



FOR IMMEDIATE RELEASE  
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### **CATHOLIC KNIGHTS AND CATHOLIC FAMILY LIFE INSURANCE ANNOUNCE INTENT TO MERGE**

MILWAUKEE – Catholic Knights, one of the largest Catholic fraternal benefit organizations, and Catholic Family Life Insurance, the oldest, today announced they have signed a letter of intent to merge. The merger would result in a combined membership of 120,000 with licensed operations in 27 states, total assets exceeding \$1.1 billion and approximately \$4.8 billion of insurance in force.

The merged organization, whose name will be determined in the coming months, will be headquartered at Catholic Knights' current location in downtown Milwaukee, according to Catholic Knights President and CEO Bill O'Toole. O'Toole and Dan Lloyd, president and CEO of Catholic Family Life Insurance, said the merger will bring together two financially strong fraternal organizations with a steadfast commitment to the members and communities they serve.

"This partnership is an excellent fit," O'Toole said. "It joins together two organizations dedicated to providing financial security, volunteer service opportunities and support to members who embrace Catholic values. All of us take that mission very seriously, and we believe a merger will allow us to provide an even higher level of service to our members, our Church and our communities."

The boards of directors for both organizations have given their approval to move forward with a merger, with the target of completing the merger agreement by Dec. 1, 2009. Under both societies' bylaws, representatives of the groups will vote on whether to finalize the merger during the first quarter of 2010.

"Our two organizations are extremely similar, and it's clear that by coming together, we can realize significant operational benefits and cost savings that can be passed on to our members," Lloyd said. "This merger really is about good stewardship and providing the strongest future possible for the families and communities that depend on us."

As pioneers in the fraternal benefit system, Catholic Knights and Catholic Family Life Insurance members are actively engaged in community service through various volunteer activities, including scholarship programs, food drives and other service efforts. In 2008, the organizations reported a combined total of 168,000 volunteer hours and \$2.3 million in charitable donations.

The Most Reverend Timothy M. Dolan, Archbishop of New York, who serves on Catholic Knights board as spiritual director, praised the proposed merger and its benefits for Catholics.

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“I want to congratulate Catholic Knights and Catholic Family, two exemplary fraternal societies, on this historic occasion,” Dolan said. “This merger is exciting and beneficial for their members and the Church, and I commend Catholic Knights President Bill O’Toole and Catholic Family President Dan Lloyd for their vision.”

Consolidations and mergers are ongoing in the commercial and fraternal insurance industry, according to O’Toole and Lloyd. Since 2000, 25 mergers have taken place in the fraternal system. The most notable fraternal merger occurred in 2002, when Lutheran Brotherhood and Aid Association for Lutherans formed Thrivent Financial for Lutherans. Catholic Knights of America merged with Catholic Knights in 2005. Union Saint-Jean-Baptiste and Northern Fraternal Life merged with Catholic Family in the early 1990s.

“Catholic Knights and Catholic Family are taking a significant step to maximize operating efficiencies, pool resources and expertise and better serve their members,” stated Joe Annotti, president of the National Fraternal Congress of America (NFCA). “We at the NFCA stand ready to support them in any way that we can. To have two financially strong societies proactively merging is a tribute to their leadership and further strengthens their position within the fraternal system. It sets a great example for other societies to follow.”

-- 30 --

#### ***About Catholic Family Life Insurance***

Founded in 1868, Catholic Family Life Insurance was the first Catholic fraternal benefit organization established in the United States. Catholic Family provides its members insurance and financial products designed to meet their family security needs and supports programs promoting volunteerism and fostering spiritual, social and educational well-being. The society is headquartered in the Milwaukee suburb of Shorewood.

More information about Catholic Family can be found at [www.cfli.org](http://www.cfli.org).

#### ***About Catholic Knights***

Headquartered in Milwaukee, Catholic Knights is a not-for-profit Catholic membership organization focused on putting Catholic values into action. For more than 124 years, Catholic Knights has offered a wide range of valuable membership benefits, social and charitable activities, strong financial products and services, and support for parishes and parish schools. Each year, Catholic Knights members help to raise nearly \$1 million in support of parishes, schools and communities.

For more information about Catholic Knights and its products and services, visit [www.catholicknights.org](http://www.catholicknights.org).