



## DELAWARE LIFE<sup>SM</sup> At A Glance

Delaware Life, through its insurance subsidiaries\*, is a leading provider of annuity and life insurance products in the United States.

We currently manage approximately 400,000 in-force annuity and life insurance policies representing approximately \$40 billion in policyholder accounts.

We were established in August 2013, in connection with the purchase by Delaware Life Holdings, LLC (Delaware Life) of the domestic U.S. annuity business and certain U.S. life and corporate markets insurance businesses of Sun Life Financial Inc.

The terms and conditions of all Sun Life contracts and policies that we acquired remain in-force and unchanged.

A substantial portion of Delaware Life's management team and staff were Sun Life Financial, Inc. employees prior to the transaction. This team provides critical experience and continuity in key areas across the organization.

Delaware Life is privately held. As a private company, we are able to pursue our long-term strategy free from the short-term distractions and pressures faced by public companies.

Our initial focus has been on the ongoing management and support of our significant block of in-force business, but new product development is an important element of our long-term strategy.

We partner with some of the world's leading investment management companies to offer our variable policyholders a diverse array of investment options. We believe our efforts to select good partners and monitor their ongoing performance have resulted in a platform that helps our policyholders pursue sound long-term performance.

Our in-force business includes a substantial number of annuity policies with optional riders such as income and death benefits. These riders have provided important protection to policyholders across a range of market conditions and we believe they will continue to do so over time. We are comfortable with our ability to manage the obligations associated with these benefits and have not created any "buyout" or similar programs in order to eliminate or reduce our exposure.

In November 2013, we introduced our first new product: Pinnacle MYGASM, a Fixed Annuity. Since its introduction, Pinnacle has attracted over \$500 million in new assets through a select group of distribution partners. We plan to develop and distribute additional new products in the annuity, life, and retirement security space in 2014 and beyond.

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## Financial Strength

The Delaware Life group of companies is a financially strong and well-capitalized organization.

### Current highlights as of December 31, 2013:

- Approximately \$40 billion of in-force annuities and insurance
- Invested assets of \$11.8 billion
- Approximately \$1.5 billion of total adjusted capital
- Risk Based Capital (RBC) ratio of 662%

Since Delaware Life's purchase of the businesses from Sun Life Financial, Inc., both Moodys and AM Best have **re-affirmed** the ratings that were in place prior to the transaction.

We are pleased that ratings agencies also acknowledged several key elements of our structure and business plans that could set the stage for **future ratings improvements**. These include our sophisticated capabilities to manage in-force obligations, our plans to develop new product and distribution opportunities over time, and our strong capitalization levels. Since our founding, we have made continued progress on these and other key initiatives, enabling us to maintain favorable, ongoing dialogues with the major agencies.

### Current Financial Strength Ratings

As of July 21, 2014 ratings for Delaware Life's U.S. insurance subsidiaries are as follows:

Issuing Company*	Standard & Poor's	Moody's	A.M. Best
Delaware Life Insurance Company	BBB [Good]	Baa2	A- [Excellent]
Delaware Life Insurance Company of New York	BBB [Good]	Not Rated	A- [Excellent]

\* Delaware Life policies and contracts are issued by Delaware Life Insurance Company (Wellesley Hills, MA) in all states except New York, and in the District of Columbia, Puerto Rico and the U.S. Virgin Islands. In New York, the policies and contracts are issued by Delaware Life Insurance Company of New York (New York, NY). Variable contracts are distributed through Clarendon Insurance Agency, Inc. All three companies are members of the Delaware Life group of companies.

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## Frequently Asked Questions from Our Business Partners

### **What Is Delaware's Relationship with Sun Life Financial?**

We were established in August 2013, in connection with the purchase by Delaware Life Holdings, LLC (Delaware Life) of the domestic U.S. annuity business and certain U.S. life and corporate markets insurance businesses of Sun Life Financial Inc.

As part of the founding transaction, Delaware Life acquired both Sun Life Assurance Company of Canada (U.S.) and Sun Life Insurance and Annuity Company of New York ("the operating companies"). As of that date, the operating companies became subsidiaries of Delaware Life and were no longer affiliated with Sun Life Financial, Inc. On July 21, 2014, Delaware Life changed the names of the operating companies to reflect their status as members of the Delaware Life group of companies. As of July 21, 2014, the operating companies are Delaware Life Insurance Company, and Delaware Life Insurance Company of New York, respectively.

Historical records and correspondence related to Delaware Life contracts and obligations may reflect Sun Life names and brands. Future records and correspondence will reflect the new "Delaware Life" branded names. Neither the founding transaction, nor the renaming of the operating companies altered the terms and conditions of any in-force policies and contracts.

Sun Life continues to provide certain administrative support related to the servicing of in-force policies under a service agreement which will continue until such time as Delaware Life establishes independent administrative capabilities. We expect to convert the majority of these servicing and administrative functions to our new administrative platform in a series of coordinated implementations between October 2014 and January 2015.

### **What Is Delaware's Relationship with Guggenheim Partners?**

Delaware Life is privately held. The ownership group includes certain shareholders of Guggenheim Partners, a privately held global financial services firm with approximately \$210 billion in assets. Delaware Life maintains relationships with various Guggenheim Partners subsidiaries in areas where they have significant organizational prowess. For example, Guggenheim Partners Investment Management LLC (GPIM) provides investment management services for our General Account assets and Guggenheim Insurance Services LLC (GIS) provides risk management support.

Learn more about Delaware Life on our website: [www.delawarelife.com](http://www.delawarelife.com)

### **Thank you for your support of DELAWARE LIFE<sup>SM</sup>**

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