Fidelity & Guaranty Life
Form PREM14C
March 18, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of the

Securities Exchange Act of 1934

Check the appropriate box:

x Preliminary Information Statement

¨ Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))

¨ Definitive Information Statement

FIDELITY & GUARANTY LIFE

(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

x Fee computed below per Exchange Act Rules 14c-5(g) and 0-11

1) Title of each class of securities to which transaction applies:

common stock, par value $0.01 per share of Fidelity & Guaranty Life

2) Aggregate number of securities to which transaction applies:

59,878,613 shares of common stock, which includes(a) 58,747,590 shares of common stock outstanding; (b) 559,813 shares of common stock underlying outstanding performance-based restricted stock unit awards (PRSUs); (c) 215,496 shares of common stock issuable in respect of outstanding time-based restricted stock awards (Restricted Stock Rights); and (d) 355,714 shares of common stock underlying outstanding stock options with an weighted average exercise price of $22.37 per share.

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The filing fee was determined based upon the sum of (a) 58,747,590 shares of common stock multiplied by $26.80 per share; (b) 559,813 shares of common stock underlying outstanding PRSUs multiplied by $26.80 per share; (c) 215,496 shares of common stock issuable in respect of Restricted Stock Rights multiplied by $26.80 per share; and (d) 355,714 shares of common stock underlying outstanding stock options multiplied by $4.43 (which is the difference between $26.80 and the weighted average exercise price of $22.37 per share). In accordance with Section 14(g) of the Exchange Act, the filing fee was determined by multiplying 0.0001007 by the sum of the preceding sentence.

4) Proposed maximum aggregate value of transaction:

$1,596,790,282.36

5) Total fee paid:

$160,796.78

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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Fidelity & Guaranty Life

Two Ruan Center

601 Locust Street, 14th Floor

Des Moines, Iowa 50309

NOTICE OF WRITTEN CONSENT AND APPRAISAL RIGHTS

AND

INFORMATION STATEMENT

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO

SEND US A PROXY.

To our Stockholders:

This notice of written consent and appraisal rights and information statement is being furnished to the holders of common stock, par value $0.01 per share (Company Common Stock), of Fidelity & Guaranty Life (the Company) in connection with the Agreement and Plan of Merger (as amended or modified from time to time, Merger Agreement , a copy of which is attached as Annex A to this information statement), dated as of November 8, 2015, by and among Anbang Insurance Group Co., Ltd., a joint-stock insurance company established in the People s Republic of China (Buyer), AB Infinity Holding, Inc., a Delaware corporation and wholly-owned subsidiary of Buyer (Parent), AB Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Parent (Merger Sub) and the Company. Upon the completion of the merger of Merger Sub with and into the Company (Merger), each share of Company Common Stock, issued and outstanding immediately prior to the effective time of the Merger (the Effective Time) will be canceled and converted automatically into the right to receive $26.80 in cash, without interest and less any required withholding taxes (the Merger Consideration). However, the Merger Consideration will not be paid in respect of (a) any shares of Company Common Stock owned by the Company as treasury stock or by Buyer, Parent or Merger Sub (which will be canceled and retired and cease to exist and no payment or distribution will be made thereto) and (b) those shares of Company Common Stock with respect to which appraisal rights under Delaware law are properly exercised and not withdrawn.

On November 8, 2015, the board of directors of the Company (the Board): (a) determined that the Merger Agreement, the Merger and the other transactions contemplated thereby, taken together, are at a price and on terms that are fair to, advisable and in the best interests of the Company and its stockholders; and (b) adopted resolutions adopting and approving the Merger Agreement, the Merger and the other transactions contemplated thereby, declaring its advisability and recommending its adoption by the Company s stockholders.

The adoption of the Merger Agreement by the Company s stockholders required the affirmative vote or written consent of holders of at least a majority of the outstanding shares of Company Common Stock. On November 8, 2015, FS Holdco II Ltd. (the Majority Stockholder), a wholly-owned subsidiary of HRG Group, Inc. (HRG) and direct holder of 47,000,000 shares of Company Common Stock representing approximately 80.7% of the outstanding shares of Company Common Stock, delivered a written consent adopting, authorizing, accepting and approving in all respects the Merger Agreement and the transactions contemplated thereby, including the Merger (the Written Consent). As a

result, no further action by any stockholder of the Company is required under applicable law or the Merger Agreement (or otherwise) to adopt the Merger Agreement, and the Company will not be soliciting your vote to approve the adoption of the Merger Agreement and will not call a stockholders meeting for purposes of voting on the adoption of the Merger Agreement. **This notice and the accompanying information statement shall constitute notice to you from the Company of the Written Consent contemplated by Section 228 of the General Corporation Law of the State of Delaware (the DGCL).**

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED

NOT TO SEND US A PROXY. NO ACTION IN CONNECTION WITH THIS

INFORMATION STATEMENT IS REQUIRED BY YOU.

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Under Section 262 of the DGCL, if the Merger is completed, subject to compliance with the requirements of Section 262 of the DGCL, holders of shares of Company Common Stock, other than the Majority Stockholder, will have the right to seek an appraisal for, and be paid the fair value of, their shares of Company Common Stock (as determined by the Court of Chancery of the State of Delaware) instead of receiving the Merger Consideration. To exercise your appraisal rights, you must submit a written demand for an appraisal no later than twenty (20) days after the mailing of this information statement, or [ ], 2016, and comply precisely with other procedures set forth in Section 262 of the DGCL, which are summarized in the accompanying information statement. The summary of Section 262 of the DGCL set forth in this information statement is qualified in its entirety by reference to the full text of Section 262 of the DGCL. You are encouraged to read the entirety of the Section 262 of the DGCL, a copy of which is attached to the accompanying information statement as Annex C. **This notice and the accompanying information statement shall constitute notice to you from the Company of the availability of appraisal rights under Section 262 of the DGCL.**

We urge you to read the entire information statement carefully. Please do not send in your Company Common Stock certificates at this time. If the Merger is completed, you will receive instructions regarding the surrender of your Company Common Stock certificates and payment for your shares of Company Common Stock.

BY ORDER OF THE BOARD OF DIRECTORS,

Christopher J. Littlefield

President and Chief Executive Officer

Neither the U.S. Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the Merger, passed upon the fairness of the Merger or passed upon the adequacy or accuracy of the disclosures in this notice or the accompanying information statement. Any representation to the contrary is a criminal offense.

This information statement is dated [ ], 2016 and is first being mailed to stockholders on or about [ ], 2016.

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LIST OF ANNEXES

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SUMMARY

This summary highlights selected information from this information statement and may not contain all of the information that is important to you. To understand the merger (the Merger) contemplated by the Agreement and Plan of Merger (as amended or modified from time to time, the Merger Agreement), dated as of November 8, 2015, by and among Anbang Insurance Group Co., Ltd. (Buyer), AB Infinity Holding, Inc. (Parent), AB Merger Sub, Inc., a wholly-owned subsidiary of Parent (Merger Sub), and Fidelity & Guaranty Life fully, and for a more complete description of the legal terms of the Merger, you should carefully read this entire information statement, the annexes attached to this information statement and the documents referred to or incorporated by reference in this information statement. Any document or agreement referred to in this information statement is qualified in its entirety by reference to the full text of such document or agreement. In this information statement, the terms Fidelity & Guaranty Life, Company, we, us and our refer to Fidelity & Guaranty Life. All references in this information statement to terms defined in the notice to which this information statement is attached have the meanings provided in that notice. All references to capitalized terms not defined herein or in the notice to which this information statement is attached shall have the meanings ascribed to them in the Merger Agreement, a copy of which is attached as Annex A to this information statement.

The Parties to the Merger Agreement (page 15)

The Company. The Company, a Delaware corporation, helps middle-income Americans prepare and manage for retirement. Through its subsidiaries, the Company offers fixed annuity and life insurance products distributed by independent agents through an established network of independent marketing organizations. The Company s principal executive offices are located at Two Ruan Center 601 Locust Street, 14th Floor, Des Moines, IA and its telephone number is (800) 445-6758. The Company s website is http://www.fglife.com. The material located on such website is not a part of, or otherwise incorporated into, this information statement. Additional information about the Company is included in documents incorporated by reference into this information statement and our filings with the Securities and Exchange Commission, copies of which may be obtained without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 69.

Buyer. Buyer and its subsidiaries constitute a leading comprehensive insurance group in China, with more than $140 billion in total assets. Buyer is headquartered in Beijing, China. Buyer s comprehensive range of financial and insurance services and products include life insurance, pensions, health insurance, property and casualty insurance, insurance sales and brokerage services, banking, financial leasing and asset management.

Parent. Parent is a corporation incorporated under the laws of Delaware and is an indirect, wholly-owned subsidiary of Buyer. Parent was formed specifically for the purpose of serving as the intended holding company for the Company at the completion of the Merger and has not carried on any activities to date, except for activities incidental to its incorporation and activities undertaken in connection with the transactions contemplated by the Merger Agreement.

Merger Sub. Merger Sub is a corporation incorporated under the laws of Delaware and is a direct, wholly-owned subsidiary of Parent. Merger Sub was formed specifically for the purpose of completing the Merger with the Company and has not carried on any activities to date, except for activities incidental to its incorporation and activities undertaken in connection with the transactions contemplated by the Merger Agreement.

The Merger (page 17)

On November 8, 2015, the Company entered into the Merger Agreement with Buyer, Parent and Merger Sub. Upon the terms and subject to the conditions provided in the Merger Agreement, and in accordance with Delaware law, at

the effective time of the Merger (the Effective Time), Merger Sub will merge with and into the Company, with the Company continuing as the surviving corporation. As a result, the Company will become

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a direct, wholly-owned subsidiary of Parent and an indirect, wholly-owned subsidiary of Buyer following the Effective Time. Because the Merger Consideration will be paid in cash, you will receive no equity interest in Buyer, and after the Effective Time you will have no equity interest in the Company.

The Merger Consideration (page 43)

Upon consummation of the Merger, each share of common stock of the Company, par value $0.01 per share (Company Common Stock), issued and outstanding immediately prior to the consummation of the Merger, other than appraisal shares, shares held in treasury and shares owned by Buyer, Parent or Merger Sub, will automatically be converted into the right to receive $26.80 in cash, without interest and less any required withholding taxes, upon surrender of each respective share certificate and automatically in the case of Book-Entry shares.

We encourage you to read the Merger Agreement, which is attached as Annex A to this information statement, as it is the legal document that governs the Merger.

Reasons for the Merger (page 24)

After consideration of various factors as discussed in the section entitled The Merger Reasons for the Merger beginning on page 24, the board of directors of the Company (the Board), after consultation with its legal advisor and financial advisors, determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, taken together, were at a price and on terms that were fair to, advisable and in the best interests of the Company and its stockholders and adopted and approved the Merger Agreement, the Merger and the other transactions contemplated thereby.

Required Stockholder Approval for the Merger (page 52)

The adoption of the Merger Agreement by our stockholders required the affirmative vote or written consent of holders of at least a majority of the outstanding shares of Company Common Stock. On November 8, 2015, following the execution of the Merger Agreement, FS Holdco II Ltd. (the Majority Stockholder), which holds approximately 80.7% of the Company s outstanding shares of Company Common Stock, delivered a written consent adopting, authorizing, accepting and approving in all respects the Merger Agreement and the transactions contemplated thereby, including the Merger (the Written Consent). No further action by any other Company stockholder is required under applicable law or the Merger Agreement (or otherwise) in connection with the adoption of the Merger Agreement. As a result, the Company is not soliciting your vote for the adoption of the Merger Agreement and will not call a stockholders meeting for purposes of voting on the adoption of the Merger Agreement. No further action by the stockholders of Buyer is required to complete the Merger.

When actions are taken by written consent of less than all of the stockholders entitled to vote on a matter, Delaware law requires notice of the action to those stockholders who did not consent in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting. This information statement and the notice attached hereto constitute notice to you of action by written consent as required by Delaware law.

Opinion of Credit Suisse (page 26 and Annex B)

The Company retained Credit Suisse Securities (USA) LLC (Credit Suisse) to act as its financial advisor in connection with the Merger. In connection with Credit Suisse s engagement, the Board requested that Credit Suisse evaluate the fairness to the holders of Company Common Stock (other than the Majority Stockholder, HRG Group, Inc. (HRG) and Buyer and its affiliates, which we refer to collectively as the excluded persons), from a financial point of view, of

the Merger Consideration to be received by such stockholders pursuant to the terms of the Merger Agreement. On November 8, 2015, at a meeting of the Board held to evaluate the Merger, Credit Suisse rendered to the Board an oral opinion, confirmed by delivery of a written opinion dated

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November 8, 2015, to the effect that, as of that date and based on and subject to the assumptions, procedures, factors, qualifications and limitations set forth in Credit Suisse s written opinion, the Merger Consideration to be received by the holders of Company Common Stock (other than the excluded persons) in the Merger pursuant to the terms of the Merger Agreement was fair, from a financial point of view, to such stockholders.

The full text of Credit Suisse s written opinion, dated November 8, 2015, to the Board, which sets forth, among other things, the assumptions, procedures, factors, qualifications and limitations on the review undertaken by Credit Suisse in connection with such opinion, is attached to this information statement as Annex B. The description of Credit Suisse s opinion set forth in this information statement is qualified in its entirety by reference to the full text of Credit Suisse s opinion. Credit Suisse s opinion was provided to the Board for its information in connection with its evaluation of the Merger Consideration from a financial point of view to holders of Company Common Stock (other than the excluded persons) and did not address any other aspect of the Merger, including the merits of the Merger as compared to alternative transactions or strategies that may be available to the Company or the underlying decision of the Company to proceed with the Merger. Credit Suisse s opinion does not constitute advice or a recommendation to any stockholder as to how such stockholder should vote or act on any matter relating to the Merger or otherwise.

The Merger Agreement (page 43 and Annex A)

Conditions to Consummation of the Merger (page 43)

The obligations of the parties to consummate the Merger are subject to the satisfaction or waiver on or prior to the date of closing of the following conditions:

the affirmative vote or written consent of the holders of at least a majority of the outstanding shares of Company Common Stock in favor of the adoption of the Merger Agreement shall have been obtained. This provision is no longer applicable following Parent s receipt of the Written Consent on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52);

this information statement shall have been cleared by the SEC and shall have been sent to stockholders of the Company at least twenty (20) days prior to the closing date;

the absence of any applicable law or any order, writ, judgment, injunction, decree, stipulation, determination or award (whether temporary, preliminary or permanent) enacted, issued or enforced by any court or governmental authority and that makes illegal, prevents, prohibits, restrains or enjoins consummation of the Merger; and

approvals from the Iowa Insurance Division, the New York Department of Financial Services, the Vermont Department of Financial Regulation, the China Insurance Regulatory Commission (CIRC) and the Committee on Foreign Investment in the United States (CFIUS) shall have been obtained and shall remain in full force without, in the case of the regulatory and governmental approvals from the Iowa Insurance Division, CIRC and CFIUS, the imposition of a Burdensome Condition by the applicable governmental authority (as defined in the section entitled The Merger Agreement Regulatory Filings; Best Efforts

beginning on page 50 and in the Merger Agreement)).

The obligations of Buyer, Parent and Merger Sub to effect the Merger are also subject to satisfaction or waiver on or prior to the closing of the Merger of the following additional conditions:

the Company s representations and warranties with regard to corporate power and authority and brokerage and finder s fees are true and correct in all material respects at and as of the date of the Merger Agreement and at and as of the closing date;

the Company s representations and warranties with regard to certain elements of its capitalization are true and correct at and as of the date of the Merger Agreement and at and as of the closing date (except for *de minimis* breaches);

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the Company s representation and warranty that, since September 30, 2014, no Company Material Adverse Effect (as defined in the section entitled The Merger Agreement Representations and Warranties beginning on page 45 and in the Merger Agreement) has occurred is true and correct as of the date of the Merger Agreement and at and as of the closing date;

other than the representations and warranties mentioned in the three bullets directly above, all of the Company s other representations and warranties are true and correct (without giving effect to any materiality or Company Material Adverse Effect qualifiers) at and as of the date of the Merger Agreement and at and as of the closing date (except to the extent expressly made as of an earlier date, in which case as of such earlier date) except where such failure to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect;

the Company having performed or complied in all material respects with all agreements and covenants required to be performed or complied with by it under the Merger Agreement on or prior to the Effective Time; and

the Company having delivered to Parent a certificate, signed by an officer of the Company, to the effect that each of the conditions specified above has been satisfied.

The obligations of the Company to effect the Merger are also subject to satisfaction or waiver on or prior to the closing of the Merger of, among other things, the following additional conditions:

Buyer, Parent and Merger Sub s representation and warranty with regard to corporate power and authority is true and correct in all material respects as of the date of the Merger Agreement and at and as of the closing date;

Buyer, Parent and Merger Sub s representation and warranty that, during the period from December 31, 2014 through the date of the Merger Agreement, no Buyer Material Adverse Effect (as defined in the section entitled The Merger Agreement Representations and Warranties beginning on page 45 and in the Merger Agreement) has occurred is true and correct as of the date of the Merger Agreement and at and as of the closing date;

other than the representations and warranties mentioned in the two bullets directly above, all of Buyer, Parent and Merger Sub s other representations and warranties are true and correct (without giving effect to any materiality or Buyer Material Adverse Effect qualifiers) at and as of the date of the Merger Agreement and at and as of the closing date (except to the extent expressly made as of an earlier date, in which case as of such earlier date) except where such failure to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Buyer Material Adverse Effect;

Buyer, Parent and Merger Sub having performed or complied in all material respects with all agreements and covenants required to be performed or complied with by it under the Merger Agreement on or prior to the

Effective Time; and

Buyer having delivered to the Company a certificate, signed by an officer of Buyer, to the effect that each of the conditions specified above has been satisfied.

Takeover Proposals (page 53)

The Merger Agreement provides that (i) the Company and its directors and officers will not, (ii) the Company s subsidiaries and its subsidiaries directors and officers will not and (iii) the Company will use reasonable best efforts to ensure that its and its subsidiaries other representatives will not, directly or indirectly:

solicit, initiate or knowingly encourage any inquiries regarding or the making of any proposal that constitutes or is reasonably likely to lead to a Takeover Proposal (as defined in the section entitled The Merger Agreement Takeover Proposals beginning on page 53 and in the Merger Agreement);

enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any confidential information with respect to, any Takeover Proposal;

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enter into any agreement or agreement in principle requiring, directly or indirectly, the Company to abandon, terminate or fail to consummate the transactions contemplated by the Merger Agreement; or

publicly propose or agree to do any of the foregoing.

Notwithstanding the foregoing, prior to Parent s receipt of the Written Consent, in response to a bona fide Takeover Proposal that did not result from a material breach of the non-solicitation provisions of the Merger Agreement, if the Board determines that such Takeover Proposal constitutes or is reasonably expected to lead to a superior proposal and that the failure to take such action would be inconsistent with its fiduciary duties under applicable law, the Company may furnish information to participate in discussions and negotiations with the party making such Takeover Proposal.

If the Board determines at any time prior to Parent s receipt of Written Consent, after consultation with its financial advisors and outside counsel, that the failure to take such action would be inconsistent with its fiduciary duties under applicable law, the Board may cause or permit the Company to terminate the Merger Agreement in order to enter into a definitive agreement regarding a superior proposal, subject to certain notice provisions and Parent s right to renegotiate the terms of the Merger Agreement such that the Takeover Proposal would no longer constitute a superior proposal and subject to the Company s substantially concurrent payment to Parent of the Company Termination Fee described below.

As a result of the execution and delivery of the Written Consent on November 8, 2015, the requisite stockholder approval has been obtained, the fiduciary out provisions are no longer applicable and the Board has no ability to change its recommendation or to terminate the Merger Agreement pursuant to the fiduciary out provisions of the Merger Agreement, including to accept a superior proposal.

A more detailed description of the foregoing circumstances and other circumstances under which the Company or Buyer may terminate the Merger Agreement is provided in the section entitled The Merger Agreement Takeover Proposals beginning on page 53.

Termination (page 59)

The Merger Agreement may be terminated at any time prior to the consummation of the Merger by the mutual written consent of the Company and Parent.

In addition, the Merger Agreement may be terminated by either Parent or the Company if:

any governmental authority has issued a final and nonappealable order or there exists any law, in each case, permanently preventing or prohibiting the Merger; or

the Merger is not consummated prior to September 8, 2016; provided that if the only conditions not satisfied as of September 8, 2016, are that the Requisite Regulatory Approvals have not been obtained, the outside termination date will automatically be extended by 60 days (the Outside Termination Date). This right to terminate the Merger Agreement will not be available to any party whose failure to fulfill any obligation under the Merger Agreement has been the cause of, or results in, the failure of the Merger to occur on or before such date.

The Merger Agreement also may be terminated by Parent if:

the Written Consent has not been executed and delivered to Parent within 48 hours after the execution of the Merger Agreement. This provision is no longer applicable following Parent s receipt of the Written Consent on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52);

there has been a breach by the Company of (i) any representation, warranty, covenant or agreement contained in the Merger Agreement that would, individually or in the aggregate, result in a failure by

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the Company to satisfy the conditions to Buyer, Parent and Merger Sub s obligations under the Merger Agreement regarding accuracy of the Company s representations and warranties and performance and compliance by the Company of its agreements under the Merger Agreement if such failure was continuing on the closing date, and (ii) such breach has not been cured (or is not capable of being cured) before the earlier of (x) the date which is sixty (60) days after the date of delivery of such notice of breach and (y) the Outside Termination Date; or

(i) the Board makes an Adverse Recommendation Change, (ii) the Board fails to include in the Proxy Statement when mailed, the Company Recommendation, (iii) the Board materially breaches the non-solicitation provisions of the Merger Agreement, (iv) the Board recommends to the Company stockholders that they approve or accept a Superior Proposal, or (v) the Company enters into, or publicly announces its intention to enter into, any Takeover Proposal documentation with respect to a Takeover Proposal.

The Merger Agreement also may be terminated by the Company if:

prior to Parent s receipt of Written Consent, the Board determines (after consultation with its financial advisors and outside counsel) that failure to terminate the agreement with respect to a Superior Proposal would be inconsistent with its fiduciary duties under applicable law (subject to certain notice provisions and Parent s right to renegotiate the terms of the Merger Agreement such that the Takeover Proposal would no longer constitute a superior proposal and subject to the Company s substantially concurrent payment to Parent of the Company Termination Fee described below), in order to enter into a definitive agreement regarding a superior proposal. This provision is no longer applicable following Parent s receipt of the Written Consent on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52); and

there has been a breach by Buyer, Parent or Merger Sub of (i) any representation, warranty, covenant or agreement contained in the Merger Agreement that would, individually or in the aggregate, result in a failure by Buyer, Parent or Merger Sub to satisfy the conditions to the Company s obligations under the Merger Agreement regarding accuracy of the representations and warranties of Buyer, Parent and Merger Sub and performance and compliance by Buyer, Parent and Merger Sub of its agreements under the Merger Agreement, if such failure was continuing on the closing date, and (ii) such breach has not been cured (or is not capable of being cured) before the earlier of (x) the date which is sixty (60) days after the date of delivery of such notice of breach and (y) the Outside Termination Date.

Termination Fee (page 60)

The Company will pay Parent the Company Termination Fee if the Merger Agreement is terminated:

by Parent if the Written Consent has not been executed and delivered within 48 hours after the execution of the Merger Agreement. This provision is no longer applicable following Parent s receipt of the Written Consent on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52);

by Parent if, (i) the Board makes an Adverse Recommendation Change, (ii) the Board fails to include in the Proxy Statement when mailed, the Company Recommendation, (iii) the Board materially breaches its obligations with respect to the non-solicitation provisions of the Merger Agreement, (iv) the Board recommends to the Company stockholders that they approve or accept a Superior Proposal or (v) the Board enters into or publicly announces its intention to enter into, any Takeover Documentation with respect to a Takeover Proposal;

by the Company to enter into a definitive binding agreement with respect to a Superior Proposal. This provision is no longer applicable following Parent s receipt of the Written Consent on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52);

by Parent or the Company, if at the Company Stockholders Meeting, the Company Required Vote is not obtained. This provision is no longer applicable following Parent s receipt of the Written Consent

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on November 8, 2015 (as described in the section entitled The Merger Agreement Written Consent beginning on page 52);

by Parent or the Company, if the Merger is not consummated prior to the Outside Termination Date, provided that the right to terminate the Merger Agreement will not be available to any party whose failure to fulfill any obligation under the Merger Agreement has been the cause of, or results in, the failure of the Merger to occur on or before such date; or

by Parent, if (i) there has been a breach by the Company of any representation, warranty, covenant or agreement contained in the Merger Agreement that would, individually or in the aggregate, result in a failure by the Company to satisfy the conditions to Buyer, Parent and Merger Sub s obligations under the Merger Agreement regarding accuracy of the Company s representations and warranties and performance and compliance by the Company of its agreements under the Merger Agreement, if such failure was continuing on the closing date, and (ii) such breach has not been cured (or is not capable of being cured) before the earlier of (x) the date which is sixty (60) days after the date of delivery of such notice of breach, and (y) the Outside Termination Date;

and with respect to the preceding three bullets (i) at any time after the date of execution of the Merger Agreement and prior to such termination, a Takeover Proposal shall have been publicly announced or publicly made known to the Board or the stockholders of the Company, and (ii) within twelve (12) months of such termination, the Company shall have entered into a definitive agreement to consummate such Takeover Proposal and thereafter consummates such Takeover Proposal.

For a more detailed discussion of the Company Termination Fee, see section entitled The Merger Termination Fee and Expenses beginning on page 60.

Interests of Our Directors and Executive Officers in the Merger (page 33)

You should be aware that the Company s directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of the Company s stockholders generally. These interests are described in more detail in the section entitled The Merger Interests of Our Directors and Executive Officers in the Merger beginning on page 33. The Board was aware of these interests and considered them, among other matters, in evaluating and approving the Merger Agreement. These interests may include the following, among others:

The accelerated vesting, cancellation and cash-out of outstanding equity and equity-based awards.

The entitlement of the executive officers to receive enhanced severance benefits under their respective employment agreements or the Company s severance plan upon a qualifying termination of employment occurring during a specified period before or following the completion of the Merger.

The entitlement of certain of the executive officers to receive cash retention awards in an amount equal to the executive officer s base salary, payable on the first anniversary of the completion of the Merger or an

earlier qualifying termination of employment.

The entitlement of certain of the executive officers to receive a cash discretionary success bonus payment.

Continued indemnification and directors and officers liability insurance to be provided by the Surviving Corporation.

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Treatment of Equity and Equity-Based Awards (page 55)

Accelerated Vesting, Cancellation and Cash-Out of Equity and Equity-Based Awards Granted by the Company

The Merger Agreement, as subsequently modified in respect of certain Company performance-based restricted stock unit awards relating to shares of Company Common Stock (Company PRSUs), provides that, at the Effective Time:

Each option to purchase shares of Company Common Stock (a Company Stock Option) that is outstanding and unexercised immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount, if any, in cash equal to the product of (i) the total number of shares of Company Common Stock underlying such Company Stock Option multiplied by (ii) the excess, if any, of $26.80 over the exercise price per share of such Company Stock Option, without interest and less applicable taxes.

Each Company PRSU that is outstanding immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount in cash equal to the product of (i) the actual number of shares of Company Common Stock underlying such Company PRSUs based on the actual levels of performance for fiscal 2014 (124.6% of target) and fiscal 2015 (109% of target) and the target level of performance for fiscal 2016 multiplied by (ii) $26.80, without interest and less applicable taxes.

Each time-based restricted stock award of the Company (a Company Restricted Stock Right) that is outstanding immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount in cash equal to the product of (i) the number of shares of Company Common Stock underlying such Company Restricted Stock Right multiplied by (ii) $26.80, without interest and less applicable taxes.

Accelerated Vesting, Cancellation and Cash-Out of Equity and Equity-Based Awards Granted by Fidelity & Guaranty Life Holdings, Inc.

The Merger Agreement provides that, at the Effective Time:

Each option to purchase shares of Fidelity & Guaranty Life Holdings, Inc. (FGLH) common stock (a Subsidiary Stock Option) that is outstanding immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount in cash equal to the product of (i) the total number of shares of FGLH common stock underlying such Subsidiary Stock Option multiplied by (ii) the excess, if any, of $152.44 over the exercise price per share of such Subsidiary Stock Option, without interest and less applicable taxes.

Each time-based restricted stock unit award relating to FGLH common stock (a Subsidiary RSU) that is outstanding immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount in cash equal to the product of (i) the number of shares of FGLH common stock underlying such Subsidiary RSU multiplied by (ii) $152.44, without interest and less

applicable taxes.

Each dividend equivalent award relating to FGLH common stock (a Subsidiary Dividend Equivalent) that is outstanding immediately prior to the Effective Time (whether vested or unvested) will fully vest and be cancelled in exchange for an amount in cash equal to the applicable amount accrued with respect to such Subsidiary Dividend Equivalent, without interest and less applicable taxes.

U.S. Federal Income Tax Consequences of the Merger (page 40)

The exchange of shares of Company Common Stock for cash pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. A U.S. Holder of Company Common Stock generally will recognize gain or loss equal to the difference between (i) the amount of cash received and (ii) such U.S. Holder s

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adjusted tax basis in its shares of common stock. See section entitled U.S. Federal Income Tax Consequences of the Merger for further details. You should consult your own tax advisor about the particular tax consequences of exchanging your shares of Company Common Stock for cash pursuant to the Merger.

Regulatory Approvals (page 41)

The insurance laws and regulations of the states of Iowa, New York and Vermont where the insurance company subsidiaries of the Company are domiciled, require that, prior to the acquisition of control of an insurance company domiciled in those jurisdictions, the acquiring company must obtain the approval of the insurance regulators of those jurisdictions. We understand that the insurance laws and regulations of The People s Republic of China require Buyer to file prior notification with and to obtain prior approval of CIRC in connection with the Merger. In addition, Buyer and the Company have also made a voluntary filing with CFIUS in accordance with the Defense Production Act of 1950, as amended, and regulations thereunder (the DPA). Filings with respect to the foregoing regulatory approvals have been made. On November 25, 2015, the requisite approval for the Merger was obtained from the Vermont Department of Financial Regulation. On March 14, 2016, CFIUS concluded action on the Merger, having determined that there were no unresolved national security concerns with respect to the Merger.

Should the Iowa Insurance Division, the New York Department of Financial Services and CIRC or any other governmental authority raise objections to the Merger, the Company and Buyer have agreed to use reasonable best efforts to resolve such objections, but Buyer, Parent and Merger Sub (in the case of the Iowa Insurance Division and CIRC) will not be required to take any action that would result in a Burdensome Condition (as defined in the section entitled The Merger Regulatory Approvals beginning on page 41 and in the Merger Agreement). This Burdensome Condition exception does not apply to the regulatory approvals from the New York Department of Financial Services.

Procedures for Receiving the Merger Consideration (page 45)

Shortly after the Effective Time, a paying agent will mail a letter of transmittal and instructions to you and the other Company stockholders. The letter of transmittal and instructions will tell you how to surrender your stock certificates in exchange for the Merger Consideration. Holders of uncertificated shares of Company Common Stock (*i.e.*, holders whose shares are held in book-entry form) will automatically receive the Merger Consideration, without interest and less any required withholding taxes, as promptly as practicable after the Effective Time without any further action required on the part of those holders.

Specific Performance (page 62)

The parties to the Merger Agreement are entitled to injunctive or other equitable relief to prevent breaches of the Merger Agreement and to enforce specifically the terms and provisions of the Merger Agreement in any court in the state of Delaware or any federal court sitting in the state of Delaware.

Appraisal Rights (page 64 and Annex C)

Pursuant to Section 262 of the General Corporation Law of the State of Delaware (the DGCL), our stockholders (other than the Majority Stockholder) have the right to dissent from the Merger and receive a cash payment for the judicially determined fair value of their shares of Company Common Stock. The judicially determined fair value under Section 262 could be greater than, equal to or less than the $26.80 per share that our stockholders are entitled to receive in the Merger. To qualify for these rights, you must make a written demand for appraisal on or prior to [ ] [ ], 2016, which is the date that is the 20th day following the mailing of this information statement, and otherwise comply precisely with the procedures set forth in Section 262 of the DGCL for exercising appraisal rights. If you validly

exercise (and do not withdraw or fail to perfect) appraisal rights, the ultimate amount that you may be entitled to receive in an appraisal proceeding may be less than, equal to or more

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than the amount of Merger Consideration that you would have received under the Merger Agreement. For a summary of these procedures, see section entitled Appraisal Rights beginning on page 64. The foregoing and the summary of Section 262 of the DGCL set forth in this information statement is qualified in its entirety by reference to the full text of Section 262 of the DGCL. You are encouraged to read the entirety of the Section 262 of the DGCL, a copy of which is attached to the accompanying information statement as Annex C.

Market Price of Our Stock (page 63)

Company Common Stock is listed on the New York Stock Exchange (the NYSE) under the trading symbol FGL . The closing sale price of Company Common Stock on the NYSE on November 6, 2015, which was the last trading day before we announced the Merger, was $26.22. On [ ] [ ], 2016, the last practicable trading day before the date of this information statement, the closing price of Company Common Stock on the NYSE was $[ ].

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The following questions and answers are intended to briefly address commonly asked questions as they pertain to the Merger Agreement and the Merger. These questions and answers may not address all questions that may be important to you as a Company stockholder. Please refer to the section entitled Summary beginning on page 1 and the more detailed information contained elsewhere in this information statement, the annexes to this information statement and the documents referred to or incorporated by reference in this information statement, each of which you should read carefully. You may obtain information incorporated by reference in this information statement without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 69.

Q: What is the proposed transaction?

A: The proposed transaction is the acquisition of the Company by Buyer pursuant to the Merger Agreement. Once the closing conditions under the Merger Agreement have been satisfied or waived and subject to the other terms and conditions in the Merger Agreement, Merger Sub will merge with and into the Company. The Company will be the surviving corporation in the Merger and will become a wholly-owned, indirect subsidiary of Buyer.

Q: What will I receive in the Merger?

A: Upon completion of the Merger, you will receive $26.80 in cash, without interest and less any required withholding taxes, for each share of Company Common Stock that you own, unless you properly exercise, and do not withdraw or fail to perfect, appraisal rights under Section 262 of the DGCL. For example, if you own 100 shares of Company Common Stock, you will receive $2,680 in cash in exchange for your shares of Company Common Stock, less any required withholding taxes. You will not own shares in the surviving corporation.

Q: When do you expect the Merger to be completed?

A: We are working to complete the Merger as quickly as possible. We currently expect to complete the Merger promptly after all of the conditions to the Merger have been satisfied or waived and subject to the other terms and conditions in the Merger Agreement. Completion of the Merger is currently expected to occur in the second quarter of calendar year 2016, although the Company cannot assure completion by any particular date, if at all.

Q: What happens if the Merger is not completed?

A: If the Merger is not completed for any reason, stockholders will not receive any payment for their shares of Company Common Stock in connection with the Merger. Instead, the Company will remain a publicly

traded company, and shares of Company Common Stock will continue to be quoted on the New York Stock Exchange.

Q: Why am I not being asked to vote on the Merger?

A: Applicable Delaware law and the Merger Agreement require the adoption of the Merger Agreement by the holders of a majority of the outstanding shares of Company Common Stock in order to effect the Merger. The requisite stockholder approval was obtained following the execution of the Merger Agreement on November 8, 2015, when the Written Consent was delivered by the Majority Stockholder, which is a wholly-owned subsidiary of HRG, and which owned approximately 80.7% of the issued and outstanding shares of Company Common Stock on that date. Therefore, your vote is not required and is not being sought. We are not asking you for a proxy, and you are requested not to send us a proxy.

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Q: Why did I receive this Information Statement?

A: Applicable laws and securities regulations require us to provide you with notice of the Written Consent, as well as other information regarding the Merger, even though your vote or consent is neither required nor requested to adopt or authorize the Merger Agreement or complete the Merger. This information statement also constitutes notice to you of the availability of appraisal rights under Section 262 of the DGCL, a copy of which is attached to this information statement as Annex C.

Q: Did the Board approve and recommend the Merger Agreement?

A: Yes. The Board:

(a) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, taken together, are at a price and on terms that are fair to, advisable and in the best interests of the Company and its stockholders and adopted and approved the Merger Agreement, the Merger and the other transactions contemplated thereby;

(b) approved the execution, delivery and performance of the Merger Agreement and the consummation of the transactions contemplated thereby, including the Merger, upon the terms and subject to the conditions set forth in the Merger Agreement; and

(c) resolved to recommend the adoption of the Merger Agreement and the approval of the transactions contemplated thereby, including the Merger, by the holders of Company Common Stock, upon the terms and subject to the conditions set forth in the Merger Agreement.

Q: What happens if I sell or otherwise transfer my shares before completion of the Merger?

A: If you sell or otherwise transfer your shares of Company Common Stock, you will have transferred to the person that acquires your shares of Company Common Stock the right to receive the Merger Consideration to be received in the Merger. To receive the Merger Consideration, you must hold your shares through completion of the Merger.

Q: Should I send in my Company Common Stock certificates now?

A: No. You will be sent a letter of transmittal with related instructions by a Paying Agent after completion of the Merger, describing how you may exchange your shares of Company Common Stock for the Merger Consideration. **Please do NOT return your Company Common Stock certificate(s) to the Company.**

Holders of uncertificated shares of Company Common Stock (i.e., holders whose shares are held in book-entry form) will automatically receive the Merger Consideration, without interest and less any required withholding taxes, as promptly as practicable after the Effective Time without any further action required on the part of those holders.

Q: Is the Merger subject to the fulfillment of certain conditions?

A: Yes. Before the Merger can be completed, the Company, Buyer, Parent and Merger Sub must fulfill or, if permissible, waive several closing conditions. If these conditions are not satisfied or waived, the Merger will not be completed. See section entitled The Merger Agreement Conditions to Consummation of the Merger beginning on page 58.

Q: Am I entitled to exercise appraisal rights instead of receiving the Merger Consideration for my shares?

A: Yes. As a holder of Company Common Stock, you are entitled to appraisal rights under Delaware law in connection with the Merger if you meet certain conditions, which conditions are described in this information statement in the section entitled Appraisal Rights beginning on page 64.

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Q: What are the U.S. federal income tax consequences of exchanging my shares of Company Common Stock for cash pursuant to the Merger?

A: Your exchange of shares of Company Common Stock for cash pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. Holder that exchanges shares of Company Common Stock for cash pursuant to the Merger will recognize gain or loss equal to the difference between (i) the amount of cash received and (ii) such U.S. Holder s adjusted tax basis in its shares of common stock exchanged therefor. You are urged to consult your own tax advisor regarding the tax consequences to you of exchanging your shares of Company Common Stock for cash pursuant to the Merger in light of your own particular circumstances. See section entitled U.S. Federal Income Tax Consequences of the Merger for more information.

Q: Do any of the Company s directors or executive officers have interests in the Merger that may differ from those of Company stockholders generally?

A: You should be aware that the Company s directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of the Company stockholders generally. These interests are described in more detail in the section entitled The Merger Interests of Our Directors and Executive Officers in the Merger beginning on page 33. The Board was aware of these interests and considered them, among other matters, in evaluating and approving the Merger Agreement.

Q: Where can I find more information about the Company?

A: We file periodic reports and other information with the U.S. Securities and Exchange Commission (the SEC). You may read and copy this information at the SEC s public reference facilities. Please call the SEC at (800) SEC-0330 for information about these facilities. This information is also available on the website maintained by the SEC at www.sec.gov. For a more detailed description of the available information, please refer to the section entitled Where You Can Find More Information beginning on page 69.

Q: Who can help answer my other questions?

A: If you have more questions about the Merger, please contact our Investor Relations Department at (515) 330-3307. If your broker holds your shares of Company Common Stock, you should call your broker for additional information.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: This information statement contains, and certain oral statements made by our representatives from time to time may contain, forward-looking statements relating to the Merger. All forward-looking statements address matters that involve risks and uncertainties, many of which are beyond the Company s and Buyer s control. Such statements are subject to risks and uncertainties that could cause actual results, events and developments to differ materially from those set forth in, or implied by, such statements and, therefore, you should not place undue reliance on any such statements. These statements are based on the beliefs and assumptions of the Company s management and the management of the Company s subsidiaries. Generally, forward-looking statements include information concerning current expectations, other actions, events, results, strategies and expectations and are generally identifiable by use of the words believes, expects, intends, anticipates, plans, seeks, estimates, projects, may, will, could, might, or continues or s forward-looking statement can be guaranteed. Factors that could cause actual results, events and developments to differ include, without limitation:

- the inability to complete the Merger due to the failure to satisfy the conditions to the Merger or to complete the Merger during any specific timeframe;
- the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement, including a termination under circumstances that could require us to pay the Company Termination Fee to Parent;
- the amount of the costs, fees, expenses and charges related to the Merger;
- risks that the proposed transaction disrupts current plans and operations and potential difficulties in employee retention as a result of the Merger;
- the outcome of any legal proceedings that may be instituted against the Company or Buyer and others following announcement of the Merger Agreement;
- risks related to diverting management s attention from our ongoing business operations; and
- other risks detailed in our filings with the SEC, including Item 1A. Risk Factors in our Annual Report on Form 10-K for our fiscal year ended September 30, 2015. See section entitled Where You Can Find More Information beginning on page 69.

All forward-looking statements described herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. Neither the Company nor any of its affiliates undertakes any obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operation results.

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THE PARTIES TO THE MERGER AGREEMENT

The Company

Fidelity & Guaranty Life

Two Ruan Center

601 Locust Street, 14th Floor

Des Moines, Iowa 50309

The Company, incorporated in the state of Delaware, is an insurance holding company that helps middle-income Americans prepare for retirement. Through its subsidiaries, the company offers fixed annuity and life insurance products distributed by independent agents through an established network of independent marketing organizations. The Company is headquartered in Des Moines, Iowa and trades on the New York Stock Exchange under the ticker symbol FGL. Additional information regarding the Company is contained in our filings with the SEC, copies of which may be obtained without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 69.

Buyer

Anbang Insurance Group Co., Ltd.

Anbang Financial Center

No. 6 Jianguomen Wai Avenue

Beijing, P.R. China, 100022

Buyer and its subsidiaries constitute a leading comprehensive insurance group in China, with more than $140 billion in total assets. Buyer is headquartered in Beijing, China. Buyer s comprehensive range of financial and insurance services and products include life insurance, pensions, health insurance, property and casualty insurance, insurance sales and brokerage services, banking, financial leasing and asset management.

Parent

AB Infinity Holding, Inc.

c/o Anbang Insurance Group Co., Ltd.

Anbang Financial Center

No. 6 Jianguomen Wai Avenue

Beijing, P.R. China, 100022

Parent is a corporation incorporated under the laws of Delaware and is an indirect, wholly-owned subsidiary of Buyer. Parent was formed specifically for the purpose of serving as the intended holding company for the Company at the completion of the Merger and has not carried on any activities to date, except for activities incidental to its incorporation and activities undertaken in connection with the transactions contemplated by the Merger Agreement.

Merger Sub

AB Merger Sub, Inc.

c/o Anbang Insurance Group Co., Ltd.

Anbang Financial Center

No. 6 Jianguomen Wai Avenue

Beijing, P.R. China, 100022

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Merger Sub is a corporation incorporated under the laws of Delaware and is a direct, wholly-owned subsidiary of Parent. Merger Sub was formed specifically for the purpose of completing the Merger with the Company and has not carried on any activities to date, except for activities incidental to its incorporation and activities undertaken in connection with the transactions contemplated by the Merger Agreement.

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THE MERGER

Background of the Merger

The Board and senior management of the Company periodically review the Company s long-term strategic plan with the goal of maximizing stockholder value. As part of the Company s regular process of reviewing its long-term strategic plan, the Board and senior management from time to time consider strategic opportunities that may be available to the Company, including possible acquisitions, divestitures and other business combination transactions.

On April 2, 2015, the Board held a meeting at which it discussed HRG s plans for its investment in the Company and exploration of strategic alternatives.

On April 6, 2015, HRG announced in a press release that it was exploring strategic alternatives for the Company, including a potential sale of the Company, or of all or part of HRG s 80.6% interest in the Company.

On April 24, 2015, the Board held a meeting by teleconference at which the Board resolved to engage Credit Suisse and Skadden, Arps, Slate, Meagher & Flom LLP (Skadden) as its financial and legal advisors, respectively, in connection with a review of strategic alternatives, including a potential sale of the Company. The Board retained Credit Suisse as its financial advisor because of, among other things, Credit Suisse s familiarity and experience in the insurance industry and its experience in advising companies in similar circumstances. The Board retained Skadden as its legal advisor because of, among other things, Skadden s familiarity and experience in the insurance industry and its experience in advising companies in similar circumstances.

On April 30, 2015, the Board held an in-person meeting. Also in attendance at the meeting were representatives of the Company s senior management, Credit Suisse, Jefferies LLC (Jefferies) and Skadden. A representative of Skadden presented to the Board on a variety of matters, including the considerations relative to the sale of a U.S. insurance holding company and the fiduciary duties of the Company s Board under Delaware law in connection with a possible acquisition involving the Company. The Board, following the recommendation of its affiliate transaction committee, resolved, based on the past experience, due diligence and reputation, to engage Jefferies as an additional financial advisor in connection a review of strategic alternatives. The Board retained Jefferies as its financial advisor because of, among other things, Jefferies familiarity and experience in the insurance industry and its experience in advising companies in similar circumstances. The recommendation of the affiliate transaction committee of the Board was sought because Jefferies is wholly owned by Leucadia National Corporation, which owns approximately 23% of the common stock of HRG.

On May 5, 2015, at the direction of the Board, Credit Suisse and Jefferies, initiated contact with 49 potential bidders (25 strategic bidders and 24 financial sponsors), of which 41 requested confidentiality agreements, and 30 of whom executed a confidentiality agreement and subsequently received an information packet including, among other things, management s financial projections.

On June 1, 2015, at the direction of the Company, Credit Suisse and Jefferies distributed a process letter to potentially interested parties requesting that initial written indications of interest be submitted to Credit Suisse and Jefferies by June 15, 2015.

On or about June 15, 2015, the Company received written indications of interest from ten bidders (six strategic bidders and four financial sponsors) as follows: Buyer, proposing a price of $28.00 per share in cash; Bidder A, proposing a price range of $25.00 26.00 per share in cash with flexibility to consider stock-for-stock; Bidder B, proposing a price of $26.00 per share in cash; Bidder C, proposing a price range of $24.00 27.00 per share in cash;

Bidder D, proposing $25.00 per share in cash; Bidder E, proposing an implied price range of $22.15 25.55 per share in a mix of equity and cash to be determined; Bidder F, proposing a price of $25.54 per share in cash; Bidder G, proposing a price of $25.00 per share in cash; Bidder H, proposing an implied price of $25.49 per share in cash; and Bidder I, proposing a price range of $25.00 26.50 per share in cash.

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On June 19, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. Prior to the meeting, a presentation prepared by Credit Suisse and Jefferies setting forth a summary of the process and the written indications of interest were distributed to the Board. At the meeting, the Board reviewed with the Company s advisors the status of the sales process and the written indications of interest received from the bidders. After discussion, based upon the written indications of interest received from all bidders, the Board directed Credit Suisse to invite eight of the ten bidders who had submitted written indications of interest (all bidders other than Bidder D and Bidder G) to continue to the next round of the process and receive access to a virtual data room.

From June 30, 2015 to July 7, 2015, members of the Company s senior management and representatives of Credit Suisse, Jefferies and Skadden held management presentations, with Buyer, Bidder A, Bidder B, Bidder C, Bidder E, Bidder F and Bidder H. Topics covered in the management presentations included, among other things, industry overviews, growth strategies, commercial overviews and financial information relating to the Company.

On July 9, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse and Skadden. Prior to the meeting, a presentation prepared by Credit Suisse and Jefferies setting forth a summary of the process and a proposed timeline was distributed to the Board. At the meeting, the Board was informed that management presentations had been made during in-person meetings with each of the bidders and was updated as to the discussions taking place at such meetings. Representatives of Credit Suisse and Skadden reviewed with the Board a proposed timeline for the next steps of the process.

Between July 9 and July 15, 2015, each of Bidder E, Bidder H and Bidder I withdrew from the process.

On July 16, 2015, at the direction of the Company and consistent with the prior recommendation of the Board at the June 19, 2015 meeting, Credit Suisse and Jefferies distributed a process letter, draft merger agreement and disclosure letter to the draft merger agreement to the five interested parties that the Company had advanced to the next round and remained in the process.

On July 24, 2015, Bidder F withdrew from the process.

On July 30, 2015, Bidder A and Bidder C each submitted a mark-up of the draft merger agreement and a representative of Buyer contacted a representative of Credit Suisse to indicate that Buyer s mark-up would be submitted on July 31, 2015.

On July 31, 2015, the Board held an in-person meeting. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. Prior to the meeting, a comparative summary of the mark-ups of the merger agreement submitted by Bidder A and Bidder C prepared by Skadden and a presentation prepared by Credit Suisse that included, among other things, (i) a summary and overview of the process conducted to date, including summaries of the bidder s due diligence review, including, among other things, due diligence calls and question and answer activity; (ii) an overall process timeline; and (iii) an overview presentation regarding Buyer, including, among other things, a summary of Buyer s recent acquisition transactions, its recent operating performance and its shareholder base, was distributed to the Board. At the meeting, the Board discussed with representatives of Credit Suisse and Jefferies the process conducted to date, including information on active bidders, the process timeline, summary of bidder due diligence activity and an overview of Buyer. The Board discussed with representatives of Skadden the mark-ups to the merger agreement provided by Bidder A and Bidder C.

On July 31, 2015, Simpson Thacher & Bartlett LLP (Simpson Thacher), legal advisor to Buyer, submitted a mark-up of the draft merger agreement to Skadden on behalf of Buyer.

On August 4, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse and Skadden. Prior to the meeting a comparative summary of

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the mark-ups of the merger agreement submitted by Bidder A, Bidder C and Buyer prepared by Skadden was distributed to the Board. At the meeting, a representative of Skadden reviewed with the Board the Buyer s mark-up, as well as a comparison of the mark-up to the mark-ups received from Bidder A and Bidder C. The Board provided feedback to Skadden on the mark-ups that had been received.

On August 6, 2015, representatives of Skadden separately communicated with representatives of each of Simpson Thacher, Bidder A s counsel and Bidder C s counsel to identify certain issues in their respective mark-ups.

On August 14, 2015, Bidder C withdrew from the process.

On August 14, 2015, the Company received a written proposal from Bidder B offering to acquire only a portion of the assets of the Company. Bidder B proposed to pay an aggregate consideration of $490.7 million for such portion of the assets of the Company, payable in cash at closing without a financing contingency.

On August 14, 2015, the Company received an updated written proposal from Bidder A offering a per share price below the then-current trading price of the Company s shares.

On August 14, 2015, the Company received a revised mark-up of the merger agreement and an updated written proposal from Buyer offering $28.00 per share.

On August 17, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. Prior to the meeting, the following materials were distributed to the Board: a summary prepared by Skadden of each of the merger agreement mark-ups submitted by Buyer and Bidder A, as well as the written proposal from Bidder B regarding its proposed acquisition of certain assets of the Company; and a presentation prepared Credit Suisse regarding (i) a summary of the process to date, including which participants had withdrawn from the process, (ii) the bids received from Buyer, Bidder A and Bidder B, (iii) an overview of key terms of the Buyer merger agreement, and (iv) preliminary financial information and analyses regarding the Company and a potential transaction at various per share prices. At the meeting, a representative of Skadden discussed with the Board the mark-ups received from Buyer and Bidder A and the written proposal from Bidder B regarding its bid to purchase a portion of the Company s assets. Representatives of Credit Suisse reviewed with the Board the materials prepared by it, including the preliminary financial information and analyses regarding the Company and a potential transaction at various per share prices. After a review of the terms of the proposed transactions by Buyer, Bidder A and Bidder B, the Board instructed Credit Suisse, Jefferies and Skadden to focus on, and continue discussions with, Buyer.

On August 19, 2015, representatives of Credit Suisse spoke with representatives of Evercore Group L.L.C. (Evercore), financial advisor to Buyer, and representatives of Skadden spoke with representatives of Simpson Thacher and Debevoise & Plimpton LLP (Debevoise), legal advisors to Buyer, to discuss, among others: the Company s information requests relating to Buyer; Buyer s proposed requirement that HRG provide a stockholder written consent approving the merger, which coupled with provisions of the merger agreement, would not permit the Company to terminate the merger agreement in favor of a superior proposal; and Buyer s revisions to the regulatory sections of the merger agreement, including the efforts required to be made by Buyer to obtain regulatory approval for a transaction and the actions that Buyer would not be required to take in order to obtain regulatory approval.

On August 20, 2015, Skadden, shared with Simpson Thacher and Debevoise a revised draft of selected sections of the draft merger agreement relating to regulatory and closing conditions.

On August 21, 2015, representatives of Evercore contacted representatives of Credit Suisse to acknowledge receipt of the selected sections of the draft merger agreement and inquired as to next steps and the possibility of

the Company and Buyer entering into an exclusivity agreement. At the direction of the Company, representatives of Credit Suisse indicated that discussion regarding exclusivity was premature and requested that Buyer respond to the Company s outstanding information requests. Later that day, representatives of Evercore and Credit Suisse discussed information requests relating to Buyer and regulatory matters.

On August 22, 2015, representatives of Evercore contacted representatives of Credit Suisse and stated that there were a number of open issues in Company s mark-up of the selected regulatory and closing conditions sections of the draft merger agreement. Representatives of Credit Suisse inquired about the Company s outstanding information requests relating to Buyer, and representatives of Evercore indicated that progress was forthcoming.

On August 24, 2015, principals from the Company and Buyer met to discuss issues relating to regulatory matters, closing conditions and information requests relating to Buyer. These issues included, among others: Buyer s access to cash on hand and its accessibility from the time of signing through closing; source of funding and mechanics for the funding of the transaction; Buyer s proposal that HRG provide a written stockholder consent within 24 hours of signing the agreement; and the Company s counter proposal that the stockholder written consent would take effect 30 days following the delivery thereof and, during such 30-day period, the Company would be prohibited from soliciting any competing transactions, but would be permitted to respond to unsolicited proposals and to terminate the merger agreement in favor of a superior proposal.

On August 25, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. At the meeting, the Board discussed, among other things, the status of the sales process, the Company s meeting with Buyer and potential next steps.

On August 27, 2015, Skadden circulated to Simpson Thacher, a revised draft of the merger agreement.

On August 28, 2015, Simpson Thacher and Debevoise circulated a mark-up of selected provisions of the merger agreement received from Skadden on August 20, 2015. Representatives of Evercore stated to representatives of Credit Suisse that Buyer would not be amenable to the Company s proposal for the stockholder written consent to take effect 30 days following delivery thereof and would require such stockholder written consent to be effective upon delivery.

On August 29, 2015, principals from the Company and Buyer met in New York for further discussions. The parties were not in agreement on a number of issues including, among other things, the approach with respect to obtaining regulatory approvals and the issue regarding the Company s proposal for the stockholder written consent to take effect 30 days following delivery thereof.

On August 30, 2015, the Company and its advisors met with Buyer and its advisors for further discussions in New York. Issues discussed at the meeting included, among other things, Buyer s source of funding and mechanics for the funding of the transaction, regulatory matters and amendment of the Company s existing credit agreement to provide for funds that would be sufficient to make any payments required to be made by the Company if all of the notes under the Company s existing indenture were tendered in connection with the transaction. Following the discussion, the parties agreed that financial advisors of both parties would discuss funding in greater detail. The parties also agreed on the core principles regarding the regulatory sections of the merger agreement, including the use of the burdensome condition exception.

On August 31, 2015, Simpson Thacher and Skadden conducted a call to review a number of open issues in the merger agreement.

On September 3, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. At the meeting, the Board discussed,

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among other things, the status of the sales process, the meeting with Buyer and its advisors on August 30, 2015 and next steps.

On September 3, 2015, Skadden circulated to Simpson Thacher, a revised draft of the merger agreement.

On September 7, 2015, representatives of Investment Bank B (Bank B) contacted representatives of Credit Suisse to state that Bidder B wanted to partner with Bidder A to make a joint proposal to acquire the Company. Representatives of Bidder A separately contacted representatives of Credit Suisse on September 7, 2015, to state that Bidder A wanted to partner with Bidder B. Representatives of Credit Suisse relayed these communications to the Company.

On September 10, 2015, representatives of Bidder A sent a letter to Credit Suisse and Jefferies with a combined offer in partnership with another bidder for the Company at a price range below the then-current trading price of the Company s shares. In response to this letter, after discussions with members of the Board, the Company requested Bidder A and Bidder B to continue to develop and improve their joint proposal.

On September 10, 2015, Buyer sent an issues list to the Company regarding the latest draft of the merger agreement. That evening, Skadden circulated to Buyer and its advisors the Company s response to the issues list.

On September 16, 2015, Simpson Thacher circulated a revised draft of the merger agreement to Skadden.

On September 18, 2015, representatives from Buyer, the Company, HRG, Evercore, Credit Suisse, Jefferies, Skadden, Simpson Thacher and Debevoise met to discuss open issues on the merger agreement.

On September 19, 2015, Skadden circulated to Simpson Thacher, a revised draft of the merger agreement reflecting the resolution of agreed upon issues and issues that remained open.

On September 22, 2015, principals from the Company and Buyer met to discuss open issues on the draft merger agreement.

On September 23, 2015, Simpson Thacher circulated a revised draft of the merger agreement to Skadden.

On September 24, 2015, Skadden circulated a list of open issues to the legal and financial advisors of the Company and Buyer for discussion.

On September 25, 2015, representatives of Skadden, Simpson Thacher, Debevoise, Credit Suisse, Jefferies and Evercore held a call to discuss the open issues on the issues lists previously circulated by Skadden. Later that day, Skadden circulated an annotated list of open issues to be discussed by the legal and financial advisors.

On September 26, 2015, representatives of Skadden, Simpson Thacher, Debevoise, Credit Suisse, Jefferies and Evercore held a call to discuss the annotated issues list previously circulated by Skadden.

On September 29, 2015, representatives of Buyer, Evercore, Simpson Thacher and Debevoise met with and representatives of the Company, HRG, Skadden, Credit Suisse and Jefferies to discuss the annotated issues list that was previously circulated and resolved certain of the open issues.

On September 29, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. The Board was provided an update on the status of discussions with Buyer and discussed the joint proposal from Bidder A and Bidder B. The Board discussed next

steps with respect to discussions with Buyer and Bidder A and Bidder B.

On October 3, 2015, principals from the Company and Buyer discussed recent news articles speculating about the transaction and also discussed other open issues in the merger agreement.

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On October 4, 2015, Simpson Thacher circulated a revised merger agreement to Skadden. Later that day, Skadden circulated a revised merger agreement to Simpson Thacher.

On October 6, 2015, Simpson Thacher circulated a revised merger agreement to Skadden. Later that day, after reviewing and discussing Buyer s changes to the merger agreement with the Company, Skadden contacted Simpson Thacher to inform them that Buyer s changes to the merger agreement were acceptable.

On October 7, 2015, Evercore circulated some of the remaining information requested by the Company.

On October 9, 2015, Debevoise circulated to Skadden drafts of the Iowa Form A and the New York Section 1506 filing. Debevoise also included a draft exclusivity agreement to be executed by Buyer and the Company, and asked that comments be provided as soon as possible.

On October 10, 2015, Skadden circulated a revised draft of the exclusivity agreement to Simpson Thacher and Debevoise.

On October 11, 2015, representatives of Skadden and Debevoise held calls to discuss Buyer s draft Form A application and the draft presentation for the meeting with the Iowa Insurance Division.

On October 12, 2015, representatives of Credit Suisse and Evercore held a call to discuss outstanding issues, the remaining information for the Form A application and outreach to insurance regulators. The parties also discussed the exclusivity agreement; however, the parties ultimately did not enter into an exclusivity agreement.

On October 13, 2015, representatives of Bank B and Investment Bank C (Bank C) submitted a letter to Credit Suisse on behalf of Bidder A and Bidder B. The letter indicated that the Bidder A and Bidder B were preparing to submit a joint proposal to acquire the Company and requested certain outstanding diligence matters.

On October 13, 2015, Credit Suisse circulated to Evercore a list of questions related to Buyer.

On October 20, 2015, representatives of the Company, HRG, Skadden, Buyer, Evercore and Debevoise met with officials at the Iowa Insurance Division. The meeting featured a presentation on Buyer, the material terms of the transaction, Buyer s plans for the Company and a listing of other regulatory approvals needed for the completion of the acquisition of the Company.

On October 25, 2015, Bidder A and Bidder B submitted to Credit Suisse and Jefferies a proposal to acquire all of the outstanding shares of the Company below the then-current trading price and drafts of transaction documents. Pursuant to the proposal, Bidder A and Bidder B would each acquire certain assets of the Company.

On October 26, 2015, representatives of the Company, HRG, Skadden, Buyer and Debevoise met with officials from the New York Department of Financial Services. The meeting featured a presentation on Buyer, the material terms of the transaction, Buyer s plans for the Company and a listing of other regulatory approvals needed for the completion of the acquisition of the Company.

On October 27, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse, Jefferies and Skadden. The Board was provided a status update on proposed transaction, which included an overview of the meetings with the Iowa Insurance Division and the New York Department of Financial Services. The Board then discussed the October 25, 2015 proposal from Bidder A and Bidder B. The Board instructed representatives of Credit Suisse, Jefferies and Skadden to continue to engage with

Buyer, Bidder A and Bidder B.

On October 30, 2015, Skadden circulated to Law Firm A, legal advisor to Bidder A and Bidder B (Law Firm A), an issues list presented by the transaction documents received from Bidder A and Bidder B on

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October 25, 2015. Later that day, representatives of Skadden, Law Firm A, Credit Suisse, Jefferies, Bank B and Bank C held a call to discuss the issues list.

On November 1, 2015, a representative of Buyer contacted the Company and proposed to reduce the aggregate purchase price by approximately $70 million to reflect the final outcome of Buyer s due diligence review. A reduction of approximately $70 million from the purchase price would result in an offer of approximately $26.82 per share. Buyer s revised offer was not accepted.

On November 2, 2015, a principal at the Company communicated to Buyer that he would be willing to discuss with the Board an offer of $27.00 per share, which was a higher price than the price communicated by Buyer on November 1, 2015. Buyer did not accept the Company s proposal and stated that its offer, after taking into account a reduction of approximately $70 million from the purchase price, was $26.80 per share.

On November 3, 2015, the Board held an in-person meeting. Also in attendance were representatives of the Company s senior management, HRG, Credit Suisse, Jefferies and Skadden. Prior to the meeting, the following materials were distributed to the Board: a summary of the then-current version of the Buyer merger agreement prepared by Skadden; a copy of the then-current version of the Buyer merger agreement; a presentation prepared by Skadden regarding the fiduciary duties of the Board under Delaware law in connection with a possible acquisition involving the Company; and preliminary financial information and analyses from Credit Suisse regarding the Company and a potential transaction at a per share price of $26.82 (reflecting the approximately $70 million reduction to the aggregate purchase price previously proposed by Buyer) and $27.00 (the per share purchase price last proposed by the Company). At the meeting, the Board was updated regarding the proposed transaction and the status of the Buyer and the joint Bidder A and Bidder B bids. A representative of Skadden discussed with the Board the fiduciary duties of the Board under Delaware law in connection with a possible acquisition involving the Company. Representatives of Credit Suisse reviewed its financial analyses of Buyer s proposal to acquire the Company, assuming purchase prices of $26.82 and $27.00 per share. Representatives of Jefferies indicated that they were supportive of the analysis performed by Credit Suisse. In addition, representatives of Skadden gave a summary of the material terms of the merger agreement that has been substantially negotiated with Buyer. The Board considered the bids presented by Buyer and Bidder A and Bidder B, including the prices offered by such bidders throughout the process, as well as other terms and conditions of the proposed offers and the relative complexity of the respective structures proposed by each such bidder. In light of such considerations, the Board concluded that $26.80 (reflecting the most recent purchase price proposed by Buyer) was a fair price and the best price reasonably available and, accordingly, would be an acceptable offer.

On November 3, 2015, principals from the Company and Buyer held a call to discuss the status of the transaction. During the call, the Buyer indicated that it was firm on its offer of $26.80 and that there were no other outstanding issues and that Buyer was committed to a schedule to announce the transaction before markets open on Monday, November 9, 2015.

On November 3, 2015, representatives of Credit Suisse, Jefferies, Bank B and Bank C held a call to discuss the current proposal from Bidder A and Bidder B to acquire the Company. Later that day, Credit Suisse and Jefferies received a revised written proposal from Bidder A and Bidder B to acquire the Company for a price below the then-current trading price.

On November 4, 2015, a principal at the Company emailed Buyer and indicated that the Board had accepted Buyer s offer of $26.80 per share subject to finalization of the transaction documents and completion of remaining due diligence.

On November 4, 2015, Debevoise circulated to Skadden, Buyer s responses to the questions from the Company remaining information requests.

On November 4, 2015, representatives of Bidder A, Bidder B, the Company, HRG, Skadden, Law Firm A, Credit Suisse, Jefferies, Bank B and Bank C held a meeting Skadden s offices in New York to discuss issues

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regarding the proposal put forth by Bidder A and Bidder B and the relating transaction documents. At the meeting, a representative of the Company indicated that the price being offered by Bidder A and Bidder B was not attractive. Representatives of Bidder A and Bidder B indicated that they may be able to further raise their price depending on the outcome of their diligence and negotiation of the transaction documents. The parties then discussed their respective positions on numerous other issues.

On November 7, 2015, the Company and Buyer held a call to discuss outstanding issues, including certain changes to the merger agreement requested by Buyer. Later that day, Simpson Thacher circulated a revised merger agreement to Skadden.

On November 8, 2015, the Board held a meeting via teleconference. Also in attendance were representatives of the Company s senior management, Credit Suisse and Skadden. Skadden made a presentation to the Board that, among other topics, included a discussion of the Board s fiduciary duties. Skadden s representative reviewed with the Board the legal terms of the merger agreement submitted by Bidder A and Bidder B. Representatives of Credit Suisse reviewed and discussed with the Board financial information and analyses with respect to the proposals from Buyer and Bidder A and Bidder B. The Board discussed the potential merger with Buyer, as well as the joint proposal from Bidder A and Bidder B. In light of (i) the higher value offered by Buyer, (ii) the less complex transaction structure proposed by Buyer compared to the structure of the joint proposal from Bidder A and Bidder B, including the regulatory implications and (iii) Buyer being further along in the process, including having finalized negotiations of a merger agreement and completed due diligence, the Board determined that pursuing the proposed merger with Buyer represented a greater likelihood of maximizing shareholder value than continuing discussions regarding the joint proposal from Bidder A and Bidder B.

At that point in the meeting, at the request of the Board, Credit Suisse rendered to the Board an oral opinion, confirmed by delivery of a written opinion dated November 8, 2015 to the effect that, as of that date and based on and subject to the assumptions, procedures, factors, qualifications and limitations set forth in Credit Suisse s written opinion, the consideration to be received by the holders of Company Common Stock (other than the excluded persons) in the Merger pursuant to the terms of the Merger Agreement was fair, from a financial point of view, to such stockholders, as described in the section entitled The Merger Opinion of Credit Suisse beginning on page 26.

On November 8, 2015, the Company and Buyer executed the merger agreement, and shortly thereafter FS Holdco II Ltd., a wholly-owned subsidiary of HRG and the direct holder of HRG s 80.7% ownership interest in the Company, delivered the Written Consent. On November 9, 2015, the Company and Buyer issued a joint press release announcing the transaction and the Company filed a Current Report on Form 8-K with the SEC disclosing the execution of the merger agreement and attaching a copy of the definitive merger agreement as an exhibit.

Reasons for the Merger

In the course of the Board making the determinations described above in the section entitled The Merger Background of the Merger beginning on page 17, the Board consulted with management of the Company, as well as the Company s legal and financial advisors, and considered the following potentially positive factors, which are not intended to be exhaustive and are not presented in any relative order of importance:

- the fact that the price proposed by Buyer reflected extensive negotiations between the parties and their respective advisors, and represented the highest price that the Company received for the shares of Company Common Stock after a broad competitive solicitation of interest and a press release issued by the HRG

stating that it was exploring strategic alternatives for the Company, including a potential sale of the Company, or of all or part of its ownership interest in the Company;

the fact that the Board sought offers to purchase from a broad group of potential bidders, including financial sponsors and strategic bidders, 30 of whom entered into confidentiality agreements with

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the Company and received information related to the Company, and of all such bidders, Buyer s offer of $26.80 was higher than any other bidder s firm offer;

the fact that the Merger Consideration of $26.80 per share to be received by the Company stockholders in the Merger represents a significant premium over the market prices at which shares of Company Common Stock traded prior to HRG s announcement that it would explore strategic alternatives for the Company, including the fact that the Merger Consideration of $26.80 represented a premium of approximately:

- 28.9% over the closing price of shares of Company Common Stock as of April 5, 2015, the last trading day before HRG announced it was exploring strategic alternatives for the Company, including a potential sale of the Company, or of all or part of its ownership interest in the Company; and

- 2.2% over the closing price of shares of Company Common Stock on November 6, 2015, the last trading day before the announcement of the execution of the Merger Agreement.

the fact that the Merger Consideration is all cash, which provides liquidity and certainty of value to the Company s stockholders;

the Company s current and historical financial condition, results of operations, competitive position, strategic options and prospects, as well as the Company s future financial plan and prospects;

the prospective risks to the Company as an independent public company, including the risks and uncertainties identified in the Company s Form 10-K for the fiscal year ended September 30, 2015;

the support of the Majority Stockholder for the Merger, which held approximately 80.7% of the aggregate outstanding shares of Company Common Stock as of November 8, 2015 and will be receiving the same form and amount of Merger Consideration for its shares of Company Common Stock as all other stockholders;

the financial analyses presented by Credit Suisse, including Credit Suisse s opinion to the effect that, as of November 8, 2015, and based on and subject to the assumptions, procedures, factors, qualifications and limitations set forth in Credit Suisse s written opinion, dated the same date, the consideration to be received by the holders of Company Common Stock (other than the excluded persons) in the Merger pursuant to the terms of the Merger Agreement was fair, from a financial point of view, to such stockholders (see section entitled The Merger Opinion of Credit Suisse beginning on page 26);

the terms of the Merger Agreement and the related agreements, including:

- the limited number and nature of the conditions to Buyer s obligation to consummate the Merger;

the Merger not being subject to a financing condition; and

the ability of the Company to seek specific performance in the event that Buyer, Parent or Merger Sub breaches the Merger Agreement;

the fact that the Merger Agreement contains customary terms and was the product of arm s-length negotiations;

the fact that the Company conducted regulatory due diligence in connection with the regulatory approvals that would be required for the Merger, including that representatives of the Company and Buyer met with officials at both of the Iowa Insurance Division and the New York Department of Financial Services prior to public announcement of the Merger; and

the availability of appraisal rights to our stockholders who properly exercise their statutory rights under Section 262 of the DGCL (see section entitled Appraisal Rights beginning on page 64 and Annex C).

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The Board also considered and balanced against the potentially positive factors a number of potentially negative factors concerning the Merger, including the following factors:

- the fact that following the completion of the Merger, the Company will no longer exist as an independent public company and that the Company s existing stockholders will not be able to participate in any future earnings or growth of the Company, or in any future appreciation in value of shares of Company Common Stock;
- the risk that the Merger might not be completed;
- the fact that the Merger Consideration consists of cash and will therefore be taxable to the Company stockholders for U.S. federal income tax purposes;
- the restrictions on the Company s ability to solicit or engage in discussions or negotiations with a third party regarding a Takeover Proposal;
- the fact that, while the Merger is expected to be completed, there are no assurances that all conditions to the parties obligations to complete the Merger will be satisfied or waived, and as a result, it is possible that the Merger may not be completed, as described in the section entitled The Merger Agreement Conditions to Consummation of the Merger beginning on page 58;
- the possibility of disruption to the Company s business that could result from the announcement of the Merger and the resulting distraction of management s attention from day-to-day operations of the business and its ability to attract and retain key employees during the pendency of the Merger;
- the fact that the Company has incurred and will incur substantial expenses related to the transactions contemplated by the Merger Agreement, regardless of whether the Merger is consummated; and
- the fact that the Merger Agreement prohibits the Company from taking a number of actions relating to the conduct of its business prior to the closing without the prior written consent of Buyer, which may delay or prevent the Company from undertaking business opportunities that may arise during the pendency of the Merger, whether or not the Merger is completed.

During its consideration of the transaction with Buyer, the Board was also aware of and considered that the Company s directors and executive officers may have interests in the Merger that differ from, or are in addition to, their interests as stockholders of the Company generally, as described in the section entitled The Merger Interests of Our Directors and Executive Officers in the Merger beginning on page 33.

After taking into account all of the factors set forth above, as well as others, the Board determined that the potentially positive factors outweighed the potentially negative factors. The foregoing discussion of the factors considered by the

Board is not intended to be exhaustive, but summarizes the material information and factors considered by the Board in its consideration of the Merger. The Board reached the decision to recommend, adopt and approve the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement, in light of the factors described above and other factors the Board felt were appropriate. In view of the variety of factors and the quality and amount of information considered, the Board did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and individual members of the Board may have given different weights to different factors. The Board conducted an overall analysis of the factors described above, including thorough discussions with, and questioning of, management of the Company, Credit Suisse, Jefferies and Skadden, as financial and legal advisors respectively, and considered the factors overall to be favorable to, and to support, its determinations. It should be noted that this explanation of the reasoning of the Board and certain information presented in this section is forward-looking in nature and should be read in light of the factors set forth in the section entitled Cautionary Statement Regarding Forward-Looking Statements beginning on page 14.

Opinion of Credit Suisse

The Company retained Credit Suisse to act as its financial advisor in connection with the Merger. In connection with Credit Suisse s engagement, the Board requested that Credit Suisse evaluate the fairness to the

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holders of Company Common Stock (other than the excluded persons), from a financial point of view, of the Merger Consideration to be received by such stockholders pursuant to the terms of the Merger Agreement. On November 8, 2015, at a meeting of the Board held to evaluate the Merger, Credit Suisse rendered to the Board an oral opinion, confirmed by delivery of a written opinion dated November 8, 2015, to the effect that, as of that date and based on and subject to the assumptions, procedures, factors, qualifications and limitations set forth in Credit Suisse s written opinion, the Merger Consideration to be received by the holders of Company Common Stock (other than the excluded persons) in the Merger pursuant to the terms of the Merger Agreement was fair, from a financial point of view, to such stockholders.

The full text of Credit Suisse s written opinion, dated November 8, 2015, to the Board, which sets forth, among other things, the assumptions, procedures, factors, qualifications and limitations on the review undertaken by Credit Suisse in connection with such opinion, is attached to this information statement as Annex B. The description of Credit Suisse s opinion set forth in this information statement is qualified in its entirety by reference to the full text of Credit Suisse s opinion. Credit Suisse s opinion was provided to the Board for its information in connection with its evaluation of the Merger Consideration from a financial point of view to holders of Company Common Stock (other than the excluded persons) and did not address any other aspect of the Merger, including the merits of the Merger as compared to alternative transactions or strategies that may be available to the Company or the underlying decision of the Company to proceed with the Merger. Credit Suisse s opinion does not constitute advice or a recommendation to any stockholder as to how such stockholder should vote or act on any matter relating to the Merger or otherwise.

In arriving at its opinion, Credit Suisse reviewed the execution version of the Merger Agreement dated November 8, 2015 and certain publicly available business and financial information relating to the Company. Credit Suisse also reviewed certain other information relating to the Company, including (i) financial projections prepared and provided to Credit Suisse by the management of the Company with respect to the future financial performance of the Company (the Management Projections , see the section entitled The Merger Certain Company Forecasts) and (ii) the actuarial appraisals prepared by a third party firm retained by the Company (the Third Party Appraisals), and met with the management of the Company to discuss the business and prospects of the Company. Credit Suisse also considered certain financial and stock market data of the Company, and compared that data with similar data for other publicly held companies in businesses it deemed similar to those of the Company, and Credit Suisse considered, to the extent publicly available, the financial terms of certain other business combinations and other transactions that have recently been effected or announced. Credit Suisse also considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which it deemed relevant.

In connection with its review, Credit Suisse did not independently verify any of the foregoing information, and Credit Suisse assumed and relied upon such information being complete and accurate in all material respects. With respect to the Management Projections, the management of the Company advised Credit Suisse, and Credit Suisse assumed, that such projections were reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of the Company as to the future financial performance of the Company. Credit Suisse also assumed, with the Company s consent, that, in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the Merger, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on the Company and that the Merger would be consummated in accordance with the terms of the Merger Agreement without waiver, modification or amendment of any material term, condition or agreement thereof. In addition, Credit Suisse was not requested to make, and did not make, an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of the Company, nor was Credit Suisse furnished with any such evaluations or appraisals other than the Third Party Appraisals. With respect to the Third Party Appraisals, Credit Suisse is not an actuary and, accordingly, Credit Suisse s services did not include any actuarial determinations or evaluations by Credit Suisse or an attempt by Credit Suisse to evaluate actuarial assumptions. Credit Suisse

expressed no opinion as to any matters relating to the reserves of the Company, including, without limitation, the adequacy of such reserves, and

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Credit Suisse assumed, with the Company s consent and without independent verification, that such reserves were appropriate. With respect to the future statutory profits from new and in-force business of the Company, Credit Suisse also assumed, with the Company s consent and without independent verification, that such actuarial evaluations were appropriate.

Credit Suisse s opinion addressed only the fairness, from a financial point of view, to the holders of Company Common Stock (other than the excluded persons) of the Merger Consideration and did not address any other aspect or implication of the Merger or any other agreement, arrangement or understanding entered into in connection with the Merger or otherwise, including, without limitation, the fairness of the amount or nature of, or any other aspect relating to, any compensation to any officers, directors or employees of any party to the Merger, or class of such persons, relative to the Merger Consideration or otherwise. Furthermore, no opinion, counsel or interpretation by or of Credit Suisse was intended regarding matters that require legal, regulatory, accounting, tax, executive compensation or other similar professional advice and, for the purposes of its opinion, Credit Suisse assumed that such opinions, counsel, interpretations or advice had been or would be obtained from the appropriate professional sources. The issuance of Credit Suisse s opinion was approved by Credit Suisse s authorized internal committee.

Credit Suisse s opinion was necessarily based upon information made available to it as of the date of its opinion and financial, economic, market and other conditions as they existed and could be evaluated on that date. Credit Suisse s opinion did not address the merits of the Merger as compared to alternative transactions or strategies that may be available to the Company, nor did it address the underlying decision of the Company to proceed with the Merger.

In preparing its opinion to the Board, Credit Suisse performed a variety of financial and comparative analyses, including those described below. The summary of Credit Suisse s analyses described below is not a complete description of the analyses underlying Credit Suisse s opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, neither Credit Suisse s fairness opinion nor the analyses underlying its opinion is readily susceptible to partial analysis or summary description. Credit Suisse arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis. Accordingly, Credit Suisse believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In its analyses, Credit Suisse considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the Company s control. No company, business or transaction used for comparative purposes in Credit Suisse s analyses is identical to the Company or the Merger, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading or other values of the companies, business segments or transactions analyzed. The estimates contained in Credit Suisse s analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold or acquired. Accordingly, the estimates used in, and the results derived from, Credit Suisse s analyses are inherently subject to substantial uncertainty.

Credit Suisse was not requested to, and it did not, recommend the specific consideration payable in the Merger, which consideration was determined through negotiations between the Company and Buyer, and the decision to enter into the Merger Agreement was solely that of the Board. Credit Suisse s opinion and financial

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analyses were only one of many factors considered by the Board in its evaluation of the Merger and should not be viewed as determinative of the views of the Board or management with respect to the Merger and related transactions or the consideration.

The following is a summary of the material financial analyses reviewed with the Board on November 8, 2015 in connection with Credit Suisse s opinion. The financial analyses summarized below include information presented in tabular format. In order to fully understand Credit Suisse s financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Credit Suisse s financial analyses.

Selected Public Companies Analysis

Credit Suisse reviewed financial and stock market information of the Company and the following eleven selected publicly traded companies (the selected companies), which Credit Suisse in its professional judgment considered generally relevant for comparative purposes as publicly traded U.S. annuity and life insurers:

MetLife, Inc.

Prudential Financial, Inc.

Ameriprise Financial, Inc.

Principal Financial Group, Inc.

Lincoln National Corporation

Voya Financial, Inc.

Unum Group

Torchmark Corporation

CNO Financial Group, Inc.

Primerica, Inc.

American Equity Investment Life Holding Company

Credit Suisse reviewed, among other things, per share stock prices as multiples of book value (excluding accumulated other comprehensive income (AOCI)) per share and calendar year 2016 estimated earnings per share (EPS). The overall low to high book value (excluding AOCI) per share multiples observed for the selected companies were 0.72x to 2.93x (with a mean of 1.48x and a median of 1.31x). Credit Suisse noted that book value (excluding AOCI) per share multiple observed for the Company was 1.11x. Credit Suisse then applied a selected range of book value (excluding AOCI) per share multiples of 0.90x to 1.30x derived by Credit Suisse from the selected companies to corresponding book value (excluding AOCI) data of the Company as of June 30, 2015.

The overall low to high calendar year 2016 estimated EPS multiples observed for the selected companies were 8.1x to 13.2x (with a mean of 10.6x and a median of 11.3x). Credit Suisse noted that calendar year 2016 estimated EPS multiples observed for the Company was 11.5x based upon both the Management Projections and on research analysts publicly available estimates. Credit Suisse then applied a selected range of EPS multiples of 8.0x to 10.0x derived by Credit Suisse from the selected companies to corresponding data of the Company for calendar year 2016 adjusted operating income derived from the Management Projections.

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Financial data of the selected companies were based on publicly available research analysts consensus estimates, public filings and other publicly available information. Financial data of the Company was based on publicly available research analysts estimates, public filings and the Management Projections. See section entitled The Merger Certain Company Forecasts The foregoing analyses indicated an approximate implied value per share reference range for the Company of $17.95 to $30.50, as compared to the consideration of $26.80 per the Company common share.

Selected Precedent Transactions Analysis

Credit Suisse reviewed and considered publicly available financial information of the following six selected transactions, which Credit Suisse in its professional judgment considered generally relevant for comparative purposes involving U.S. annuity and life insurance companies:

Date Announced	Target	Acquiror
8/11/15	Symetra Financial Corporation	Sumitomo Life Insurance Company
06/03/14	Protective Life Corporation	The Dai-ichi Life Insurance Company, Limited
12/21/12	Aviva USA Corporation	Athene Holding Ltd.
07/13/12	Presidential Life Corporation	Athene Holding Ltd.
10/07/11	EquiTrust Life Insurance Company	Guggenheim Partners, LLC
08/06/10	Old Mutual U.S. Life Holdings, Inc.	Harbinger Group, Inc.

The overall low to high book value per share multiples observed for the target companies in the selected transactions were 0.27x to 1.74x (with a mean of 0.90x and a median of 0.77x). Credit Suisse then applied a selected range of book value per share multiples of 0.90x to 1.50x derived by Credit Suisse from the target companies in the selected transactions to corresponding book value (excluding AOCI) data of the Company as of June 30, 2015.

The overall low to high last twelve months (LTM) EPS multiples observed for the target companies in the selected transactions were 7.9x to 19.1x (with a mean of 12.7x and a median of 11.7x). Credit Suisse then applied a selected range of LTM EPS multiples of 12.0x to 14.0x derived by Credit Suisse from the target companies in the selected transactions to the LTM adjusted operating earnings of the Company as of June 30, 2015.

Financial data of the selected transactions, and the target companies therein, were based on public filings and other publicly available information. Financial data of the Company was based on public filings. The foregoing analyses indicated an approximate implied value per share reference range for the Company of $21.20 to $35.15, as compared to the consideration of $26.80 per the Company Common Stock.

Dividend Discount Analysis

Credit Suisse calculated the estimated present value of distributable cash flow that the Company was forecasted to generate during fiscal years ending September 30, 2015 through September 30, 2017 based upon the Management Projections. Credit Suisse then calculated terminal value ranges for the Company by applying (i) a range of terminal value multiples of 0.90x to 1.30x to the Company s book value (excluding AOCI) as of September 30, 2017 and (ii) a range of terminal value multiples of 8.0x to 10.0x to an estimate of fiscal year 2018 adjusted operating earnings calculated by applying the adjusted operating earnings growth rate from fiscal year 2016 to 2017 as reflected in the Management Projections to fiscal year 2017 estimated adjusted operating earnings from the Management Projections. The distributable cash flows and terminal values were then discounted to present values using discount rates ranging

from 8.50% to 11.00%.

The foregoing analysis indicated an approximate implied value per share reference range for the Company of $20.55 to $30.95, as compared to the consideration of $26.80 per share of Company Common Stock.

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Other Factors

Credit Suisse also noted for the Board certain additional factors that were not considered in its financial analyses with respect to its opinion but that were referenced for informational purposes.

Specifically, Credit Suisse reviewed the closing trading price of Company Common Stock on November 5, 2015 and April 6, 2015[(1)] of $26.15 and $20.79, respectively. Credit Suisse also reviewed with the Board the 52-week[(2)] trading low and high range of Company Common Stock of $19.93 to $26.59 and the 52-week[(2)] volume-weighted average share price of Company Common Stock of $22.47. Finally, Credit Suisse reviewed the range of next twelve months target prices based on research analysts publicly available estimates, both as of November 5, 2015 of $26.00 to $30.00, and as of April 6, 2015 of $24.00 to $26.00.

(1) Last unaffected price prior to HRG s announcement that it was exploring strategic alternatives for the Company.
(2) As of April 6, 2015, the last unaffected price prior to HRG announcement that it was exploring strategic alternatives for the Company.

Miscellaneous

The Company selected Credit Suisse to act as its financial advisor in connection with the Merger based on Credit Suisse s qualifications, experience, reputation and familiarity with the Company and its business. Credit Suisse is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

Pursuant to the engagement letter, Credit Suisse will receive a transaction fee currently expected to be $8.8 million for its services, $1.0 million of which became payable upon the rendering of its opinion and the principal portion of which is contingent upon completion of the Merger. In addition, the Company has agreed to reimburse Credit Suisse for expenses incurred in connection with its engagement and to indemnify Credit Suisse and certain of its related parties for certain liabilities and other items arising out of or related to its engagement.

Credit Suisse and its affiliates have in the past provided, and in the future may provide, investment banking and other financial services to the Company and its affiliates for which Credit Suisse and its affiliates have received, and would expect to receive, compensation, including, among others, having acted as: an arranger in connection with the Company s revolving credit facility in August 2014; a bookrunner in connection with the Company s initial public offering of common stock in December 2013; and a bookrunner in connection with the Company s 6.375% senior notes due 2021 in March 2013. Credit Suisse and its affiliates in the past have provided, and in the future may provide, services to HRG and certain of its affiliates unrelated to the Merger, for which services Credit Suisse and its affiliates have received, and would expect to receive, compensation, including, among others, having acted as: a bookrunner in connection with HRG s 7.875% senior secured notes due 2019 in May 2015, in April 2015 and in July 2013; a bookrunner in connection with HRG s 7.750% senior unsecured notes due 2022 in May 2015, in September 2014 and in January 2014; a financial advisor in connection with HRG s offer to exchange a portion of its outstanding 7.875% senior secured notes due 2019 for new 7.750% senior unsecured notes due 2022 in May 2014; a financial advisor in connection with HRG s common stock repurchase program in May 2014 and in August 2013; an arranger in connection with HRG s subsidiary Spectrum Brands, Inc. s (Spectrum) term loans and revolving credit facility in June 2015; a bookrunner in connection with Spectrum s 5.750% senior notes due 2025 in May 2015; a bookrunner in connection with Spectrum s common stock offering in May 2015; an arranger in connection with Spectrum s bridge

loan in May 2015; an advisor in connection with Spectrum s acquisition of Armored Auto Group in May 2015; a bookrunner in connection with Spectrum s 6.125% senior notes due 2024 in December 2014; an arranger in connection with Spectrum s term loans in December 2014, December 2013 and September 2013; and a financial advisor in connection with Spectrum s common stock repurchase program in August 2013. Credit Suisse and its affiliates may have provided other financial advice and services, and may in the future provide financial advice and services, to the Company, Buyer and their respective affiliates for which Credit Suisse and

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its affiliates have received, and would expect to receive, compensation. Credit Suisse is a full-service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, Credit Suisse and its affiliates may acquire, hold or sell, for Credit Suisse s and its affiliates own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company, Buyer and any other company that may be involved in the Merger, as well as provide investment banking and other financial services to such companies.

Certain Company Forecasts

The Company does not as a matter of general practice, develop or publicly disclose long-term forecasts or internal projections of its future performance, revenues, earnings, financial condition or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, certain financial forecasts were prepared by the Company s management and made available to the Board and Credit Suisse in connection with the Board s exploration of strategic alternatives. Certain of these financial projections were also provided to Buyer, Merger Sub and their financial advisor during the due diligence process.

The financial projections reflect numerous estimates and assumptions with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to the Company s business, all of which are difficult to predict and many of which are beyond the Company s control. As a result, there can be no assurance that the projected results will be realized or that actual results will not be significantly higher or lower than projected. Since the projections cover multiple years, such information by its nature becomes less reliable with each successive year. These financial projections are subjective in many respects and thus are susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. As such, these financial projections constitute forward-looking information and are subject to risks and uncertainties, including the various risks set forth in the Company s Form 10-K for the year ended September 30, 2015.

The financial projections were prepared solely for internal use and not with a view toward public disclosure or toward complying with generally accepted accounting principles (GAAP), the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. The financial projections included below were prepared by the Company s management. Neither the Company s independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the financial projections included below, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the financial projections. Furthermore, the financial projections do not take into account any circumstances or events occurring after the date they were prepared. Nonetheless, a summary of the projections is provided in this information statement only because the projections were made available to Buyer, Merger Sub and their financial advisor and also to the Board, Credit Suisse and the Board s other advisors. The financial forecasts are not fact and should not be relied upon as being necessarily indicative of future results, and readers of this information statement are cautioned not to place undue reliance on this information.

Year	2015	2016	2017
Adjusted Operating EPS[1]	$ 1.98	$ 2.27	$ 2.66
Adjusted Operating ROE, excluding AOCI[2]	8.7%	9.2%	10.0%
Book Value/Share, excluding AOCI[3]	$ 23.51	$ 25.45	$ 27.66

(1) Adjusted Operating EPS is calculated as adjusted operating income (AOI) divided by weighted average diluted shares. AOI is a non-GAAP economic measure we use to evaluate financial performance each period. AOI is calculated by adjusting net income to eliminate (i) the impact of net investment gains including other-than-temporary impairment (OTTI) losses recognized in operations, but excluding gains