

FINAL ORDER
DATE 1-12-17

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

In the Matter of the Proposed)
Acquisition of Control of)
)
SECURITY BENEFIT LIFE INSURANCE)
COMPANY)
)
By:)
ELDRIDGE INDUSTRIES, LLC)
SBT INVESTORS LLC)
NZC CAPITAL LLC)
TODD L. BOEHLY)
ECHIDNA CAPITAL LLC)
ANTHONY D. MINELLA)

Docket No. 4740-ACQ

ORDER

Now on this 12th day of January, 2017, the above matter comes before the Commissioner of Insurance of the State of Kansas (“Commissioner”) upon the submission of a request for extension of time to effect the acquisition approved by the Commissioner by order dated September 14, 2016 (the “Approval Order”), which Approval Order was previously extended by order of the Commissioner dated November 10, 2016 (the “Extension Order”), upon the pre-acquisition notice pursuant to K.S.A. 40-3304 and K.A.R. 40-1-28 in the form of a Form A Statement Regarding the Acquisition of Control of a Domestic Insurer and the Amendment No. 1 thereto, as amended and restated by the Amended and Restated Form A Statement Regarding the Acquisition of Control of a Domestic Insurer dated May 9, 2016 (as amended and restated, the “Form A Statement”) by Eldridge Industries, LLC, a Delaware limited liability company formerly known as New Eldridge LLC (“Eldridge Industries”), SBT Investors LLC, a Delaware limited liability company (“SBT”), NZC Capital LLC, a Delaware limited liability company (“NZC”), Todd L. Boehly, an individual, Echidna Capital LLC, a Delaware limited liability

company (“Echidna”), and Anthony D. Minella, an individual (collectively, the “Applicants”). The Form A Statement relates to the proposed acquisition of control of Security Benefit Life Insurance Company (“Security Benefit”), a Kansas domestic insurance company, through the resignation of Guggenheim Knights of Security, LLC as sole manager of Guggenheim SBC Holdings LLC (“GSBCH”) and, through a series of transactions, the ultimate replacement of Guggenheim Knights of Security, LLC by Eldridge Industries (the “Acquisition”) as the sole manager of GSBCH (which will be renamed Eldridge SBC Holdings LLC after the Acquisition). Security Benefit is a direct, wholly-owned subsidiary of Security Benefit Corporation, which is a direct, wholly-owned subsidiary of GSBCH.

The Applicants are represented by Cynthia R. Shoss, Sutherland Asbill & Brennan LLP and Justin L. Ochs, Wilmer Cutler Pickering Hale and Dorr LLP. Security Benefit is represented by John Guyot, General Counsel of Security Benefit. The Kansas Insurance Department (“KID”) is represented by its General Counsel, Diane Minear, and its Director of Financial Surveillance, Richard Ramos. Also appearing for the KID is Husch Blackwell LLP.

Pursuant to the authority granted to the Commissioner pursuant to K.S.A. 40-3301 and 40-3304(d)(1) and in accordance with the Kansas Administrative Procedures Act, K.S.A. 77-501, *et seq.*, the Commissioner hereby asserts the following findings of fact and orders:

FINDINGS OF FACT

1. The Approval Order is conditioned on the Acquisition being effected within sixty (60) days of September 14, 2016. The Extension Order extended this time period by an additional sixty (60) days.

2. The Applicants have requested an extension of the time to effect the Acquisition for an additional sixty (60) days to allow additional time for the Applicants to receive certain regulatory approvals necessary to effect the Acquisition.

3. Pursuant to the Approval Order, the Commissioner retained jurisdiction over the subject matter of this proceeding and over the parties for the purpose of entering such further order or orders as may be deemed proper.

4. The requested extension is reasonable in basis and length.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The sixty (60) day time period set forth in the Approval Order for the Acquisition to be effected, which time period was previously extended by sixty (60) days pursuant to the Extension Order, is hereby extended for an additional sixty (60) days.

2. The Commissioner retains jurisdiction over the subject matter of this proceeding and over the parties for the purpose of entering such further order or orders as may be deemed proper.

NOTICE OF RIGHTS

This Final Order is effective upon service. Pursuant to K.S.A. 77-529, Applicants may petition the Commissioner for reconsideration of this Final Order within fifteen (15) days after service of the Final Order. A petition for reconsideration must state the specific grounds upon which relief is requested. Additionally, a party to this agency proceeding may seek judicial review of this Final Order by filing a petition in the District Court, pursuant to K.S.A. 77-601, *et seq.*

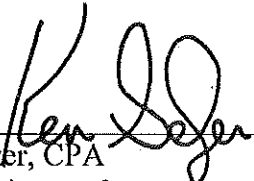
Reconsideration of this Final Order is not a prerequisite for judicial review. A petition for judicial review is not timely unless filed within thirty (30) days following the service of this Final Order,

unless Applicants petition the Commissioner for reconsideration, in which case a petition for judicial review is not timely unless filed within thirty (30) days following service of an order rendered upon reconsideration, or an order denying the request for reconsideration. In the event Applicants file a petition for judicial review, the agency officer to be served on behalf of the Department is:

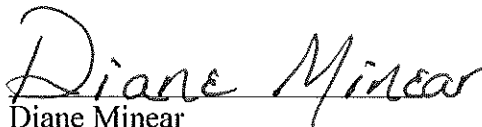
Diane Minear, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612.

**IT IS SO ORDERED THIS 12th DAY OF JANUARY, 2017, IN THE CITY OF TOPEKA,
COUNTY OF SHAWNEE, STATE OF KANSAS.**





Ken Selzer, CPA
Commissioner of Insurance



Diane Minear
General Counsel

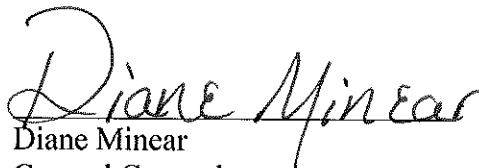
Certificate of Service

I hereby certify that a true and correct copy of the foregoing Order was forwarded via first class mail, postage prepaid on the 12th day of January, 2017 to:

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c/o Security Benefit Life Insurance Company
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Diane Minear
General Counsel