



November 3, 2008

To our stakeholders:

As Chairman and CEO of The Hartford, I want to extend my personal thanks for your continued support of our partnership. The recent turbulence in the equity markets has produced some disturbing headlines. I want to take this opportunity to share the facts about our financial strength with you, our trusted partners.

The Hartford is a company that has delivered solid core operating results and possesses a good capital base and excellent insurance financial strength ratings.

Financial Strength

We project that our capital margin, the capital we have in excess of modeled rating agency requirements to maintain AA level ratings, will be approximately \$2 billion at year end, assuming a year-end S&P 500 level of 900. In addition, our life company risk-based capital ratio – generally viewed as the most objective measure of an insurance company’s ability to meet its commitments – is estimated to be above 400 percent, even if the S&P 500 declines to 900 at year end. This is well above the 325 percent level historically associated with AA level ratings for life insurers.

We are well capitalized to meet our commitments to our customers in the current market conditions and in the event markets deteriorate further.

Solid Ratings

Even though Fitch Ratings recently lowered our financial strength rating to AA-, a one-notch downgrade, this rating is considered “very strong” on the Fitch rating scale. In addition, Moody’s recently affirmed our Aa3 financial strength ratings of our property casualty and life companies, even though they downgraded our corporate debt ratings.

The Hartford will meet current economic challenges like we have all others in our nearly 200-year history, and we are poised to emerge more resilient and ready for growth.

Again, I want to thank you for standing by The Hartford. Your trust in us is well founded. Our commitment to you remains unchanged – to deliver outstanding products and service that you have come to expect from us and maintain the financial strength to fulfill the promises we make to our customers.

Sincerely,

Ramani Ayer
Chairman & CEO