

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re: : Pursuant to Sections 1401, 1402,
: and 1403 of the Insurance
Application of Phoenix Home Life : Holding Companies Act, Article
Mutual Insurance Company Requesting : XIV of the Insurance Company
Exemption from the Requirements : Law of 1921, Act of May 17, 1921,
of 40 P.S. § 991.1402 for the : P.L. 682, as amended, 40 P.S.
Reorganization of the Holding : §§991.1401, 991.1402, and
Company System Containing AGL : 991.1403
Life Assurance Company :
: Order No. ID-RC-01-19

DECISION AND ORDER

AND NOW, on this 22nd day of May, 2001, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania ("Deputy Commissioner"), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

1. AGL Life Assurance Company ("AGL Life") is a stock life insurance company organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Plymouth Meeting, Pennsylvania.
2. PFG Holdings, Inc. ("PFG Holdings") is a holding company organized under the laws of the Commonwealth of Pennsylvania with its principal

place of business located in Plymouth Meeting, Pennsylvania. PFG Holdings owns 100% of the capital stock of AGL Life.

3. PM Holdings, Inc. ("PM Holdings") is a corporation organized under the laws of the State of Connecticut with its principal place of business located in Hartford, Connecticut. PM Holdings owns 67% of the voting stock of PFG Holdings.
4. John K. Hillman is an individual residing in Blue Bell, Pennsylvania with his principal place of business in Plymouth Meeting, Pennsylvania. Hillman owns 20% of the voting stock of PFG Holdings.
5. John T. Fischer is an individual residing in Kutztown, Pennsylvania with his principal place of business in Plymouth Meeting, Pennsylvania. Fischer owns 13% of the voting stock of PFG Holdings.
6. Phoenix Home Life Mutual Insurance Company ("Phoenix Home Life Mutual") is an admitted foreign mutual insurance company organized pursuant to the laws of the State of New York with its principal place of business located in Hartford, Connecticut. Phoenix Home Life Mutual owns 100% of the capital stock of PM Holdings.
7. Phoenix Home Life Mutual, Hillman and Fischer are the ultimate controlling persons of AGL Life.

Filing of the Application

8. On April 5, 2001, the Insurance Department of the Commonwealth of Pennsylvania ("Department") received an initial request (which together with all material received subsequently is collectively referenced as "Application") from Phoenix Home Life Mutual for approval to effectuate a plan of reorganization of the holding company system that includes AGL Life.
9. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§91.1401 et seq. ("Insurance Holding Companies Act"), provides that all changes in control of domestic insurers must be filed with the Department for approval or disapproval.
10. The Application was filed pursuant to Section 1402 of the Insurance Holding Companies Act.

11. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
 - a) does not have the effect of changing or influencing the control of a domestic insurer, or
 - b) is otherwise not comprehended within the purposes of the section.

The Transaction

12. As described in the Application, Phoenix Home Life Mutual will convert to a stock insurance company.
13. As described in the Application, Phoenix Home Life Mutual will, upon conversion, change its name to Phoenix Life Insurance Company.
14. As described in the Application, Phoenix Home Life Mutual will form The Phoenix Companies, Inc. ("Phoenix Companies"), a publicly held holding company organized pursuant to the laws of the State of Delaware with its principal place of business in Hartford, Connecticut. Phoenix Companies will own 100% of the voting securities of Phoenix Life Insurance Company.
15. As described in the Application, an equity initial public offering by Phoenix Companies is a condition to the reorganization and the closing date of the initial public offering will also be the effective date of the reorganization.
16. As described in the Application, the current policyholders of Phoenix Home Life Mutual will receive Phoenix Companies common stock, cash or policy credits in exchange for their membership interest in Phoenix Home Life Mutual.
17. As described in the Application, the current directors of Phoenix Home Life Mutual will become the directors of Phoenix Companies.
18. As described in the Application, the current officers of Phoenix Home Life Mutual will serve as the officers of Phoenix Life Insurance Company. Additionally, certain senior officers of Phoenix Home Life Mutual will serve as senior officers of Phoenix Companies.
19. As described in the Application, New York statutes prohibit any person from acquiring 5% or more of any class of voting securities of Phoenix Life

Insurance Company, directly or through a parent company, without the approval of the New York Superintendent

20. The Deputy Commissioner finds that the transaction described in the Application is not as otherwise comprehended within the purposes of Section 1402 of the Insurance Holding Companies Act.
21. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

CONCLUSIONS OF LAW

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.
2. The restructure of the holding company system proposed in the Application is not comprehended within the purposes of the section and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
3. The Application was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.
4. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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	:	Order No. ID-RC-01-19

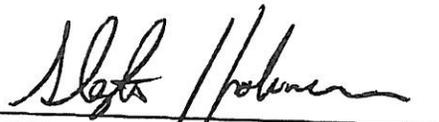
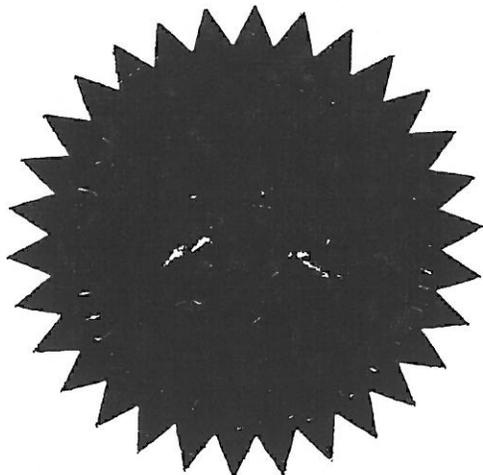
ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Order:

An approving determination for the application of Phoenix Home Life Mutual Insurance Company requesting exemption from the requirements of Section 1402 of the Insurance Holding Companies Act for the reorganization of the holding company system containing AGL Life Assurance Company, as set forth in the Application, is hereby approved, subject to this Order and the following condition:

1. Upon consummation of the plan of reorganization, John K. Hillman, John T. Fischer and The Phoenix Companies, Inc. shall be the only ultimate controlling persons of AGL Life Assurance Company.

This Order is effective immediately and valid for one year from the date of signature, provided there are no significant changes from the Application.

A handwritten signature in black ink, appearing to read "Steph Johnson", written over a horizontal line.

STEPHEN J. JOHNSON
Deputy Insurance Commissioner