

DEPARTMENT OF INSURANCE
 CONSUMER SERVICES AND MARKET CONDUCT BRANCH
 CONSUMER SERVICES DIVISION
 300 SOUTH SPRING STREET, SOUTH TOWER
 LOS ANGELES, CA 90013
www.insurance.ca.gov
 CCB-012 P
 Revised: 01/03/2011



REQUEST FOR ASSISTANCE

Name Diane Reynolds Work Phone [REDACTED]
 Address [REDACTED] Home Phone _____
 City St. Paul, MN Zip 55107

Before you file a complaint with the Department of Insurance, you should first contact the insurance company, agent or broker in an effort to resolve the issue(s). If you do not receive a satisfactory response, then complete this form, attach copies of any important papers that relate to your complaint and mail to address shown above.

Please be aware that a copy of this Request for Assistance and other documentation submitted by you may be provided to the insurance company, agent or broker unless you indicate that you do not want a copy of your correspondence forwarded by checking the box:

Do not forward a copy of the completed form and the documentation provided. However, please contact the insurance company and investigate the complaint on my behalf.

1. Complete name of insurance company involved:

PHL Variable Insurance Company

2. Type of Insurance: Auto Home Life Health Other _____

3. (a) Name of the policyholder if different from your name:

U.S. Bank National Association (as securities intermediary for Lima Acquisition LP)

(b) If a group policy, provide the group name:

4. Policy identification or certificate number:

[REDACTED]

5. Claim number (if applicable) _____

6. Date loss occurred or began (if applicable) _____

7. Broker/Agent (if applicable) _____ Broker/Agent License number _____

Street address _____ City/State _____ Zip _____

8. Have you contacted the company, agent or broker? Yes No

If yes, state the date(s) and person(s) contacted See Attached
 (Provide copies of all correspondence)

9. Have you reported this to any other governmental agency? Yes No
If yes, please give:

(1) Name of agency: See attached

(2) File number, if known: _____

10. Have you previously written to the Department of Insurance about this matter?

Yes No File number (if available) _____ Date _____

** We have corresponded with the Department generally about PHL's conduct, though not as regards this specific policy.*

11. Is there attorney representation in this matter? Yes No

12. Is a lawsuit currently on-going or pending? Yes No If yes, our ability to mediate this matter is limited, but we will investigate your inquiry for any regulatory issues. We may defer the regulatory investigation until the finality of the litigation. We ask that you still complete this form so we have a record of your issue. Once the matter is concluded, we would welcome any information regarding violations of law by the insurer that you or your attorney are willing to provide.

** There is pending litigation by U.S. Bank National Association as securities intermediary for Lima Acquisition, LP and others against PHL based on this and other misconduct, however there is no ongoing litigation on this policy.*

13. Briefly, describe your problem (use additional paper if needed):
See Attached

14. What do you consider to be a fair resolution to your problem?
See Attached


(Signature)

6-26-2012
(Date)



All of us serving you®

EP-MN-WS3D
60 Livingston Avenue
St. Paul, MN 55107

Attachment – PHL Variable Insurance Company Policy Number [REDACTED]

June 26, 2012

PHL Variable Insurance Company Policy Number [REDACTED] is owned by U.S. Bank as securities intermediary for Lima Acquisition LP.

On or around October 10, 2011, we received the attached letter from PHL stating that the cost of insurance rate on certain Phoenix Accumulator Universal Life Policies was being increased. According to the letter, this policy would be subject to this increase in cost of insurance. The letter generically states that “the change is in accordance with the terms of your policy,” but gives no specific basis for the increase in the cost of insurance rate. We believe that this COI increase in fact violates the terms of the policy.

Also attached to this complaint is an illustration for policy number [REDACTED], prepared on May 29, 2007, showing the expected premiums, charges, and accumulated value for the policy at the time of its issuance.

We have contacted PHL in an effort to voice our concerns and seek further information regarding the reasons for the COI increase. Despite our best efforts, we have been unable to get a satisfactory answer from PHL to our questions about the basis for the COI increase. We have learned that the New York Department of Insurance has required PHL to retract similar, earlier COI increases because they violate this type of policy (see attached September 6, 2011 and November 16, 2011 letters and March 8, 2012 article). However, PHL refuses to explain why they continue to impose the same COI increases on its California customers.

As we continue to believe that this rate increase represents a practice that is unfair, misleading, and contrary to both California law and the express terms of the policy, we ask that the California Insurance Department undertake an investigation of PHL’s actions. We have also contacted a number of other state regulators in states where PHL policies were issued in order to raise our concerns. We believe that this COI increase should be cancelled and that PHL Variable Insurance Company should refund the excess COI payments.

If you have any further questions, please do not hesitate to contact us.

Truly Yours,

Diane Reynolds

Vice President

U.S. Bank National Association



October 10, 2011
US Bank NAAs Sec Int
PO Box 65690
Saint Paul, MN 55165-0690

Re: [REDACTED]

Dear Policyholder:

We are sending you this letter to inform you that on November 1, 2011, we are adjusting the cost of insurance rates on certain Phoenix Accumulator Universal Life policies, including your policy referenced above. As a result, the rates used to determine your cost of insurance will be increased from the current rates. This change will go into effect on your next policy anniversary on or after November 1, 2011.

As background, we review our cost of insurance rates periodically to determine whether they should be changed and take action only when the rates are too low or too high relative to our current actuarial and financial expectations related to the policies. This change is in accordance with the terms of your policy, and all currently payable rates for the cost of insurance remain below the maximum guaranteed rate contained in your policy contract.

If you have any questions or would like to request an illustration, please contact us at (800) 541-0171. Select Option 4, Option 5, Option 1, ext. 8875 between 8:30 a.m. and 5 p.m., Eastern Time. Illustration requests also can be made by logging on to phoenixwm.com. Select "Client Service," followed by "Account Values," to access information regarding your specific policy. As always, we appreciate the opportunity to serve your insurance needs.

Sincerely,

Customer Care Center

cc: Dawn Tessari
US Bank Trust NAAs Security Tte

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REQUEST FOR ASSISTANCE

Name Diane Reynolds Work Phone [REDACTED]
 Address [REDACTED] Home Phone _____
 City St. Paul, MN Zip 55107

Before you file a complaint with the Department of Insurance, you should first contact the insurance company, agent or broker in an effort to resolve the issue(s). If you do not receive a satisfactory response, then complete this form, attach copies of any important papers that relate to your complaint and mail to address shown above.

Please be aware that a copy of this Request for Assistance and other documentation submitted by you may be provided to the insurance company, agent or broker unless you indicate that you do not want a copy of your correspondence forwarded by checking the box:

Do not forward a copy of the completed form and the documentation provided. However, please contact the insurance company and investigate the complaint on my behalf.

1. Complete name of insurance company involved:

PHL Variable Insurance Company

2. Type of Insurance: Auto Home Life Health Other _____

3. (a) Name of the policyholder if different from your name:

U.S. Bank National Association (as securities intermediary for Lima Acquisition LP)

(b) If a group policy, provide the group name:

4. Policy identification or certificate number:

[REDACTED]

5. Claim number (if applicable) _____

6. Date loss occurred or began (if applicable) _____

7. Broker/Agent (if applicable) _____ Broker/Agent License number _____

Street address _____ City/State _____ Zip _____

8. Have you contacted the company, agent or broker? Yes No

If yes, state the date(s) and person(s) contacted See Attached
 (Provide copies of all correspondence)

(COMPLETE REVERSE SIDE)

9. Have you reported this to any other governmental agency? Yes No

If yes, please give:

(1) Name of agency: See attached

(2) File number, if known: _____

10. Have you previously written to the Department of Insurance about this matter?

Yes No

File number (if available) _____ Date _____

** We have corresponded with the Department generally about PHL's conduct, though not as regards this specific policy.*

11. Is there attorney representation in this matter? Yes No

12. Is a lawsuit currently on-going or pending? Yes No If yes, our ability to mediate this matter is limited, but we will investigate your inquiry for any regulatory issues. We may defer the regulatory investigation until the finality of the litigation. We ask that you still complete this form so we have a record of your issue. Once the matter is concluded, we would welcome any information regarding violations of law by the insurer that you or your attorney are willing to provide.

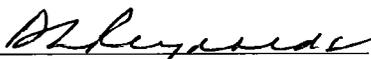
** There is pending litigation by U.S. Bank National Association as securities intermediary for Lima Acquisition, LP and others against PHL based on this and other misconduct, however there is no ongoing litigation on this policy.*

13. Briefly, describe your problem (use additional paper if needed):

See Attached

14. What do you consider to be a fair resolution to your problem?

See Attached


(Signature)

6-26-2012
(Date)



EP-MN-WS3D
60 Livingston Avenue
St. Paul, MN 55107

June 26, 2012

Attachment – PHL Variable Insurance Company Policy Number [REDACTED]

PHL Variable Insurance Company Policy Number [REDACTED] is owned by U.S. Bank as securities intermediary for Lima Acquisition LP.

On or around March 8, 2010, we received the attached letter from PHL stating that the cost of insurance rate on certain Phoenix Accumulator Universal Life Policies was being increased. According to this letter, this policy would be subject to this increase in cost of insurance “unless [the] accumulated policy value is maintained at a sufficient level.” The letter goes on to say that “[t]he amount of the increase will vary based on the accumulated amount of your policy value.” We believe that this COI increase violates the terms of the policy. Nowhere in the policy does it state that PHL can increase the cost of insurance rate because a policy has too little accumulated value.

Also attached to this complaint are three illustrations for policy number [REDACTED]. The first is a 2005 illustration showing the expected premiums, charges, and accumulated value for the policy prior to its issuance. The second is an illustration created on March 24, 2010 – approximately two weeks after we received the attached letter regarding an increase in the cost of insurance – that “assumes the premium payment needed to keep the policy in force to the next policy anniversary without the required dump in needed . . . to avoid the cost of insurance rate increase.” The third is another illustration created on March 24, 2010 that “assumes the required dump in needed . . . to avoid the cost of insurance rate increase.”

We have contacted PHL in an effort to voice our concerns and seek further information regarding the reasons for the COI increase. Despite our best efforts, we have been unable to get a satisfactory answer from PHL to our questions about the basis for the COI increase aside from the attached 2010 illustrations, which themselves show that PHL is discriminating against policies that maintain a low accumulated value. We have learned that the New York Department of Insurance has required PHL to retract similar COI increases because they violate this type of policy (see attached September 6, 2011 and November 16, 2011 letters and March 8, 2012 article). However, PHL refuses to explain why they continue to impose the same COI increases on its California customers.

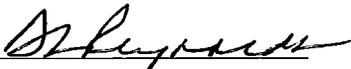
As we continue to believe that this rate increase represents a practice that is unfair, misleading, and contrary to both California law and the express terms of the policy, we ask that the California Insurance Department undertake an investigation of PHL’s actions. We have also

OHSUSA:750891011.1

contacted a number of other state regulators in states where PHL policies were issued in order to raise our concerns. We believe that this COI increase should be cancelled and that PHL Variable Insurance Company should refund the excess COI payments.

If you have any further questions, please do not hesitate to contact us.

Truly Yours,



Diane Reynolds

Vice President

U.S. Bank National Association



PHOENIX

March 8, 2010

[REDACTED]
1000 N West Street Suite 1200
Wilmington, DE 19801-1058

Re: [REDACTED]

Dear Policyholder:

We are sending you this letter to inform you that on April 1, 2010, we are increasing cost of insurance rates on certain Phoenix Accumulator Universal Life policies. Your policy referenced above will be subject to this rate increase on your next policy anniversary beginning 2/17/2011 unless your accumulated policy value is maintained at a sufficient level.

The amount of the increase will vary based on the accumulated amount of your policy value. In general, maintaining higher levels of policy value in relation to the face amount will reduce or even eliminate the increase.

As background, we review our cost of insurance rates periodically to determine whether they should be changed and take action only when the rates are too low relative to our current actuarial and financial expectations related to the policies. This increase is in accordance with the terms of your policy and the adjusted rates for the cost of insurance will remain below the maximum guaranteed cost of insurance rates we are permitted to charge your policy.

If you have any questions or would like information about how you may reduce or eliminate the rate increase, please contact us at (800) 541-0171. Select Option 4, Option 5, Option 1, ext. 8875 between 8:30 a.m. and 5 p.m., Eastern Time. As always, we appreciate the opportunity to serve your insurance needs.

Sincerely,

Customer Care Center

cc: William E Stansbury





PHOENIX

Phoenix Life Insurance Company
PHL Variable Insurance Company
Members of The Phoenix Companies

Fax Cover Sheet

Date/Time: 3/24/2010 2:12:38 PM

Number of pages
including cover sheet: 14

TO: [REDACTED]

Company:

Fax Number: [REDACTED]

FROM: *Michael Bobersky*

New Business

Phone Number:

Fax Number:

COMMENTS:

The below illustration assumes the required dump in needed prior to the next anniversary to avoid the cost of insurance rate increase. Year 6 and all future years assumes the solved level premiums needed to maintain sufficient accumulated policy value to avoid possible cost of insurance increases due to the rate change.

Confidentiality Note:

The documents accompanying this fax cover sheet contain information that is confidential or privileged from Phoenix Life Insurance Company. The information is intended to be for the sole use of the individual or entity named on this cover sheet. If you are not the intended recipient, please note that any disclosure, copying, distribution or use of the contents of this telecopied information is strictly prohibited. If you have received this fax cover sheet in error, please contact us immediately. Thank you.