

DOCKET NO: UWYCV246085274S

SUPERIOR COURT

ORDER 439604

INSURANCE COMMISSIONER OF THE
STATE OF CONNECTICUT

JUDICIAL DISTRICT OF WATERBURY
AT WATERBURY

V.

PHL VARIABLE INSURANCE COMPANY
Et Al

12/24/2025

ORDER

ORDER REGARDING:
12/05/2025 229.00 PROPOSED ORDER

The foregoing, having been considered by the Court, is hereby:

ORDER:

No objections to the Rehabilitator's Amended Proposed Order Modifying Moratorium Order having been filed, the amended proposed order is hereby APPROVED and adopted as an actual order of the court.

Judicial Notice (JDNO) was sent regarding this order.

439604

Judge: DANIEL JOSHUA KLAU

This document may be signed or verified electronically and has the same validity and status as a document with a physical (pen-to-paper) signature. For more information, see Section I.E. of the *State of Connecticut Superior Court E-Services Procedures and Technical Standards* (<https://jud.ct.gov/external/super/E-Services/e-standards.pdf>), section 51-193c of the Connecticut General Statutes and Connecticut Practice Book Section 4-4.

DOCKET NO.: X06-UWY-CV-24-6085274-S	:	SUPERIOR COURT
	:	
ANDREW N. MAIS, COMMISSIONER OF THE CONNECTICUT INSURANCE DEPARTMENT,	:	COMPLEX LITIGATION DOCKET
	:	
Plaintiff,	:	JUDICIAL DISTRICT OF WATERBURY
	:	
v.	:	
	:	
PHL VARIABLE INSURANCE COMPANY, ET AL.,	:	
	:	
Defendants.	:	December 5, 2025
	:	

AMENDED PROPOSED ORDER MODIFYING MORATORIUM ORDER

On the Motion to Modify the Moratorium Order (Dkt. 158.00, the “Motion”)¹ of the Honorable Andrew N. Mais, Insurance Commissioner of the State of Connecticut (“Commissioner”), in his capacity as rehabilitator (“Rehabilitator”) of PHL Variable Insurance Company (“PHL”), Concord Re, Inc. (“Concord”), and Palisado Re, Inc. (“Palisado,” together with PHL and Concord, the “Companies”), seeking entry of an order modifying the Court’s June 25, 2024 Moratorium Order (Dkt. 101.86) (the “Moratorium Order”); and on the Affidavit of Joseph Peterson (Dkt. 220.00); and the Rehabilitator’s Memorandum of Law in Support of the Motion (Dkt. 160.00) and Reply in Further Support of the Motion (Dkt. 181.00); and on the Certificate of Service of Epiq Corporate Restructuring LLC (Dkt. 180.000); and the Court having held a hearing on October 21, 2025, on notice as set forth in the Certificate of Service and the Amended Order of Notice (Dkt. 166.00); and all objections to the Motion having been resolved or overruled; and on the representations of counsel at such hearing; and good and sufficient cause appearing therefor,

¹ Terms used but not defined herein shall have the meanings ascribed to them in the Motion.

THE COURT FINDS AND ORDERS AS FOLLOWS:

1. The Motion is **GRANTED**, and the Moratorium Order is hereby modified to permit:

- a. Owners of eligible non-variable universal life insurance policies with face amounts in excess of guaranty associate limits, to elect to (i) maintain the current status quo by continuing to pay cost of insurance or premiums at current levels; (ii) reduce the face amount of their death benefits with correspondingly lower cost of insurance or premium payments; or (iii) convert their policy to a claim for a fixed amount in these rehabilitation proceedings with no ongoing cost of insurance or premium payments, in each case as further described in the Motion; and
- b. Owners of eligible fixed index annuities who are not already receiving systematic withdrawals or who had not already activated their income rider as of the effective date of the Moratorium Order, to elect to (i) maintain the status quo; (ii) activate the income rider on their annuity (to the extent applicable); (iii) receive a onetime distribution of the "Free Withdrawal Amount" under the contract without a surrender charge or market value adjustment, in each case as further described in the Motion; or (iv) if the owner of such eligible fixed index annuity is 85 years or older at the time of the election, receive a one-time distribution of 40% of the cash surrender value of the annuity up to a maximum of \$25,000, which maximum shall be reduced by the amount of any hardship payments previously received by the owner or any applicable fees and charges related to such surrender.

2. The Rehabilitator shall in his sole discretion determine the eligibility of policyholders and the calculation of the amounts to be received under each option described in Paragraph 1 above in a manner consistent with the Motion.

3. The Moratorium Order shall in all other respects remain unchanged and in effect.

4. As soon as reasonably practicable, in accordance with the Notice Order, the Rehabilitator will deliver to each eligible UL policyholder and FIA holder an individualized Election Package.

5. Neither the entry of this Order, nor the performance of the acts contemplated hereby, nor the elections made by policyholders pursuant to this Order, shall waive, release or discharge any claims that the policyholders may have against PHL or that the Rehabilitator or PHL shall have against any Policyholder or third party, including any claims of policyholders that the Rehabilitator may have the right to assert pursuant to General Statutes § 38a-916 or other applicable law.

6. Notwithstanding paragraph 5 of this Order, the election of a modification by a policyholder pursuant to paragraph 1 of this Order shall be the irrevocable exercise of rights under the applicable policy or annuity and, following the exercise of such rights, the policyholders shall not have any claim against PHL or its estate under such policy in excess of the amounts, or on terms other than the terms, set forth in the policy.

7. The Rehabilitator is authorized to execute any documents and take any actions he deems necessary to implement this Order.

8. The Rehabilitator shall post a copy of this Order on the PHL Rehabilitation Website.

9. This Court shall retain jurisdiction over this matter for all purposes necessary to effectuate and enforce this Order.

APPROVED AND SO ORDERED this ____ day of December, 2025.

Hon. Daniel J. Klau
Superior Court Judge