

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.	:	July 21, 2025
	:	

REHABILITATOR’S MOTION TO MODIFY MORATORIUM ORDER

The Honorable Andrew N. Mais, Insurance Commissioner of the State of Connecticut, in his capacity as rehabilitator (the “Rehabilitator”) of PHL Variable Insurance Company and its subsidiaries, Concord Re, Inc. and Palisado Re, Inc., hereby moves the Court for entry of an order substantially in the form attached as Exhibit A to modify the Court’s June 25, 2024 Moratorium Order (Dkt. 101.86) to:

- Modify the current restrictions imposed on eligible owners of certain non-variable universal life insurance policies (the “UL Policies”) to allow them to either (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 required; and
- Modify the current restrictions imposed on eligible owners of fixed indexed annuities (the “FIAs”) to allow them to (i) maintain the status quo, (ii) activate the income rider on their annuity (if they have such a rider); or (iii) receive a onetime distribution of the “Free

Withdrawal Amount” under the contract (typically 10% of the contract’s account value) without surrender charge or market value adjustment.

Further details of the proposal are set forth in the Rehabilitator’s Memorandum of Law in Support. This Motion is supported by the Affidavit of Mark Stukowski and the Rehabilitator’s Memorandum of Law in Support.

WHEREFORE, the Rehabilitator respectfully requests entry of the Modification Order, substantially in the form attached hereto as **Exhibit A**, and granting related relief and such other and further relief as is just and proper.

Dated: July 21, 2025

By: /s/ Benjamin J. Cordiano
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CERTIFICATION OF SERVICE

I hereby certify that on this 21st day of July 2025, a copy of the foregoing was filed electronically and served upon all counsel of record via operation of the Court's CM/ECF System or by mail upon anyone unable to accept electronic filing. Parties may access this filing through the Court's CM/ECF System.

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EXHIBIT A

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Plaintiff,	:	JUDICIAL DISTRICT OF WATERBURY
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PHL VARIABLE INSURANCE COMPANY, ET AL.,	:	
	:	
Defendants.	:	_____, 2025
	:	

PROPOSED ORDER MODIFYING MORATORIUM ORDER

On the Motion to Modify the Moratorium Order (the “Motion”) 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”) and its subsidiaries, Concord Re, Inc. and Palisado Re, Inc., seeking entry of an order modifying the Court’s June 25, 2024 Moratorium Order (the “Moratorium Order”) (Dkt. 101.86); and on the Affidavit of Mark Stukowski; and the Rehabilitator’s Memorandum of Law in Support of the Motion; and on the Certificate of Service of Epiq Corporate Restructuring LLC, noticing agent for the Rehabilitator; and the Court having held a hearing on _____, 2025, on notice as set forth in the Certificate of Service; and no objections having been filed to the Motion or all such objections having been resolved; and on the representations of counsel at such hearing; and good and sufficient cause appearing therefor,

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 association 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 indexed 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); or (iii) receive a one-time 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.

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 Court’s order approving the form and manner of notice that the Rehabilitator will give in connection with the Motion, the Rehabilitator will deliver to each eligible UL policyholder and FIA holder an individualized Election Package.

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

6. The Rehabilitator shall post a copy of this Order on the Connecticut Insurance Department's website: ct.gov/cid.phl.

7. 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 _____, 2025.

Hon. Daniel J. Klau
Superior Court Judge