

## **COMMONLY ASKED QUESTIONS ABOUT THE PROPOSED MERGER BETWEEN PAN-AMERICAN LIFE MUTUAL HOLDING COMPANY AND MUTUAL TRUST HOLDING COMPANY**

### **1. What is the transaction that is taking place?**

Pan-American Life Mutual Holding Company (Pan-American) and Mutual Trust Holding Company (MTL) have agreed to a merger of Pan-American and MTL with Pan-American continuing as the combined mutual holding company. Pan-American and MTL have also agreed to a subsequent merger of their intermediate holding companies, Pan-American Life Insurance Group, Inc. (PALIG) and MTL Holdings, Inc., with PALIG continuing as the combined intermediate holding company. These two transactions together are defined as the Mergers.

### **2. How do the Mergers fit within MTL's long-term strategy?**

MTL believes that the Mergers will enhance MTL's position as a premier provider of life insurance in the United States. They will combine two leading organizations with complementary businesses and strong operations in their respective markets that together will have accelerated growth prospects, superior financial strength and an enhanced ability to serve the needs of policyholders in the life, accident and health insurance segments in the United States, Latin America and the Caribbean.

### **3. Will the Mergers change MTL's mission?**

No. MTL remains focused on delivering affordable, high-quality insurance and financial services and will continue to be well positioned to provide policyholders with exceptional value.

### **4. Why did MTL agree to merge with Pan American?**

Pan-American has been a leading provider of insurance and financial services based in New Orleans for over a century. They currently serve over 1.4 million customers throughout the Americas and, like MTL, they are a mutual company that shares a commitment to delivering exceptional products and services. Pan-American and MTL also share a common vision and culture, and complementary lines of business and geographic footprints. The Mergers create significant benefits for MTL's policyholders as they will become members of a larger organization with even greater financial strength.

### **5. How will the Mergers affect MTL and Pan-American's bottom-line?**

MTL and Pan-American believe financial performance should improve since both are profitable companies; combined, the surviving mutual holding company will become a stronger organization, with consistent earnings, more capital and enhanced growth prospects.

### **6. Will MTL be closing any offices as a result of the Merger?**

No. Given the complementary nature of their businesses, Pan-American and MTL expect a seamless and quick integration.

### **7. What will happen to MTL's headquarters in Oak Brook, Illinois?**

Upon completion of the Mergers, MTL's current Chairman, President and Chief Executive Officer, Mr. Stephen M. Batza, will lead Pan-American's re-launched domestic life business from MTL's current headquarters in Oak Brook, Illinois. MTL Insurance Company (MTLIC) will operate as a wholly-owned subsidiary of Pan-American, and its management team and brand will remain in place.

### **8. What will happen to the MTL brand?**

MTL will continue operating as it does today as Mutual Trust Life Insurance Company, a Stock Insurance Company and Member of the Pan-American Life Insurance Group. MTL's meaningful presence in the U.S. life market and expertise in the mass affluent market will provide a new source of U.S.-focused growth for Pan-American.

### **9. Will there be any management changes as a result of the Mergers?**

Upon completion of the Mergers, we expect current MTL management to remain in place. The combined organization will be led by Pan-American's Chairman, President and Chief Executive Officer, José S. Suquet. MTL's current Chairman, President and Chief Executive Officer, Stephen M. Batza, will lead Pan-American's re-launched U.S. domestic life business from MTL's current headquarters in Oak Brook, Illinois.

### **10. Will the Mergers affect policyholders' current policies?**

Existing policies and contracts with policyholders will remain unchanged. In addition, the existing process by which policyholder dividends are determined will remain in place as part of the dividend protection plan included in the merger agreement. All of MTL's policyholders should look forward to being affiliated with a financially stronger and more diversified company.

**11. Will the Mergers adversely affect MTL's ability to fulfill its financial commitments to policyholders?**

No. The Mergers will result in a combined company that has superior financial strength and an enhanced ability to serve the needs of its policyholders and distribution partners.