

COURT AUTHORIZED
LEGAL NOTICE

**If you own or owned a
Phoenix Accumulator
Universal Life or Phoenix
Estate Legacy policy issued by
PHL Variable that was
subject to a COI increase
starting in 2017 and ending in
2021, you may be affected by
a class action settlement**

Records indicate you may be affected by a proposed settlement reached in a class action lawsuit called *Advance Trust & Life Escrow Services, LTA and James Kenney v. PHL Variable Insurance Company*, Case No. 18-cv-03444-MKV (S.D.N.Y.) (the “Settlement”). This Notice summarizes your rights and options. More details are available at www.PHLCOIsettlement.com.

PHL Variable Life COI Settlement Administrator
c/o JND Legal Administration
P.O. Box 91420
Seattle, WA 98111

«Barcode»

Unique ID: [JND Unique ID]

Postal Service: Please do not mark barcode

«Full_Name»

«CF_CARE_OF_NAME»

«CF_ADDRESS_1»

«CF_ADDRESS_2»

«CF_CITY», «CF_STATE» «CF_ZIP»

«CF_COUNTRY»

What is this about? The lawsuit alleges that PHL Variable Insurance Company (“PHL”) breached its contracts with certain policy owners. Starting in August 2017, certain policy owners were issued letters announcing that certain Phoenix Accumulator Universal Life (“PAUL”) and Phoenix Estate Legacy (“PEL”) policies would be subject to a new cost of insurance (“COI”) rate scale increase. Plaintiff asserts those increases violated the terms of the policy owners’ contracts, and resulted in damages for Plaintiff and members of the Class. PHL denies Plaintiff’s claims and asserts multiple defenses, including that PHL’s challenged actions are lawful, justified, and have not harmed Plaintiff or caused any damages. The Court has not decided who is right or wrong. Instead, both sides have agreed to a Settlement to avoid the risks, costs, and delays of further litigation. This case does **not** concern a separate COI rate scale increase that PHL imposed starting in 2021, and no claims relating to that COI increase are being released through this settlement. A separate putative class action entitled *Kenney v. PHL Variable Insurance Company*, Case No.3:22-cv-00552 (OAW), is pending with respect to that COI increase.

Who is affected? The Settlement Class consists of all owners of PAUL or PEL policies issued by PHL that experienced an increase to the COI rate scales between (i) November 5, 2017 and (ii) the monthly deduction immediately preceding the policy’s first policy anniversary date falling on or after January 1, 2021. Excluded from the Settlement Class are the Excluded Policies (go to www.PHLCOIsettlement.com for a list of Excluded Policies); Class Counsel and their employees; PHL, its officers and directors, members of their immediate families, and the heirs, successors or assigns of any of the foregoing; and the Court, the Court’s staff, and their immediate families.

What does the Settlement provide? A Settlement Fund of \$18.5 million will be established, but reduced proportionally if any Owners submit a timely and valid exclusion request (“Final Settlement Fund”). After payments for settlement administration, attorneys’ fees (not to exceed 33 1/3% of the gross benefits provided by the Settlement) and litigation expenses, and an Incentive Award (up to \$25,000) for Plaintiff James Kenney; the remaining amount will be distributed to Settlement Class Members on a pro rata basis measured by dividing that Class Member’s COI damages by the total overcharges damages incurred by the Final Settlement Class Members. No portion of the Settlement Fund will be returned to PHL. In addition, up until February 17, 2025, PHL agrees **not** to (1) raise the COI rate scales for the Class Policies above the current rate scales for PAUL 1, PAUL 2, PAUL 2C, PAUL 3, PAUL 3A, PAUL 3B, PAUL 3C, PAUL 4, PAUL 4A, PEL 2, PEL 3, and PEL 3A that became effective on each policy’s first policy anniversary date falling on or after January 1, 2021, unless requested to do so by any Government Regulators; and (2) take certain legal action or assert certain legal defenses challenging any policies in the Settlement Class. More details are outlined in the Settlement Agreement available at www.PHLCOIsettlement.com.

What are my options? You can do nothing, exclude yourself, or object to the Settlement.

Do nothing. You will be part of the Settlement Class and receive certain benefits from the Settlement. You will automatically receive a payment in the mail if you are entitled to one. You will be bound by the Settlement, and you will give up your right to sue or continue to sue PHL for the claims at issue in this case.

Exclude yourself. You will remove yourself from the Settlement Class. You will not receive a payment from the Settlement. You will keep your right to sue or continue to sue PHL at your own expense and with your own attorney for the claims in this case. Your exclusion request must include the case name (*Advance Trust & Life Escrow Services, LTA and James Kenney v. PHL Variable Insurance Co.*), a statement saying that you want to be excluded from the Settlement Class, your full name, address, telephone number, email address (if any), the policy number(s) to be excluded, and your signature. If you own multiple Class Policies, your exclusion will be for all Class Policies owned. Exclusion requests must be **postmarked by October 23, 2023**.

Object. If you do not exclude yourself from the Settlement Class, you may object or tell the Court what you do not like about the Settlement. Objections must be **filed and served by October 23, 2023**.

For more details about your rights and options and how to exclude yourself or object, go to www.PHLCOIsettlement.com.

What happens next? The Court will hold a Fairness Hearing on December 19, 2023 at 10:00 a.m. ET at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, to consider whether the Settlement is fair, reasonable, and adequate; and how much to pay and reimburse Class Counsel and the named Plaintiff. The Court has appointed Susman Godfrey L.L.P. as Class Counsel. You or your attorney may ask to speak at the hearing at your own expense, but you do not have to.

How can I get more information? Go to www.PHLCOIsettlement.com, call toll-free 1-877-871-0905, or write to **PHL Variable Life COI Settlement Administrator**, c/o JND Legal Administration, P.O. Box 91420, Seattle, WA 98111.

Please do not contact the Court.

Carefully separate this Address Change Form at the perforation

Name: _____

Current Address: _____

Unique ID: [JND Unique ID]

Address Change Form

To make sure your information remains up-to-date in our records, please confirm your address by filling in the above information and depositing this postcard in the U.S. Mail.

PLACE STAMP HERE

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Seattle, WA 98111