



NASSAU RE

Phil Gass
Chairman and Chief Executive Officer

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October 31, 2019

Dear Valued Producer,

I am pleased to share that for 2020 we are changing the policy dividend scale for all closed block participating policies purchased before the June 2001 demutualization of Phoenix Life Insurance Company (now Nassau Life Insurance Company). The changes include a higher dividend interest rate and will result in most policyholders seeing an increase to the dividend paid in 2020 compared to the dividend paid in 2019, reflecting this higher rate as well as growth in the value of their policy.

Our decision reflects consideration of several factors, including historical performance and future expectations. Despite the challenging interest rate environment, we were able to increase the dividend interest rate for 2020 based on favorable experience of the closed block.

The average dividend interest rate will be 4.8% in 2020, with a policyholder's actual dividend interest rate subject to specific policy terms. We are also making modest adjustments to mortality dividends. As always, the amount of dividend paid is based on a number of factors including product type, age at issue, length of time the policy has been in force, gender, and health when the policy was issued. Some policyholders will see a decrease for reasons including loan balances or loan interest rates that affect the size of the dividend paid.

We are also changing the dividend scale for the small number of participating policies in the open block (purchased after demutualization). We will notify policyholders that the dividend scale is being changed on their policy anniversary statements, which will be mailed monthly beginning in early December for January 2020 renewals. We also posted new information to the Service section of our website, www.nsre.com, as well as on SalesNet.

Our relationship with you is very important to us, and we are here to support you in any way we can. If you have any questions, please call our Customer Care Center at 1-800-628-1936.

Sincerely,