

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In the Matter of Security Benefit Mutual)
Holding Company) Docket No. 4103-DM
)

ORDER

On February 15, 2010, Security Benefit Mutual Holding Company ("SBMHC") and its direct wholly owned subsidiary, Security Benefit Corporation ("SBC"), entered into a Purchase and Sale Agreement (the "Agreement") with Guggenheim SBC Holdings LLC ("Guggenheim") for a demutualization and dissolution whereby Guggenheim would purchase all of the shares of capital stock of SBC (the "Acquisition of Control") as part of the demutualization, and prior to the dissolution, of SBMHC to be effected pursuant to the Plan (as defined below) (the "Demutualization and Dissolution"). Collectively, the Acquisition of Control and Demutualization and Dissolution are referred to herein as the "Transaction".

SBMHC submitted a Demutualization and Dissolution Plan (the "Plan") to the Commissioner of Insurance of the State of Kansas (the "Commissioner") on March 3, 2010. Under the Plan, member consideration distributable to eligible members was in the form of cash or policy credits.

Pursuant to the Plan, SBMHC and Security Benefit Life Insurance Company ("SBL") requested rulings from the Internal Revenue Service concerning the crediting of policy credits for tax-qualified contracts (the "IRS Rulings"). SBL received the IRS Rulings. SBMHC and SBL also applied to the Department of Labor for an exemption under the Employee Retirement Income Security Act ("ERISA") with respect to the receipt of cash or policy credits by employee

benefit plans subject to ERISA (the "DOL Exemption"). As of the date of this Order, SBL has not received the DOL Exemption.

SBMHC and SBL were not required to receive the requested DOL Exemption to complete the Transaction, but the member consideration as to members to whom the DOL Exemption apply was held in one or more escrow accounts to be released only after the exemption was received. To the extent that the DOL Exemption was not received by December 31, 2010, the related amounts held in escrow were to be released to SBL, with no member consideration payable to members to whom the DOL Exemption applies, unless the Commissioner elected to extend the deadline for receiving the DOL Exemption beyond December 31, 2010.

In accordance with the authority vested in the Commissioner by K.S.A. §§ 40-4001 and 40-4003a(c)(5), the Commissioner issued an Order approving the Plan on May 18, 2010 (the "Approval Order").

As set forth in the Approval Order, the Commissioner retained jurisdiction over the Transaction, for the purpose of entertaining such further order or orders as the Commissioner deems proper, including specifically, but not limited to, an order extending beyond December 31, 2010, the date by which the DOL Exemption requested by SBMHC and SBL must be received.

The Commissioner hereby orders:

1. Based on the foregoing, the date by which the DOL Exemption must be received is hereby extended to June 30, 2011.
2. Effective Date. This Order is effective immediately.

IT IS HEREBY ORDERED THIS 27th DAY OF DECEMBER, 2010 IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

/s/ John W. Campbell
John W. Campbell
General Counsel, Kansas Insurance Department

NOTIFICATION OF SERVICE

A true and correct copy of the foregoing ORDER dated 27 December, 2010, has this ___27th___ day of December 2010, been sent to the below identified counsel or parties.

/s/ John R. Dowell

John R. Dowell
Staff Attorney
Kansas Insurance Department

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