The Bucket

By Kerry Pechter *Thu, Jan 16, 2014*

Brief or late-breaking items from Voya Financial (ING U.S.), T. Rowe Price, Towers Watson, Symetra, Sun Life and Northwestern Mutual.

Voya's orange will be a different shade

Voya Financial will be the new name of ING U.S., Inc., starting in the quarter of 2014, the company announced. The re-named company will continue to use two shades of orange in its logo, instead of the single orange hue used by ING U.S.

The schedule for the transition from ING U.S. to Voya Financial will be:

- On April 7, 2014, ING U.S., Inc., ING U.S.'s publicly listed holding company, will change its name to Voya Financial, Inc.
- On May 1, 2014, ING U.S. Investment Management will rebrand to Voya Investment Management. The Employee Benefits business will begin using the Voya Financial brand.
- On September 1, 2014, all other ING U.S. businesses will begin using the Voya Financial brand. All remaining ING U.S. legal entities that use the ING brand will carry the Voya brand.

Until rebranding begins in April, ING U.S. will operate using its current name and logo. Given the volume of material to change and the many aspects of the project to consider, the company chose to stagger the rebranding. During rebranding, nothing will change with respect to customer accounts or policies.

On May 1, 2013, ING U.S. made its initial public offering under the ticker symbol VOYA as part of the divestiture program of ING Group N.V. ING Group still owns 57% of the outstanding common stock of ING U.S., Inc., but expects to completely divest its ownership by December 31, 2016.

The businesses that make up ING U.S. today were formed through a series of acquisitions dating back to the 1970s. In 2001, ING introduced its brand in the United States through advertising.

In March 2013, the company launched "Orange Money," a campaign that underscores careful management of one's retirement dollars. This campaign supports ING U.S.'s focus on advancing retirement readiness, and will bridge the transition to Voya Financial. For a look at the Voya logo and colors, go to www.voya.com.

T. Rowe Price joins governing board of the SPARK Institute

T. Rowe Price Retirement Services has joined the Governing Board of The SPARK Institute, Inc, said Jude Metcalfe, president of DST Retirement Solutions, and president of the Institute, in a release.

Aimee DeCamillo, Head of Retirement Plan Services, will represent T. Rowe Price on the governing board.

The governing goard determines The SPARK Institute's mission and policies. It also oversees the administration and finances of the organization. Other members of the governing board are Ascensus, BlackRock, DST Retirement Solutions, Great-West Retirement Services, The Guardian Life Insurance Company of America, J.P. Morgan Asset Management, Lincoln Financial Group, Prudential Retirement, SunGard and Wells Fargo & Company.

Life insurance reporting will grow more complex: Towers Watson

North American life insurers face a significant number of financial reporting changes because of recent regulation that is now in effect or is still under review and expected to become effective within the next five years, according to Towers Watson, the global consulting firm.

Respondents to Towers Watson's 32nd Life Insurance CFO Survey report that these changes will require a major evaluation and enhancement of talent, governance and software models. To a lesser extent, products and plan designs will also need to be reassessed.

The complexity and importance of these new reporting requirements will make it necessary for insurers to understand exactly how these changes will alter everything from supplementary reporting to capital financing for products such as UL with secondary guarantees and term insurance.

Even if CFOs have key personnel who can follow the intricate details of these regulations and are free to focus on near- and long-term planning for their company's financial functions, that planning will be easier for CFOs if they understand the intricacies of these changes.

Symetra will redomesticate to Iowa, but maintain Washington footprint

Symetra Financial Corporation today announced that applications have been filed with the Washington State Office of the Insurance Commissioner and Iowa Insurance Division to redomesticate (change jurisdiction of incorporation) its principal life insurance subsidiary — Symetra Life Insurance Company — from Washington to Iowa.

The change in legal domicile is expected to occur mid-year, pending regulatory approvals. Symetra's home office will remain in Bellevue, Wash, where about 900 people are employed. The company plans to open an office in Des Moines, Iowa and anticipates hiring 20–40 employees over the next two to four years as the company grows.

Symetra expects the redomestication to Iowa to benefit its competitiveness through enhanced capabilities to offer product features and benefits in high demand by insurance consumers. Symetra does not expect the change in domicile to affect existing policyholders.

Fitch upgrades Sun Life outlook to 'stable'

Fitch Ratings has affirmed the ratings of Sun Life Financial Inc., including all outstanding issues, as well as the Insurer Financial Strength (IFS) ratings of SLF's primary Canadian insurance subsidiary, Sun Life

Assurance Co. of Canada (SLAC), at ‘AA-‘. The Rating Outlook is revised to Stable from Negative. A complete list of ratings follows at the end of this release.

The return to a Stable Outlook reflects SLF’s improved earnings and operating profile, which has benefited from the company’s recent disposition of its underperforming U.S. individual annuity and life insurance businesses.

Fitch’s expectation is that a significant portion of the proceeds from the disposition will be used by SLF to fund acquisitions to grow its U.S. employee benefits business, Asian insurance operations, or its investment management business.

The affirmation of the ratings reflects SLF’s strong capitalization, disciplined investment strategies that have resulted in strong liquidity and solid asset quality, the company’s leading market position in Canada, growth prospects for emerging Asian markets, and relatively stable performance in U.S. mutual funds. Offsetting these positives are the company’s higher levels of operating debt issued from the parent company than many peers, low, albeit improved, fixed-charge coverage, and sizable common shareholder dividends.

Fitch believes that SLF is well-capitalized on a risk-adjusted basis, with a minimum continuing capital and surplus requirement (MCCSR) for SLAC of 216% at Sept. 30, 2013. The sale of the U.S. variable annuity and certain life insurance businesses had a small negative impact on SLAC’s MCCSR of approximately 4 points.

Northwestern Mutual to ramp up recruiting in 2014

Northwestern Mutual plans to recruit more than 2,700 financial representatives and 3,700 financial representative interns in 2014, the company said this week.

According to Steve Mannebach, Northwestern Mutual’s vice president of field growth and development, the company’s aggressive 2014 goal of 6,400 total recruits is a direct result of the increased need Northwestern Mutual is seeing for comprehensive financial planning in the United States.

Northwestern Mutual recruited more than 5,500 financial representatives in 2013 – marking the third consecutive year the company surpassed record highs for recruiting. The company’s 2014 goal stands out in today’s challenging economy where job growth has declined and the national unemployment rate is 6.7%, according to the recently released jobs numbers for December.