

Fidelity & Guaranty Life
 Form 4
 May 20, 2014

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Phelps II John A.

2. Issuer Name and Ticker or Trading Symbol
 Fidelity & Guaranty Life [FGL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1001 FLEET STREET, 6TH FLOOR
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/16/2014

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP, Chief Distr. Officer

BALTIMORE, MD 21202
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock				(A) or (D)	8,001 ⁽¹⁾	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 38.14	05/16/2014		M	2,016	(2) 11/02/2018	Common Stock (2)	(2)
Employee Stock Option (right to buy)	\$ 49.45	05/16/2014		M	909	(3) 12/31/2019	Common Stock (3)	(3)
Employee Restricted Stock Unit	(4)					(4) (4)	Common Stock (4)	(4)
Employee Stock Option (right to buy)	\$ 17					(5) 12/12/2020	Common Stock	5,910

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Phelps II John A. 1001 FLEET STREET, 6TH FLOOR BALTIMORE, MD 21202			SVP, Chief Distr. Officer	

Signatures

/s/ Isabelle Aragon Smith,
Attorney-in-fact
05/20/2014

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Includes restricted stock.

The option entitles the reporting person to receive, upon exercise, a cash payment equal to the excess of the fair market value of a share of Class A Common Stock of Fidelity & Guaranty Life Holdings, Inc., a wholly owned subsidiary of the Issuer (the "F&G Subsidiary") over the exercise price of the option. It is expected that the fair market value of a share of Class A Common Stock of the F&G Subsidiary will be derived from the value of the Common Stock of the Issuer. The remaining portion of this option became exercisable as to 4,032 shares on November 2, 2013, and will become exercisable as to 4,032 shares on November 2, 2014. As a result of the exercise, the reporting person became entitled to receive for each exercised option a cash payment of \$53.89 per option.

(2) The option entitles the reporting person to receive, upon exercise, a cash payment equal to the excess of the fair market value of a share of Class B Common Stock of the F&G Subsidiary over the exercise price of the option. It is expected that the fair market value of a share of Class B Common Stock of the F&G Subsidiary will be derived from the value of the Common Stock of the Issuer. The option became exercisable as to 1,818 shares on December 31, 2013, and will become exercisable as to the remaining 1,819 shares on December 31, 2014 and 1,818 shares on December 31, 2015. As a result of the exercise, the reporting person became entitled to receive for each exercised option a cash payment of \$42.58 per option.

(3) Each restricted stock unit ("RSU") is the economic equivalent of one share of the Class B Common Stock of the F&G Subsidiary. Each RSU will be settled upon vesting in cash in an amount equal to the fair market value of a share of Class B Common Stock of the F&G Subsidiary. It is expected that the fair market value of a share of Class B Common Stock of the F&G Subsidiary will be derived from the value of the Common Stock of the Issuer. 803 RSUs will vest on December 31, 2014 and 802 RSUs will vest on December 31, 2015.

(4) The option vests in three equal annual installments on December 12, 2014, 2015 and 2016, subject to continued employment through such date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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