

SOURCE: Puritan Financial Companies, Inc.

Jul 24, 2007 12:20 ET

Puritan Financial Companies, Inc. to Acquire Independent State Life Insurance Company

DALLAS, TX--(Marketwire - July 24, 2007) - Puritan Financial Companies, Inc. ("Puritan") announced today that it has entered into a definitive agreement with Columbia Insurance Group to acquire 100% of the outstanding common stock of Independent State Life Insurance Company ("ISL"), a Texas domestic life insurance company.

Puritan previously entered into a Letter of Intent with Columbia Insurance Group of Columbia, Missouri on May 4, 2007 to acquire ISL, a life insurance company organized under the laws of the State of Texas in 1984, for approximately \$2,000,000 in cash. At closing, Puritan expects to effect the name change of ISL to Puritan Life Insurance Company since a Name Reservation Application on file with the Texas Department of Insurance has recently been approved.

Puritan has also entered into a Letter of Intent with one of its primary insurance carriers to reinsure, either on a modified co-insurance or co-insurance basis, a 50/50 quota share of the life insurance and annuity policies produced by and through Puritan's insurance agency, Puritan Financial Group, Inc.

Puritan plans to initially position Puritan Life as a reinsurance company to capture assets to produce investment returns on invested assets and generate underwriting profits on the business produced. The closing of the transaction is expected to occur on or before September 30, 2007 and is conditioned upon receiving all necessary consents of third parties and governmental officials, including the Texas Department of Insurance.

"The addition of Puritan Life Insurance Company as a major component of the Puritan Financial Companies is an important and timely development for our Company," said D. M. Rusty Moore, Jr., President of Puritan. "With Puritan's proven capabilities in insurance and annuity production, we are confident that we can create a greater value and growth opportunity for the Company."

"Puritan Life Insurance Company represents a unique opportunity for all of us at Puritan, and we are excited about the continued success and growth of the Company," said Matthew McIntyre, Puritan's Chief Executive Officer. "We have developed at Puritan a profitable business model with strong core competencies in serving the senior market. Our proven abilities in marketing and operations can now be leveraged into capturing assets and creating long term shareholder value as we continue to offer safe and suitable solutions for our clients," he added.

About Puritan Financial Group

Puritan Financial Companies, Inc. is a privately owned and closely held holding company for its primary operating subsidiary, Puritan Financial Group, Inc., and other affiliates. Puritan Financial Group is a licensed insurance agency and conducts business in multi-state areas with its primary focus on acquiring and serving retail customers in the senior market.

Puritan Financial Group, Inc. is headquartered in Dallas, Texas and has branch offices in Houston, Texas, Louisiana, Oklahoma, Tennessee, Kentucky, Indiana, and Pennsylvania. For more information about Puritan Financial Group products and services, please visit

www.puritanfinancialgroup.com and www.puritangroup.com

This press release includes statements that may constitute "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, continued acceptance of Puritan's products and services in the marketplace, competitive factors, changes in regulatory environments, and other risks. Puritan does not undertake any obligation to update or publicly release any revisions to any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this press release.

Puritan Financial Contact:

Marion Hawkins

(972) 380-1119

mhawkins@puritangroup.com