

People's United Financial, Inc.
Form 424B3
February 23, 2007
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File Pursuant to Rule 424(b)(3)
File No. 333-138389

PROSPECTUS OF PEOPLE S UNITED FINANCIAL, INC.

PROXY STATEMENT OF PEOPLE S BANK

People s Bank and its parent, People s Mutual Holdings, are converting from a mutual holding company structure to a fully-public ownership structure. Currently, People s Mutual Holdings owns 57.7% of People s Bank s common stock. The remaining 42.3% of People s Bank s common stock is owned by public stockholders. As a result of the conversion, our newly formed company, called People s United Financial, Inc., will become the parent of People s Bank. Shares of People s Bank common stock owned by the public will be exchanged for between 100,491,584 and 135,959,202 shares of common stock of People s United Financial (subject to increase to 156,353,083 shares as a result of market demand, regulatory considerations or changes in financial markets) so that People s Bank s existing public stockholders will own approximately the same percentage of People s United Financial common stock as they owned of People s Bank s common stock immediately prior to the conversion. The actual number of shares that you will receive will depend on the exchange ratio, which will depend on the percentage of People s Bank common stock held by the public at the completion of the conversion, the final independent appraisal of People s United Financial and the number of shares of People s United Financial common stock sold in the offering described in the following paragraph. It will not depend on the market price of People s Bank common stock. See *The Conversion and Offering The Share Exchange of People s Bank Common Stock for People s United Financial Common Stock* for a discussion of the exchange ratio. Based on the \$45.33 per share closing price of People s Bank common stock as of the last trading day prior to the date of this proxy statement/prospectus, unless at least 185,881,331 shares of People s United Financial common stock are sold in the offering (slightly above the maximum of the offering range), the initial value of the People s United Financial common stock you receive in the share exchange would be less than the market value of the People s Bank common stock you currently own. See *Risk Factors The Market Value of People s United Financial Common Stock Received in the Share Exchange May Be Less than the Market Value of People s Bank Common Stock Exchanged*.

Concurrently with the exchange offer, we are offering up to 185,437,500 shares of common stock of People s United Financial, representing the 57.7% ownership interest of People s Mutual Holdings in People s Bank, for sale to eligible depositors and to the public at a price of \$20.00 per share. We may increase the maximum number of shares that we sell in the offering, without notice to persons who have subscribed for shares, by up to 15%, to 213,253,125 shares, as a result of market demand, regulatory considerations or changes in financial markets. The conversion of People s Mutual Holdings and the offering and exchange of common stock by People s United Financial is referred to herein as the conversion and offering. After the conversion and offering are completed, People s Bank will be a wholly-owned subsidiary of People s United Financial, and 100% of the common stock of People s United Financial will be owned by public stockholders. As a result of the conversion and offering, People s Mutual Holdings will cease to exist.

People s Bank common stock is currently listed on the Nasdaq Global Select Market under the trading symbol PBCT. We expect People s United Financial common stock to trade on that market under the symbol PBCTD for a period of 20 trading days after completion of the offering. Thereafter, People s United Financial s trading symbol will revert to PBCT. In connection with the conversion, we also intend to form The People s Community Foundation and contribute to it 2,000,000 shares of People s United Financial common stock and \$20.0 million in cash from the offering proceeds.

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The conversion and offering cannot be completed unless the stockholders of People's Bank approve the plan of conversion. People's Bank is holding a special meeting of stockholders of People's Bank at The Klein Memorial Auditorium, 910 Fairfield Avenue, Bridgeport, Connecticut, on April 5, 2007 at 10:00 a.m., Eastern Time, to consider and vote upon:

1. The amended and restated agreement and plan of conversion and reorganization (the plan of conversion) of People's Bank and People's Mutual Holdings;
2. The establishment and funding of The People's Community Foundation; and
3. Any other matters that may properly come before the special meeting or any adjournment or postponement thereof. (Note: Management is not aware of any such other matters at this time.)

People's Bank's Board of Directors unanimously recommends that its stockholders vote FOR each proposal.

By their approval of the plan of conversion as set forth in Proposal 1, the Board of Directors of People's Bank has approved the proposals described in this proxy statement/prospectus relating to People's United Financial's Certificate of Incorporation. These proposals are informational in nature only because the Office of Thrift Supervision's regulations governing mutual-to-stock conversions do not provide for votes on matters other than the plan of conversion and the establishment and funding of the charitable foundation. These proposals are referred to as informational proposals and People's Bank stockholders are not being asked to approve these informational proposals at the special meeting.

This document serves as the proxy statement for the special meeting of stockholders of People's Bank and the prospectus for the shares of People's United Financial common stock to be issued in exchange for shares of People's Bank common stock. We urge you to read this entire document carefully. You can also obtain information about our companies from documents that we have filed with the Securities and Exchange Commission and the Office of Thrift Supervision. This document does not serve as the prospectus relating to the offering by People's United Financial of its shares of common stock in the subscription offering and any syndicated offering, both of which will be made pursuant to a separate prospectus.

Shares of People's United Financial common stock are not deposits or savings accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

None of the Securities and Exchange Commission, the Office of Thrift Supervision nor any state securities regulator has approved or disapproved of these securities or determined if this proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

For assistance, please call our proxy information agent, Georgeson Inc. at 1-866-277-1186, Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time, Saturday from 10:00 a.m. to 4:00 p.m., Eastern Time and Sunday from 11:00 a.m. to 4:00 p.m., Eastern Time.

The date of this proxy statement/prospectus is February 14, 2007, and is first being mailed to stockholders of People's Bank on or about February 23, 2007.

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REFERENCE TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about People's Bank, People's United Financial and People's Mutual Holdings from other documents that are not included in, or delivered with, this proxy statement/prospectus, including the plan of conversion. This information is available to you without charge upon your written or oral request. You can obtain these documents relating to People's Bank, People's United Financial and People's Mutual Holdings by requesting them in writing from: People's Bank Investor Relations, Bridgeport Center, 850 Main Street, Bridgeport, Connecticut 06604 or by calling (203) 338-7228.

If you would like to request documents, you must do so no later than March 27, 2007 in order to receive them before People's Bank's special meeting of stockholders. You will not be charged for any of these documents that you request.

For additional information regarding where you can find information about People's Bank, People's United Financial and People's Mutual Holdings, please see the section entitled *Where You Can Find Additional Information* on page 221 of this proxy statement/prospectus. A copy of the plan of conversion and its exhibits are available for inspection at each of People's Bank's branches.

For information on submitting your proxy, please refer to the instructions on the enclosed proxy card.

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People s Bank

Bridgeport Center

850 Main Street

Bridgeport, Connecticut 06604

(203) 338-7171

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 5, 2007

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of People s Bank (the Special Meeting) will be held at The Klein Memorial Auditorium, 910 Fairfield Avenue, Bridgeport, Connecticut, on Thursday, April 5, 2007 at 10:00 a.m., Eastern Time, to consider and vote upon:

1. The amended and restated agreement and plan of conversion and reorganization (the plan of conversion) pursuant to which, among other things, People s United Financial, Inc. (People s United Financial) will offer for sale shares of its common stock and shares of common stock of People s Bank currently held by public stockholders will be exchanged for shares of People s United Financial common stock. As a result, People s Mutual Holdings will no longer exist as a separate entity, and People s Bank will be a wholly-owned subsidiary of People s United Financial;
2. The establishment of The People s Community Foundation, a Delaware non-stock corporation dedicated to the promotion of charitable purposes within People s Bank s market area, and the funding of the charitable foundation with 2,000,000 shares of People s United Financial common stock and \$20.0 million in cash from the offering proceeds; and
3. Any other matters that may properly come before the Special Meeting or any adjournment or postponement thereof. (Note: Management is not aware of any such other matters at this time.)

The following informational proposals relating to People s United Financial s Certificate of Incorporation are also described in this proxy statement/prospectus, but, due to Office of Thrift Supervision regulations, are not subject to a vote of the People s Bank stockholders. People s Bank stockholders are not being asked to approve these informational proposals at the Special Meeting.

1. Increasing the amount of authorized common stock from 450,000,000 shares of common stock in People s Bank s Charter to 1.95 billion shares of common stock in People s United Financial s Certificate of Incorporation;
2. Including provisions governing business combinations with interested stockholders in People s United Financial s Certificate of Incorporation;
3. Precluding stockholder action without a meeting in People s United Financial s Certificate of Incorporation;
4. Including provisions in People s United Financial s Certificate of Incorporation that limit certain amendments to People s United Financial s Bylaws;

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5. Including provisions in People's United Financial's Certificate of Incorporation that limit certain amendments to the Certificate of Incorporation; and

6. Including provisions in People's United Financial's Certificate of Incorporation that limit stockholders' ability to remove directors. The Board of Directors has fixed February 5, 2007 as the record date for the determination of stockholders entitled to notice of and to vote at the Special Meeting and at any adjournment or postponement thereof.

The following proxy statement/prospectus is a summary of information about People's Bank and the proposed conversion and offering. A copy of the plan of conversion is available for inspection at every People's Bank branch.

By Order of the Board of Directors,

John A. Klein

Chairman, Chief Executive Officer and President

Bridgeport, Connecticut

February 23, 2007

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Your prompt vote is very important. Failure to vote will have the same effect as voting against the plan of conversion and the establishment and funding of the charitable foundation. Without sufficient favorable votes, we cannot proceed with the conversion and offering and the establishment and funding of the charitable foundation.

The Board of Directors recommends that you promptly vote the enclosed proxy card(s) in favor of the adoption of the plan of conversion and the establishment and funding of The People's Community Foundation. Proxy votes must be cast prior to the commencement of the Special Meeting. Voting a proxy card will not prevent you from voting in person at the Special Meeting.

We have mailed a proxy card with this proxy statement/prospectus to each of our registered stockholders as of the record date.

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You should rely only on the information contained in this proxy statement/prospectus or to which we have referred you. We have not authorized anyone to provide you with information that is different. This proxy statement/prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities offered hereby to any person in any jurisdiction in which such offer or solicitation would be unlawful. The affairs of People's Mutual Holdings, People's United Financial, People's Bank and their subsidiaries may change after the date of this proxy statement/prospectus. Delivery of this proxy statement/prospectus and the exchange of shares of People's Bank common stock made hereunder does not mean otherwise.

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QUESTIONS AND ANSWERS

FOR STOCKHOLDERS OF PEOPLE'S BANK

You should read this document for more information about the conversion and offering. The plan of conversion described herein has been conditionally approved by the Office of Thrift Supervision.

The Proxy Vote

Q. *What are the proposals that our stockholders are being asked to approve?*

A. People's Bank stockholders as of February 5, 2007 are asked to vote on the plan of conversion. Under the plan of conversion, People's Mutual Holdings will convert from the mutual holding company form to a stock holding company, and as part of such conversion, People's United Financial will offer for sale, in the form of shares of its common stock, People's Mutual Holdings' 57.7% ownership interest in People's Bank. In addition to the shares of common stock to be issued to those who purchase shares in the offering, public stockholders of People's Bank as of the completion of the conversion will receive shares of People's United Financial common stock in exchange for their existing shares of People's Bank common stock based on an exchange ratio.

People's Bank stockholders as of February 5, 2007 are also asked to vote on the establishment and funding of The People's Community Foundation to benefit our communities. As part of the conversion and offering, we will fund the charitable foundation with 2,000,000 shares of People's United Financial common stock and \$20.0 million in cash from the offering proceeds.

In addition, informational proposals relating to People's United Financial's Certificate of Incorporation are also described in this proxy statement/prospectus, but, due to Office of Thrift Supervision regulations, are not subject to a vote of the People's Bank stockholders. People's Bank stockholders are not being asked to approve these informational proposals at the Special Meeting.

Q. *What is the conversion?*

A. People's Bank and its parent, People's Mutual Holdings, are converting from a mutual holding company structure to a fully-public ownership structure. Currently, People's Mutual Holdings owns 57.7% of People's Bank's common stock. The remaining 42.3% of People's Bank's common stock is owned by public stockholders. As a result of the conversion, our newly formed company, called People's United Financial, Inc., will become the parent of People's Bank.

Shares of common stock of People's United Financial, representing the 57.7% ownership interest of People's Mutual Holdings in People's Bank, are being offered for sale to eligible depositors and to the public. At the completion of the conversion and offering, current public stockholders of People's Bank will exchange their shares of People's Bank common stock for shares of common stock of People's United Financial.

After the conversion and offering are completed, People's Bank will become a wholly-owned subsidiary of People's United Financial, and 100% of the common stock of People's United Financial will be owned by public stockholders. As a result of the conversion and offering, People's Mutual Holdings will cease to exist.

See *The Conversion and Offering* beginning on page 183 of this proxy statement/prospectus, for more information about the conversion.

Q. *What are the reasons for the conversion and offering?*

A. The conversion and offering are intended to provide us with significantly greater access to capital than is available to us under the mutual holding company structure and to significantly increase the liquidity of our common stock. In addition, the stock holding company

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structure will provide us with more flexibility in structuring mergers and acquisitions. The net proceeds raised in the offering will allow us to:

finance *de novo* expansion and support organic growth both inside and outside of the state of Connecticut;

acquire other financial institutions, businesses related to banking or branches, although there is no specific agreement with any institution or business at this time;

increase lending to support continued growth in our commercial banking loan portfolios;

establish and fund a charitable foundation to benefit the communities we serve; and

use the additional capital for other general corporate purposes.

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Q. *What is The People's Community Foundation?*

- A.** To continue our long-standing commitment to our local communities, we intend to establish a charitable foundation, The People's Community Foundation, to benefit the communities that we serve. We will fund the charitable foundation with 2,000,000 shares of People's United Financial common stock and \$20.0 million in cash from the offering proceeds. The People's Community Foundation will make grants and donations to non-profit and community groups and projects within our market areas. We believe the charitable foundation will enhance the long-term value of our banking franchise.

Q. *Why should I vote?*

- A.** You are not required to vote, but your vote is very important. In order for us to implement the plan of conversion and establish and fund the charitable foundation, we must receive the affirmative vote of the holders of a majority of the outstanding shares of People's Bank common stock entitled to vote at the Special Meeting, excluding shares held by People's Mutual Holdings. **YOUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE PLAN OF CONVERSION AND THE ESTABLISHMENT AND FUNDING OF THE CHARITABLE FOUNDATION.**

Q. *What happens if I don't vote?*

- A.** **Your prompt vote is very important. Not voting will have the same effect as voting *Against* each of the proposals.** Without sufficient favorable votes for the plan of conversion and charitable foundation, we will not proceed with the conversion and offering or establish and fund the charitable foundation.

Q. *How do I vote?*

- A.** You should sign your proxy card and return it in the enclosed proxy reply envelope. Alternatively, you may vote by Internet or telephone by following the simple instructions on the proxy card. Each proxy card has a unique number to be entered if you choose to vote by Internet or telephone. **PLEASE VOTE PROMPTLY. NOT VOTING HAS THE SAME EFFECT AS VOTING *AGAINST* THE PROPOSALS.**

Q. *If my shares are held in street name, will my broker automatically vote on my behalf?*

- A.** No. Your broker will not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares, using the directions that your broker provides to you.

Q. *What if I do not give voting instructions to my broker?*

- A.** If you do not instruct your broker to vote your shares by proxy, each unvoted share will have the same effect as a vote against each of the proposals. We urge you to vote your proxy card. If you don't have your proxy card, contact your broker.

The Exchange

Q. *I own People's Bank common stock. What will happen to my shares?*

A. Effective upon the date of completion of the conversion and offering, expected to be in April 2007, your shares of People's Bank common stock will be canceled and exchanged for new shares of People's United Financial common stock.

Q. *How many shares of People's United Financial stock will I receive in the share exchange?*

A. You will receive between 1.6712 and 2.2611 shares (subject to increase to 2.6003 shares) of People's United Financial common stock for each share of People's Bank common stock you own on the date of the completion of the conversion and offering. You will receive cash for the value of any fractional share. For example, if you own 100 shares of People's Bank common stock, and the exchange ratio is 1.9662 (at the midpoint of the offering range), after the conversion you will receive 196 shares of People's United Financial common stock and \$12.40 in cash, the value of the fractional share, based on the \$20.00 per share offering price. Stockholders who hold shares in street-name at a brokerage firm will receive these funds in their brokerage account. Stockholders with stock certificates or shares held in book-entry form will receive checks.

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The actual number of shares that you receive will depend on the exchange ratio, which will depend on the percentage of People's Bank common stock held by the public at the completion of the conversion, the final independent appraisal of People's United Financial and on the number of shares of People's United Financial common stock sold in the offering. It will not depend on the market price of People's Bank common stock. See *The Conversion and Offering The Share Exchange of People's Bank Common Stock for People's United Financial Common Stock* beginning on page 185 of this proxy statement/prospectus for a discussion of the exchange ratio.

Q. How will my existing People's Bank shares be exchanged?

- A.** If your shares of People's Bank common stock are held in street name at a brokerage firm or are held in book-entry form by our transfer agent, Mellon Investor Services LLC, promptly upon completion of the conversion, your shares will be automatically exchanged within your account, without any action on your part. The number of shares of People's United Financial common stock that you own will be reflected on your brokerage statement, or, if your shares are held in book-entry form, Mellon Investor Services LLC will mail you an account statement indicating the number of shares of People's United Financial common stock held by you.

If you have possession of a stock certificate, shortly after completion of the conversion, you will receive a transmittal form with instructions on how to surrender your People's Bank stock certificate to our transfer agent, acting as exchange agent. Shares of People's United Financial common stock issued to you in the exchange will be issued in book-entry form, meaning that you will not receive a stock certificate. Within three business days after the exchange agent receives your properly completed and signed transmittal form, accompanied by your People's Bank stock certificate, our transfer agent, Mellon Investor Services LLC, will mail you an account statement indicating the number of shares of People's United Financial common stock held in book-entry by Mellon Investor Services LLC on your behalf. The account statement will be accompanied by information telling you how to obtain a stock certificate, and how to transfer your shares to a brokerage account. **Please do not send in your stock certificate until you receive a transmittal form and instructions.**

Further Questions?

For answers to other questions, please read this proxy statement/prospectus. Questions about voting may be directed to our proxy information agent, Georgeson Inc. at 1-866-277-1186, Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time, Saturday from 10:00 a.m. to 4:00 p.m., Eastern Time and Sunday from 11:00 a.m. to 4:00 p.m., Eastern Time.

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SUMMARY

The following summary highlights the material information from this proxy statement/prospectus and may not contain all of the information that is important to you. You should read this entire document carefully, including the sections entitled Risk Factors and The Conversion and Offering and the consolidated financial statements and the notes to the consolidated financial statements, before making a decision to invest in People's United Financial common stock.

What This Document Is About

The Board of Directors of People's Bank and the Board of Trustees of People's Mutual Holdings have adopted a plan of conversion pursuant to which People's Bank will reorganize from a mutual holding company structure to a stock form holding company structure. As part of the conversion, People's Bank formed People's United Financial. Public stockholders of People's Bank will receive shares of People's United Financial common stock in exchange for their shares of People's Bank common stock based on an exchange ratio. This conversion to a stock holding company structure also includes the offering by People's United Financial of shares of its common stock to eligible depositors of People's Bank in a subscription offering and, if necessary, to the public in a syndicated offering or an underwritten public offering. Following the conversion and offering, People's Mutual Holdings will no longer exist and People's United Financial will be the parent company of People's Bank.

In connection with the conversion, we intend to contribute 2,000,000 shares of People's United Financial common stock and \$20.0 million in cash from the offering proceeds to The People's Community Foundation, a charitable foundation to be established in connection with the conversion and offering.

The conversion and offering and the establishment and funding of the charitable foundation cannot be completed unless the stockholders of People's Bank approve the plan of conversion. People's Bank's stockholders will vote on the plan of conversion and the establishment and funding of the charitable foundation at People's Bank's special meeting. This document is the proxy statement used by People's Bank's Board of Directors to solicit proxies for the special meeting. It is also the prospectus of People's United Financial regarding the shares of People's United Financial common stock to be issued to People's Bank stockholders in the share exchange. This document does not serve as the prospectus relating to the offering by People's United Financial of its shares of common stock in the subscription offering and any syndicated offering, both of which will be made pursuant to a separate prospectus.

In addition, informational proposals relating to People's United Financial's Certificate of Incorporation are also described in this proxy statement/prospectus, but, due to Office of Thrift Supervision regulations, are not subject to a vote of People's Bank stockholders. People's Bank stockholders are not being asked to approve these informational proposals at the special meeting.

The People's Bank Special Meeting

Date, Time and Place. People's Bank will hold its special meeting of stockholders to consider and vote on the plan of conversion and the establishment and funding of the charitable foundation at The Klein Memorial Auditorium, 910 Fairfield Avenue, Bridgeport, Connecticut on April 5, 2007 at 10:00 a.m., Eastern Time.

Record Date. The record date for stockholders entitled to vote at the special meeting of stockholders is February 5, 2007. 142,164,228 shares of People's Bank common stock were outstanding on the record date and entitled to vote at the special meeting.

The Proposals. Stockholders will be voting on the following proposals at the special meeting:

1. Approval of the plan of conversion;
2. The establishment and funding of The People's Community Foundation; and
3. Any other matters that may properly come before the special meeting or any adjournment or postponement thereof.

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The Informational Proposals. The provisions of People's United Financial's Certificate of Incorporation which are summarized as informational proposals 1 through 6 were approved as part of the process in which the Board of Directors of People's Bank approved the plan of conversion. These proposals are informational in nature only, because the Office of Thrift Supervision's regulations governing mutual-to-stock conversions do not provide for votes on matters other than the plan of conversion and the establishment and funding of the charitable foundation. People's Bank stockholders are not being asked to approve these informational proposals at the Special Meeting.

Vote Required. The affirmative vote of the holders of a majority of the outstanding shares of People's Bank common stock entitled to vote at the special meeting and the affirmative vote of the holders of a majority of the outstanding shares of People's Bank common stock, excluding shares held by People's Mutual Holdings, is required to approve the plan of conversion and the establishment and funding of The People's Community Foundation. Under Office of Thrift Supervision regulations and the plan of conversion, each of these two proposals are also subject to the approval of the Office of Thrift Supervision and the affirmative vote of a majority of the total eligible votes of the depositors of People's Bank. If there are insufficient votes at the time of the special meeting of stockholders, the special meeting may be adjourned by People's Bank's Board of Directors to permit further solicitation of proxies.

As of the record date, the directors and executive officers of People's Bank and their affiliates beneficially owned 1,792,116 shares, or approximately 1.25% of the outstanding shares of People's Bank common stock and People's Mutual Holdings owned 82,012,500 shares, or approximately 57.7% of the outstanding shares of People's Bank common stock. People's Mutual Holdings is expected to vote all of its shares FOR the plan of conversion and the establishment and funding of the charitable foundation.

People's Bank's Board of Directors unanimously recommends that People's Bank stockholders vote FOR the plan of conversion and the establishment and funding of The People's Community Foundation.

The Companies

People's United Financial, Inc. People's United Financial is a newly-formed Delaware corporation and currently a wholly-owned subsidiary of People's Bank. People's United Financial was formed for the purpose of effectuating the conversion and offering described in this proxy statement/prospectus. In connection with those transactions, People's United Financial is registering shares of its common stock with the Securities and Exchange Commission and will be selling shares of its common stock to new stockholders and, as described in this proxy statement/prospectus, issuing shares of its common stock to existing stockholders of People's Bank in exchange for their shares of People's Bank common stock. People's United Financial currently does not have significant assets, but as a result of the conversion and offering, it will become the holding company of People's Bank.

People's Bank. People's Bank is a federal stock savings bank and as a result of the conversion and offering will become the wholly-owned subsidiary of People's United Financial. People's Bank was organized in 1842 as a Connecticut mutual savings bank. In 1988, People's Bank reorganized into the mutual holding company structure, converted to a Connecticut-chartered stock savings bank and became the majority-owned subsidiary of People's Mutual Holdings, a Connecticut-chartered mutual holding company. Effective August 18, 2006, People's Bank converted to a federal stock savings bank regulated by the Office of Thrift Supervision. At September 30, 2006, People's Bank had total assets of \$10.6 billion, total deposits of \$9.0 billion and total stockholders' equity of \$1.4 billion.

People's Mutual Holdings. People's Mutual Holdings is the federally-chartered mutual holding company of People's Bank. Its principal business is to own a majority of People's Bank's outstanding shares of common stock. As of September 30, 2006, People's Mutual Holdings owned 82,012,500 shares, equivalent to approximately 57.7%, of People's Bank common stock. At September 30, 2006, People's Mutual Holdings had \$8.5 million of net assets, excluding the shares of People's Bank. As part of the conversion, People's Mutual Holdings will cease to exist as a separate entity.

Our Corporate Information

The executive offices of People's Bank, People's Mutual Holdings and People's United Financial are located at 850 Main Street, Bridgeport, Connecticut 06604. The telephone number at this address is (203) 338-7171.

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Reasons For The Conversion And Offering

The conversion and offering are intended to provide us with substantially greater access to capital than is currently available to us under the mutual holding company structure and are expected to significantly increase the liquidity of our common stock. In addition, the stock holding company structure will provide us with more flexibility in structuring mergers and acquisitions. The net proceeds raised in the offering will allow us to:

finance *de novo* expansion and support organic growth both inside and outside of the state of Connecticut;

acquire other financial institutions, businesses related to banking or branches, although there is no specific agreement with any institution or business at this time;

increase lending to support continued growth in our commercial banking loan portfolios;

form a charitable foundation to benefit the communities we serve; and

use the additional capital for other general corporate purposes.

See *How We Intend to Use the Proceeds from the Offering* for a detailed description of how we plan to use the net proceeds we raise in the offering.

After considering the relative merits of the conversion and offering, as well as applicable fiduciary duties, the Board of Trustees of People's Mutual Holdings and the Board of Directors of People's Bank approved the plan of conversion as being in the best interests of each such institution, the communities they serve and the depositors, stockholders and employees of People's Bank. The completion of the conversion and offering is subject to the approval of stockholders and depositors of People's Bank who are being asked to vote on the plan of conversion.

Terms Of The Conversion And Offering

We are converting from the mutual holding company structure, where People's Bank is 42.3% owned by public stockholders, to the stock holding company structure, which will be 100% owned by public stockholders. This is commonly referred to as a "second-step" conversion. As part of the conversion, People's Mutual Holdings will convert into a federal stock savings bank, which will merge with and into People's Bank, with People's Bank as the surviving entity. As a result, People's Mutual Holdings will cease to exist as a separate entity. Voting rights in People's United Financial will be vested solely in its public stockholders immediately following the conversion.

In connection with the conversion, the shares of common stock of People's Bank owned by People's Mutual Holdings will be canceled and new shares of common stock representing the 57.7% ownership interest of People's Mutual Holdings will be offered for sale by People's United Financial in the offering. In addition, the net assets of People's Mutual Holdings will be added to People's Bank as a capital contribution. At September 30, 2006, People's Mutual Holdings' net assets, excluding its ownership of shares of People's Bank common stock, totaled \$8.5 million.

At the conclusion of the conversion and offering, existing public stockholders of People's Bank will receive shares of common stock of People's United Financial for each share of People's Bank common stock they own at that date, based on an exchange ratio as described in *The Conversion and Offering: The Share Exchange of People's Bank Common Stock for People's United Financial Common Stock*. As a result, People's Bank's existing public stockholders will own approximately the same percentage of People's United Financial common stock as they owned of People's Bank common stock immediately prior to the conversion. The exchange ratio will be determined as of the date of completion of the conversion and offering and will be based on the percentage of People's Bank common stock held by the public prior to the completion of the conversion, the final independent appraisal of People's United Financial common stock prepared by RP Financial, LC, an appraisal firm experienced in appraisals of financial institutions, and the number of shares of common stock sold in the offering. The exchange ratio will be between 1.6712 and 2.2611 shares (subject to increase to 2.6003 shares as a result of market demand, regulatory considerations or changes in financial markets) of People's United Financial common stock per share of People's Bank common stock.

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Between 137,062,500 and 185,437,500 shares of People's United Financial common stock are being offered to our depositors and to the public in subscription and syndicated offerings (which we refer to in this document collectively as the offering). We may increase the maximum number of shares that we sell in the offering by up to 15% to 213,253,125 shares as a result of market demand, regulatory considerations or changes in financial markets. The offering price is \$20.00 per share.

The shares of common stock are being offered on a priority basis to depositors of People's Bank in a subscription offering. Ryan Beck & Co., Inc., our financial advisor and selling agent in connection with the subscription offering, will use its best efforts to assist us in selling the common stock in the subscription offering. Ryan Beck & Co., Inc. is not obligated to purchase any shares of common stock in the subscription offering.

We are also offering for sale to the general public in a syndicated offering through a syndicate of selected dealers shares of People's United Financial common stock not subscribed for by our depositors in the subscription offering. We may begin the syndicated offering at any time following the commencement of the subscription offering. Morgan Stanley & Co. Incorporated is acting as sole book-running manager and Keefe, Bruyette & Woods, Inc., Lehman Brothers Inc. and Ryan Beck & Co., Inc. are acting as joint lead managers for the syndicated offering, which is also being conducted on a best efforts basis. None of Morgan Stanley & Co. Incorporated, Ryan Beck & Co., Inc. or any other member of the syndicate is required to purchase any shares in the syndicated offering. Alternatively, we may sell remaining shares in an underwritten public offering, which would be conducted on a firm commitment basis.

In addition, in connection with and immediately following the conversion, we intend to contribute 2,000,000 shares of People's United Financial common stock and \$20.0 million in cash from the offering proceeds to The People's Community Foundation, a charitable foundation to be established in connection with the conversion and offering. The shares of common stock contributed to the charitable foundation will be in addition to the shares being offered for sale. For a further discussion of the charitable foundation, see *Proposal 2 The Establishment and Funding of The People's Community Foundation*.

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This chart shows our structure before the conversion and offering:

This chart shows our new structure after the conversion and offering:

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How We Determined The Offering Range And The Exchange Ratio

The offering range and the exchange ratio are based on an independent appraisal of the market value of the common stock to be offered both in the offering and in exchange for shares of People's Bank common stock. RP Financial has advised us that, as of January 18, 2007, the estimated pro forma market value of our common stock, including offering shares, exchange shares and shares issued to the charitable foundation, ranges from a minimum of \$4.791 billion to a maximum of \$6.468 billion, with a midpoint of \$5.630 billion. Based on this valuation range, the percentage of People's Bank common stock owned by People's Mutual Holdings, the shares issued to the charitable foundation and the \$20.00 price per share, the Board of Directors of People's Bank and the Board of Trustees of People's Mutual Holdings determined to offer shares of People's United Financial common stock ranging from a minimum of 137,062,500 shares to a maximum of 185,437,500 shares, with a midpoint of 161,250,000 shares. The exchange ratio ranges from a minimum of 1.6712 to 2.2611 shares of People's United Financial common stock per share of People's Bank common stock. Under certain circumstances, the pro forma market value can be adjusted upward to reflect changes in market conditions, and, at the adjusted maximum, the estimated pro forma market value of People's United Financial's common stock would be \$7.432 billion, the number of shares offered would equal 213,253,125 shares and the exchange ratio would be 2.6003.

The independent appraisal was based in part on our financial condition and results of operations, the pro forma impact of the additional capital raised by the sale of common stock in the offering, and an analysis of a peer group of companies that RP Financial considered comparable to us. RP Financial also considered that we intend to contribute cash and issue shares of People's United Financial common stock to The People's Community Foundation, a charitable foundation that will be established in connection with the conversion. The intended contribution of cash and shares of common stock to the charitable foundation has the effect of reducing the number of shares that may be offered in the offering. See *Comparison of Valuation and Pro Forma Information With and Without the Charitable Foundation*. RP Financial's independent valuation will be updated before we complete our offering.

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The following table presents a summary of selected pricing ratios for the companies comprising the peer group used by RP Financial in its independent appraisal report dated January 18, 2007 and the pro forma pricing ratios for us, as calculated in the table on page 56 in the section of this proxy statement/prospectus entitled *Pro Forma Data*. Compared to the median pricing of the peer group, our pro forma pricing ratios at the midpoint of the offering range indicated a premium of 88% on a price-to-earnings basis and discounts of 34% on a price-to-book value basis and 45% on a price-to-tangible book value basis. The estimated appraised value and the resulting premiums and discounts took into consideration the potential financial impact of the conversion and offering and RP Financial's analysis of the results of operations and financial condition of People's United Financial compared to the peer group.

	Price-to-earnings multiple(1)	Price-to-book value ratio	Price-to-tangible book value ratio
People's United Financial (pro forma⁽²⁾):			
Minimum of offering range	27.27x	128.12%	131.84%
Midpoint of offering range	30.00x	135.50%	138.99%
Maximum of offering range	32.61x	141.44%	144.82%
Maximum of offering range, as adjusted	35.71x	147.17%	150.26%
Valuation of peer group companies as of January 18, 2007⁽³⁾:			
Average	17.53x	209.12%	269.15%
Median	15.96x	205.31%	250.45%

- (1) Multiples calculated by RP Financial in the independent appraisal are based on an estimate of core, or recurring, earnings for the twelve months ended December 31, 2006, total pro forma outstanding shares of common stock, including all shares owned by our employee stock ownership plan, whether or not allocated to participants, and including shares issued to the charitable foundation, and equal 24.86x, 27.75x, 30.38x and 33.10x, respectively, at the minimum, midpoint, maximum and adjusted maximum of the offering range. Because this is a different method than used by us in calculating the numbers included in this table and in the pro forma information included under *Pro Forma Data*, the pro forma price-to-earnings multiples in the table do not correspond to the multiples in the independent appraisal. See note 2 to the pro forma information included under *Pro Forma Data* for more information on our treatment of shares owned by our employee stock ownership plan for purposes of this calculation.
- (2) Based on People's Bank's financial data as of and for the nine months ended September 30, 2006. Price-to-earnings multiples for People's United Financial are shown on an annualized basis.
- (3) Reflects earnings for the most recent 12-month period for which data were publicly available.

The independent appraisal is not necessarily indicative of post-offering trading value. You should not assume or expect that the valuation of People's United Financial as indicated above means that the common stock will trade at or above the \$20.00 purchase price after the offering is completed.

On February 14, 2007, we received authorization from the Office of Thrift Supervision to conduct the offering. The independent appraisal must be updated before we can complete the offering. The updated appraisal will be subject to the further approval of the Office of Thrift Supervision.

After-Market Performance Information Provided By The Independent Appraiser

The following table, prepared by our independent appraiser, presents for all second-step conversions that began trading from January 1, 2004 to January 18, 2007, the percentage change in the trading price from the initial trading date of the offering to the dates shown in the table. The table also presents the average and median trading prices and percentage change in trading prices for the same dates. **This information relates to stock performance experienced by other companies that may have no similarities to us with regard to market capitalization, offering size, earnings quality and growth potential, among other factors.** Most of the institutions listed in the table are significantly smaller than we are in terms of asset size. In addition, gross proceeds raised in most of the offerings listed in the table are significantly less than the amount of gross proceeds we expect to raise in the offering. Also, two of the four largest offerings listed in the table involved a simultaneous acquisition of another financial institution.

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The table is not intended to indicate how our common stock may perform. Data represented in the table reflects a small number of transactions and is not indicative of general stock market performance trends or of price performance trends of companies that undergo second-step conversions. Furthermore, this table presents only short-term price performance and may not be indicative of the longer-term stock price performance of these companies. **There can be no assurance that our stock price will appreciate or that our stock price will not trade below \$20.00 per share.** The movement of any particular company's stock price is subject to various factors, including, but not limited to, the amount of proceeds a company raises, the company's historical and anticipated operating results, the nature and quality of the company's assets, the company's market area and the quality of management and management's ability to deploy proceeds (such as through loans and investments, the acquisition of other financial institutions or other businesses, the payment of dividends and common stock repurchases). In addition, stock prices may be affected by general market and economic conditions, the interest rate environment, the market for financial institutions and merger or takeover transactions and the presence of professional and other investors who purchase stock on speculation, as well as other unforeseeable events not in the control of management. Before you make an investment decision, please carefully read this proxy statement/prospectus, including *Risk Factors*.

After Market Trading Activity**Second Step Offerings****Completed Closing Dates between January 1, 2004 and January 18, 2007**

Transaction	Closing Date	Gross Proceeds	Price Performance from Initial Trading Date Through January 18, 2007			
			1 Day	1 Week (In millions)	1 Month	
Osage Bancshares, Inc.	1/18/07	\$ 25.1	-0.5%	N/A	N/A	-0.5%
New Westfield Financial, Inc.	1/4/07	\$ 184.0	7.0%	7.5%	N/A	8.8%
Citizens Community Bancorp, Inc.	11/1/06	\$ 52.9	-2.5%	-1.0%	-3.3%	-2.9%
Liberty Bancorp, Inc.	7/24/06	\$ 28.1	2.5%	1.0%	1.5%	5.5%
First Clover Leaf Financial Corp. ⁽¹⁾	7/11/06	\$ 41.7	3.9%	6.0%	11.2%	15.0%
Monadnock Bancorp, Inc.	6/29/06	\$ 5.7	0.0			