



December 12, 2012

Dear PFX Bondholder:

We wanted to let you know that you soon will be receiving a package from your broker or bank regarding your holding of The Phoenix Companies, Inc. 7.45% Quarterly Interest Bonds due 2032 (NYSE:PFX). Recognizing that this is a busy time of year, we appreciate you giving this package your immediate attention when it arrives.

The contents of the package will inform you of a recent development affecting these bonds and solicit your one-time consent to amend the indenture governing the bonds and provide a related waiver.*

The current indenture governing the bonds requires Phoenix to provide the bond trustee with quarterly financial statements within 15 days after the SEC filing deadline. As a result of our previously announced restatement of financial results for several prior periods, we delayed filing our third quarter 2012 Form 10-Q, which triggered a notice of default from the bond trustee. The amendments to the indenture and waiver of the default will allow Phoenix to extend the date for the third quarter 2012 report until March 31, 2013 and fix, or “cure,” the default. The approval of the amendments and waiver will not alter our current obligation to pay principal and interest on the bonds as provided for in the indenture.

If the consent solicitation is successful, bondholders will be compensated for their consent in the amount of \$0.0625 for each \$25 in principal amount. Your consent is very important, because the amendments and waiver will become effective only if we receive consents from holders representing a majority of the outstanding principal amount of the bonds. If you do not respond to the request for consent, you will be deemed to have not consented to the amendments and waiver.

If you want more information about this solicitation before your package arrives, you can find it on our website, www.phoenixwm.com, in the Investor Relations section (click on “PFX Bondholder Solicitation”). You may also call our Information and Tabulation Agent, D.F. King & Co., Inc., at 1-800-829-6551 or our Solicitation Agent, Morgan Stanley & Co. LLC, at 1-800-624-1808.

Sincerely,

Naomi Baline Kleinman
Vice President, Investor Relations

** This letter does not constitute the solicitation. Such solicitation will be made only by means of the Consent Solicitation Statement and Consent Form, which are being mailed under separate cover.*