION OF INVESTMENT MANAGEMENT

Michael Renetzky
Locke Lord
Email: mrenetzky@lockelord.com

Re: Merit Life Insurance Co.

By letter dated April 21, 2020, you request authority under Regulation S-X §3-13 (“Rule 3-13”) for Merit Life Insurance Co. (“Company”) to file audited financial statements of the Company prepared in accordance with statutory accounting principles¹ (“SAP”), in place of financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), in registration statements filed under the Securities Act of 1933 (“Securities Act”) on Form S-1 for certain contingent deferred annuity contracts that the Company plans to register (collectively, “Contracts”), in satisfaction of the requirements of Items 11(e), 11(f) and 11(g) and Item 16(b) of Form S-1, as described in your letter.

Background

The Company

You state that the Company is a stock life insurance company domiciled in the state of Texas. You also state that the Company is a wholly owned subsidiary of Brickell Insurance Holdings, LLC (“Brickell”). You further state that all of the voting power of Brickell is owned indirectly by an individual, Steven W. Pasko, through MTCP Capital LLC (“MTCP”).² You also state that the economic interests in Brickell are held by certain entities (together with

¹ You note that these principles are those that are prescribed or permitted by the Company’s domiciliary state regulator.

² You state that Mr. Pasko is the sole owner of MTCP Capital LLC.

Brickell and MTCP, the “Brickell Owner Entities”) in addition to MTCP,³ but that these entities do not have any rights to control or otherwise direct the business of the Company.

You state that, absent the filing of a Form S-1 with respect to the Contracts, the Company would not be required to, nor would it, prepare GAAP financials, partial GAAP financials, or any GAAP financial package. In this regard, you state that none of the Brickell Owner Entities have securities registered under the Securities Act and none are required to make filings under the Securities Exchange Act of 1934 (the “Exchange Act”). You note that Brickell and MTCP do prepare GAAP compliant financial statements. You also state, however, that the Company is not consolidated into those GAAP financial statements, but is rather reflected as an investment in those financial statements at fair value, derived without any GAAP compliant financial information provided by the Company.

You also state that the Company is eligible for an exemption provided by Rule 12h-7 under the Exchange Act for relief from the requirement to file periodic reports under that Act.⁴ In this regard, you note that the Company is subject to supervision by the Texas Department of Insurance. In addition, you state that the Company files a statement of its annual condition with, and has its financial condition periodically examined by, the Texas Department of Insurance.⁵ Further, you state that the Company annually prepares SAP financial statements, which are audited by an independent auditor,⁶ for filing with the Texas Department of Insurance and the National Association of Insurance Commissioners.

The Contracts

You state that the Contracts the Company intends to offer provide an insurance guarantee that the contractholder will receive lifetime income payments based on the contractholder’s

³ Specifically, you state that MTCP owns 25% of the economic interests of Brickell Insurance Holdings LLC. You state that the remaining 75% of those economic interests are held by 777 Partners LLC (37.5%), Leadenhall Life Insurance Linked Investments Funds PLC (12.5%), Leadenhall Life II DAC (12.5%), and Leadenhall Life SMA III ICAV (12.5%).

⁴ Rule 12h-7 exempts insurance companies from filing Exchange Act reports with respect to certain specified types of securities that are subject to state insurance regulation and are registered under the Securities Act if certain other conditions are satisfied. 17 C.F.R. §240.12h-7 (2018).

⁵ Rule 12h-7(a) and (c) specify that an issuer qualifying under that rule is a corporation subject to the supervision of the insurance commissioner, bank commissioner, or any agency or officer performing like functions, of any State (as defined in the Exchange Act); and files an annual statement of its financial condition with, and is supervised and its financial condition examined periodically by, the insurance commissioner, bank commissioner, or any agency or officer performing like functions, of the issuer's domiciliary State (as defined in that Act). *Id.*

⁶ You state that the financial statements filed in registration statements for the Contracts will be audited by an auditor that will satisfy the independence standards of Article 2 of Regulation S-X and will be registered with and subject to inspection by the Public Company Accounting Oversight Board.

investment in his or her account held at an approved financial firm regardless of how long the contractholder lives or the performance of the contractholder's account.

Specifically, you state that when the contractholder reaches a designated age, the contractholder may begin taking withdrawals from the covered account, up to a specified annual amount. You state that if the covered account is reduced to zero, other than as a result of excess withdrawals by the contractholder, the Company will make annual income payments for the remainder of the contractholder's life in an amount equal to the permitted annual withdrawal.

You state that the Contracts will not constitute equity interests in the issuer and would be subject to regulation under Texas insurance laws. In addition, you state that the Contracts will not be listed, traded or quoted on an exchange, alternative trading system, inter-dealer quotation system, electronic communications network, or any other similar system, network, or publication for trading or quoting.⁷

Discussion

You note Rule 3-13 provides that the Commission "may, upon the informal written request of the registrant, and where consistent with the protection of investors, permit the omission of one or more of the financial statements required by Regulation S-X or the filing in substitution therefor of appropriate statements of comparable character." You assert that, for the Form S-1 registration statement of the Contracts, SAP financial statements that have been audited by an independent auditor are appropriate statements of a comparable character to GAAP financial statements.

In support of this claim, you assert that, similar to investors in variable annuity contracts, whose insurance benefits offered by the insurer depend on the insurer's solvency, investors in the Contracts will be most interested in information relevant to assessing the Company's ability to fulfill its contractual obligations.⁸ You assert that SAP financial statements would provide

⁷ Rule 12h-7(b) specifies that the securities that would otherwise trigger Exchange Act reporting obligations must not constitute an equity interest in the issuer, and must either be securities subject to regulation under the insurance laws of the domiciliary State of the issuer or guarantees of securities that are subject to regulation under the insurance laws of that jurisdiction. *Id.* Rule 12h-7(d) further requires that those securities must not be listed, traded, or quoted on an exchange, alternative trading system, inter-dealer quotation system, electronic communications network, or any other similar system, network, or publication for trading or quoting. *Id.*

⁸ You note the Commission recognized, in proposing variable annuity registration forms, that investors in those products may only be interested in the solvency of the account depositor with respect to the insurance benefits offered in those products by the depositor. *Registration Form for Insurance Company Separate Accounts that Offer Variable Annuity Contracts*, Securities Act Release No. 33-6502 and Investment Company Act Release No. 13689 (December 22, 1983).

investors in its Contracts with sufficient information to assess the Company's solvency and its ability to fulfill its contractual obligations.⁹

In this regard, you claim that SAP financial statements contain detailed information about an insurance company's balance sheet including its regulatory capital and surplus, which serve as financial cushions for paying policyholder claims. In addition, you assert that SAP financial statements enable regulators to determine the Company's ability to meet its obligations to owners of the Contracts based on the availability of readily marketable assets when obligations are due.

Based on the facts and representations set forth in your letter as summarized above, as well as the conditions outlined above, and without necessarily agreeing with all of your analysis, your request for permission under Rule 3-13 for the Company to file SAP financial statements, audited by an independent auditor, in lieu of GAAP financial statements in registration statements filed for the Contracts on Form S-1, as it relates to the accounting basis of those financial statements only and as described above, is granted.^{10 11}

If you have any questions regarding this letter, please call the Chief Accountant's Office of the Division of Investment Management at (202) 551-6918.

Sincerely,



Alison Staloch
Chief Accountant
Division of Investment Management

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

⁹ You also note that, while the use of GAAP assists investors in understanding an issuer's going concern value, investors in the Contracts do not need information regarding the Company's *going concern* value since there is no secondary market in the Contracts.

¹⁰ The staff notes that it would be receptive to considering applications under Rule 3-13 from other registrants seeking to file SAP financial statements in lieu of GAAP financial statements in registration statements filed for products similar to the Contracts described here, under circumstances similar to those described above.

¹¹ Our analysis underlying this assurance has been developed in consultation with the staff of the Commission's Office of the Chief Accountant.



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April 21, 2020

Ms. Alison Staloch
Chief Accountant
Division of Investment Management
United States Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549
stalocka@sec.gov

Re: Merit Life Insurance Co. Request for Relief

Dear Ms. Staloch:

I am writing on behalf of Merit Life Insurance Co. (the "Company"), which plans to file with the Division of Investment Management a registration statement on Form S-1 under the Securities Act of 1933, as amended (the "Securities Act"), relating to the sale of Individual Fixed Contingent Deferred Annuity Contracts (the "Contracts"), more particularly described below. In satisfaction of the requirements of Items 11(e), 11(f), 11(g) and Item 16(b) of Form S-1, the Company seeks your approval under Regulation S-X Section 3-13 ("Rule 3-13") to file the Company's audited financial statements prepared in accordance with statutory accounting principles ("SAP") prescribed and permitted by the Company's domiciliary state regulator, in place of financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") in connection with the Company's contemplated registration statement on Form S-1 for the Contracts.

Because the Contracts are insurance products subject to state regulation, the Company believes that SAP financial statements would provide purchasers of the Contracts with sufficient information to assess the Company's ability to meet its obligations under the Contracts and that filing SAP financial statements in place of GAAP financial statements would be consistent with the protection of investors. Forms N-3, N-4 and N-6 already permit the use of SAP financial statements in registration statements for variable insurance products registered on such Forms. That relief is intended to reduce the burden on insurance companies which otherwise would be required to prepare GAAP financial statements solely to register variable insurance products. Because of the significant costs and administrative burdens associated with preparing GAAP financial statements, the relief permitting use of SAP financial statements in Forms N-3, N-4 and N-6 serves as a precedent for allowing the use of SAP financial statements in registration statements for the Contracts on Form S-1. The time and cost burden of preparing GAAP financial statements solely for insurance products that must be registered on Form S-1 impedes many insurance companies from offering these types of products. Reducing this burden will likely enable additional insurance companies to enter the

marketplace for such products and increase the choices available to individuals for retirement and other long term planning purposes.

Background

The Company

Merit Life Insurance Co. is a stock life insurance company that was organized on September 11, 1957 in the State of Indiana. In January 2019, the Company redomesticated to the state of Texas. As such, the Company is subject to regulation by the Texas Department of Insurance and is authorized to conduct life insurance, annuity and accident and health insurance business in 45 states¹, the District of Columbia and the U.S. Virgin Islands.

In March 2019, the Company was acquired by Steven W. Pasko, a founder and managing partner of 777 Partners LLC, a private equity and venture capital firm, indirectly through Brickell Insurance Holdings LLC. Brickell Insurance Holdings LLC owns all of the outstanding equity interests of Merit Life Insurance Co. One hundred percent of the voting power of Brickell Insurance Holdings, LLC is held by Steven W. Pasko indirectly through MTCP Capital LLC, of which he is the sole owner (together the Brickell Insurance Holdings, LLC and MTCP Capital LLC being the "Brickell Parent Entities"). MTCP Capital LLC owns 25% of the economic interests of Brickell Insurance Holdings LLC. The remaining economic interests are held by: 777 Partners LLC (37.5%), Leadenhall Life Insurance Linked Investments Funds PLC (12.5%), Leadenhall Life II DAC (12.5%), and Leadenhall Life SMA III ICAV (12.5%) (collectively, together with the Brickell Parent Entities, the "Owner Entities"). These economic interest holders do not have any rights to control or otherwise direct the business of the Company.

As of December 31, 2018, the Company's statutory capital and surplus was \$94,100,563. The Contracts will be the Company's only actively marketed product once registered.

The Company does not have any outstanding publicly-traded equity securities (i.e. common stock or preferred stock), nor has the Company issued any publicly traded debt securities.

The Contracts

The Contracts that the Company plans to register on Form S-1 provide an insurance guarantee that the contractholder will receive lifetime income payments based on the contractholder's investment in his or her account held at an approved financial firm regardless of how long the contractholder lives or the performance of the contractholder's account. If there is value remaining in the covered account at the time of the contractholder's death, then no income benefit payments shall be made. The contractholder will pay an annual fee for the guaranteed income benefit, which is deducted periodically from the covered account while the Contract is in force. When the contractholder reaches a designated age, the contractholder may begin taking withdrawals from the covered accounts. The amount of these annual withdrawals will be equal to the greater of five percent (5%) of the account value on the date the Contract is issued or the date the Contract is exercised. If the covered account is reduced to zero, other than as a result of excess withdrawals by the contractholder, the Company will make annual income payments for the remainder of the contractholder's life. The amount of the annual cash payments made under the Contract depends on the value of the covered account following the vesting of the Contract. This is because the Contracts provide

¹ Excluding Alaska, Massachusetts, New Hampshire, New York and Vermont.

that in the event that payment is required under the Contract, the Company will pay an amount to the contractholder each year equal to the permitted annual withdrawals under the Contract, which will be equal to a minimum of five percent of the value of the covered account (valued at the greater of the value of the covered account on the date of issue of the Contract or on the exercise date of the Contract).

The Contracts will be sold only to purchasers who maintain an account with an approved financial firm. Purchasing a Contract does not affect a contractholder's right to withdraw funds from the account at the financial firm or the size of any withdrawal. However, the amount and timing of withdrawals may have an impact on the income benefit amount if a covered event occurs.

The combination of withdrawals from a contractholder's account at a financial firm in accordance with the terms set out in a Contract and payment of any benefit amounts for the annuitant's lifetime should the assets in the covered account be depleted provides virtually the same protection as a guaranteed lifetime withdrawal benefit rider when added to a traditional variable annuity contract. The Contracts are designed to provide for guaranteed lifetime income payments where the assets of the covered account are owned directly by, or for the benefit of, the contractholder. Conversely, a variable annuity product may provide similar guaranteed lifetime income payments, but the assets of the covered account are part of a separate account owned by the insurance company. The principal difference between the Contracts and similar guaranteed lifetime income components of variable annuity products is how the covered account is owned. When the covered account is held directly by the contractholder, the Contracts provide for the guaranteed lifetime income payments in the event that the covered account is fully depleted. Conversely, when the guaranteed lifetime income payment is offered through a variable annuity product, the underlying securities are held in an insurance company separate account and the guaranteed payment is provided through a variable annuity. By purchasing the Contracts, as opposed to purchasing a variable annuity, the contractholders are able to secure downside protection for an account the contractholder directly owns which is managed by a financial firm selected by the account holder, by providing for a guaranteed lifetime income payment in the event that the covered account is reduced to zero within the contractholder's lifetime.

State Regulation

The Company is subject to supervision by the insurance regulator in its domiciliary state and, as such, its financial condition is periodically examined by the Texas Department of Insurance. In addition, the only securities registered with the U.S. Securities and Exchange Commission (the "SEC") that the Company proposes to issue are insurance contracts subject to regulation under Texas insurance laws. The Contracts do not and will not constitute an equity interest in the Company and are not and will not be listed, traded or quoted on an exchange, alternative trading system, inter-dealing quotation system, electronic communications network or any other similar system, network or publication for trading or quoting.

As an insurance company domiciled in Texas the Company annually prepares SAP financial statements, including statements of financial condition, audited by an independent auditor and filed with the Texas Department of Insurance and the National Association of Insurance Commissioners, which are designed to assist state insurance departments in the regulation of insurance company solvency. The ultimate objective of solvency regulation is to ensure that an insurance company can pay policyholder, contractholder and other legal obligations when they come due, and that the company maintains capital and surplus at all times and in such forms as required by statute to provide a margin of safety. In order to most effectively assist companies and regulators in the evaluation of a company's compliance with solvency regulations, SAP financial statements focus on the balance sheet, rather than the income statement, and emphasize the insurance company's liquidity.

Financial Statement Requirements

Absent the filing of a Form S-1 with respect to the Contracts, the Company would not be required to, nor would it, prepare GAAP financials, partial GAAP financials, or any GAAP financial package. In addition, the Owner Entities neither have securities registered under the Securities Act nor are required to make filings under the Securities Exchange Act of 1934 (the "Exchange Act"). Although the Brickell Parent Entities are not required to prepare GAAP compliant financial statements under federal securities law, such parent entities do prepare GAAP compliant financial statements. The Company is not consolidated into those GAAP financial statements, but is rather reflected as an investment in those financial statements at fair value (derived without any GAAP compliant financial information provided by the Company). As such, the Company is not currently required by law or otherwise to prepare GAAP compliant financial statements. Because the Contracts will be the only registered securities issued by the Company which would require the Company to prepare GAAP financial statements, the Company would be required to devote a substantial amount of resources to prepare and obtain an independent audit of GAAP financial statements solely for the purpose of inclusion in the Form S-1 and believes that the annual cost of preparing and obtaining an audit of GAAP financial statements for this purpose would be significant.

SEC Regulation

The Company is eligible for an exemption from making filings under Section 15(d) of the Exchange Act pursuant to Rule 12h-7 of the Exchange Act. The Company intends to take advantage of this exemption to suspend its Exchange Act reporting obligations, and therefore will file its financial statements directly in the Form S-1 relating to the Contracts to satisfy its disclosure obligations.

Rule 12h-7 requires that (a) the Company be a corporation subject to the supervision of the insurance commissioner, bank commissioner, or any agency or officer performing like functions of any State; (b) the Contracts do not constitute an equity interest in the Company and are subject to the regulation of the insurance laws of the domiciliary state of the Company or are guarantees of securities that are subject to regulation under the insurance laws of that jurisdiction; (c) the Company files an annual statement of its financial condition with, and is supervised and its financial condition examined periodically by, the insurance commissioner, bank commissioner, or any agency or officer performing like functions of the Company's domiciliary State; (d) the Contracts are not listed, traded, or quoted on an exchange, alternative trading system, inter-dealer quotation system, electronic communications network, or any other similar system, network, or publication for trading or quoting; (e) the Company takes steps reasonably designed to ensure that a trading market for the Contracts does not develop; and (f) the prospectus for the securities contains a statement indicating that the Company is relying on the exemption provided by Rule 12h-7. The Company is subject to the regulation of the Texas Department of Insurance with whom it files its statutory annual reports, as required under Rule 12h-7(a) and (c) respectively. In addition, the Contracts are contingent deferred annuities, not equity interests in the Company as required by Rule 12h-7(b), and as such there will be no secondary trading market for the Contracts in compliance with Rule 12h-7(e) and (f). Finally, the prospectus for the Contracts will contain an express statement that the Company is relying on the exemption provided by Rule 12h-7, as required by Rule 12h-7(f). As such, the Company satisfies the requirements of Rule 12h-7 and will not be required to file reports under Section 15(d) of the Exchange Act.

Request for Relief

Rule 3-13 of Regulation S-X

Rule 3-13 of Regulation S-X provides that the SEC “may, upon the informal written request of the registrant, and where consistent with the protection of investors, permit the omission of one or more financial statements required by Regulation S-X or the filing in substitution therefor of appropriate statements of a comparable character.” In July 2017, Chairman Jay Clayton publicly acknowledged that the SEC’s existing rules may require companies to provide disclosure that is burdensome to produce, but is not material to the total mix of information available to investors, and that such requirements may be appropriate for relief under Rule 3-13.² The Company believes that requiring the preparation of GAAP financial statements solely for inclusion in a registration statement on Form S-1 for the Contracts presents such a circumstance.

The Company believes that SAP financial statements for the Form S-1 Registration Statement of the Contracts audited by an independent auditor³ are appropriate statements of a comparable character as contemplated in Rule 3-13. In addition, because the costs and administrative burden of preparing and obtaining an independent audit of GAAP financial statements solely for the purpose of a registration statement on Form S-1 to register the Contracts are substantial and do not provide investors in those Contracts with material information beyond that available in SAP financial statements, the Company requests relief pursuant to Rule 3-13 to file SAP financial statements in lieu of GAAP financial statements in the Form S-1.

Forms N-4 and N-6

Item 23(b), Instruction 1 to Form N-4, and Item 24(b), Instruction 1 to Form N-6, each provide that if an insurance company would not have to prepare financial statements in accordance with GAAP except for use in either the Form N-4 or N-6 or other registration statements filed on Forms N-3, N-4 or N-6, financial statements may be prepared in accordance with statutory requirements. When the SEC provided GAAP relief in Forms N-4 and N-6, it explicitly recognized alleviating disclosure burden as a legitimate reason to permit the use of SAP financial statements by insurance companies that would not have to prepare GAAP financial statements except for use in a registration statement for an insurance product.⁴ In this case, requiring the Company to file GAAP compliant financial statements would not provide investors in the Contracts with additional information that justifies the significant costs and administrative burdens of preparing the financial statements, and because the Company has not issued nor has outstanding any publicly-traded equity or debt securities, but for the Contracts to be registered on Form S-1, the Company would be eligible to use SAP financial statements in registration statements on Form N-4 and N-6 for variable products.

² Remarks of SEC Chairman Jay Clayton at the Economic Club of New York (July 12, 2017).

³ The independent auditor engaged to audit the SAP financial statements will be registered with and subject to inspection by the PCAOB, and the audit engagement with the Company will satisfy the independence standards of Article 2 of Regulation S-X.

⁴ In the adopting release for Form N-6, the SEC stated “...we believe our approach appropriately recognizes the cost burdens that would be imposed if we required GAAP financials statements in cases where the depositor is not otherwise required to prepare financial information in accordance with GAAP for us in its own registration statements or periodic reports or those of its parent company.” See *Registration Form for Insurance Company Separate Accounts Registered as Unit Investment Trusts that offer Variable Life Insurance Policies*, Securities Act Release No. 33-8088 and Investment Company Act Release No. 25522 (April 12, 2002) (“Form N-6 Adopting Release”).

SAP versus GAAP

This exception from the general requirement to file GAAP financial statements first appeared in Form N-4 for variable annuities when the form was adopted in 1985⁵ and was later incorporated into Form N-6 for variable life policies, which was adopted in 2002.⁶ When proposing Forms N-4 and N-6 for variable contracts with instructions permitting the use of SAP financial statements, the SEC recognized that guarantees associated with annuity payments and other benefits provided by the contracts, which are backed by the insurance company's general account, depend on the solvency of the insurance company and that contract owners, participants and annuitants who invest in such contracts may not want or need disclosure about the financial performance of the insurance company, but instead may be interested only in the company's solvency.⁷

Similar to owners of variable contracts, owners of the Contracts are likely to be most interested in financial information relevant to assessing the ability of the Company to fulfill its contractual obligations, rather than the financial performance of the Company itself. SAP financial statements are designed to provide precisely this type of information. SAP financial statements contain detailed information about an insurance company's balance sheet including its regulatory capital and surplus, which serve as financial cushions for paying policyholder claims. Furthermore, SAP financial statements enable state regulators to determine an insurance company's ability to meet policyholder obligations based on the availability of readily marketable assets when obligations are due. GAAP financial statements, on the other hand, assist investors in understanding the Company's going concern value. Due to the absence of any secondary market in the Contracts, investors in the Contracts do not need information regarding the Company's going concern value. SAP financial statements will provide owners of the Contracts with sufficient information to assess the solvency of the Company and the ability of the Company to fulfill its contractual obligations; GAAP financial statements would not provide additional disclosure sufficiently valuable to contract owners to justify the significant costs and administrative burdens of preparing and auditing the additional set of financial statements.

Recent Precedents

On the basis of the accommodation contained in Forms N-4 and N-6, the SEC has an established line of precedents granting relief under Rule 3-13 for insurance companies to file SAP financial statements audited by an independent auditor, in lieu of financial statements prepared in accordance with GAAP, in registration statements on Form S-1 for certain insurance contracts.⁸ Notably, all of the SEC letters contain the following footnote: "The staff notes that it would be receptive to considering applications under Rule 3-13 from other registrants seeking to file SAP financial statements in lieu of GAAP financial statements in registration statements filed for products similar to the [c]ontracts described here, under circumstances similar to those

⁵ See *Registration forms for Insurance Company Separate Accounts that offer Variable Annuity Contracts*, Securities Act Release No. 33-6588 and Investment Company Act Release No.14575 (June 14, 1985) ("Form N-4 Adopting Release").

⁶ See Form N-6 Adopting Release.

⁷ See *Registration Form for Insurance Company Separate Accounts that Offer Variable Annuity Contracts*, Securities Act Release No. 33-6502 and Investment Company Act Release No. 13689 (December 22, 1983).

⁸ See *Nationwide Life Insurance Company* (October 17, 2019), *Forethought Life Insurance Company* (October 17, 2019), *Symetra Life Insurance Company and First Symetra National Life Company of New York* (August 8, 2019), *Lincoln Benefit Life Company* (March 15, 2019), *MONY Life Insurance Company of America* (March 7, 2019), *Allianz Life Insurance Company of North America* (September 28, 2018), *Athene Annuity and Life Company* (September 28, 2018), *Great-West Life & Annuity Insurance Company* (September 28, 2018), *Midland National Life Insurance Company* (September 28, 2018), and *Great-West Life & Annuity Insurance Company and Great-West Life & Annuity Insurance Company of New York* (November 16, 2016), available at <https://www.sec.gov/divisions/investment/im-noaction.shtml#list>

Ms. Alison Staloch
April 21, 2020
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described above.”⁹ The Company believes the facts and circumstances in this case are substantially similar to those in the precedent cases noted herein.

Conclusion

For the reasons stated herein, and with recent precedent in mind, we respectfully request, on behalf of the Company, that the Staff grant relief pursuant to Rule 3-13 of Regulation S-X to permit the Company to file SAP financial statements audited by an independent auditor in its registration statement on Form S-1 for its Individual Fixed Contingent Deferred Annuity Contracts in lieu of GAAP financial statements.

Thank you for your attention to this matter. Please contact me at (312) 443-1823 if you need additional information or have any questions concerning this request.

Best regards,

A handwritten signature in black ink that reads "Michael K. Renetzky". The signature is written in a cursive style with a large, stylized initial "M".

Michael K. Renetzky

⁹ For example, see footnote 9 to the SEC’s letter to *Nationwide Life Insurance Company* (October 17, 2019).