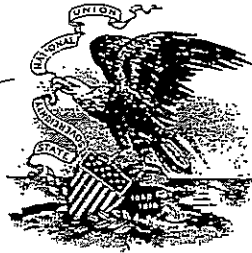


STATE OF ILLINOIS
DEPARTMENT OF INSURANCE



IN THE MATTER OF:

FEDERAL LIFE INSURANCE COMPANY'S
APPLICATION FOR APPROVAL OF A PLAN
FOR MUTUAL HOLDING COMPANY CONVERSION

HEARING NO. 15-HR-0542

AUTHORITY TO CONDUCT HEARING

I, the undersigned, Acting Director of the Department of Insurance of the State of Illinois, pursuant to Sections 401, 402 and 403 of the Illinois Insurance Code (215 ILCS 5/401, 5/402 and 5/403) designate and appoint Anne Marie Skallerup, an employee of the Department of Insurance, State of Illinois, as Hearing Officer to conduct a Hearing in the above-entitled matter, to be held in the Office of the Department of Insurance, 320 W. Washington St., 4th Fl., Springfield, Illinois on August 26, 2015 at the hour of 10:00 A.M., or as soon thereafter as the business of the Department of Insurance will permit.

The Hearing Officer so designated by the Acting Director of Insurance will be empowered to administer oaths, examine witnesses and require the production of any books, records, documents or papers relevant to the inquiry.

Date:

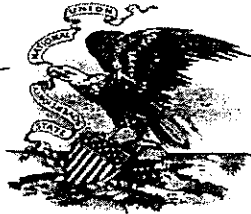
7/9/2015

DEPARTMENT OF INSURANCE
of the State of Illinois;

Anne Melissa Dowling
Anne Melissa Dowling
Acting Director

STATE OF ILLINOIS

DEPARTMENT OF INSURANCE



IN THE MATTER OF:)

FEDERAL LIFE INSURANCE COMPANY'S)
APPLICATION FOR APPROVAL OF A PLAN)
FOR MUTUAL HOLDING COMPANY)
CONVERSION)

HEARING NO. 15-HR-0542

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE IS HEREBY GIVEN pursuant to Sections 5/401, 5/402, 5/403 and 5/59.2(5)(a) of the Illinois Insurance Code [215 ILCS 5/401, 5/402, 5/403 and 5/59.2(5)(a)], that a hearing will be held at the Offices of the Illinois Department of Insurance, ("Department"), 320 West Washington Street, Springfield Illinois on Wednesday, August 26, 2015, at 10:00 a.m., or as soon thereafter as the business of the Department will permit, before the Director of Insurance of the State of Illinois ("Director") or such authorized Hearing Officer as the Director may designate. The Director or such Hearing Officer designated by her will be empowered to administer oaths, examine witnesses and require the production of any books, records, documents or other papers relevant to the inquiry.

The purpose of this hearing will be to determine whether the Director should approve the Plan of Conversion of Federal Life insurance Company, which is presently organized as a mutual life insurance company, into a mutual holding company. The plan was filed with the Department by the Federal Life Insurance Company on December 26, 2014. The law requires the Director to hold a public hearing to solicit views from interested persons, including the company and its policyholders, as part of her consideration of the application.

Any interested person may appear or otherwise be heard at the public hearing. Any person wishing to submit a written statement concerning the plan for consideration by the Director should do so by mailing a copy of that statement to the attention of Anne Melissa Dowling, Acting Director of the Illinois Department of Insurance, 320 West Washington Street, Fourth Floor, Springfield, Illinois 62767 on or prior to August 17, 2015. In order to facilitate the orderly conduct of the public hearing, any person wishing to make an oral statement can indicate his or her desire to do so by notifying the Director at the above address on or prior to August 17, 2015. If you have questions that you would like answered by those speaking at the public hearing, you may submit those questions in writing on or before August 17, 2015.

Pursuant to Illinois law, the Director shall issue an order either approving or disapproving the plan after the close of the public hearing. The Director shall not approve the plan unless she finds that the provisions of Section 59.2 of the Illinois Insurance Code (215 ILCS 5/59.2) have been complied with, and

that the plan is fair and equitable as it relates to the interest of the members of the Federal Life Insurance Company

The public hearing and all pre-hearing matters are governed by 50 Illinois Admin. Code 2402, entitled "Administrative Hearing Procedures." Representatives of the Federal Life Insurance Company will appear and be heard and present such evidence and testimony as the Federal Life Insurance Company or the Director desire. Federal Life Insurance Company may be represented by legal counsel at the public hearing.

Pursuant to 50 Illinois Admin. Code 2402.270(d) and Section 5/408 of the Code (215 ILCS 5/408), the costs of the public hearing may be assessed against the parties to the hearing. Such costs include, but are not limited to, witness fees, court reporter fees, hearing officer fees and the cost of the hearing transcript.

All requests for continuances of the public hearing must be served upon the Department and its attorney in writing not less than five (5) days prior to the date of the hearing.

Federal Life Insurance Company must acknowledge receipt of this Notice of Hearing to the Illinois Department of Insurance, 320 West Washington Street, Fourth Floor, Springfield, Illinois 62767, and must notify the Department of the name of legal counsel, if any, who will appear on its behalf.

Any and all legal correspondence concerning this matter should be sent to the Illinois Department of Insurance, attention of James C. Rundblom, Deputy General Counsel, Illinois Department of Insurance, at 320 West Washington, Springfield, Illinois 62767 and Anne Marie Skallerup, Hearing Officer, Illinois Department of Insurance, at 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603.

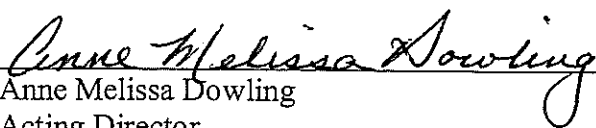
YOU ARE FURTHER NOTIFIED that the State of Illinois requires all persons, prior to entering the Department's offices, to present one of the following forms of photo identification:

- Valid driver's license or valid identification card from any U.S. state;
- Valid U.S. passport or valid passport issued by another country;
- Any valid military identification or any valid picture identification issued by a government entity within the U.S.; or
- Valid identification issued by a foreign consulate.

FAILURE TO PRESENT AN ACCEPTABLE FORM OF IDENTIFICATION COULD RESULT IN YOUR BEING DENIED ACCESS TO THE DEPARTMENT'S OFFICES.

Date: 7/9/2015

DEPARTMENT OF INSURANCE


Anne Melissa Dowling
Acting Director

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE

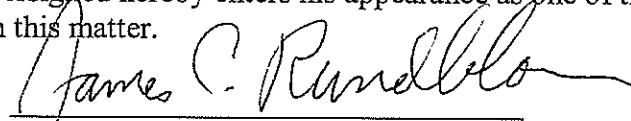
IN THE MATTER OF:)

FEDERAL LIFE INSURANCE COMPANY'S)
APPLICATION FOR APPROVAL OF A PLAN)
FOR MUTUAL HOLDING COMPANY)
CONVERSION)

HEARING NO. 15-HR-0542

NOTICE OF APPEARANCE

Pursuant to 50 Ill. Adm. Code 2402, the undersigned hereby enters his appearance as one of the attorneys for the Illinois Department of Insurance in this matter.



James C. Rundblom
Attorney

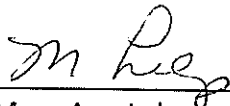
James C. Rundblom, Attorney
Illinois Department of Insurance
320 W. Washington
Springfield, Illinois 62767
(217)785-8559

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on 7-9, 20¹⁵, I caused a true and correct copy of the foregoing instrument to be served upon the Attorneys of Record or Parties to the above captioned matter, by the designated means:

William S. Austin
President
Federal Life Ins. Co.
3750 W. Deerfield Rd.
Riverwoods, IL 60015

first class mail
 certified mail # 0210
 hand delivery
 electronic mail
 via facsimile



Mary Ann Lelys
Administrative Assistant