



ROBERT W. FIONDELLA
Chairman of the Board
and Chief Executive Officer

February 2001

Dear Fellow Policyholders:

I am pleased to report that on December 18, 2000, the Board of Directors of Phoenix Home Life Mutual Insurance Company voted unanimously to adopt a plan to convert from a mutual life insurance company to a stock life insurance company through a process known as demutualization. You may recall that last April we first communicated with you about demutualization.

We believe demutualization will serve the best interests of our policyholders. In our demutualization, eligible policyholders will receive 100 percent of the company's value at the time of the demutualization in the form of common stock, cash or policy credits. **All eligible policyholders will receive at least 37 shares of common stock or the equivalent amount of cash or policy credits (based on the Initial Public Offering price).** In addition, demutualization will not diminish the benefits, values, guarantees, premiums and dividend eligibility of your current policies or contracts in any way. More information on your compensation is included with this mailing.

The next step in the demutualization process is for policyholders to vote on the plan of demutualization. Our Board of Directors has determined that the demutualization is in the best interests of Phoenix and its policyholders, and has found the plan to be fair and equitable to policyholders. Therefore, the Board recommends that you vote "YES" in favor of the plan.

Details about the demutualization are enclosed in the accompanying Policyholder Information Booklets. A ballot card for the policyholder vote is also enclosed, as well as information on your eligible policies and your compensation, a card to indicate your preference as to the form of compensation, and a card to certify your taxpayer identification number. **Please review the materials and return your completed ballot and other information cards in the postage-paid envelope by 4:00 p.m., Eastern time on April 2, 2001.**

Demutualization is part of our transition into a focused wealth management company. As a leading provider of wealth management products and services, we assist advisors and clients in achieving three main goals: the accumulation, preservation and transfer of wealth. With the advantages afforded through demutualization, namely, broader access to capital markets and structural flexibility to grow, we will be better positioned to take advantage of the opportunities before us.

If you have any questions about demutualization, the enclosed materials or the voting process, please call our Demutualization Information Center for policyholders toll-free at 1-800-490-4258.

Sincerely,

Robert W. Fiondella