

THE DEPOSITORY TRUST COMPANY

IMPORTANT

B#: 10019

DATE: May 9, 2000

TO: ALL PARTICIPANTS

FROM: DTC PROXY DEPARTMENT

ATTENTION: PROXY/REORGANIZATION MANAGER

SUBJECT: PENNCORP FINANCIAL GROUP, INC.
CUSIP #708094 AA 5

The Depository Trust Company received materials, including the attached Notice indicating that PennCorp Financial Group, Inc., is soliciting acceptances by creditors of its Plan of Reorganization, dated April 25, 2000 (the "Plan"). DTC has been advised by Counsel that holders of PennCorp Financial Group, Inc., 9.25% 12/15/03 **have been deemed to accept the Plan or are unimpaired** and their votes are not being solicited on the Plan. A hearing on confirmation of the Plan is scheduled to be held on June 5, 2000. Any written objections to confirmation of the Plan must be filed no later than May 31, 2000. Participants may obtain copies of the materials for voting on the Plan by contacting:

Innisfree - Attention: Frank Lentine
At 212-750-7946

Karl Baker

Manager

Attachments
10019.PXY

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re

PENNCORP FINANCIAL GROUP, INC., : Chapter 11 Case No.
00-888 (PJW)

Debtor. :
X

**NOTICE OF ENTRY OF ORDER SCHEDULING HEARING TO
CONSIDER CONFIRMATION OF PROPOSED PLAN OF REORGANIZATION**

NOTICE IS HEREBY GIVEN as follows:

1. On April 25, 2000, PennCorp Financial Group, Inc. (the "Debtor") and the Unofficial Committee of Preferred Shareholders jointly filed with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") a proposed plan of reorganization (the "Plan") and a proposed disclosure statement (the "Disclosure Statement") pursuant to section 1125 of title 11, United States Code (the "Bankruptcy Code"). By order dated April 25, 2000 (the "Disclosure Statement Order"), the Court approved the Debtor's Disclosure Statement, forms of ballots with instructions and procedures for the solicitation and tabulation of votes on the Plan, and subscriptions under the rights offering to purchase new common stock of the reorganized Debtor if the Plan is confirmed (the "Rights Offering").
2. Pursuant to the Plan, only holders of the Debtor's preferred stock, as of April 25, 2000 (the "Eligible Voters/Subscribers") may vote on the Plan and subscribe under the Rights Offering. The deadline for voting on the Plan and subscribing under the Rights Offering is 5:00 p.m. on May 31, 2000. Instructions for voting and subscribing are included in the ballot and in the Disclosure Statement. In accordance with the Disclosure Statement Order, the Debtor shall provide to all Eligible Voters/Subscribers a copy of the Disclosure Statement (including the Plan attached thereto as Exhibit "A") and a ballot for voting on the Plan and subscribing under the Rights Offering and shall provide to all other parties in interest copies of the Disclosure Statement (including the Plan attached thereto as Exhibit "A").
3. Pursuant to the Disclosure Statement Order, a hearing to consider confirmation of the Plan and any objections or proposed amendments or modifications thereto will be held before the Honorable Peter J. Walsh, United States Bankruptcy Judge of the United States Bankruptcy Court, 824 Market Street - Sixth Floor, Wilmington, Delaware 19801 on June 5, 2000 at 4:00 p.m. Eastern Time, or as soon thereafter as counsel may be heard (the "Confirmation Hearing"). The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates at the Confirmation Hearing or at an adjourned Confirmation Hearing.
4. Any objections to confirmation of the Plan shall be in writing, shall set forth the name of the objectant, the nature and amount of any claims or interests held by the objectant against the Debtor, and the basis for the objection and the specific grounds therefor and shall be filed with the Bankruptcy Court at the address specified in paragraph 3 of this Notice, together with proof of service thereof, and served upon the following persons so as to be received on or before May 30, 2000 at 4:00 p.m. Eastern Time: (i) Weil, Gotshal & Manges LLP, Attorneys for Debtor, 767 Fifth Avenue, New York, New York 10153, Attn: Jeffrey L. Tanenbaum, Esq.; (ii) Weil, Gotshal & Manges LLP, Attorneys for Debtor, 100 Crescent Court, Suite 1300, Dallas, Texas 75201-6950, Attn: Martin A. Sosland, Esq.; (iii) Richards, Layton & Finger, P.A., Attorneys for Debtor, One Rodney Square, Post Office Box 551, Wilmington, Delaware 19899, Attn: Thomas L. Ambro, Esq. and Mark D. Collins, Esq.; (iv) Akin, Gump, Strauss, Hauer & Feld, LLP, Attorneys for the Statutory Committee of Unsecured Creditors, 590 Madison Avenue, New York, New York 10022, Attn: Lisa G. Beckerman, Esq.; (v) Young, Conaway, Stargatt & Taylor, Attorneys for the Statutory Committee of Unsecured Creditors, Rodney Square North, Post Office Box 391, Wilmington, Delaware 19899, Attn: David Sasson Peress, Esq.; (vi) Kirkland & Ellis, Attorneys for Inverness/Phoenix Capital, LLC, lead member of the Unofficial Committee of Preferred Shareholders, 200 East Randolph Drive, Chicago, Illinois 60601, Attn: James L. Learner, P.C., Esq.; (vii) Kirkland & Ellis, Attorneys for Inverness/Phoenix Capital, LLC, lead member of the Unofficial Committee of Preferred Shareholders, 153 East 53rd Street, New York, New York 10022, Attn: Lena Mandel, Esq.; (viii) Pachtulski, Stang, Ziehl, Young & Jones, PC, Attorneys for Inverness/Phoenix Capital, LLC, lead member of the Unofficial Committee of Preferred Shareholders, 919 North Market Street, Suite 1600, Wilmington, Delaware 19801, Attn: Laura Davis Jones, Esq.; (ix) Winthrop, Stimson, Putnam & Roberts, Attorneys for the Debtor's Secured Lenders, One Battery Park Plaza, New York, New York 10004, Attn: Charles H. Vejvoda, Esq.; (x) Pepper Hamilton LLP, Attorneys for the Debtor's Secured Lenders, 1201 Market Street, Suite 1600, Post Office Box 1709, Wilmington, Delaware 19899, Attn: David B. Stratton, Esq. and David M. Fournier, Esq.; (xi) Office of the United States Trustee, 60 Walnut Street, Curtis Center, Suite 950 West, Philadelphia, Pennsylvania 19106, Attn: Frank Perch, Esq.; and (xii) PennCorp Financial Group, Inc. c/o Southwestern Financial Services Corp., 717 North Harwood Street, Dallas, Texas 75201, Attn: Scott D. Silverman, Esq.

Dated: New York, New York
April 25, 2000

WEIL, GOTSHAL & MANGES LLP
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