

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13E3/A

Schedule filed to report going private transactions(Issuer Self-Tender Offer) [amend]

Filing Date: **2001-12-27**
SEC Accession No. **0000200776-01-500033**

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SUBJECT COMPANY

FIRST COMMONWEALTH CORP

CIK:**200776** | IRS No.: **540832816** | State of Incorporation: **VA** | Fiscal Year End: **1231**
Type: **SC 13E3/A** | Act: **34** | File No.: **005-12398** | Film No.: **1823328**
SIC: **6311** Life insurance

Mailing Address
*5250 SOUTH SIXTH STREET
ROAD
P O BOX 5147
SPRINGFIELD IL 62705*

Business Address
*P O BOX 5147
5250 SOUTH SIXTH STREET
ROAD
SPRINGFIELD IL 62705
2173236300*

FILED BY

FIRST COMMONWEALTH CORP

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Schedule 13E-3
(Amendment No. 1)

Transaction Statement
Under Section 13(e) of the Securities Exchange Act of 1934

FIRST COMMONWEALTH CORPORATION
(Name of the Issuer)

FIRST COMMONWEALTH CORPORATION
UNITED TRUST GROUP, INC.
(Name of the Persons Filing Statement)

Common Stock, \$1.00 par value
(Title of Class of Securities)

319828208
(CUSIP Number)

Randall L. Attkisson
President and Chief Operating Officer
First Commonwealth Corporation
5250 South Sixth Street
P.O. Box 5147
Springfield, Illinois 62705
(217) 241-6300

(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications on Behalf of the Persons Filing Statement)

Copy to:

Kevin J. Hable, Esq.
Wyatt, Tarrant & Combs, LLP
2800 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202-2898
(502) 589-5235

This statement is filed in connection with (check the appropriate box):

- a. The filing of solicitation materials or an information statement subject to Regulation 14A (ss.ss.240.14a-1 through 240.14b-2), Regulation 14C (ss.ss.240.14c-1 through 240.14c-101) or Rule 13e-3(c) (ss.240.13e-3(c)) under the Securities Exchange Act of 1934 ("the Act").
- b. The filing of a registration statement under the Securities Act of 1933.
- c. A tender offer.
- d. None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies: [X]

Calculation of Filing Fee

Transaction valuation*	Amount of filing fee**
\$2,480,000	\$496

*The "transaction valuation" amount referred to above is the product of 9,920 outstanding shares of common stock and \$250, the cash price per share to be paid in the merger.

**In accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, the filing fee is determined by multiplying the transaction valuation by 1/50th of 1%. [X] Check the box if any part of the fee is offset as provided by ss.240.0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$496

Form or Registration No.: 14A

Filing Party: First Commonwealth Corporation

Date Filed: October 3, 2001

INTRODUCTION

This amended Rule 13e-3 Transaction Statement on Schedule 13E-3 ("Statement") is being filed jointly by United Trust Group, Inc., an Illinois corporation ("United Trust Group"), and First Commonwealth Corporation, a Virginia corporation ("FCC"), in connection with the merger of FCC with and into United Trust Group, with United Trust Group as the surviving entity, pursuant to an Agreement and Plan of Reorganization, dated as of June 5, 2001, by and between United Trust Group and FCC (the "Merger Agreement"). FCC's board of directors unanimously approved the Merger Agreement and recommended that it be submitted to FCC's shareholders for adoption. FCC's shareholders will be asked to vote upon and approve the Merger Agreement at a special meeting of the shareholders of FCC to be held.

This Statement is intended to satisfy the reporting requirements of Section 13(e) of the Securities Exchange Act of 1934, as amended. Concurrently with the filing of this Statement, FCC is filing an amended preliminary proxy statement relating to the solicitation of proxies for the special meeting (the "Proxy Statement"). The Proxy Statement is incorporated herein by reference. Except as otherwise set forth below, the information set forth in the Proxy Statement, including all appendices thereto, is hereby expressly incorporated herein by reference in response to the items of this Statement, and the Responses to each item in this Statement are qualified in their entirety by the information contained in the Proxy Statement and the appendices thereto. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Proxy Statement.

ITEM 1. SUMMARY TERM SHEET.

The information set forth in the Proxy Statement under the caption "SUMMARY

TERM SHEET" is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

- (a) The information set forth on the cover page of the Proxy Statement and in the Proxy Statement under the caption "SUMMARY TERM SHEET - The Companies" is incorporated herein by reference.
- (b) The information set forth in the Proxy Statement under the caption "THE SPECIAL MEETING - Record Date" and on the cover page of the Proxy Statement is incorporated herein by reference.
- (c)-(d) The information set forth in the Proxy Statement under the caption "PRICE RANGE OF COMMON STOCK AND DIVIDENDS" is incorporated herein by reference.
- (e) The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS - Public Offerings" is incorporated herein by reference.
- (f) The information set forth in the Proxy Statement under the caption "COMMON STOCK PURCHASE INFORMATION" is incorporated herein by reference.

ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSONS.

- (a)-(c) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - The Companies", "CURRENT MANAGEMENT OF FCC AND UNITED TRUST GROUP", "SPECIAL FACTORS - Interests of Certain Persons in the Merger; - Consequences of the Merger; - Principal Purposes of the Merger/Plans for Surviving Company after the Merger", "PRINCIPAL HOLDERS OF SECURITIES", "SECURITY OWNERSHIP OF MANAGEMENT" and "RELATED PARTY TRANSACTIONS" is incorporated herein by reference.

ITEM 4. TERMS OF THE TRANSACTION.

- (a) The information set forth in the Proxy Statement and under the captions "SUMMARY TERM SHEET", "THE SPECIAL MEETING - Record Date; - Vote Required", "SPECIAL FACTORS" and "THE MERGER AGREEMENT" is incorporated herein by reference and Appendix A to the Proxy Statement is also incorporated herein by reference.
- (c) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET", "SPECIAL FACTORS - Interests of Certain Persons in the Merger", "THE MERGER AGREEMENT - Merger Consideration" and "SECURITY OWNERSHIP OF MANAGEMENT" is incorporated herein by reference and Appendix A to the Proxy Statement is also incorporated herein by reference.
- (d) The information set forth in the Proxy Statement under the caption "ADDITIONAL INFORMATION - No Dissenters' Appraisal Rights" is incorporated herein by reference.
- (e) The information set forth in the Proxy Statement under the caption "WHERE YOU CAN FIND MORE INFORMATION" is incorporated herein by reference.

(f) Not applicable.

ITEM 5. PAST CONTRACTS, TRANSACTIONS OR NEGOTIATIONS AND AGREEMENTS.

- (a) The information set forth in the Proxy Statement under the caption "RELATED PARTY TRANSACTIONS" is incorporated herein by reference.
- (b)-(c) The information set forth in the Proxy Statement under the captions "SPECIAL FACTORS - Background of the Merger" and "RELATED PARTY TRANSACTIONS" is incorporated herein by reference.
- (e) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Interests of Certain Persons in the Merger", "THE MERGER AGREEMENT", "PRINCIPAL HOLDERS OF SECURITIES", "SECURITY OWNERSHIP OF MANAGEMENT" and "RELATED PARTY TRANSACTIONS" is incorporated herein by reference and Appendix A to the Proxy Statement is also incorporated herein by reference.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

- (b) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Principal Purposes of the Merger" and "SPECIAL FACTORS - Consequences of the Merger; - Principal Purposes of the Merger/Plans for Surviving Company After the Merger" is incorporated herein by reference.
- (c) (1)-(8) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Principal Purposes of the Merger" and "SPECIAL FACTORS - Interests of Certain Persons in the Merger; - Consequences of the Merger; - Principal Purposes of the Merger/Plans for Surviving Company After the Merger" is incorporated herein by reference.

ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS.

- (a)-(d) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Questions and Answers; - Principal Purposes of the Merger; - Interests of Certain Persons in the Merger", "SPECIAL FACTORS - Background of the Merger; - Recommendation of FCC Board of Directors and FCC's Reasons for the Merger; - Benefits and Detriments of the Merger to FCC and FCC's Public Shareholders; - Interests of Certain Persons in the Merger; - Consequences of the Merger; - Principal Purposes of the Merger/Plans for Surviving Company After the Merger," "MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES" and "THE MERGER AGREEMENT" is incorporated herein by reference.

ITEM 8. FAIRNESS OF THE TRANSACTION.

- (a)-(e) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Opinion of Financial Advisor"; "THE SPECIAL MEETING", "SPECIAL FACTORS - Background of the Merger; - Recommendation of FCC Board of Directors and FCC's Reasons for the Merger; - Opinion of Morgan Keegan, Financial Advisor to FCC; - Position of United Trust Group as to Fairness of the Merger", "THE MERGER AGREEMENT", "COMMON STOCK MARKET PRICE AND DIVIDEND INFORMATION" and "SECURITY OWNERSHIP OF MANAGEMENT" is incorporated herein by reference and Appendix B to the Proxy Statement is also

incorporated herein by reference.

(f) Not applicable.

ITEM 9. REPORTS, OPINIONS, APPRAISALS AND CERTAIN NEGOTIATIONS.

(a)-(c) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Opinion of Financial Advisor" and "SPECIAL FACTORS - Background of the Merger; - Recommendation of FCC Board of Directors and FCC's Reasons for the Merger; - Opinion of Morgan Keegan, Financial Advisor to FCC; - Position of United Trust Group as to Fairness of the Merger" is incorporated herein by reference and Appendix B to the Proxy Statement is also incorporated herein by reference.

ITEM 10. SOURCE AND AMOUNTS OF FUNDS OR OTHER CONSIDERATION.

(a)-(b) The information set forth in the Proxy Statement under the captions "SPECIAL FACTORS - Financing; Source of Funds" and "THE MERGER AGREEMENT" is incorporated herein by reference.

(c) The information set forth in the Proxy Statement under the captions "THE SPECIAL MEETING - Solicitation of Proxies" and "SPECIAL FACTORS - Fees and Expenses" is incorporated herein by reference.

(d) The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS - Financing; Source of Funds" is incorporated herein by reference.

ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Interests of Certain Persons in the Merger", "SPECIAL FACTORS - Interests of Certain Persons in the Merger", "PRINCIPAL HOLDERS OF SECURITIES," "SECURITY OWNERSHIP OF MANAGEMENT" and "COMMON STOCK PURCHASE INFORMATION" is incorporated herein by reference.

(b) Not applicable.

ITEM 12. THE SOLICITATION OR RECOMMENDATION.

(d) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - The Special Meeting", "THE SPECIAL MEETING" and "THE MERGER AGREEMENT" is incorporated herein by reference.

(e) The information set forth in the Proxy Statement under the captions "SUMMARY TERM SHEET - Recommendation of FCC Board of Directors and FCC's Reasons for the Merger", "THE SPECIAL MEETING" and "SPECIAL FACTORS - Background of the Merger; - Recommendation of FCC Board of Directors and FCC's Reasons for the Merger; - Position of United Trust Group as to Fairness of the Merger" is incorporated herein by reference.

ITEM 13. FINANCIAL STATEMENTS.

(a) The information set forth in the Proxy Statement under the captions

"SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA" and "DOCUMENTS INCORPORATED BY REFERENCE" is incorporated herein by reference.

- (b) The information set forth in the Proxy Statement under the caption "PRO FORMA FINANCIAL INFORMATION" is incorporated herein by reference.

ITEM 14. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

- (a)-(b) The information set forth in the Proxy Statement under the caption "THE SPECIAL MEETING - Solicitation of Proxies" is incorporated herein by reference.

ITEM 15. ADDITIONAL INFORMATION.

- (b) Not applicable.

ITEM 16. EXHIBITS

- (a) Amendment No. 1 to Preliminary Proxy Statement, including all appendices thereto (incorporated herein by reference to Amendment No. 1 to the Preliminary Proxy Statement on Schedule 14A of First Commonwealth Corporation, filed on December 27, 2001 (Commission No. 0-05392)).

(b) (1) Loan Commitment Letter, dated September 14, 2001, from First National Bank of the Cumberlandands to United Trust Group, Inc.*

(b) (2) Universal Note and Security Agreement, dated November 15, 2001, between United Trust Group, Inc. and First National Bank of the Cumberlandands.

(b) (3) Line of Credit Agreement, dated November 15, 2001, between United Trust Group, Inc. and First National Bank of the Cumberlandands.

(c) (1) Fairness Opinion of Morgan Keegan & Company, Inc. dated June 5, 2001 (incorporated herein by reference to Appendix B to the Preliminary Proxy Statement on Schedule 14A of First Commonwealth Corporation, filed on October 3, 2001 (Commission No. 0-05392)).

(c) (2) Presentation to the Board of Directors of FCC prepared and presented by Morgan Keegan & Company, Inc. in connection with its fairness opinion dated June 5, 2001.*

(c) (3) Form of Letter from Morgan Keegan & Company, Inc. Reconfirming Fairness Opinion (incorporated herein by reference to Appendix C to the Proxy Statement referenced as Exhibit (a) to this Statement).

(d) (1) Agreement and Plan of Reorganization, dated as of June 5, 2001, by and between United Trust Group and FCC (incorporated herein by reference to Appendix A to the Preliminary Proxy Statement on Schedule 14A of First Commonwealth Corporation, filed on October 3, 2001 (Commission No. 0-05392)).

(d) (2) Common Stock Purchase Agreement, dated February 13, 2001, among FSBI and James E. Melville, Barbara Hartman, BJM Trust - James E. Melville, Trustee, Matthew C. Hartman Trust - James E. Melville, Trustee, Zachary T. Hartman Trust - James E. Melville, Trustee, Elizabeth A.

Hartman Trust - James E. Melville, Trustee, and Margaret M. Hartman Trust - James E. Melville, Trustee (incorporated by reference to Exhibit K to Amendment No. 10 to the Schedule 13D filed by First Southern Bancorp, Inc. and the other Reporting Persons identified therein, dated February 13, 2001, relating to the common stock of United Trust Group, Inc. (formerly United Trust, Inc.) (Commission No. 0-16867)).

(d) (3) Assignment and Assumption Agreement, dated April 11, 2001, between FSBI and UTI (incorporated by reference to Exhibit M to Amendment No. 11 to the Schedule 13D filed by First Southern Bancorp, Inc. and the other Reporting Persons identified therein, dated April 11, 2001, relating to the Common Stock of United Trust Group, Inc. (formerly United Trust, Inc.) (Commission No. 0-16867)).

(d) (4) Consent to Assignment and Novation, dated April 5, 2001, among James E. Melville, Barbara Hartman, BJM Trust - James E. Melville, Trustee, Matthew C. Hartman Trust - James E. Melville, Trustee, Zachary T. Hartman Trust - James E. Melville, Trustee, Elizabeth A. Hartman Trust - James E. Melville, Trustee, and Margaret M. Hartman Trust - James E. Melville, Trustee (incorporated by reference to Exhibit N to Amendment No. 11 to the Schedule 13D filed by First Southern Bancorp, Inc. and the other Reporting Persons identified therein, dated April 11, 2001, relating to the Common Stock of United Trust Group, Inc. (formerly United Trust, Inc.) (Commission No. 0-16867)).

(f) Not applicable.

(g) None.

*Previously Filed

SIGNATURE

After due inquiry and to the best of our knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

FIRST COMMONWEALTH CORPORATION

By: /s/ Theodore C. Miller
Secretary

UNITED TRUST GROUP, INC.

By: /s/ Theodore C. Miller
Secretary

Dated: December 27, 2001

EXHIBIT INDEX

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(f) Not applicable.

(g) None.

*Previously filed



1115 WEST MAIN STREET
P.O. BOX 379
LIVINGSTON, TN 38570
TELEPHONE 931.403.4444
FAX 931.403.4477
WWW.FNBOTC.COM

September 14, 2001

Mr. Theodore C. Miller

Corporate Secretary and Chief Financial Officer
UNITED TRUST GROUP, INC.
Post Office Box 5147
5250 South Sixth Street Springfield, IL 62705-5147

COMMITMENT LETTER

Dear Mr. Miller:

We are pleased to have the opportunity to fund the loan you have requested. Please accept this letter as our commitment to fund based on the following terms:

Borrower- United Trust Group, Inc. (UTG)

Lender - First National Bank of the Cumberland (FNBOTC)

Approved Loan - The approved loan is a \$3,300,000.00 line of credit at an interest rate equal to the prime rate of interest as published in the Wall Street Journal. The interest rate will be subject to adjustment daily. Interest will be payable semi-annually and principal will be due at maturity. The term of the loan will be 1 year.

Effective Date - The effective date of this Commitment Letter is September 14, 2001. FNBOTC's commitment as detailed in this Commitment Letter will become effective upon acceptance by the Borrower and those parties required to sign. Once a signed copy of the acceptance is received by the Lender, the Commitment Letter will be binding on the parties for a period of ninety (90) days from September 14, 2001. In the event that the Loan Closing contemplated by this Commitment Letter has not been closed by the expiration date the Lender's commitment will automatically be withdrawn unless extended in writing.

Commitment Letter, September 14, 2001, Page 2

Loan Closing - UTG agrees to close the loan contemplated by the Commitment Letter by complying with the following:

UNITED TRUST GROUP, INC.
5250 S 6TH ST
SPRINGFIELD, IL 62703

BORROWER'S NAME AND ADDRESS

"I" includes each borrower above, jointly and severally.

FIRST NATIONAL BANK OF THE CUMBERLANDS
West main office
1115 West Main Street PO Box 379
Livingston, TN 38570

LENDER'S NAME AND ADDRESS

"You" means the lender, its successors and assigns.

Loan Number 203102286 / 00001
Date 11/15/2001
Maturity Date 11/15/2002
Loan Amount \$ 3300000.00
Renewal Of _____

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of **THREE MILLION THREE HUNDRED THOUSAND DOLLARS AND ZERO** **CENTS** Dollars \$ 3300000.00

 Single Advance: I will receive all of this principal sum on N/A. No additional advances are contemplated under this note.

 X Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On 11/15/2001 I will receive the amount of \$ 0.00 and future principal advances are contemplated.

Conditions: The conditions for future advances are a. Only upon such terms and under such conditions as you may deem appropriate at the time each advance is requested.

 X Open End Credit: You and I agree that I may borrow up to the maximum principal sum more than one time.

This feature is subject to all other conditions and expires on 11/15/2002.

 Closed End Credit: You and I agree that I may borrow (subject to all other conditions) up to the maximum principal sum only one time.

INTEREST: I agree to pay interest on the outstanding principal balance from 11/15/2001 at the rate of 5.000% per year until the interest rate as provided for in this note.

Variable Rate: This rate may then change as stated below.

Index Rate: The future rate will be EQUAL TO the following index rate:

THE LOWEST OF THE U.S. PRIME RATES AS PUBLISHED IN THE MONEY SECTION OF THE WALL STREET JOURNAL

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

Frequency and Timing: The rate on this note may change as often as MONTHLY.

A change in the interest rate will take effect 1ST DAY OF THE MONTH FOLLOWING CHANGE.

Limitations: During the term of this loan, the applicable annual interest rate will not be more than N/A % or less than N/A %. The rate may not change more than N/A % each N/A.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change. The amount of the final payment will change.

N/A

ACCRUAL METHOD: Interest will be calculated on a ACT/ACT basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

at a rate equal to N/A.

LATE CHARGE: If a payment is made more than 15 days after it is due, I agree to pay a late charge of 5% OF THE PAYMENT.

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which are are not included in the principal amount above: N/A

PAYMENTS: I agree to pay this note as follows:

Interest: I agree to pay accrued interest 2 SEMIANNUALLY Interest payment (s) on amount advanced beginning May 15, 2002.

X Principal: I agree to pay the principal November 15, 2002.

 Installments: I agree to pay this note in payments. The first payment will be in the amount of \$ and will be due . A payment of \$ will be due thereafter. The final payment of the entire unpaid balance of principal and interest will be due .

 Unpaid Interest: Any accrued interest not paid when due (whether due by reason of a schedule of payments or due because of Lender's demand) will become part of the principal thereafter, and will bear interest at the interest rate in effect from time to time as provided for in this agreement.

PURPOSE: The purpose of this loan is REPURCHASE STOCK

ADDITIONAL TERMS: This loan has a demand feature, however, if no demand is made, the loan is payable according to the terms specified under "Payments" above.

SECURITY

SECURITY INTEREST: I give you a security interest in all of the Property described below that I own or have sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products of the Property. "Property" includes all parts, accessories, repairs, replacements, improvements, and accessions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property. "Proceeds" includes anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property.

 Accounts and Other Rights to Payment: All rights to payment, whether or not earned by performance, including, but not limited to, payment for property or services sold, leased, rented, licensed, or assigned. This includes any rights and interests (including all liens) which I have by law or agreement against any account debtor or obligor.

 Inventory: All inventory held for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in my business.

 Equipment: All equipment including, but not limited to, machinery, vehicles, furniture, fixtures, manufacturing equipment, farm machinery and equipment, shop equipment, office and record keeping equipment, parts, and tools. The Property includes any equipment described in a list or schedule I give to you, but such a list is not necessary to create a valid security interest in all of my equipment.

 Instruments and Chattel Paper: All instruments, including negotiable instruments and promissory notes and any other writings or records that evidence

the right to payment of a monetary obligation, and tangible and electronic chattel paper.

___General Intangibles: All general intangibles including, but not limited to, tax refunds, patents and applications for patents, copyrights, trademarks, trade secrets, goodwill, trade names, customer lists, permits and franchises, payment intangibles, computer programs and all supporting information provided in connection with a transaction relating to computer programs, and the right to use my name.

___Documents: All documents of title including, but not limited to, bills of lading, dock warrants and receipts, and warehouse receipts.

___Farm Products and Supplies: All farm products including, but not limited to, all poultry and livestock and their young, along with their produce, products, and replacements; all crops, annual or perennial, and all products of the crops; and all feed, seed, fertilizer, medicines, and other supplies used or produced in my farming operations.

___Government Payments and Programs: All payments, accounts, general intangibles, and benefits including, but not limited to, payments in kind, deficiency payments, letters of entitlement, warehouse receipts, storage payments, emergency assistance and diversion payments, production flexibility contracts, and conservation reserve payments under any preexisting, current, or future federal or state government program.

___Investment Property: All investment property including, but not limited to, certificated securities, uncertificated securities, securities entitlements, securities accounts, commodity contracts, commodity accounts, and financial assets.

___Deposit Accounts: All deposit accounts including, but not limited to, demand, time, savings, passbook, and similar accounts.

___Specific Property Description: The Property includes, but is not limited by, the following: N/A

If this agreement covers timber to be cut, enter real estate description and record owner information: N/A

The Property will be used for a ___personal ___business ___agricultural N/A purpose.

Borrower/Owner State of organization/registration (if applicable)

ADDITIONAL TERMS OF THE SECURITY AGREEMENT

GENERALLY - This agreement secures this note and any other debt I have with you, now or later. However, it will not secure other debts if you fail with respect to such other debts, to make any required disclosure about this security

agreement or if you fail to give any required notice of the right of rescission. If property described in this agreement is located in another state, this agreement may also, in some circumstances, be governed by the law of the state in which the Property is located.

NAME AND LOCATION - My name indicated on page 1 is my exact legal name. If I am an individual, my address is my principal residence. If I am not an individual, my address is the location of my chief executive offices or sole place of business. If I am an entity organized and registered under state law, my address is located in the state in which I am registered, unless otherwise indicated on page 2. I will provide verification of registration and location upon your request. I will provide you with at least 30 days notice prior to any change in my name, address, or state of organization or registration.

OWNERSHIP AND DUTIES TOWARD PROPERTY - I represent that I own all of the Property, or to the extent this is a purchase money security interest I will acquire ownership of the Property with the proceeds of the loan. I will defend it against any other claim. Your claim to the Property is ahead of the claims of any other creditor. I agree to do whatever you require to protect your security interest and to keep your claim in the Property ahead of the claims of other creditors. I will not do anything to harm your position. I will not use the Property for a purpose that will violate any laws or subject the Property to forfeiture or seizure. I will keep books, records and accounts about the Property and my business in general. I will let you examine these records at any reasonable time. I will prepare any report or accounting you request, which deals with the Property. I will keep the Property in my possession and will keep it in good repair and use it only for the purpose(s) described on page 1 of this agreement. I will not change this specified use without your express written permission. I represent that I am the original owner of the Property and, if I am not, that I have provided you with a list of prior owners of the Property. I will keep the Property at my address listed on page 1 of this agreement, unless we agree I may keep it at another location. If the Property is to be used in another state, I will give you a list of those states. I will not try to sell the Property unless it is inventory or I receive your written permission to do so. If I sell the Property I will have the payment made payable to the order of you and me. You may demand immediate payment of the debt(s) if the debtor is not a natural person and without your prior written consent; (1) a beneficial interest in the debtor is sold or transferred, or (2) there is a change in either the identity or number of members of a partnership, or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation. I will pay all taxes and charges on the Property as they become due. You have the right of reasonable access in order to inspect the Property. I will immediately inform you of any loss or damage to the Property. If I fail to perform any of my duties under this security agreement, or any mortgage, deed of trust, lien or other security interest, you may without notice to me perform the duties or cause them to be performed. Your right to perform for me shall not create an obligation to perform and your failure to perform will not preclude you from exercising any of your other rights under the law or this security agreement.

PURCHASE MONEY SECURITY INTEREST - For the sole purpose of determining

the extent of a purchase money security interest arising under this security agreement: (a) payments on any nonpurchase money loan also secured by this agreement will not be deemed to apply to the Purchase Money Loan, and (b) payments on the Purchase Money Loan will be deemed to apply first to the nonpurchase money portion of the loan, if any, and then to the purchase money obligations in the order in which the items of collateral were acquired or if acquired at the same time, in the order selected by you. No security interest will be terminated by application of this formula. "Purchase Money Loan" means any loan the proceeds of which, in whole or in part, are used to acquire any collateral securing the loan and all extensions, renewals, consolidations and refinancing of such loan.

PAYMENTS BY LENDER - You are authorized to pay, on my behalf, charges I am or may become obligated to pay to preserve or protect the secured property (such as property insurance premiums). You may treat those payments as advances and add them to the unpaid principal under the note secured by this agreement or you may demand immediate payment of the amount advanced.

INSURANCE - I agree to buy insurance on the Property against the risks and for the amounts you require and to furnish you continuing proof of coverage. I will have the insurance company name you as loss payee on any such policy. You may require added security if you agree that insurance proceeds may be used to repair or replace the Property. I will buy insurance from a firm licensed to do business in the state where you are located. The firm will be reasonably acceptable to you. The insurance will last until the Property is released from this agreement. If I fail to buy or maintain the insurance (or fail to name you as loss payee) you may purchase it yourself.

WARRANTIES AND REPRESENTATIONS - If this agreement includes accounts, I will not settle any account for less than its full value without your written permission. I will collect all accounts until you tell me otherwise. I will keep the proceeds from all the accounts and any goods which are returned to me or which I take back in trust for you. I will not mix them with any other property of mine. I will deliver them to you at your request. If you ask me to pay you the full price on any returned items or items retaken by myself, I will do so. You may exercise my rights with respect to obligations of any account debtors, or other persons obligated on the Property, to pay or perform, and you may enforce any security interest that secures such obligations.

If this agreement covers inventory, I will not dispose of it except in my ordinary course of business at the fair market value for the Property, or at a minimum price established between you and me.

Any person who signs within this box does so to give you a security interest in the Property described on this page. This person does not promise to pay the note. "I" as used in this security agreement will include the borrower and any person who signs within this box. Date: _____

Signed: _____

If this agreement covers farm products I will provide you, at your request,

a written list of the buyers, commission merchants or selling agents to or through whom I may sell my farm products. In addition to those parties named on this written list, I authorize you to notify at your sole discretion any additional parties regarding your security interest in my farm products. I remain subject to all applicable penalties for selling my farm products in violation of my agreement with you and the Food Security Act. In this paragraph the terms farm products, buyers, commission merchants and selling agents have the meanings given to them in the Federal Food Security Act of 1985.

If this agreement covers chattel paper or instruments, either as original collateral or proceeds of the Property, I will note your interest on the face of the chattel paper or instruments. **REMEDIES** - I will be in default on this security agreement if I am in default on any note this agreement secures or if I fail to keep any promise contained in the terms of this agreement. If I default, you have all of the rights and remedies provided in the note and under the Uniform Commercial Code. You may require me to make the secured property available to you at a place which is reasonably convenient. You may take possession of the secured property and sell it as provided by law. The proceeds will be applied first to your expenses and then to the debt. I agree that 10 days written notice sent to my last known address by first class mail will be reasonable notice under the Uniform Commercial Code. My current address is on page 1.

PERFECTION OF SECURITY INTEREST - I authorize you to file a financing statement covering the Property. I will comply with, facilitate, and otherwise assist you in connection with obtaining possession of or control over the Property for purposes of perfecting your security interest under the Uniform Commercial Code.

ADDITIONAL TERMS OF THE NOTE

DEFINITIONS - As used on pages 1 and 2, "X" means the terms that apply to this loan. "I," "me" or "my" means - each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW - The law of the state of Tennessee will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

PAYMENTS - Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any

partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST - Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal sum outstanding at that time. You and I may provide in this agreement for accrued interest not paid when due to be added to principal. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to in this note (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to, me.

INDEX RATE - The index will serve only as a device for setting the interest rate on this note. You do not guarantee by selecting this index, or the margin, that the interest rate on this note will be the same rate you charge on any other loans or class of loans you make to me or other borrowers.

POST MATURITY RATE - For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS - If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph on page 2, or if we have agreed that accrued interest not paid when due may be added to principal.

MULTIPLE ADVANCE LOANS - If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

SET-OFF - I agree that you may set off any amount due and payable under this note against any right I have to receive money from you. "Right to receive money from you" means:

- (1) any deposit account balance I have with you;
- (2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
- (3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of

which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note. If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account. You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right to set-off.

DEFAULT - I will be in default if any or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the Property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because of my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES - If I am in default on this note you have, but are not limited to, the following remedies:

- (1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued unpaid charges).
- (2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.
- (3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
- (4) You may refuse to make advances to me or allow purchases on credit by me.
- (5) You may use any remedy you have under state or federal law.
- (6) You may make use of any remedy given to you in any agreement securing this note.

By selecting any one or more of these remedies you do not give up your right to use later any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to consider later the event a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES - I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER - I give up my rights to require you to do certain things. I will not require you to:

- (1) demand payment of amounts due (presentment);
- (2) obtain official certification of nonpayment (protest); or
- (3) give notice that amounts due have not been paid (notice of dishonor). I waive any defenses I have based on suretyship of impairment of collateral.

OBLIGATIONS INDEPENDENT - I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

FINANCIAL INFORMATION - I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

SIGNATURES: I AGREE TO THE TERMS OF THIS AGREEMENT (INCLUDING THOSE ON PAGES 1 AND 2). I have received a copy on today's date.

United Trust Group, Inc.
37-1172848

By /s/ Randall L. Attkisson

Randall L. Attkisson
PRESIDENT

By /s/ Theodore C. Miller
Theodore C. Miller
SECRETARY

SIGNATURE FOR LENDER: _____

UNITED TRUST GROUP, INC.
5250 S 6TH ST
SPRINGFIELD, IL 62703

BORROWER'S NAME AND ADDRESS

"I" includes each borrower above, jointly and severally.

FIRST NATIONAL BANK OF THE CUMBERLANDS

West main office
1115 West Main Street PO Box 379
Livingston, TN 38570

LENDER'S NAME AND ADDRESS

"You" means the lender, its successors and assigns.

Line of Credit No. 203102286
Date 11/15/2001
Max. Credit Amt. 3300,000.00
Loan Ref. No.

You have extended to me a line of credit in the **AMOUNT** of **THREE
MILLION THREE HUNDRED THOUSAND DOLLARS AND ZERO** **CENTS** \$
3300000.00

You will make loans to me from time to time until 12:00 -A m. on
November 15, 2002. Although the line of credit expires on that date, I
will remain obligated to perform all my duties under this agreement so long as I
owe you any money advanced according to the terms of this agreement, as
evidenced by any note or notes I have signed promising to repay these amounts.

This line of credit is an agreement between you and me. It is not intended that
any third party receive any benefit from this agreement, whether by direct
payment, reliance for future payment or in any other manner. This agreement is
not a letter of credit.

1. AMOUNT: This line of credit is:

 OBLIGATORY: You may not refuse to make a loan to me under this line of
credit unless one of the following occurs:

- a. I have borrowed the maximum amount available to me;
- b. This line of credit has expired;
- c. I have defaulted on the note (or notes) which show my indebtedness under this line of credit;
- d. I have violated any term of this line of credit or any note or other agreement entered into in connection with this line of credit;
- e. I have suffered any deterioration in my financial condition as believed or determined by you, in your sole discretion on the basis of such information as may be available to you from time to time
- f. _____

 X DISCRETIONARY: You may refuse to make a loan to me under this line of

credit once the aggregate outstanding advances equal or exceed One Dollar \$ 1.00

Subject to the obligatory or discretionary limitations above, this line of credit is:

OPEN-END (Business or Agricultural only): I may borrow up to the maximum amount of principal more than one time.

CLOSED-END: I may borrow up to the maximum only one time.

2. PROMISSORY NOTE: I will repay any advances made according to this line of credit agreement as set out in the promissory note, I signed on originating this agreement, or any note(s) I sign at a later time which represent advances under this agreement. The note(s) set(s) out the terms relating to maturity, interest rate, repayment and advances. If indicated on the promissory note, the advances will be made as follows:

a. Only upon such terms and under such conditions as you may deem appropriate at the time each advance is requested.

3. RELATED DOCUMENTS: I have signed the following documents in connection with this line of credit and note(s) entered into in accordance with this line of credit:

security agreement dated 11/15/2001

mortgage dated

guaranty dated

4. REMEDIES: If I am in default on the note(s) you may:

- a. take any action as provided in the related documents;
- b. without notice to me, terminate this line of credit. By selecting any of these remedies you do not give up your right to later use any other remedy. By deciding not to use any remedy should I default, you do not waive your right to later consider the event a default, if it happens again.

5. COSTS AND FEES: If you hire an attorney to enforce this agreement I will pay your reasonable attorney's fees, where permitted by law. I will also pay your court costs and costs of collection, where permitted by law.

6. COVENANTS: For as long as this line of credit is in effect or I owe you money for advances made in accordance with the line of credit, I will do the following:

- a. maintain books and records of my operations relating to the need for this line of credit;
- b. permit you or any of your representatives to inspect and/or copy these records;
- c. provide to you any documentation requested by you which support the reason for making any advance under this line of credit;
- d. permit you to make any advance payable to the seller (or seller and me) of any items being purchased with that advance;

e. use all funds advanced under this line of credit for the following and no other purpose(s): REPURCHASE STOCK

f. _____

7. **NOTICES:** All notices or other correspondence with me should be sent to my address stated above. The notice or correspondence shall be effective when deposited in the mail, first class, or delivered to me in person.

8. **MISCELLANEOUS:** This line of credit may not be changed except by a written agreement signed by you and me. The law of the state in which you are located will govern this agreement. Any term of this agreement which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation.

SIGNATURES: I AGREE TO THE TERMS OF THIS LINE OF CREDIT. I HAVE RECEIVED A COPY ON TODAY'S DATE.

FOR THE LENDER

By /s/ JIM EVANS
JIM EVANS
Title VICE PRESIDENT "

UNITED TRUST GROUP, INC.

By /s/ RANDALL L. ATTKISSON,
RANDALL L. ATTKISSON
PRESIDENT

By /s/ THEODORE C MILLER
THEODORE C MILLER
SECRETARY

**Presentation to:
First Commonwealth Corp.
Board of Directors**

Morgan Keegan & Company, Inc.
Financial Institutions Group

June 5, 2001

The information contained in this package should be considered confidential and should not be used for any purpose other than the Board of Directors' consideration of this transaction.

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Summary of the Offer

Summary of the Merger Offer

It is proposed that First Commonwealth Corporation ("FCC" or the "Company") (NASDAQ: FMVA) merge with and into United Trust Group, Inc. ("UTGI") (NASDAQ: UTGI)

A special committee of the Board of Directors of FCC has been appointed to review the transaction

At the Effective Time of the merger, FCC will cease to exist and UTGI will continue as the surviving corporation

Morgan Keegan has been retained to give its opinion as to the fairness, from a financial point of view, of the consideration offered in the transaction

Summary of the Merger Offer

The proposed consideration consists of a cash offer price of \$250.00 per share

Expected dollar amount of \$2,192,750

Expected to represent approximately 8,771 shares, or 16.1% of total shares outstanding, and approximately 3,475 shareholders

Morgan Keegan Analyses

Summary of Morgan Keegan's Analyses

As part of our engagement, representatives of Morgan Keegan interviewed management of First Commonwealth Corp. at the Company's headquarters in Springfield, Illinois. Additionally, representatives conducted on site due diligence, reviewing financial documents and other information deemed relevant to performing our assignment. In rendering our Fairness Opinion, we performed the following analyses:

Stock Premium Analysis - Morgan Keegan looked at the trading history since January 1, 2000 of FCC stock to compare the offering price of \$250.00 per share in cash to the range of closing prices over the period ended May 31, 2001;

Comparable Companies Analysis - A group of comparable companies was selected based on asset size, market capitalization and line of business in order to compare the implied valuation multiples arising from the offering price of \$250.00 per share to the observed valuation multiples for similar companies that are more heavily traded; and,

Dividend Discount Analysis - Morgan Keegan analyzed projections provided by

management of the Company in order to determine the present value of the future cash flows that a minority investor can expect to receive over the projection horizon. The range of adjusted values was then compared the offering prices of \$250.00 per share.

Stock Premium Analysis

Summary of the Stock Premium Analysis

As of 5/31/2001

Date	Last Trade	Volume	Cash Purchase	
			Offered Price	Offered Premium
08/07/2000	\$ 86.00	400	\$ 250.00	191%
08/04/2000	\$ 80.00	400	250.00	213%
05/22/2000	\$ 85.00	200	250.00	194%

Summary of the Stock Premium Analysis

Conclusion

FCC's stock is thinly traded, with total volume for the twelve months prior to the date of this opinion of 400 shares

Over the most recent twelve months prior to the date of this opinion, FCC's stock price has ranged from a high of \$86.00 per share to a low of \$80.00 per share

The cash offering price of \$250.00 represents a 191% premium above the most recent closing price of \$86.00 per share on May 25, 2001

On February 13, 2001, First Southern Bancorp, Inc. purchased 544 shares of FCC stock from James E. Melville and his family for \$200.00 per share in the form of a 5-year promissory note. The cash offering price represents a 25% premium to this negotiated price.

Comparable Companies Analysis

Comparable Companies Analysis

This analysis is performed to determine if the implied valuation resulting from the offering prices are similar to a group of FCC's comparable companies

Comparable companies are chosen primarily on asset size, market capitalization and similar business lines

The comparable companies were chosen based on the following screens:

Publicly traded life insurance underwriters with a current market capitalization less than \$100 million

As part of this analysis, Morgan Keegan adjusted the Company's reported income statement based on information provided by management to eliminate non-recurring expenses and extraordinary items. This results in an estimation of core net income from operations for FCC, which is a comparable measure of earning power to be used in the comparable companies analysis.

Additionally, Morgan Keegan estimated the present value of the Company's net operating loss carryforward ("NOLs") by applying the remaining balance of \$3,050,000 to projected 2001 statutory pre-tax income of \$4,100,000. The income sheltered by these NOLs, assuming a 35% tax rate, was discounted back to the present at a discount rate of 17.0%. The present value of the NOLs is \$974,041, as shown below.

Net Operating Loss Carryforward		\$3,050,000
x Income Taxes Saved @	35.0%	1,067,500
Discounted to June 1, 2001 @	17.0%	974,041
Present Value Factor for NOL @ 17% Discount Rate:		0.9125

Summary of Income Statement Adjustments

The adjustments to the Company's reported income statement identified by management are listed below:

Reported gains and losses from the sale of investment securities totaling \$715,328 for the twelve months ended March 31, 2001 were eliminated from reported income as they are not a part of the core operations of the Company;

The accrual for James Melville's employment contract totaling \$562,000 was eliminated from reported income due to its non-recurring nature;

The accrual for Larry Ryherd's employment contract totaling \$933,000 was eliminated from reported income due to its non-recurring nature;

The accrual for litigation associated with the defense of a legal matter totaling \$500,000 was eliminated from reported income due to its non-recurring nature; and,

The sum of reported pre-tax income plus these adjustments was tax effected at 35% to reflect adjusted net income on a comparable basis as that reported by the comparable companies.

A table itemizing these adjustments appears on the following page.

Summary of Income Statement Adjustments

Adjusted Income Statement	LTM 03/31/01
Reported Pre-Tax Income	(\$574,608)
Adjustments:	
(1) Eliminate (Gains)/Losses on Sale of Investments	715,328
(2) Eliminate Accruals for Melville Employment Contract	562,000
(3) Eliminate Accruals for Ryherd Employment Contract	933,000
(4) Eliminate Accrual for Litigation	500,000
(5) Income Tax Adjustment @ 35.0%	(748,000)
ADJUSTED NET INCOME	\$1,387,720
Adjusted Net Income	\$1,387,720
Plus:	
Taxes	748,000
Interest	1,192,411
ADJUSTED EBIT	\$3,328,131
Plus:	
Depreciation and Amortization	3,816,894
ADJUSTED EBITDA	\$7,145,025

Summary of the Comparable Company Analysis

	FMVA COMPARABLE COMPANY TABLE				
	Market Value of Equity /			Market Value of Total Capital/	
	LTM Net Income	2001E Net Income	Tangible Book Value	LTM EBIT	LTM EBITDA
High	73.22	8.84	1.13	64.85	5.51
Low	7.20	6.74	0.35	4.35	2.90
Mean	18.99	7.79	0.69	16.77	4.11
Median	8.05	7.79	0.64	7.05	3.73
FMVA - \$250 Cash Offer	9.80	15.09	0.61	7.94	3.70

Comparable	Implied Price Per Share for FMVA				
	Market Value of Equity /			Market Value of Total Capital/	
Company Multiples	LTM Net Income *	2001E Net Income *	Tangible Book Value*	LTM EBIT	LTM EBITDA
High	\$1,886.34	\$ 164.34	\$ 481.25	\$ 3,732.58	\$ 488.23
Low	\$201.60	129.64	159.42	30.03	144.37

Mean	502.38	146.99	300.19	790.28	304.49
Median	223.20	146.99	278.00	195.30	253.79

* Calculated by adding the per share value of the NOL to the implied value derived from the comparable company multiples. The per share value of the NOL is calculated as: \$974,041 / 54,385 = \$17.91.

See Exhibit 1

Summary of the Comparable Company Analysis

Conclusion

The offering price of \$250.00 per share represents the following valuation multiples for First Commonwealth Corp.:

FMVA COMPARABLE COMPANY TABLE				
Market Value of Equity /			Market Value of Total Capital/	
LTM Net Income	2001E Net Income	Tangible Book Value	LTM EBIT	LTM EBITDA
FMVA - \$250 Cash Offer	9.80	15.09	0.61	7.94
				3.70

The implied price / earnings multiples for are higher than the median P/E multiple for the comparable companies

The implied price / tangible book multiple is in line with the median for the comparable companies

The implied market value of total capital ("MVTC") / EBIT and MVTC / EBITDA multiples are within the range of multiples for the comparable companies

The Comparable Companies First Commonwealth Corp. Comparables

Standard Management Corp	SMAN
Ceres Group	CERG
Financial Industries Group	FNIN
Cotton States Life Insurance Co.	CSLI
Security National Financial Corp	SNFCA
Acap Corporation	AKAP
Citizens Financial Corp	CNFL
Southern Security Life Insurance	SSLI
Rushmore Financial Group	RFGI

Dividend Discount Analysis

Summary of the Dividend Discount Analysis

Methodology

Morgan Keegan analyzed a dividend discount models based on projections for FCC provided by management of the Company

These projections are summarized below:

Projected statutory pre-tax income for 2001 totaled \$4.1 million, and increased to \$6.5 million for fiscal 2004 and 2005

Projected statutory pre-tax income was taxed at 35% in each year to arrive at statutory net income

65% of the net amortization for cost of insurance acquired was deducted from statutory net income to reconcile to a GAAP basis

65% of the net amortization for deferred policy acquisition costs was deducted from statutory net income to reconcile to a GAAP basis

The Company paid no dividends over the projection horizon

The beginning date of the analysis is June 1, 2001

Morgan Keegan adjusted the implied values derived from the dividend discount analysis by adding back the estimated present value of the NOLs (\$974,041), since the GAAP net income projections had been taxed at 35%

A sensitivity analysis was performed based on the Company's the degree to which projected 2005 net income was achieved - ranging from 70% to 130% of projected GAAP net income in 2005

The multiples of net income in 2005 used to determine a terminal value ranged from 6.50x to 9.50x

Summary of the Dividend Discount Analysis

Conclusion

After adjusting to include the impact of the NOLs, the model produced a range of values from \$8.1 million to \$20.4 million, with a median of \$13.6 million. Assuming 54,385 common shares outstanding, this translates into per share values ranging from \$149.28 to \$374.47, with a median per share value of \$248.88

The offering price of \$250.00 per share is within the range of values implied by the dividend discount analysis

**First Commonwealth Corp.
Dividend Discount Analysis**

	2001	2002	2003	2004	2005
Projected Pre-Tax Income	\$4,100,000	\$4,870,000	\$5,785,000	\$6,515,000	\$6,515,000
Less: Income Taxes @ 35%	(1,435,000)	(1,704,500)	(2,024,750)	(2,280,250)	(2,280,250)
Less: Amort. Of Cost of Insurance Acquired	(725,400)	(623,350)	(529,100)	(443,300)	(382,850)
Less: Amort. Of Deferred Policy Acq. Costs	(1,038,700)	(917,800)	(809,900)	(713,700)	(627,250)
GAAP Net Income	900,900	1,624,350	2,421,250	3,077,750	3,224,650
Dividend Distributions to Shareholders	0.0%	0.0%	0.0%	0.0%	0.0%
Interim Cash Flows to Minority Investors	0	0	0	0	0
+ Terminal Value (Multiple of Pre-Tax Income)					25,797,200
= Interim Cash Flows + Terminal Value	\$0	\$0	\$0	\$0	\$25,797,200
x Present Value Interest Factor	0.91245	0.77987	0.66656	0.56971	0.48693
= Present Value of Cash Flows	0	0	0	0	12,561,412
Compounding Periods (End of Year Convention)	0.58	1.58	2.58	3.58	4.58
Present Value of Future Cash Flows @ 17.0%	\$12,561,412				
Plus: Present Value of NOL Carryforwards @ 17.0%	974,041				
Implied Value of Equity Capital	\$13,535,500				
	Terminal Value Determination				
					2005 Net Income
					Net Income Multiple
					Terminal Value
					PV of Terminal Value
					Terminal Value as % of Total

**First Commonwealth Corp.
Dividend Discount Analysis**

Sensitivity Analysis

Matrix of Outcomes Varying the Net Income and Multiple, Constant Discount Rate

Terminal Value Net Income Multiple

Range of Year 5 Net Income	6.50	7.00	7.50	8.00	8.50	9.00	9.50
70% \$2,257,000	\$8,118,344	\$8,667,906	\$9,217,468	\$9,767,030	\$10,316,591	\$10,866,153	\$11,415,715
80% \$2,580,000	\$9,138,959	\$9,767,030	\$10,395,100	\$11,023,171	\$11,651,241	\$12,279,312	\$12,907,383
90% \$2,902,000	\$10,159,574	\$10,866,153	\$11,572,733	\$12,279,312	\$12,985,891	\$13,692,471	\$14,399,050
100% \$3,224,650	\$11,180,188	\$11,965,277	\$12,750,365	\$13,535,453	\$14,320,542	\$15,105,630	\$15,890,718
110% \$3,547,000	\$12,200,803	\$13,064,400	\$13,927,997	\$14,791,594	\$15,655,192	\$16,518,789	\$17,382,386
120% \$3,870,000	\$13,221,418	\$14,163,524	\$15,105,630	\$16,047,736	\$16,989,842	\$17,931,948	\$18,874,053
130% \$4,192,000	\$14,242,033	\$15,262,647	\$16,283,262	\$17,303,877	\$18,324,492	\$19,345,106	\$20,365,721

**Terminal Value Net Income Multiple
Sensitivity Analysis**

Implied Range of Per Share Values

Range of Year 5 Net Income	6.50	7.00	7.50	8.00	8.50	9.00	9.50
70% \$2,257,000	\$149.28	\$159.38	\$169.49	\$179.59	\$189.70	\$199.80	\$209.91
80% \$2,580,000	\$168.04	\$179.59	\$191.14	\$202.69	\$214.24	\$225.78	\$237.33
90% \$2,902,000	\$186.81	\$199.80	\$212.79	\$225.78	\$238.78	\$251.77	\$264.76
100% \$3,224,650	\$205.57	\$220.01	\$234.45	\$248.88	\$263.32	\$277.75	\$292.19
110% \$3,547,000	\$224.34	\$240.22	\$256.10	\$271.98	\$287.86	\$303.74	\$319.62
120% \$3,870,000	\$243.11	\$260.43	\$277.75	\$295.08	\$312.40	\$329.72	\$347.05
130% \$4,192,000	\$261.87	\$280.64	\$299.41	\$318.17	\$336.94	\$355.71	\$374.47

**First Commonwealth Corp.
Dividend Discount Analysis
Discount Rate and Terminal Multiple Determination**

Estimated Cost of Equity Capital	
YTM on 20 Year U.S. Treasuries	6.04%
Beta	1.00
Equity Premium	6.20%
Beta Adjusted Equity Premium	6.20%
Small Company Stock Premium	3.20%
Company Specific Risk Premium	2.00%

Marginal Cost of Equity Capital	17.44%
Equity Discount Rate	17.4%
Less: Long-term growth rate in Net Income	-5.0%

Capitalization Rate on Net Income (CR)	12.4%
Capitalization Factor - Multiple of Net Income (1/CR)	8.04
	=====

Conclusion

The stock premium analysis indicated that the offering price represents a significant premium over the most recent closing price for FCC stock, as well as a significant premium over the price of FCC stock over the prior twelve months.

The comparable companies analysis indicated that the offering price of \$250.00 per share generated valuation multiples that were in line or above the median pricing multiples of the comparable companies.

The dividend discount analysis indicated that the offering price of \$250.00 per share is in the range of implied values generated by the model.

Based upon our analysis, it is our opinion that, as of the date hereof, the offering price of \$250.00 per share is fair, from a financial point of

**Exhibit 1
Comparable Company Analysis**

**First Commonwealth Corp.
Comparable Companies Analysis**

Company / Latest Financials	Share Price 05/31 2001	Year		Shares Outst. (1)	Market Value	Net Debt (2)	Adjusted Market Value (3)	Latest Twelve Months' (4)					E.P.S.			
		High	Low					Revenue	EBITDA	EBIT	Net Income	Tangible Book Value	LTM EPS	2001Cal Est. (5)	2002Cal Est. (5)	
Standard Management Corp 03/31/2001	SMAN	5.53	6.25	2.75	7,545	\$41,725	\$29,326	\$71,051	\$75,934	\$20,347	\$10,485	\$5,755	\$65,617	\$0.77	0.82	NA
Ceres Group 03/31/2001	CERG	5.01	7.31	4.20	17,452	\$87,434	\$8,986	\$96,420	\$628,424	\$24,788	\$22,173	\$10,225	\$79,042	\$0.60	NA	NA
Financial Industries Group 03/31/2001	FNIN	12.50	16.99	7.88	5,055	\$63,183	\$29,957	\$93,140	\$45,103	\$17,477	\$8,391	\$8,910	\$129,917	\$1.73	NA	NA
Cotton States Life Insurance Co. 03/31/2001	CSLI	11.49	15.50	7.41	6,389	\$73,408	\$0	\$73,408	\$42,450	\$13,315	\$10,026	\$7,104	\$64,803	\$1.10	\$1.30	\$1.46
Security National Financial Corp 03/31/2001	SNFCA	2.13	3.10	2.00	4,451	\$9,481	\$16,770	\$26,251	\$63,689	\$7,358	\$4,213	\$1,258	\$27,404	\$0.29	NA	NA
Acap Corporation 03/31/2001	AKAP	450.00	700.00	400.00	7	\$3,332	\$930	\$4,262	\$21,587	(\$547)	(\$1,009)	(\$549)	\$7,074	(\$104.70)	NA	NA
Citizens Financial Corp 03/31/2001	CNFL	9.75	16.31	9.75	1,758	\$17,143	(\$19,147)	(\$2,005)	\$27,934	(\$3,859)	(\$3,214)	(\$2,567)	\$22,306	(\$1.45)	NA	NA
Southern Security Life Insurance 03/31/2001	SSLI	3.13	4.81	3.12	1,908	\$5,972	\$582	\$6,554	\$10,700	\$2,263	\$101	\$82	\$16,585	\$0.04	NA	NA
Rushmore Financial Group 03/31/2001	RFGI	0.77	2.00	0.38	5,551	\$4,274	\$35	\$4,309	\$4,539	(\$1,815)	(\$2,058)	(\$1,306)	\$4,726	(\$0.27)	NA	NA

(1) Shares outstanding includes in-the-money options using the treasury stock method.

(2) Short-term debt, long-term debt (including capitalized lease obligations), and preferred stock minus cash and marketable securities.

(3) Market value of equity plus net debt.

(4) Income statement data excludes extraordinary items.

(5) Mean estimates obtained from First Call and Bloomberg.

(6) EPS available to common were calculated net of preferred dividends

First Commonwealth Corp.
Comparable Companies Analysis

Company Name	Growth					Multiple of Adj. Market Value			Multiple of Market Value						
	EBITDA Margin	EBIT Margin	Net Income Margin	Return on Latest Equity	Net Debt to Total Capital	Revenue 4-Year CAGR	Net Income 4-Year CAGR	Revenue	EBITDA	EBIT	Net Income	LTM EPS	2001 Cal EPS	2002 Cal EPS	Tangible Book Value
Standard Management Corp	26.8%	13.8%	7.6%	8.1%	29.2%	17.3%	1.8%	0.94 x	3.5 x	6.8 x	7.3 x	7.2 x	6.7 x	NA x	0.6 x
Ceres Group	3.9%	3.5%	1.6%	9.8%	7.9%	21.4%	NM	0.15 x	3.9 x	4.3 x	8.6 x	8.4 x	NA x	NA x	1.1 x
Financial Industries Group	38.7%	18.6%	19.8%	6.9%	18.7%	-7.2%	NM	2.07 x	5.3 x	11.1 x	7.1 x	7.2 x	NA x	NA x	0.5 x
Cotton States Life Insurance Co.	31.4%	23.6%	16.7%	11.0%	0.0%	13.7%	12.0%	1.73 x	5.5 x	7.3 x	10.3 x	10.5 x	8.8 x	7.9 x	1.1 x
Security National Financial Corp	11.6%	6.6%	2.0%	4.6%	38.0%	18.5%	-7.8%	0.41 x	3.6 x	6.2	7.5 x	7.4	NA	NA	0.3
Acap Corporation	NM	NM	NM	NM	11.6%	NM	NM	0.20 x	NM x	NM x	NM x	NM x	NA x	NA x	0.5 x
Citizens Financial Corp	NM	NM	NM	NM	-480.8%	9.0%	-31.9%	-0.07 x	NM x	NM x	NM x	NM x	NA x	NA x	0.8 x
Southern Security Life Insurance	21.2%	0.9%	0.8%	0.5%	3.4%	-3.2%	-41.8%	0.61 x	2.9 x	64.9 x	73.2 x	73.2 x	NA x	NA	0.4
Rushmore Financial Group	NM	NM	NM	NM	0.6%	NM	NM	0.95 x	NM x	NM x	NM x	NM x	NA x	NA x	0.9 x
Low	3.9%	0.9%	0.8%	0.5%	-480.8%	-7.2%	-41.8%	-0.07 x	2.90 x	4.35 x	7.09 x	7.20 x	6.74 x	7.87 x	0.35 x
Mean	22.3%	11.2%	8.1%	6.8%	-41.3%	9.9%	-13.5%	0.78 x	4.11 x	16.77 x	19.00 x	18.99 x	7.79 x	7.87 x	0.69 x
High	38.7%	23.6%	19.8%	11.0%	38.0%	21.4%	12.0%	2.07 x	5.51 x	64.85 x	73.22 x	73.22 x	8.84 x	7.87 x	1.13 x
Median	24.0%	10.2%	4.8%	7.5%	7.9%	13.7%	-7.8%	0.61 x	3.73 x	7.05 x	8.05 x	7.89 x	7.79 x	7.87 x	0.64 x

NA - Not Available
NM - Not Meaningful