# About Phoenix



### Who We Are

Founded in 1851, The Phoenix Companies, Inc. (Phoenix) offers annuities and life insurance designed to meet income and protection needs of families and individuals planning for or living in retirement.

We have two insurance company operating subsidiaries, Phoenix Life Insurance Company (PLIC), and PHL Variable Insurance Company (PHL Variable). Our products are available primarily through independent agents and financial professionals supported by the wholesaling team at Saybrus Partners.

Our corporate offices are in Hartford, Connecticut, and we have a customer service center in East Greenbush, New York.



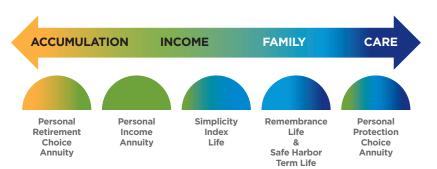
#### What We Do



### Phoenix Products Address a Spectrum of Needs

Phoenix annuities and life insurance product options help address a range of concerns like creating a predictable and lasting income stream, planning for the high cost of long term care, protecting

families in case of premature death, and creating a legacy when the time comes. By partnering with Phoenix, financial professionals can help their clients plan for a secure retirement and protect their loved ones.



**FDS ΔΝ** 

#### **GOALS**

# Tools for Learning and Planning

REALIZE is a dynamic interactive planning tool for building a wellprotected retirement income plan.

> An interactive, educational presentation with visuals and statistics that illustrate key planning considerations

#### Answers to reflexive questions generate a personalized needs analysis

Agent Name Marily Cair

Client Name Valu

#### Know where you stand today. Once you know where you stand today, you can begin to see how o get to the place you want to be tomor

#### The future is yours to protect.

The retirement picture has changed dramatically			
Then	Now		
Very few employers <sup>1</sup>	10 or more employers <sup>1</sup>		
Guaranteed pension <sup>2</sup>	Fewer company pensions <sup>2</sup>		
Social Security was certain	Social Security in doubt		
Booming economy	Uncertain economy		
Life expectancy: 79 years <sup>3</sup>	Life expectancy: 84 years <sup>3</sup>		

ment is dramatically different from what it was a short time Retire ago. Traditional sources of income like pensions and social security no longer provide the protection they once did. Retirees must now take responsibility for their own savings and income planning.

<ul> <li>1-4 years</li> <li>5-10 years</li> <li>11 years or more</li> <li>never</li> </ul>	Seamles with ann for soluti	uity	•
less than 1 year			
When do you anticipate ne income?	eding retirement		
If not, what age do you play 65	n to retire?		
🔍 Yes 🖲 No			
Are you currently retired?			
5/1/1950			
Client DOB:			
Valued Client			•

# **Quotes and Illustrations**

Our quotes and illustrations offer a powerful tool to help agents and clients plan for a secure financial future.

Covered Person's Name: Valued Client			Age: 65	Gender: Male
Agent Name: Marily Celn			Product: Personal Income Annuity	
		Rider Option: Single	Premium Amount \$100,000	Years to Defer Until Rider Exercise: 2
	Birler		Annual Incom	e Protection
	Income Strates	x: Today	56.5	
	Income Strategy:	Tomorrow	\$5,8	124
		Strategy: Today		ateen: Tomorrow
Year	GMWB Benefit Ease	Annual Income Protecti		Annual Income Protection
0	\$110,000	\$5.577	\$100,000	\$4.220
1	\$137,501	\$6.545	\$114,000	\$4,925
2	\$145,002	56.583	\$128,000	55.824
3	\$148,902	56,760	\$142,000	55.844
4	\$152,802	\$7,151	\$156,000	\$7,675
5	\$156,702	57,882	\$170,000	\$8,347
6	\$160,602	\$8,239	\$184,000	58,942
7	\$164,502	\$8,653	\$198,000	\$9,148
8	\$168,402	58,942	\$212,000	\$9,794
9	\$172,302	\$9,149	\$226,000	\$10,441
10	\$176,202	\$9,779	\$240,000	\$12,336
11	\$180,102	\$9,996	\$243,000	\$13,219
12	\$184,002	\$10,212	\$246,000	\$13,382
13	\$187,902	\$10,654	\$245,000	\$14,367
14	\$191,802	\$10,971	\$252,000	\$14,818
15	\$155,702	\$11,938	\$255,000	\$15,122
16	\$199,602	\$12,176	\$258,000	\$15,299
17	\$203,502	\$12,576	\$263,000	\$15,477
18	\$207,402	\$12,817	\$264,000	\$15,655
19	\$211,302	\$13,164	\$367,000	\$15,833
20	\$215,202	\$13,945	\$2,20,000	\$16,416

Annuity quotes show guaranteed benefits for income, care and family protection



Life and annuity illustrations highlight guaranteed values and performance under various scenerios

### Client Education Material

Phoenix understands that clients are seeking more than just products to help address their needs and goals. That's why our marketing materials go beyond product features with straightforward language, interactive elements, information on the financial landscape and best practices for creating a personalized plan.



### Where We Stand Today

#### Phoenix is Strong

- Total Statutory Assets of \$12.7 billion for PLIC and \$6.5 billion for PHL Variable  $^{\rm 1}$
- Total Statutory Reserves and Other Liabilities of \$12.3 billion for PLIC and \$6.3 billion for PHL Variable
- Statutory Surplus & Asset Valuation Reserve (AVR) of \$505.5 million for PLIC and \$216.3 million for PHL Variable
- Solvency Ratio of 103.2%<sup>2</sup>
- \$91.5 billion of Gross Life Insurance In Force<sup>3</sup>
- \$5.5 billion of Annuity Funds Under Management that include both fixed and variable annuities sold over our long history
- Nearly 400,000 life insurance policies and annuity contracts in force<sup>3</sup>
- Established selling agreements with Independent Marketing Organizations representing more than 17,700 independent producers<sup>3</sup>

As of March 31, 2016 (unless otherwise noted)

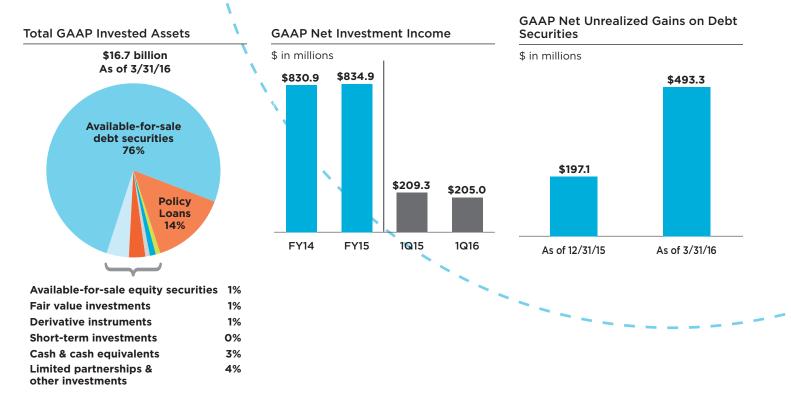
1. Phoenix Life Insurance Company ("PLIC") and PHL Variable Insurance Company ("PHL Variable")

2. Assets divided by liabilities for all insurance entities

3. As of December 31, 2015

# Investment Portfolio is Well Diversified and High Quality

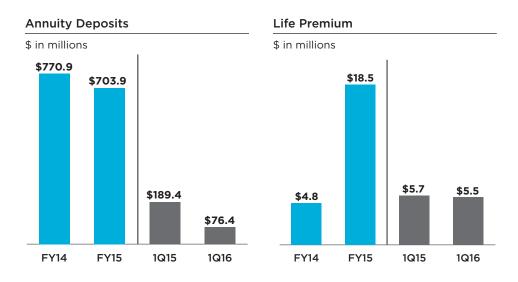
Phoenix's investment portfolio is well diversified and liquid. The overall quality of the portfolio is strong, with the proportion of below investment grade bonds remaining well within the company's target range of 6-10%, bond impairments below long-term averages and significant unrealized gains. The annualized yield on debt securities for the first quarter of 2016 was 4.7%.



*"Keeping* Our Promises Since 1851"

# We Hold a Solid Position in the Marketplace

Most new sales today are fixed indexed annuities. In 2015 and 2016, pricing and other product changes implemented had the intended effect of improving annuity profitability and captial utilization. New life insurance business is small but growing. In total, Phoenix's businesses generated approximately \$1.7 billion of revenues in 2015 and \$410.0 million in the first quarter of 2016.



# We Have a Distinguished Record of Innovation and Industry Firsts

0	1851	<i>Phoenix is founded by a group of prominent Hartford, Conn., business, religious and civic leaders as the American Temperance Life Insurance Company.</i>
	1860	Home Life Insurance Company is formed in Brooklyn, N.Y. It is the first life insurer authorized by the newly founded New York Insurance Department to do business in the state.
	1865	Phoenix insures President Abraham Lincoln.
	1874	Inflation is rampant and more than 100 life insurance companies close their doors, but Phoenix and Home Life hold fast. When Home Life becomes a target for an unwanted takeover, its Board takes a creative approach to persuade stockholders not to sell: it pays them their interest in gold.
Kreppycers Maney Dorphano H Tre ADORT Contre	1912	Phoenix becomes the first life insurer to use direct mail advertising to obtain sales leads.
	1933	Home Life introduces "Planned Estates," a marketing program that emphasizes "problems to solve, not prospects to sell."
	1955	Recognizing that women generally live longer than men, Phoenix is the first company to offer reduced life insurance premium rates for women.
	1957	Pioneering a new concept in the insurance industry, Phoenix begins selling group life and health insurance plans by allowing small businesses to band together by industry to offer employees benefits usually available only through larger corporations.
	1963	Phoenix moves into new corporate headquarters – the world's first two-sided building – in Hartford, Conn. The "boat building" will be listed on the National Register of Historic Places in 2005.
	1967	Phoenix is the first to offer discounted premiums on all policies to nonsmokers.
	1982	Survivorship or "second-to-die" policies are introduced, paying a benefit upon the death of the surviving policyholder, which becomes a premier product.
	1992	Phoenix and Home Life merge. The new company is called Phoenix Home Life Mutual Insurance Company.
	2001	Phoenix converts from a mutual to a stock company. The new public company is called The Phoenix Companies, Inc., trading under the symbol PNX.
	2009	Phoenix forms a distribution company, Saybrus Partners, Inc., to provide dedicated life insurance and annuity sales support to partner companies and Phoenix within its own distribution channels.
	2013	Phoenix renovates the plaza around its Hartford headquarters, replacing brick pavers with environmentally friendly planted areas, and becomes the first private property piece of the city's iQuilt Plan to be completed.

#### **Glossary of Financial Terms**

**Generally Accepted Accounting Principles (GAAP) –** Conventions, rules and procedures that define accepted U.S. accounting practice, governed by the Financial Accounting Standards Board (FASB).

**Statutory Accounting Practice –** Statutory results are based on conventions, rules and procedures that define insurance regulatory accounting practice, governed by the National Association of Insurance Commissioners (NAIC).

**GAAP Net Investment Income –** Income received from invested assets such as bonds, stocks, hedge funds, loans and other investments less related investment expenses.

**GAAP Unrealized Gains/Losses –** A gain or loss in an investment that has not been recognized, which happens only when the investment is sold or impaired. The gain or loss reflects the fluctuation in market value of the investment.

Mortality - The rate of death claims.

**Statutory Surplus & Asset Valuation Reserve (AVR)** – The excess of assets over liabilities including policy reserves plus a reserve based on an NAIC formula to cover credit-related and equity risks of the company's assets.

**Solvency Ratio –** Total statutory assets divided by total statutory liabilities. This ratio can be used to gauge a company's ability to meet its long-term obligations.

#### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The foregoing contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. We intend for these forward-looking statements to be covered by the safe harbor provisions of the federal securities laws relating to forward-looking statements. These forward-looking statements include statements relating to regulatory approvals and the expected timing, completion and effects of the merger, as well as other statements representing management's "will," beliefs about, future events, transactions, strategies, operations and financial results. Such forward-looking statements often contain words such as "assume," "anticipate," "believe," "predict," "project," "potential," "contemplate," "plan," "forecast," "estimate," "expect," "intend," "is targeting," "may," "should," "would," "could," "goal," "seek," "hope," "aim," "continue" and other similar words or expressions or the negative thereof or other variations thereon. Forwardlooking statements are made based upon management's current expectations and beliefs and are not guarantees of future performance. Such forward-looking statements involve numerous assumptions, risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. These risks and uncertainties include risks related to the merger, our financial statements, our business and other uncertainties described in our filings with the SEC. Certain other factors which may impact our business, financial condition or results of operations or which may cause actual results to differ from such forward-looking statements are discussed or included in our periodic reports filed with the SEC and are available on our website at www.phoenixwm.com under "Investor Relations." You are urged to carefully consider all such factors. Although it is believed that the expectations reflected in such forward-looking statements are reasonable and are expressed in good faith, no assurance can be given that such expectations will prove to have been correct and persons reading this material are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as of the date of this announcement. Except as required by law, we do not undertake or plan to update or revise forward-looking statements to reflect actual results, changes in plans, assumptions, estimates or projections, or other circumstances occurring after the date of this material, even if such results, changes or circumstances make it clear that any forward-looking information will not be realized. If we make any future public statements or disclosures which modify or impact any of the forward-looking statements contained in or accompanying this material, such statements or disclosures will be deemed to modify or supersede such statements in this material.

Insurance and annuities issued by Phoenix Life Insurance Company (East Greenbush, NY), PHL Variable Insurance Company (PHLVIC) (Hartford, CT) and Phoenix Life and Annuity Company (PLAC) (Hartford, CT). PHLVIC is not authorized to conduct business in NY and ME. PLAC is not authorized to conduct business in CA, GA, MA, ME, MN, NH, and NY and not authorized to conduct variable universal life insurance business in ID and LA. The insurers referenced are separate entities and each is responsible only for its own financial condition and contractual obligations.

Securities distributed by 1851 Securities, Inc., (Hartford, CT), member FINRA.

Members of The Phoenix Companies, Inc.

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