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March 3, 2014

Via Email and U.S. Mail

Honorable Bonnie Brigance Leadbetter
Commonwealth Court of Pennsylvania
610 Sentry Park, Suite 210
Blue Bell, PA 19422

**Re: In Re: Reliance Insurance Company in Liquidation, No. 1 Rel 2001;
Application for Leave to Intervene for Limited Purpose of Objecting to
Liquidator's Application Regarding Structured Settlement Annuity Contracts**

Dear Judge Leadbetter:

As you know, we represent Michael F. Consedine, the Liquidator of Reliance Insurance Company ("the Liquidator" or "Reliance"), in connection with the disposition of a large number of structured settlement annuity contracts that it owns. On January 8, 2014, the Liquidator filed two Applications as follows:

1. Application for Approval to Transfer Structured Settlement Annuity Contracts and Corresponding Structured Settlement Obligations (January 8 Application 1"); and
2. Application for Approval of Administration Agreements Related to Certain Structured Settlement Annuity Contracts and Transfer of Ownership of Those Annuity Contracts (January 8 Application 2").

There have been no objections to the January 8 Application 1. On February 10, 2014, annuity issuer Symetra Life Insurance Company f/k/a Safeco Life Insurance Company ("Symetra") filed an Application for Leave to Intervene to file a Limited Objection with respect to January 8 Application 2. On February 14, 2014, this Court granted Symetra's Application to Intervene.

Since the filing by Symetra, counsel for the Liquidator and counsel for Symetra have entered into discussions and have come to agreement on some of the relief sought in Symetra's Limited Objection. Symetra's intervention made two principal points. First, it argued that the Notice to Payees the Liquidator proposed to send to annuity payees (approved by this Court by Order dated February 7) provided too little clarity concerning the potential tax implications of the transfer of the ownership of the annuities from Reliance to the payees. Second, it made arguments regarding whether the transfer of the ownership was appropriate.

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Symetra and Reliance have worked out their differences concerning the content of the Notice to Payees. I have enclosed the agreed-upon revised Notice that, upon Your Honor's approval, we will send to all Payees affected by the January 8 Application 2. Included in the revised Notice to Payees is language informing the payees that they have 60 days from Reliance's Certification of Mailing to file an objection with this Court.

With respect to Symetra's second argument, Symetra and Reliance have reached an agreement that Reliance may defer responding to the merits of the Objection until 30 days after the 60 days have run on the payee objection period. Thus, to the extent any payees file objections, Reliance would be responding to *all* objections at one time.

I have taken the liberty to enclose a Proposed Order with regard to the above agreements, along with the revised Notice to Payees.

Respectfully,



Ann B. Laupheimer

cc: Claire Rocco, Esquire (by email)
Medora A. Marisseau, Esquire (by email)