



## Frequently Asked Questions

### PHL Variable Insurance Company in Rehabilitation

The following questions and answers relate to the PHL Variable Insurance Company (“PHL”) rehabilitation. These frequently asked questions (FAQs) are based on publicly available information believed to be accurate and are provided solely for general informational purposes. The FAQs do not address any specific situation, claim, or circumstance and are not intended to serve as legal or financial advice or as a complete legal description of the PHL rehabilitation. Nothing in these FAQs constitutes a binding legal representation or statement by the National Organization of Life & Health Insurance Guaranty Associations (“NOLHGA”) or any individual guaranty association. You should consult with an appropriate advisor if you have specific legal or financial questions concerning your individual circumstances.

References in any other document to potential transactions or outcomes involving PHL do not reflect decisions made by NOLHGA or the state guaranty associations.

#### Key Information

On May 20, 2024, the Connecticut Insurance Department determined that PHL Variable Insurance Company was in hazardous financial condition and placed PHL in rehabilitation.

- Rehabilitation is a court-supervised process intended to restore a company’s financial stability for the benefit of policyholders and creditors.
- A court-appointed Rehabilitator (the Connecticut Insurance Commissioner), Deputy Rehabilitator (FTI Consulting), and Rehabilitation Management Team are responsible for the protection of PHL’s policyholders, creditors, and the public.
- The actions of the Rehabilitator, Deputy Rehabilitator, and Rehabilitation Management Team are subject to the laws and regulations of Connecticut and are also subject to court review.

#### Key Contacts

- Connecticut Insurance Department: 1-800-203-3447
- PHL Variable Call Center: 1-877-800-2445. The call center is open Monday through Friday, 9:00 a.m. – 5:30 p.m. ET.
- Connecticut Insurance Department [website](#) for the PHL Variable Insurance Company rehabilitation.
- Email notifications of updates/developments in the rehabilitation are available by signing up [here](#).

## **Rehabilitation Court Proceedings & Moratorium Election Packages**

### **1. What is the current status of PHL?**

As reported by the Rehabilitator on December 31, 2025, a rehabilitation plan that would keep the company operating is no longer considered feasible. As a result, while PHL remains in rehabilitation at this time, the Rehabilitator has indicated that a liquidation order (which would put the company out of business) is expected. The ultimate timing of any liquidation order will be proposed by the Rehabilitator in a filing with the court and is subject to the court's approval. A liquidation order has not yet been entered.

Life and health insurance guaranty associations operate in every state, the District of Columbia, and Puerto Rico to protect policyholders who live in their state/jurisdiction when an insurer fails. Under state guaranty association laws, guaranty association coverage (as more fully described in Questions 9–14, below) is generally triggered when a court issues a liquidation order with a finding of insolvency against an insurer. When a liquidation order is entered against PHL, guaranty associations will begin providing coverage for PHL's policyholders, subject to any limits spelled out in each state's law.

### **2. What is the current status of the PHL moratorium?**

At the request of the Rehabilitator, the court overseeing the PHL rehabilitation imposed a moratorium on certain policy payments. This means that policyholders may not receive their full benefits during the rehabilitation proceedings.

On December 24, 2025, at the request of the Rehabilitator, the court issued an order modifying the existing moratorium to provide additional options for certain policyholders. You should have received an election package explaining how your policy was affected by modification of the moratorium and what options are available to you. Additional information regarding the options available as a result of the modification of the [moratorium](#) can be found on the Connecticut Insurance Department's website.

### **3. What happens if I do not return the election form?**

If you do not return an election form, your policy or annuity will remain under the existing moratorium and continue under the status quo option. You only need to return the election form if you wish to select one of the alternative options described in the election materials.

For additional details about the election options or how to submit an election form, please refer to the specific instructions in your election package. If you have questions about the options available to you or how an election may impact your policy, you should contact the [Rehabilitator](#).

### **4. How will my election affect guaranty association coverage?**

At this time, PHL has not been placed into liquidation, so guaranty association coverage has not been triggered.

When PHL is placed into liquidation, guaranty association coverage will generally be determined by the law of the state in which you reside and will be based on your policy as it exists at the time of liquidation. Therefore, if you make an election that changes the benefits in your policy, guaranty association coverage will apply to the covered benefits of your policy as they exist at the time of liquidation.

Guaranty association coverage will be determined by each individual guaranty association under applicable state law at the time of liquidation and may differ from the Rehabilitator's estimates in your election package.

**5. How long will the rehabilitation continue before PHL is placed in liquidation?**

While the Rehabilitator has stated that a liquidation order is expected, the timing of any liquidation order will be proposed by the Rehabilitator in a filing with the court and is subject to the court's approval. The Rehabilitator has indicated that transition planning is expected to continue through 2026. The Rehabilitator will continue to administer all policies and claims, subject to the terms of the moratorium, until a liquidation order is entered.

**6. What will happen to my insurance policy and investment elections while PHL is in rehabilitation?**

The treatment of policies varies based on the type of policy and the benefits it provides. Please refer to the summary of the [moratorium order](#) on the Connecticut Insurance Department's website, or contact the PHL Variable Call Center (1-877-800-2445) for specific questions about your policy.

**Information on Premiums, Claims & Benefits**

**7. Should I keep paying my premiums?**

Yes. Failure to pay any policy premiums due in full and on time may cause your policy to terminate during rehabilitation and could cause you to lose the guaranty association coverage benefits that would be available for your policy upon liquidation.

**8. How do I submit a claim?**

Please refer to the summary of the [moratorium order](#) on the Connecticut Insurance Department's website or contact the PHL Variable Call Center (1-877-800-2445) for specific questions about making a claim.

**Life & Health Insurance Guaranty Associations**

**9. What is a life and health insurance guaranty association?**

State life and health insurance guaranty associations protect policyholders who live in their state if an insurance company fails. Every state (as well as the District of Columbia and Puerto Rico) has a life and health insurance guaranty association. When a life or health insurance company fails, guaranty associations provide coverage for policyholders who reside in their states, up to limits established in each state's law.

All insurance companies (with limited exceptions) licensed to write life insurance, health insurance, or annuities in a state must be members of that state's life and health insurance guaranty association (this is known as being a "member company"). If a member company is placed in liquidation, the guaranty association provides coverage for the member company's policyholders in accordance with state law.

## **10. What is the National Organization of Life & Health Insurance Guaranty Associations?**

NOLHGA is a voluntary association made up of the life and health insurance guaranty associations of all 50 states and the District of Columbia. If a life or health insurer that does business in multiple states is placed in rehabilitation or liquidation, NOLHGA assembles a task force of guaranty association officials from affected states to determine the best method of protecting the company's policyholders. This task force analyzes the company's policies, ensures that covered claims are paid when guaranty associations are triggered, and pursues opportunities for covered policies to be transferred to a healthy insurer (when possible).

Since its creation in 1983, NOLHGA has assisted its member guaranty associations in providing more than \$30.44 billion in coverage benefits for policyholders and annuitants of insolvent member companies. In that time, the guaranty associations have handled more than 100 multistate insolvencies and provided protection for more than 3.2 million policyholders.

## **11. When do guaranty associations provide coverage?**

Guaranty association coverage generally begins when a court issues a liquidation order with a finding of insolvency against an insurer.

## **12. Which guaranty association will protect me if PHL is placed in liquidation? Does it matter where I live?**

Yes, it does matter where you live. Even if your policy was purchased in another state, guaranty association protection will typically be provided by the guaranty association in your state of residence on the date of liquidation, subject to some exceptions and exclusions.

## **13. Are guaranty association laws the same in all states?**

While laws can vary from state to state, most state guaranty association laws are based on a [Model Act](#) developed by the National Association of Insurance Commissioners.

## **14. Who can answer questions about guaranty association issues?**

The guaranty association **in your current state of residence** can answer any questions you have about the guaranty association system. You can find contact information for your guaranty association on the [NOLHGA website](#).