Reorganization Status of Mutual Life Insurance Companies

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Abbreviations: MHC = mutual holding company; IPO = initial public offering; PIS = Policyholder Information Statement; BR = *Best's Review (Life/Health Edition)* (www.ambest.com); BW = *Life/Health BestWeek* (www.ambest.com) and *BestWire*; IF = *The Insurance Forum* (888-876-9590); IFI = *Insurance Finance & Investment* (212-224-3457); ININ = *Insurance Investor Interactive* (www.snlnet.com, 804-977-5877); IR = *Insurance Regulator* (800-221-1809 , Northern Light Special Collection (www.nlsearch.com)); NU = *National Underwriter (Life & Health/Financial Services Edition)* (www.nuco.com); NYT = *New York Times* (www.nytimes.com); SIO = *Schiff's Insurance Observer* (212-724-2000); IMA = *SNL Securities Insurance Mergers & Acquisitions* (www.snlnet.com, 804-977-5877); WSJ = *Wall Street Journal* (www.wsj.com)

This list may not include small companies (assets below $500 million) or fraternal benefit societies (Aid Association for Lutherans, Independent Order of Foresters, Knights of Columbus, Lutheran Brotherhood, Modern Woodmen of America). It includes some stock companies that issue participating policies and are owned by mutual companies or quasi-mutual organizations, and it includes a few other odd ducks.

Acacia Mutual	Formed a MHC in 1997. Became Acacia Life. In January 1999, the MHC merged with Ameritas to form Ameritas Acacia. The life insurance subsidiaries remain distinct. See Ameritas for more information.
Aid Association for Lutherans	Merged with Lutheran Brotherhood in January 2002. Name for combined organization will be chosen later.
American Family Life	Stock company. Wholly owned by American Family Mutual Insurance Co., a property/casualty mutual.
American Mutual	Formed a MHC in 1996. Became AmerUs Life. See comments for Central Life Assurance, below.
American United	Announced an affiliation with Indianapolis Life in November 1997. Wanted to form a MHC, but legislation was stalled in Indiana, so company threatened to move its charter to another state that permits MHCs. Legislation permitting MHCs was enacted in late 1999. Affiliation with Indianapolis Life ended in January 2000, when Indianapolis Life announced plans to merge with AmerUs (see Central Life Assurance, below) and fully demutualize. Board of Directors approved MHC plan in May 2000. Some people think that AUL won't be able to get its policyholders to approve a MHC, now that Indianapolis Life's policyholders are getting real money, but other people disagree. About 175,000 AUL policies have voting rights. Well, the skeptics were wrong. The MHC conversion was completed in December 2000. A stock holding company, OneAmerica Financial Partners, Inc., was also formed. A class action lawsuit was filed against American United in Marion County Superior Court, Indianapolis, Indiana on Nov. 2, 2000, challenging the MHC plan. (Contact: Russell T. Clarke, Jr., 317-257-8787 , rclarke@ewnc-law.com.) More info: company website, article by AUL actuary, *IF* (11/99), *Indianapolis Star* (1/15/00, 7/22/00), *Indianapolis Business Journal* (7/24/00)
	Formed a MHC in 1997. 24% of eligible members voted, and 93% of voters approved the plan. Did not set up a closed block. No immediate plans to do an IPO. Directors, officers, and employees can receive stock or stock options

Ameritas	prior to an IPO, but this not now planned and it would require the approval of the Nebraska insurance commissioner. Q&A in PIS cover letter states that policyholders own the company. In January 1999, the MHC merged with Acacia to form Ameritas Acacia. The life insurance subsidiaries remain distinct. In January 2005, Ameritas Acacia announced that it will merge with Union Central. The operating subsidiaries will remain distinct. The merger is expected to be completed by year-end 2005. The combined mutual holding company will be renamed UNIFI. See Union Central for more information.
AmerUs	See Central Life Assurance.
Baltimore Life	Board of Directors approved MHC plan in July 2000. Full demutualization was rejected because of the expense; about 380,000 policyholders would have received stock worth only about $64 million (less than $200 each). Next steps: Approval by policyholders (at December 2000 meeting) and regulators. More info: *BW* (12/25/00), company website
Berkshire Life	Merged with Guardian Life and became a wholly-owned stock subsidiary in July 2001. Berkshire Life policyholders became Guardian Life policyholders. More info: *NU* (1/15/01, 6/25/01), *BW* (7/9/01), company website.
Boston Mutual Life	More info: company website
Canada Life	Policyholders approved the demutualization plan in September 1999 (50.8% of eligible members voted, and 99.1% of voters approved). Shares and cash worth C$2.5 to C$3.7 billion will be distributed to 388,000 eligible policyholders. 81% of policyholders chose stock rather than cash. Each policyholder will received a fixed allocation of 100 shares, plus a variable number based on premium, cash value, and length of time in force. Median number of shares will be 210. The IPO took place on October 28, 1999, with a share price of C$17.50 (symbol: CL on Toronto exchange). Canada Life merged with Great-West in May 2003. More info: company website, *The Actuary* (6/01)
Central Life Assurance	Merged with American Mutual in 1994. Formed a MHC in 1996. Became AmerUs Life. Set up a closed block. IPO in 1997 (symbol: AMH). Board of directors approved plan for full demutualization in December 1999; policyholders and shareholders approved the plan in June 2000 (98% of policyholder voters approved, and 92% of shares approved). Demutualization was completed in October 2000. Name changed to AmerUs Group (symbol: AMH). Policyholders owned about 57% of the mutual holding company; the rest had been sold or given to management and outsiders. About 300,000 policyholders received a total distribution of about $452 million of stock and about $340 million of cash and policy credits. Announced in January 2000 that it will merge with Indianapolis Life, which is also demutualizing (see below). Agreement was signed in February 2000. The merger plan was revised in September 2000 to reduce the number of shares that Indianapolis Life policyholders will receive in the combined entity. Merger was approved by AmerUs Group shareholders in March 2001; 97% of voters approved. It was completed in May 2001. In October 2006, a $2.9 billion acquisition of AmerUs Group by UK-based Aviva plc was approved by shareholders; 98% of voters approved. Next step: Approval by state regulators. More info: company website, *BW* (4/27/98, 6/8/98, 8/30/99, 9/25/00), *IMA*

	(5/27/98), *IF* (6/98, 4/99), *BR* (8/98), *WSJ* (12/1/98, 2/17/99, 8/23/99, 12/21/99), *SIO* (5/22/01).
Clarica	See Mutual Life of Canada.
Columbian Mutual	
Columbus Life	Stock company. Wholly owned by Western & Southern Life.
Connecticut Mutual	Merged with Massachusetts Mutual in 1996.
CUNA Mutual Life	
Equitable Life Assurance Society of the U.S.	Demutualized in 1992. Distributed over $250 million in stock, cash, and policy enhancements to policyholders. IPO in 1992. Became a wholly-owned subsidiary of AXA (symbol: AXA) in January 2001.
Fidelity Life Association	An odd duck. It's a mutual company, but it had been closely affiliated with a Chase insurance company (as well as Bank One and the Zurich Insurance Group), sharing the same management. That management services agreement ended in 2005, and the Board of Directors has approved a plan to convert to a mutual holding company. Next steps: Approval by state regulators and policyholders.
General American	Formed a MHC (GenAmerica Corporation) in 1997. Announced in January 1999 that it planned to fully demutualize and that the average distribution per member could exceed $4,000. Those plans were shelved in August 1999 when General American placed itself under regulatory supervision to deal with a liquidity crisis. GenAmerica was acquired by MetLife in January 2000. The $1.2 billion purchase price is in a special account and will be distributed to about 330,000 policyholders, after deducting expenses. The Missouri Insurance Department has sent a proposed plan of distribution to a judge for review. Payments would not be made to eligible policyholders until 2003. In November 2006, Morgan Stanley agreed to pay $95 million to settle litigation regarding its role in General American's 1999 liquidity crisis. The money will be distributed to General American policyholders. More info: *Financial Reporter* (12/97), *BW* (9/21/98, 9/27/99, 11/27/00), *NYT* (1/29/99), *IF* (4/99), *NU* (8/30/99), *St. Louis Post-Dispatch* (9/15/00), company website.
Government Personnel Mutual Life	
Guarantee Mutual	Demutualized in 1995. Became Guarantee Life. IPO in 1995 (symbol: GUAR). Acquired by Jefferson-Pilot (symbol: JP) in December 1999. More info: *BR* (8/98)
Guardian Life	Merged with Berkshire Life, which became a wholly-owned stock subsidiary of Guardian, in July 2001. Guardian had strongly supported proposed MHC legislation in NY, which didn't pass. It now says that it plans to remain a pure mutual. More info: *Chief Executive* (6/00), *NU* (1/15/01, 4/23/01, 6/25/01), *BW* (7/9/01), Bloomberg Forum (7/10/01), Grannis report, company website.
Home Life	Merged with Phoenix Mutual in 1992. See Phoenix Home Life.
Illinois Mutual	More info: company website
	Announced in January 2000 that it will merge with AmerUs Life Holdings,

Indianapolis Life	Inc. (see Central Life Assurance, above) and fully demutualize. Under this original agreement, policyholders would have received 11.25 million shares of the combined company's stock plus cash, worth about $350 million; the average distribution among the 200,000 policies would be about $1,350. Agreement was signed in February 2000. The merger plan was revised in September 2000 to provide payment of 9.3 million shares plus cash, worth about $332 million. The demutualization and acquisition by AmerUs were completed in May 2001. Indianapolis Life policyholders received AmerUs shares, cash and policy credits worth about $325 million. History: Announced an affiliation with American United Life in November 1997. Wanted to form a MHC, but MHC legislation was stalled in Indiana, so company announced that it wanted to move to another state that permits MHCs. More info: *BW* (7/6/98), *NU* (7/6/98), *Indianapolis Star* (1/15/00), *BestWire* (9/20/00) company website
Industrial-Alliance (Canada)	Policyholders approved the demutualization plan in November 1999 (about 46% of eligible policyholders voted and 96% of voters approved). Almost 700,000 policyholders will receive shares or cash; 82% opted for cash. IPO is expected to be completed on 2/10/00 at a price of C$15.75 (symbol: IAG on Toronto exchange). Total number of shares outstanding will be 35.1 million (21.6 million in IPO and 13.5 million owned by policyholders. Schedule: Checks will be mailed to policyholders in March 2000. More info: company website
John Hancock	Policyholders approved demutualization plan in November 1999 (about one-third of eligible policyholders voted and about 94% of voters approved). Plan was approved by MA insurance commissioner in December 1999. Policyholders who don't elect to receive stock will receive cash and/or policy enhancements. For cash and policy enhancements, allocation will be based on greater of IPO price or average price during first 20 days of trading (capped at 120% of IPO price); this will give policyholders a chance to benefit from early trading gains. Each policyholder will receive a fixed component of 17 shares plus a variable component based upon a complex allocation method. According to one estimate, the average value of stock per member could be $2,000 to $3,000. The IPO took place on Jan. 27, 2000, with a share price of $17 (symbol: JHF). After the demutualization, total outstanding shares will be about 331.7 million, consisting of 229.7 million distributed to 2.8 million eligible policyholders (about 500,000 policyholders aren't eligible) and 102 million sold in the IPO. Uncertainties: (1) Current litigation involving illegal lobbying expenses could depress the valuation. (2) Mutual of America claims that it is a policyholder and is therefore entitled to a share of the distributed stock, but John Hancock claims that Mutual of America has a reinsurance contract and is not an eligible policyholder. (3) Wit Capital, an online investment banking firm, wants the IPO to be open to policyholders and not just to institutional investors, although it has retracted its initial comments. W.R. Hambrecht & Co., another online firm, has taken a similar position. (4) PRS Insurance Group has filed a lawsuit against John Hancock over the nonpayment of claims related to workers' compensation reinsurance, and it is attempting to link its grievance to the demutualization plan. (5) The New York Insurance Department believes that the demutualization plan may not be fair to NY policyholders; this was settled on 1/26/00, conditional upon a resolution of the

	Mutual of America dispute. (6) John Hancock has lost track of about 400,000 policyholders who might be eligible to vote and to receive stock or cash. (7) Critics are soliciting proxies to vote against the plan. (8) A lawsuit was filed on January 7, 2000 to block the plan. In February 2004, John Hancock Financial Services, Inc. (JHF) shareholders approved a merger with Manulife Financial Corporation (MFC). 69% of outstanding shares voted, and 95% voted in favor. Next step: regulatory approval. More info: company website, *NU* (5/18/98, 1/31/00), *BW* (11/23/98, 10/25/99, 11/22/99, 1/31/00), *Boston Globe* (4/13/99, 9/18/99, 11/17/99, 11/18/99, 1/21/00), *Star-Ledger* (5/16/99), *NYT* (5/24/99, 1/27/00), *WSJ* (11/11/99, 11/12/99, 11/16/99, 11/18/99, 1/27/00), *SIO* (11/15/99, 5/20/03), *IF* (12/99, 1/00), *Business Week* (11/29/99), *The Actuary* (6/01).
Lafayette Life	Became a mutual holding company (Lafayette Life MIHC Inc.) in 2000. In June 2004, Lafayette announced that it will merge with Western-Southern's mutual holding company. The transaction is expected to be completed in 2005. More info: company website
Lutheran Brotherhood	Merged with Aid Association for Lutherans in January 2002. Name for combined organization will be chosen later.
Manhattan Life	In November 2001, Board of Directors approved demutualization plan. Each eligible policyholder will receive a policy credit; total consideration is about $5.6 million. Following demutualization, Manhattan Life will be wholly owned by Manhattan Insurance Group. Next steps: Approval by policyholders (in March 2002) and regulators. More info: company website.
Manufacturers (Manulife)	Policyholders approved the demutualization plan in July 1999 (35.4% of eligible policyholders voted, and 98.5% of voters approved). Each policyholder will receive a fixed allocation of 186 shares, plus a variable number based on cash value, death benefit, and length of time in force; the average is about 740 shares. The IPO (symbol: MFC on Toronto exchange) share price was initially expected to be C$20 to C$23, but poor market conditions forced a reduction to C$18 (about 1.5 times book value). A minority of Canadian (27%) and U.S. (22%) policyholders elected to receive cash rather than stock. Total value of stock and cash distributed to policyholders is about $8.3 billion. Manulife has obtained approval to buy back up to 5% of its outstanding shares through October 2000. More info: company website, *BW* (8/24/98).
Massachusetts Mutual (MassMutual)	Strongly supported MHC legislation that was enacted in MA, but plans to remain a pure mutual as it pursues growth opportunities. In February 2001, the MassMutual Owners Association (MMOA) proposed a full demutualization; it estimated that eligible policyholders would receive about $4 billion. In April 2002, it ran a dissident slate of directors to take MassMutual public; the dissidents received fewer than 3% of proxy votes cast. Policyholders also voted to change the corporate bylaws to make future policyholder participation in corporate governance more difficult. Critics argue that the election was a sham, because the dissident slate of directors wasn't even included on the ballot. More info: *Boston Globe* (6/4/98, 6/23/98), *BW* (7/6/98), *BR* (12/00), Reuters (11/10/98), *NU* (4/26/99, 12/4/00), *InvestmentNews* (9/10/01), www.massmutualownersassociation.com, insure.com

	In June 2005, CEO Robert J. O'Connell was fired by the board of directors for alleged wrongdoing. Several investigations are underway. One rumored reason for the sacking was to remove O'Connell as an obstacle to demutualization (boston.com, 6/10/05).
Massachusetts SBLI	Reorganized in 1992; became a stock company, wholly owned by savings banks. Policyholders now receive a special dividend paid out over 12 years. Questions about the proper amount have led to litigation. Judicial Supreme Court dismissed one case in February 1999. More info: *Boston Globe* (5/29/98, 2/2/99), *BW* (6/8/98, 11/2/98)
Mercer Mutual	This is a property/casualty company, but it's worth including in this list because of a rare event: its policyholders voted to reject an unfair demutualization plan in March 1999. *Best's Review (P/C Edition)* (5/99)
Metropolitan (MetLife)	Policyholders approved the demutualization plan in February 2000 (about 25% of eligible policyholders voted, and 93% of voters approved). The NY Insurance Department approved the plan in April 2000. In November 1999, MetLife filed plans for an IPO (symbol: MET) of 255 million shares priced at $14 to $24. Due to unfavorable market conditions, MetLife filed a revised plan in March 2000 to sell only 179 million shares at $13 to $15, in addition to a private placement of 73 million shares and a separate offering of 20 million shares of a convertible security (consisting of a warrant on MetLife shares at $50 and a liquidation value of $50). The actual April 5, 2000 IPO consisted of 202 million shares sold at $14.25 (symbol: MET); the IPO price was 77% of the $18.50 book value. There was also a private placement of 30 million shares and an offering of a convertible security (symbol: MIU). Proceeds will be used primarily to provide cash and credits to policyholders and to pay $361 million in demutualization expenses. MetLife's 11.2 million eligible policyholders will be allocated 493.5 million shares, to be held in trust. The minimum allocation will be 10 shares. Uncertainties: (1) Some policyholders are complaining that the demutualization plan does not allow MetLife policyholders to participate in the IPO on the same terms as institutional investors. (2) Some policyholders are questioning the legality of the demutualization, because it appears to violate the terms of MetLife's mutualization in 1914. (3) Five more lawsuits were filed in March 2000. (See "Lawsuits claim MetLife cheated policyholders in IPO," 5/26/00, insure.com) One lawsuit was dismissed on July 9, 2001 (Tancredi vs. Metropolitan, www.nysd.uscourts.gov, Judge Lewis A. Kaplan). One lawsuit was certified as a class action in July 2005. MetLife had strongly supported proposed MHC legislation in NY, with the stated intention of fully demutualizing within 10 years, but the legislation didn't pass. More info: Grannis report, *BW* (4/6/98, 8/3/98, 12/7/98, 1/31/00, 7/16/01), *SIO* (2/98, 8/99), *NYT* (11/30/98, 11/24/99, 4/6/00), *WSJ* (11/24/99, 4/6/00), *NU* (12/7/98), *IR* (12/7/98), *Business Week* (12/14/98, 2/21/00), *Star-Ledger* (5/16/99), *Pittsburgh Post-Gazette* (1/4/00), testimony of Philip J. Bieluch at 1/24/00 public hearing (19 kb PDF file), *IFI* (5/1/00), *The Actuary* (6/01), NYSID opinion, company website.
Midland Mutual	Demutualized in 1994. Became Midland Life. Stock is privately held. More info: *IF* (12/94)
Minnesota Mutual	Formed a MHC in October 1998. No immediate plans to do an IPO. More info: company website

Mutual of America	
Mutual of New York (MONY)	Demutualization was completed on 11/16/98. Became MONY Life Insurance Company. The IPO price was set at $23.50 (symbol: MNY). MONY's 800,000 eligible policyholders will receive 34.1 million shares of stock, plus $37.2 million in cash and policy enhancements. Every policyholder will receive 7 shares plus an additional amount based on the policy's past profitability. Policyholders did not have an opportunity to buy IPO shares at the initial price. A lawsuit was filed in November 1999 challenging the NY insurance commissioner's approval of the plan; an amended lawsuit was re-filed in March 2000 (contact: www.milberg.com). It was dismissed by the NY Supreme Court in May 2001; an appeal is pending. In September 2003, AXA Financial announced its intention to buy 100% of MONY. In May 2004, MONY shareholders approved the merger. More info: company website, *BR* (8/98, 12/98); *WSJ* (10/27/98); *BW* (10/26/98, 11/16/98, 2/14/00); *IR* (11/16/98); *SIO* (3/99, 2/10/04), *NYT* (2/24/04, 5/19/04).
Mutual of Omaha	Options are under review. Would like to continue to be called "Mutual of Omaha" even if it is no longer a mutual company. ("Stock of Omaha" just doesn't have the same ring to it.) *BW* (1/4/99)
Mutual Life of Canada (TMG)	Demutualized in July 1999. Became Clarica Life. IPO in July 1999 at C$20.50 (symbol: CLI on Toronto exchange) raised C$951 million, which was used for cash distributions to policyholders (C$865 m), conversion costs (C$67 m), and general corporate purposes (C$19 m). Share allocation formula was 22 fixed shares plus a variable number based on type of policy, insured's age, number of years in force, face amount, and cash value. In December 2001, Clarica Life announced an agreement to merge with Sun Life of Canada, subject to regulatory and shareholder approval. In March 2002, Clarica shareholders approved the merger, which became controversial due to a $310 million breakup fee (57% of shares were voted, and 72% of voted shares were in favor). Next steps: regulatory approvals, expected by May 2002. More info: company website, *Insurance Executive* (5/99), globeandmail.com (12/17/01, 3/7/02), *National Post Online* (3/7/02), *BW* (3/11/02)
Mutual Trust	Converted to a MHC in December 1999. Became MTL Insurance Company.
National Guardian	
National Life of Vermont	Policyholders approved the MHC conversion plan in November 1998 (about 90% of voters approved, and about 20% of eligible policyholders voted). If NLV had done a full demutualization, each policyholder might have received at least $1,000 on average. MHC conversion plan calls for a closed block, and officers and directors may receive stock. On October 22, 1999, a class action lawsuit was filed on behalf of all participating policyholders to prohibit NLV from completing its reorganization and to obtain damages from NLV's officers and directors for inadequate disclosures and breach of fiduciary duties. (Contact: Richard S. Wayne at 800-669-9341 or 513-621-2120, or by e-mail at classactions@strauss-troy.com. You can also download the complaint, a 56 kb PDF file.) A law allowing demutualization was passed in Vermont in April 2000, and NLV may consider full demutualization. More info: company website, *BW* (10/12/98),

	insure.com
National Travelers	Became a mutual holding company in January 2000. 94% of voting policyholders approved. More info: *BW* (1/10/00), company website
Nationwide Life	Stock company. 80% indirectly owned by Nationwide Mutual Insurance Company; 20% publicly owned. More info: *BW* (7/13/98)
New England Mutual	Merged into Metropolitan in 1996.
New York Life (NYL)	Announced in January 1999 that it plans to remain a mutual. Strongly supported proposed MHC legislation in NY, which didn't pass. According to *Schiff's Insurance Observer*, NYL is no longer interested in converting to a MHC, even if the option becomes available. More info: *SIO* (5/98, 12/9/01), *NU* (6/15/98), *Probe* (7/22/98), *NYT* (1/20/99), *WSJ* (1/20/99), *InvestmentNews* (2/8/99) Grannis report, company website
New York SBLI	Became a full-service mutual life insurance company in January 2000. New name is SBLI USA Mutual Life Insurance Company. More info: company website.
Northwestern Mutual (NML)	Strongly supported MHC legislation that was enacted in Wisconsin. There have been rumors that NML is considering converting to a MHC, but NML insists that it is committed to remaining a mutual. More info: letter from Center for Insurance Research, *Milwaukee Journal Sentinel* (7/20/98), *BW* (8/17/98, 2/7/00, 6/18/01, 5/27/02), *BR* (3/99, 3/00), nmlcomplaints.com, company website
Northwestern National (NWNL)	Demutualized in 1989. Changed name to ReliaStar in 1996. Acquired by ING Group in 2000.
Ohio National	Conversion to a MHC was approved by policyholders in April 1998 and by the Ohio Insurance Dept. in July 1998. 97% of voters approved the plan. In February 2004, Security Mutual of New York entered into an agreement to become a subsidiary of Ohio National in a sponsored demutualization, with a targeted completion date of year-end 2004. The agreement was terminated in January 2005 because it did not receive the approval of the New York Insurance Dept. More info: company website, *SIO* (10/98), *IF* (12/05)
Pacific Mutual	Formed a MHC in 1997. Became Pacific Life. 95% of voters approved the plan. No current plans to do an IPO or to fully demutualize. An ESOP currently owns 1% of the stock. More info: *BestWire* (4/6/00), company website
Pan-American Life	In July 2006, the Board of Directors approved a plan to convert to a mutual holding company. Next steps: Approval by policyholders and regulators. More info: company website
Penn Mutual	
	In December 2000, the Board of Directors approved a plan to fully demutualize. Policyholders approved the plan in April 2001; about 40% of eligible members voted, and 95% of voters approved. The NY Insurance Dept. approved the plan on June 1, 2001. When the plan is implemented, Phoenix Life Insurance Company (the renamed stock insurance company) will be owned by The Phoenix

Phoenix Home Life	Companies, Inc. (the publicly-traded holding company), and the roughly 500,000 eligible policyholders will receive 56.2 million shares of stock (or equivalent cash or policy credits). On 2/9/01, Phoenix filed with the SEC to offer 59 million shares in an IPO priced between $9 and $16 per share. On 3/20/01, Phoenix increased the IPO to 73.8 million shares, with the same target price range. On 5/8/01, Phoenix decreased the IPO to 62.5 million shares, with the same target price range. On 5/25/01, Phoenix decreased the IPO to 48.8 million shares, with an increased price range of $14.50 to $17. State Farm has expressed an interest in buying up to 4.9% of Phoenix's shares. The actual June 20, 2001 IPO consisted of 48.8 million shares sold at $17.50 (symbol: PNX). Net proceeds of about $807.9 million will be used to provide cash and credits to policyholders, to pay for demutualization expenses, and for general corporate purposes. Each eligible policyholder will receive a minimum of 18 shares. Some observers believe that the proposed allocation formula is unfair to long-time policyholders. Eligibility: Policy must be in force on 12/18/00. More info: *Barron's* (2/19/01), *Hartford Courant* (4/1/01), *NU* (4/2/01), *InvestmentNews* (5/7/01), *BW* (6/11/01, 6/25/01), company website
Phoenix Mutual	Merged with Home Life in 1992. See Phoenix Home Life.
Principal Mutual	Conversion to a MHC was approved by policyholders in February 1998. 25% of eligible members voted, and 93% of voters approved the plan. How many members really understood what they were voting for? According to one estimate, they missed out on an average distribution of $15,000 each, because the option of a full demutualization was never presented to them. When a Principal agent in Washington state took the time to explain the issues to her clients, their response was overwhelmingly negative. The conversion plan was approved by the Iowa insurance commissioner in May 1998. She said that she gave no weight to a fairness opinion by investment banker Goldman Sachs, but she did not make Principal obtain a second opinion. She is requiring Principal to distribute the holding company's excess earnings to members. A group of policyholders is appealing the approval. Principal has set up a closed block. In March 2000 the board of directors authorized management to study the potential benefits of a full demutualization. In August 2000 the board of directors approved management's recommendation to develop a demutualization plan, and in March 2001 it approved the proposed plan. It filed the plan with the Iowa Insurance Dept. in May 2001. About 925,000 eligible policyholders will receive a minimum of 100 shares. Upon completion of the plan, Principal Life will be a subsidiary of Principal Financial Services, which will be a subsidiary of Principal Financial Group, Inc. Policyholders approved the plan in July 2001; 31% of eligible policyholders voted, and 92% of voters approved. The Iowa insurance commissioner approved the plan in August 2001. The October 23, 2001 IPO (symbol: PFG) consisted of 100 million shares sold at $18.50; the IPO price was about 101% of the $18.37 book value. The expected price range had been $17 to $20, down from the original range of $18.50 to $20.50. Eligible policyholders will receive 260 million shares, in addition to cash and policy credits financed by the IPO.

	A lawsuit opposing the demutualization plan has been filed, challenging the allocation formula for shares (contact: Malakoff Doyle and Finberg in Pittsburgh). Next step: Distribute stock and cash to eligible policyholders. Eligibility: Policy must be in force on 3/31/00 and must be maintained in force until demutualization is completed. More info: *BW* (2/2/98, 7/30/01), *IF* (4/98), *IR* (5/25/98), *BW* (6/22/98, 7/6/98, 3/6/00, 6/4/01, 10/8/01, 12/17/01), *IF* (7/98, 2/99), *Money* (10/98), *SIO* (10/98, 3/3/00, 8/25/00, 9/3/02), *IMA* (9/14/99), *Business Record* (3/13/00), company website
Provident Mutual	Plan to convert to a MHC was approved by the Pennsylvania Insurance Dept. in November 1998. Policyholders approved the plan in February 1999; about 21% of eligible members voted, and 89% of voters approved the plan. A policyholder group filed suit in January 1999 to stop the plan, and a Philadelphia judge issued a preliminary injunction in February 1999. He issued a permanent injunction against the plan in September 1999, finding that Provident's disclosure documents were misleading and did not allow policyholders to make an informed decision. On October 29, Provident announced that it had abandoned its mutual holding company plan, because there was not enough time to go through the legal steps required to implement it. They did not indicate if the officers and directors intend to reimburse policyholders for the $5 million that was squandered on the plan. In August 2001, the boards of directors of Nationwide Financial (symbol: NFS) and Provident Mutual approved a sponsored demutualization. In December 2001, Provident Mutual's board of directors approved the demutualization plan. Provident Mutual's eligible policyholders will receive Nationwide Financial common stock, cash and policy credits worth about $1.56 billion. The purchase price will be adjusted to reflect transactions related to the establishment of a closed block for existing policies. Some policyholders are questioning the allocation formula for shares, the exclusion of stock subsidiary policyholders from the process, and the large severance packages being provided to top executives. Policyholders approved the demutualization in September 2002; 93% of voters approved. The demutualization became effective on October 1, 2002. Provident Mutual became a wholly-owned subsidiary of Nationwide Financial Services, Inc. and was renamed Nationwide Life Insurance Co. of America (also called Nationwide Provident). Next steps: Policyholders will receive Nationwide common stock, cash and policy credits with a total value of $1.12 billion, reflecting a decline in the price of Nationwide's stock since the deal was announced. More info: company website, letter from Joseph M. Belth urging policyholders to vote no, *IF* (4/98, 5/98, 6/98, 1/99, 4/99, 11/99, 1/00, 8/02, 11/02), *BW* (4/13/98, 10/4/99, 8/13/01, 12/24/01, 4/9/02, 10/7/02), *NU* (4/13/98, 11/23/98, 2/22/99, 11/8/99), *Philadelphia Business Journal* (4/13/98), *SIO* (5/98, 6/28/02, 10/17/02), *Philadelphia Inquirer* (6/28/98, 7/2/98)
	Announced in February 1998 that it plans to fully demutualize, and the Board of Directors approved in December 2000. A demutualization plan was submitted to the NJ Ins. Dept. in March 2001. Prudential's 11 million eligible policyholders will receive a distribution of stock, cash and policy credits. In April 2001 Prudential filed plans for an IPO of 89 million shares, with a target price range of $22 to $39. Policyholders will receive 454.6 million shares. The holding company will be named Prudential Financial, Inc.

Prudential	Policyholders approved the plan in July 2001; about 36% of eligible policyholders voted, and about 92% of voters approved. In October 2001 the IPO was amended to add a $500 million package of rights to buy stock in 2004 through a special trust, and the IPO target price was estimated at $22 to $38. In November 2001 the planned IPO was increased to 110 million shares, with a target price range of $25 to $30. An additional 12.3 million shares will be set aside for employee stock options. The demutualization plan was approved by the NJ Ins. Dept. in October 2001 (www.njdobi.org). Consumer advocates are raising questions about the valuation process, although they praise Prudential for choosing full demutualization over a MHC conversion. The December 13, 2001 IPO (symbol: PRU) consisted of 110 million shares sold at $27.50; the IPO price was about 85% of book value. On December 21, underwriters exercised an option to buy an additional 16.5 million shares at $27.50. Next step: Distribute stock and cash to policyholders. Eligibility: Policy must be in force on 12/15/00. Policyholders in some stock subsidiaries are also eligible. A lawsuit opposing the plan was filed on March 28 (contact Robert A. Holstein at rholstein@shzhlaw.com, 877-660-7677). Another lawsuit was filed on July 24; it opposes the plan because owners of nonparticipating policies will receive benefits (contact Milberg Weiss, www.milberg.com). More info: *WSJ* (11/21/00, 3/15/01, 4/10/01, 10/16/01, 12/13/01), *BW* (2/16/98, 5/3/99, 12/25/00, 3/19/01, 4/2/01, 5/21/01, 5/28/01, 7/23/01, 7/30/01, 8/13/01, 10/8/01, 10/22/01, 12/10/01, 12/17/01, 12/31/01), *NYT* (6/18/98, 12/17/00, 3/15/01, 7/19/01, 7/25/01, 12/13/01), *NU* (6/29/98, 12/17/01), *Barron's* (4/23/01, 12/10/01), Insurance News Network, *Star-Ledger* (5/16/99, 12/17/00, 12/19/00, 5/4/01, 9/6/01), *ININ* (5/01), *Business Week* (7/23/01), company website, 800-716-4052
SBLI USA	See New York SBLI.
Security Benefit	Conversion to a MHC was approved by policyholders in May 1998 and by the Kansas Insurance Dept. in July 1998. 93% of voters approved the plan. Did not set up a closed block. No current plans to do an IPO or to demutualize. Directors, officers, and employees can receive stock or stock options prior to an IPO, but cannot be "unjustly enriched." Commissioner's Notice of Public Hearing states that MHC plan is controversial, and PIS contains a brief explanation of the decision to propose a MHC rather than full demutualization. Perhaps the policyholders really did know what they were voting for?
Security Mutual Life of Nebraska	Converted to a MHC in December 1999, following a policyholder vote in November 1999. 20% of eligible policyholders voted, and 96% of voters approved. Became Security Financial Life, wholly owned by Security Mutual Life Nebraska Holding Co. In January 2007, Security Financial Life merged with Assurity Life Insurance Company. More info: company website
Security Mutual of New York	Established a strategic alliance with General American in 1996, but it remained a separate mutual company. The alliance ended when General American was purchased by MetLife. In February 2004, it entered into an agreement to become a subsidiary of Ohio National in a sponsored demutualization, with a targeted completion date of year-end 2004. The agreement was terminated in January 2005 because it did not receive the approval of the New York Insurance Dept. More info: company website, *IF*

	(12/05)
Shenandoah Life	More info: company website
Standard Insurance Co.	Demutualized in 1999. IPO for StanCorp Financial Group, Inc. (symbol: SFG) took place on 4/16/99, with 13.9 million shares priced at $23.75. Policyholders received 18.7 million shares. The May 1999 issue of *The Insurance Forum* raises questions about the fairness of the allocation formula (see News). More info: company website, *IF* (5/99)
Standard Life Assurance Company (U.K.)	This is a British company that is on this list because a group of policyholders was trying to force it to demutualize, contrary to management's desire to remain a mutual. This raises thought-provoking questions about intergenerational duties and the meaning of mutuality. In June 2000, policyholders voted in favor of remaining a mutual. More info: *SIO* (2/11/00), *Financial Post* (2/29/00), *The Times* (do a search on "Standard Life" to view numerous articles), Standard Life Members' Action Group website, company website
State Farm Life	Stock company wholly owned by State Farm Mutual Automobile Insurance Company. Has not taken a position on proposed Illinois legislation and has no current plans to reorganize. More info: *NU* (5/25/98)
State Mutual	Demutualized in 1995. Became First Allmerica Financial Life. Distributed over $600 million to policyholders. IPO in 1995 (symbol: AFC).
Sun Life of Canada	Policyholders approved the demutualization plan in December 1999; about 43% of eligible policyholders voted, and 98% of voters approved. The IPO took place on March 23, 2000, with a share price of C$12.50 (symbol: SLC on Toronto exchange). Each policyholder will receive a fixed allocation of 75 shares and a variable allocation based on several factors; the average allocation will be about 378 shares. The IPO of 143.5 million shares will be used to finance the demutualization. In March 2001, Sun Life announced a service to locate policyholders who had not claimed shares (Asset Reunification Program, 800-890-1037, www.gsccanada.com) In December 2001, Sun Life announced an agreement to merge with Clarica Life, subject to regulatory and shareholder approval. In March 2002, Clarica shareholders approved the merger. Regulatory approvals are expected by May 2002. (See Mutual Life of Canada for more info.) More info: company website, *BW* (7/13/98), *Financial Post* (6/29/99, 3/6/00), *Globe and Mail* (10/1/99, 2/22/99, 12/18/01), CLIPA
Teachers Insurance and Annuity Association (TIAA)	Owned by a non-profit corporation. All policies are nonparticipating.
Union Central	In January 2005, Union Central announced that it will form a mutual holding company and then merge with Ameritas Acacia. The operating subsidiaries will remain distinct. The merger is expected to be completed by year-end 2005. The combined mutual holding company will be renamed UNIFI. A Union Central policyholder is challenging the fairness of the proposed merger (http://home.earthlink.net/~protectpolicyholders/). Policyholders approved the merger in September 2005. Next step: Regulatory approval.
Union Mutual	Demutualized in 1986. Became UNUM Life Insurance Company of America. Distributed over $600 million in stock to policyholders. IPO in 1986 (symbol: UNM).

United Heritage	MHC plan was approved by policyholders in August 2001; 97% of voters approved. More info: *BW* (7/23/01, 8/27/01), insure.com, company website
USAA Life	Stock company. Wholly owned by United Services Automobile Association, a quasi-mutual property/casualty insurer.
Western & Southern Life	Announced in April 2000 that it adopted a plan to form a MHC. Policyholders approved the MHC plan in June 2000; fewer than 20% of eligible policyholders voted and about 94% of voters approved. One consumer group estimates that policyholders would have received $1,900 on average in a full demutualization, with a total distribution of $3 billion. A lawsuit opposing the MHC conversion was filed on July 6 (contact William Jacobs at classactions@strauss-troy.com). The plan was approved by the Ohio insurance commissioner in September 2000 and became effective 9-19-00. In June 2004, Western-Southern announced that it will merge with Lafayette Life's mutual holding company. The transaction is expected to be completed in 2005. More info: company website, insure.com, *BW* (9/18/00)
Woodmen Accident & Life	Policyholders approved MHC conversion in December 1999 (about 95% of voters approved, and about 19% of eligible policyholders voted). Announced in December 2000 that it plans to merge with Lincoln Mutual Holding Company, the MHC parent of Lincoln Direct Life. The merged company will be called Lincoln Insurance Group, Inc. Next steps: Approval by regulators and MHC members. More info: *BW* (9/7/99), company website

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