

Fidelity & Guaranty Life
 Form 4
 January 03, 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 *
 O'Shaughnessy John P.

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)
 12/31/2013

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP, Chief Actuary & CRO

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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

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SEC 1474
 (9-02)

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

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Restricted Stock Unit	(1)	12/31/2013	M	931					(1)	(1)	Common Stock (1)	(1)
Employee Stock Option (right to buy)	\$ 38.14	12/31/2013	M	7,600					(2)	11/02/2018	Common Stock (2)	(2)
Employee Stock Option (right to buy)	\$ 49.45	12/31/2013	M	2,110				12/31/2013		12/31/2019	Common Stock (3)	(3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
O'Shaughnessy John P. 1001 FLEET STREET, 6TH FLOOR BALTIMORE, MD 21202			SVP, Chief Actuary & CRO	

Signatures

By: /s/ Rebecca Hemmings, Attorney-in-Fact for John P. O'Shaughnessy 01/03/2014

__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) Each restricted stock unit is the economic equivalent of one share of Class B Common Stock of Fidelity & Guaranty Life Holdings, Inc., a wholly owned subsidiary of the Issuer (the "F&G Subsidiary"). Each restricted stock unit 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. 931 restricted stock units vested on December 31, 2013 and will each be settled with a cash payment in the amount of \$83.67 per restricted stock unit. Of the remaining restricted stock units, 932 will vest on December 31, 2014 and 931 will vest on December 31, 2015.
- (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 A 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

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Class A 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 3,800 shares on November 2, 2012 and 3,800 shares on November 2, 2013, and will become exercisable as to the remaining 3,800 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 \$45.53 per option.

- (3) 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 2,110 shares on December 31, 2013 and will become exercisable as to 2,111 shares on December 31, 2014 and 2,110 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 \$34.22 per option.

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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