

Phoenix Announces Index Annuity Product Changes

Effective Monday, October 3rd, 2011

Thank you for your business and continued support. Due to current economic conditions and the prolonged low interest rate environment, Phoenix is announcing several changes to our indexed annuity products and Guaranteed Minimum Withdrawal Benefit (GMWB) riders. Similar to recent announcements from other companies, these changes are necessary for Phoenix to continue to offer competitive and innovative products.

These changes will go into effect on Monday, October 3rd. Please review the product changes and associated transition rules below.

Product Changes

Index Select Gold Bonus

- The premium bonus of 8% (in states where available) will now be 7%.
- The Nursing Home and Terminal Illness waivers will only be available for issue ages 79 and below.

Personal Income Annuity

- The Nursing Home and Terminal Illness waivers will only be available for issue ages 79 and below.

GMWB Rider Changes

Income Strategy: Today and Income Strategy: Tomorrow

- The fee will be 0.95% for each.
- The Annual Benefit Percentages have been revised. See attached ABA charts.

Income 25

- The fee will be 0.95%.

Income Plus

- The fee will be 0.95%.
- The roll-up period will now be 8 years but will remain 8%.
- The Annual Benefit Percentages have been revised. See attached ABA chart.

Compensation

There will be a 25 basis point reduction in producer level compensation for all Phoenix fixed indexed annuity business with issue ages under 76.

Transition Rules

1. Applications signed on or before 10/2/11 and received in good order by Phoenix by close of business on Friday 10/7/11 will be issued the existing products and riders.
2. 1035 Exchanges/Rollovers– all applications signed on or before 10/2/11 must have the money to Phoenix within 45 days of the Oct. 3rd effective date, which would be 11/16/11 in order to be issued the existing product or rider. This applies to all contracts, including pending cases.
3. Applications that are signed on or before 10/2/11, but are not received in good order by 10/7/11, as well as any 1035 exchange money not received by close of business on 11/16/11, will be issued the new version of the products/riders. Both the client and agent must sign an acknowledgement form which will accompany the updated disclosure document and will state that the client agrees to receive the new version of the product and rider. We will not issue without this form or a new application.
4. Applications signed 10/3/11 or later will be issued the new product/rider.

Important reminder regarding the NAIC suitability training:

Please be aware if your state has adopted this regulation, you must now complete state-approved CE training as well as product specific training or your application will be considered NIGO. To view training requirements and state specific deadlines, please click [here](#).

If you have questions about these changes or require further clarification, we are happy to help.

Product materials, quotes and information:

Annuity Sales Desk: 888-794-4447, option 1

Electronic copies of the updated marketing materials will be available on 9/22/11. Call the Sales Desk to request materials. Printed materials will be available for ordering on 10/3/11.

Pending application status:

Annuity New Business: (800) 541-0171, option 4, option 4 or annuity.newbusiness@phoenixwm.com

Thank you again for your business.

We look forward to continued shared success!

Producer use only. Not for use with the public as sales literature.

Product features, riders, options and availability may vary by state. Guarantees are based on the claims-paying ability, PHL Variable Insurance Company. Phoenix indexed annuities are issued by PHL Variable Insurance Company (PHLVIC) (Hartford, CT). PHLVIC is not authorized to conduct business in Maine and New York.
