

SEQUENCE OF RETURNS IN HISTORY

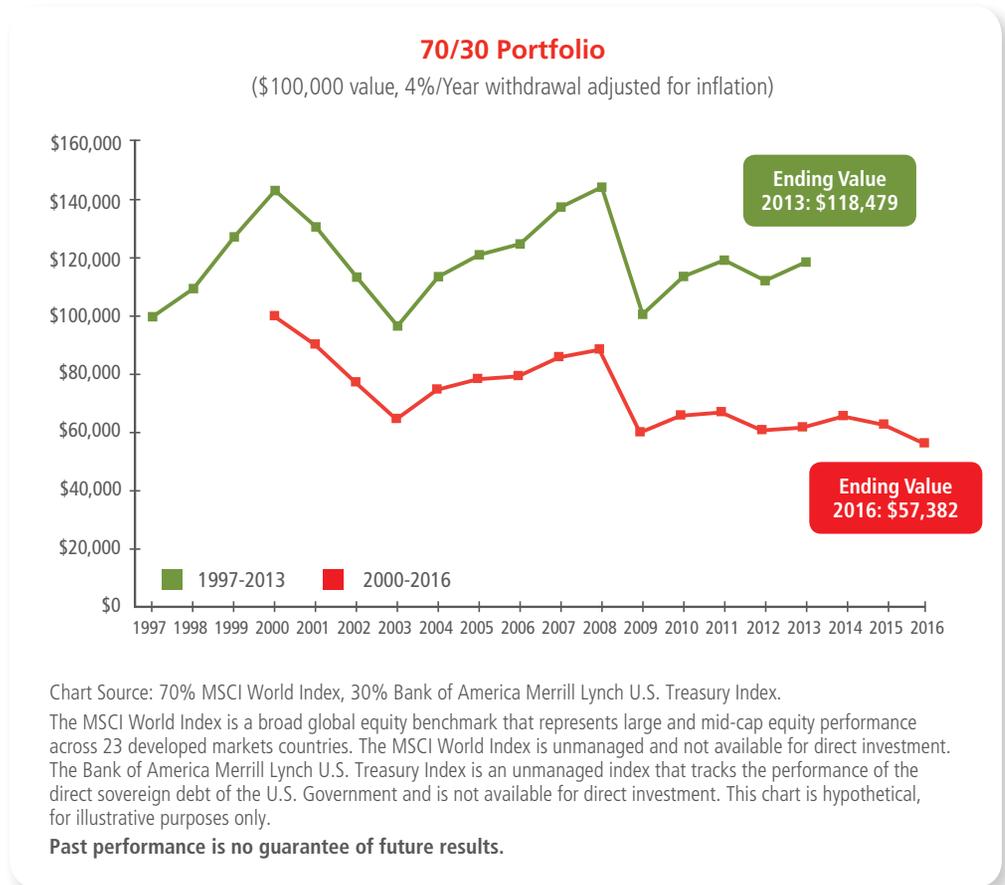
When timing can matter most to your portfolio

An article in the Chicago Tribune reported that a portfolio comprised of 70% stocks and 30% bonds would have allowed \$100,000 to grow to nearly \$300,000 from 1997 to 2014.¹ The article offers these figures as proof that such a portfolio will work in retirement. Unfortunately, it's not that simple when you look at it from an income perspective.

Take that portfolio and factor in a yearly 4% withdrawal with a 3% inflation adjustment. If we started taking income adjusted for inflation in 1997, the portfolio was worth nearly \$118,479 in 2013. We were able to get our 4% withdrawal adjusted for inflation and end up with more than we started with. Impressive.

But what if we take that same portfolio and spending pattern and begin withdrawals in 2000? At the end of 2016, the account is worth \$57,382. A three-year difference in retirement date costs the investor nearly 52% in less than just 16 years.

Not only did the Tribune cherry-pick its time period, but it ignored the reality that most people add to and subtract from their portfolios. That's a simplification that can be very dangerous!



Continued >

¹ James M. Sanford, Chicago Tribune, "The Strong Case Against Annuities," June 23, 2016.

Not FDIC/NCUA insured • May lose value • Not bank/CU guaranteed • Not a deposit • Not insured by any federal agency

To discuss ways a Jackson® annuity can help you manage sequence of returns risk, contact your financial professional today.

Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of the variable annuity and its underlying investment options. The current contract prospectus and underlying fund prospectuses, which are contained in the same document, provide this and other important information. Please contact your representative or the Company to obtain the prospectuses. Please read the prospectuses carefully before investing or sending money.

Advanced Strategies communications are intended only to alert you to strategies that may be appropriate for the circumstances described. You should consult with a lawyer and/or tax specialist before adopting or rejecting any strategy Advanced Strategies suggests. Only a lawyer and/or tax specialist, after thorough consultation, can recommend a strategy suited to anyone's unique needs.

Variable annuities are long-term, tax-deferred investments designed for retirement, involve risks and may lose value. Earnings are taxable as ordinary income when distributed and may be subject to a 10% additional tax if withdrawn before age 59½.

Variable annuities are issued by Jackson National Life Insurance Company® (Home Office: Lansing, Michigan) and in New York by Jackson National Life Insurance Company of New York® (Home Office: Purchase, New York). Variable annuities are distributed by Jackson National Life Distributors LLC, member FINRA. May not be available in all states and state variations may apply. These products have limitations and restrictions. Contact Jackson for more information.

In certain states, we reserve the right to refuse any subsequent premium payments.

Jackson is the marketing name for Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York.

Past performance is no guarantee of future results.

Firm and state variations may apply.

JACKSON®

FINANCIAL FREEDOM FOR LIFE™