



Financial Professional Compliance Manual

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JACKSON®

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Introduction

1.1 Company standards

Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York (“Jackson” or the “Company”) requires that its Financial Professionals and their associates adhere to the highest standards of ethical market conduct. This “Financial Professional Compliance Manual” and Jackson’s Financial Professional Agreement express Jackson’s requirements regarding legal and ethical business standards for its Financial Professionals. Jackson fully supports the letter, as well as the spirit of the laws applicable to its business and the Principles of Ethical Market Conduct set forth in Section 1.2. Failure to comply with the following standards could result in the termination of the Financial Professional’s appointment.

1.2 Principles of ethical market conduct

In all matters affecting the sale of annuity products, Jackson is committed:

- To provide competent and client-focused sales and service.
- To engage in fair competition.
- To provide advertising and sales materials that are clear as to purpose and honest and fair as to content.
- To address client complaints and disputes fairly and expeditiously.
- To maintain a system of oversight and review reasonably designed to achieve compliance with these Principles of Ethical Market Conduct.
- To provide data security and privacy for clients and customers.



Appointment with Jackson

2.1 Licensing and appointment

A “Financial Professional” is a person who provides expertise for clients when they make one or more decisions around money matters, personal finances, and investments. Financial Professionals may work as an independent agent or may be employed by a financial firm. Financial Professionals must be licensed to carry out business with clients.

Financial Professionals must be properly licensed and appointed with Jackson to transact the business of insurance and must have satisfied training requirements before negotiating, soliciting the purchase of, or selling a Jackson product. Financial professionals are also required to adhere to all applicable laws and regulations, as well as Jackson procedures. Further, if operating independently outside of a financial firm, a Financial Professional must have signed and dated a Jackson Financial Professional Agreement. These include, but are not limited to, attempts to negotiate, solicit, or sell a Jackson product by mail, advertising, telephone, in-person contact, or electronic communication.

Financial Professionals who require guidance on applicable licensing and appointment requirements may contact the following individuals: the respective state's insurance licensing department, the insurance agency or broker/dealer, a Jackson wholesaler, or Jackson's Licensing Department.

2.2 Education, training, and product knowledge

Financial Professionals must satisfy state continuing education requirements necessary to maintain their insurance license(s). Jackson encourages Financial Professionals to: (1) enhance their professional knowledge and skills by participating in continuing education and training programs; (2) achieve additional professional designations (i.e., CFP, ChFC, CLU); and (3) participate in industry associations and trade groups.

Financial Professionals should thoroughly understand the provisions, costs, benefits, terms, and conditions of each Jackson product they market.

Jackson provides a wide range of training and educational resources to assist Financial Professionals in understanding the Jackson products they sell, and the regulatory requirements involved in the sales process, including:

- A Market Conduct Update
- Product brochures and description sheets
- The Jackson website
- General annuity training
- Jackson-sponsored educational meetings, including continuing education classes
- Product-specific certification classes.

Financial Professionals should read Jackson's newsletters and regulatory announcements to obtain information on insurance regulations and Jackson policies and products. Financial Professionals may contact their Jackson wholesaler to obtain information about Jackson education and training resources.

SENIOR DESIGNATIONS

Before Financial Professionals use any designation with the public that implies expertise regarding seniors' unique needs (e.g., "certified senior advisor/consultant," "senior specialist," retirement specialist," or

"certified financial gerontologist," etc.), Financial Professionals should ensure that the granting organization mandates continuing education, offers a disciplinary process, provides a means to check a professional's status, and otherwise ensures that a designation is one of meaningful substance, and not deceptive. Financial Professionals should also ensure that their use complies with regulatory mandates.

2.3 Communications

Jackson prohibits misleading statements and omissions of material information. Financial Professionals must ensure that all their written and oral communications, including but not limited to, correspondence, conversations, sales proposals, electronic transmissions, and advertising and sales materials regarding Jackson and Jackson products are clear, accurate, and truthful.

Financial Professionals may use only Jackson-approved "marketing material" with respect to Jackson products.

MARKETING MATERIAL DEFINED

Jackson defines "marketing material" as anything intended to create interest in insurance or annuities, an insurer or insurance Financial Professional, a registered representative or broker/dealer, or to induce the public to purchase, increase, modify, reinstate, borrow from, surrender, replace or retain a Jackson product.

Examples of marketing material include, but are not limited to:

- Illustrations
- Proposals
- Sales scripts
- Articles and reprints
- Billboards and similar displays
- Newsletters; including electronically disseminated information to all subscribers or targeted individuals or groups
- Video presentations
- Emails
- Business cards
- Stationary
- Seminar invitations and presentations
- Brochures
- Form letters
- Yellow Page listings
- On-hold and Voicemail messages
- Facsimiles including coversheets

APPROVAL OF MARKETING MATERIAL

- Jackson must approve, in writing, all Financial Professionals' marketing material concerning Jackson or its products.
- Financial Professionals may not amend or alter in any manner any Jackson generated or approved marketing material.
- Financial Professionals must comply with usage restrictions such as "Institutional Use Only" or "Financial Professional Use Only" declared on marketing material.
- Non-compliance with marketing material requirements could subject Financial Professionals and Jackson to regulatory penalties, including fines, termination by Jackson of the selling agreement, or loss of licenses to sell insurance.



Solicitation/sale

3.1 Financial professional identification

Financial Professionals must properly identify themselves to prospective clients, clearly describe the services they are authorized to provide, clearly explain the capacity in which they are acting in the transaction, and, if applicable, disclose the company or broker for which they are soliciting the sale.

3.2 Fair competition

Financial Professionals must provide objective, truthful (substantiated and not rumor or innuendo), accurate and fair information about competitors and their products. Financial Professionals must not inaccurately describe competitors or competitors' products. Neither will Financial Professionals engage in any sales contests or quotas or receive bonuses or non-cash compensation that are based on the sale of specific annuities within a limited period of time. If the Financial Professional becomes aware of any conduct prohibited in this section they must immediately notify Jackson.

3.3 Product disclosures

Financial Professionals must explain to the client how the contract works and provide the client with point of sale disclosures such as a prospectus and/or marketing materials that explain, among other matters of client interest: how Jackson credits interest, the product's surrender charges, add-on or inherent benefits, applicable market value adjustments, or tax penalties that may be associated with any distributions.

Financial Professionals must understand and comply with state and federal requirements regarding the appropriateness of sales. Should a Financial Professional not be associated with a firm, at the time of an annuity application they must submit all required Jackson suitability forms completed in good order. Financial Professionals may direct questions about state and Jackson suitability/best interest requirements to a Jackson wholesaler or the Jackson Home Office new business processing unit.

3.4 Client-focused sales and service

Financial Professionals must have reasonable grounds to believe that the products they recommend are appropriate for the client and must comply with best interest regulations and requirements. In all cases, Financial Professionals must engage in a fact-finding process regarding consumer profile information, including (but not limited to) discussion with the client about their current insurance/financial needs. Some factors to consider include:

AGE AND TAX STATUS

Is the product appropriate given the client's age and tax status?

FINANCIAL SITUATION

Is the client expecting a significant change in their financial outlook? If so, is there a plan in place to cover new expenses?

FINANCIAL EXPERIENCE

What is the client's level of education on investing? If low, can the client demonstrate competency on this purchase/switch?

LIQUIDITY NEEDS

Will the client need liquidity during the surrender schedule?

FINANCIAL OBJECTIVES/INTENDED USE

How will the client use this annuity? (Ex. Income, Growth).
How will the proposed product meet the client's objectives or better meet their objectives? What are the client's insurance needs?

ANNUAL INCOME

What is the client's annual income?

EXISTING ASSETS/FINANCIAL RESOURCES

What is the client's Total Net Worth and how is it divided between investments, annuities, insurance holdings, cash, and other financial products?

FINANCIAL TIME HORIZON

How far out will the client need funds from this annuity? How long until they plan to have it fully surrendered or annuitized?

LIQUID NET WORTH

How much does the client have on-hand, which is either liquid, or could easily be converted to liquid without penalty? Can the client cover their emergency expenses easily with this?

RISK TOLERANCE

Does the client's risk tolerance align with the proposed sale?

When making a recommendation to your client, use the following “pillars” of Best Interest obligations to demonstrate the appropriateness of that recommendation:



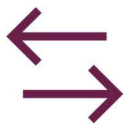
CARE OBLIGATION

Know the client’s financial situation, research and understand the available options, have a reasonable basis to believe the recommended option is the most appropriate, and communicate the basis of the recommendation.



DOCUMENTATION OBLIGATION

At the time of recommendation, you must fully document the recommendation reasoning including how the client will benefit from the purchase and how, if replaced, the recommended product will better meet the client's financial objectives and situation.



DISCLOSURE OBLIGATION

Prior to the recommendation, disclose the scope and terms of your relationship with the consumer and your role in the transaction. Further, you must disclose to the client the products you are licensed to sell as well as the sources of your compensation. Finally, you must provide notice to the consumer of their right to request additional documentation on compensation.



CONFLICT OF INTEREST OBLIGATION

A Financial Professional shall identify, disclose, avoid, and/or reasonably manage material conflicts of interest, including those relating to an ownership interest in any sale.

3.5 Replacements

Most states have adopted replacement regulations and requirements that apply if a client intends to purchase an annuity contract and the Financial Professional knows or should have known that, by reason of the transaction, the client's existing life insurance policy or annuity contract has been or will be:

- Lapsed, forfeited, surrendered or partially surrendered, assigned to the replacing insurer, or otherwise terminated;
- Converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced in value by the use of non-forfeiture benefits or other policy values;
- Amended so as to effect either a reduction in benefits or in the term for which coverage would otherwise remain in force or for which benefits would be paid;
- Reissued with reduction in cash value; or
- An actual or intended source of funds to pay all or part of premium due on the replacement contract within four months before, or 13 months after, the effective date of the replacement policy.

A replacement may occur even when the money for a new annuity contract comes directly from the client and not another insurance company if the source of the money is as described above.

Financial Professionals should not make recommendations that a client replace an existing policy or contract unless they first provide to the client a complete and accurate comparison of the two contracts. Comparisons should include existing and new contract expenses, surrender charges, cash values, death benefits, living benefits, guaranteed and maximum values, and makes a determination that replacement is in the client's best interest. Failure to do so is considered an improper replacement or churning and is prohibited. A Financial Professional must provide the advantages and disadvantages of replacing an existing policy or contract. Financial Professionals should also document the reasons the purchase of a new contract serves the client's objectives better than the maintenance of an existing policy/contract and comply with applicable state replacement regulations and Jackson requirements.

A replacement may not be in a client's best interest due to:

- Outstanding loans on an existing Life policy will reduce the cash value.
- New acquisition expense charges, which often result in lower future cash values (assuming the same face amount).
- New surrender charges.
- Loss of privileges, benefits, and options under the existing policy/contract.
- Replacement of a commissionable annuity (in or out of its surrender period) for an advisory annuity for the purpose of obtaining additional advisory compensation.

Financial professionals must understand and comply with state/federal requirements regarding replacements. Financial Professionals must fully complete and submit all required replacement forms with the Jackson product application. Financial Professionals may direct questions about replacement requirements to a Jackson wholesaler or the Jackson Home Office new business unit.

3.6 Internal Exchanges

Jackson does not encourage the exchange of an existing Jackson contract or policy for a new Jackson contract or policy. If a Financial Professional has determined that the replacement of an existing Jackson product is in a client's best interest, Jackson internal exchange guidelines should be reviewed to determine if the exchange is permissible. If allowed, the internal exchange must pass a required suitability review and comply with all applicable laws and regulations.

3.7 Illustrations/guaranteed and non-guaranteed elements

Financial Professionals may use only Jackson-approved illustrations for Jackson products. When using an illustration, a Financial Professional must:

- Show the client a complete illustration with no pages omitted.
- Carefully explain that the illustration is a projection, based on non-guaranteed factors, and not a guarantee of future policy/contract performance.
- Not highlight portions of the illustration or make notations on the illustration and keep a complete copy of the illustration for the client's file.

In those states that impose specific regulations regarding the use of illustrations, the Financial Professional must ensure both the Financial Professional and the applicant sign the illustration's numeric summary page and provide the client with a copy of the signed illustration.

GUARANTEED AND NON-GUARANTEED ELEMENTS

A Financial Professional must clearly explain to the client the difference between guaranteed and non-guaranteed elements and must understand a client's willingness to accept non-guaranteed elements. "Non-guaranteed elements" means the premiums, credited interest rates (including any bonus), benefits, values, dividends, non-interest-based credits, charges or elements of formulas used to determine any of these, that are subject to company discretion and are not guaranteed at issue. An element is considered non-guaranteed if any of the underlying non-guaranteed elements are used in its calculation.

3.8 Rebates

Rebating occurs when a Financial Professional gives to a person or firm any portion of the Financial Professional's commission, any gratuity, or anything of value as an inducement to purchase insurance. Jackson prohibits the practice of rebating.

3.9 Introduction of new lines of business (for broker-dealer affiliated Financial Professionals)

Should a broker-dealer affiliated Financial Professional engage in the sale of a previously unsold line of business, it is the obligation of the Financial Professional to ensure they have the proper authorization from their broker-dealer to engage in the sale of that particular line of business. A new line of business can include variable, registered index-linked, fixed index, or fixed annuities.



Completing the sale

4.1 The application and other forms

INFORMATION

- Information provided on all forms must be accurate and complete to the best of the Financial Professional's knowledge and belief.
- All applications must bear the current date. Jackson strictly prohibits Financial Professionals from predating and postdating applications.

SIGNATURES

Financial Professional must:

- Ensure the applicant understands the application questions.
- Obtain signatures of the required parties on required forms only after the forms are completed. Do not request or allow an applicant to sign blank forms.
- Ask the applicant to read the application and all required forms and to confirm all answers provided are accurate and complete.
- Not affix or allow another person to affix a signature or initials that are not their own.
- Sign as a witness to another person's signature only when made in the Financial Professional's presence.

CHANGES

Financial Professionals:

- Have no authority to change answers on an application without the knowledge, consent and written approval of the applicant or insured, as applicable.
- Must not make, waive, alter, or discharge the rates, terms or conditions of any Jackson contract, policy, application, or other forms without Jackson's prior written approval.

4.2 Accepting premiums

Jackson permits payment of premium both by wire and check. Jackson does not accept physical cash. Checks should be made payable to Jackson National Life Insurance Company/Jackson of New York. Financial Professionals may not receive premium funds in cash or any other instrument payable to any person or entity other than Jackson.

Financial Professionals should instruct clients to remit renewal premiums directly to Jackson's Remittance Processing Department. If a Financial Professional receives policy or contract premiums, the Financial Professional must promptly mail the payment to Jackson's Remittance Processing Department. Jackson reserves the right to reject and return any policy or contract premium for any reason.

4.3 Annuity contract delivery and delivery requirements

Upon contract delivery, Financial Professionals should reaffirm the client understands the contract and confirm the client's reasons for purchase. If a contract is delivered to the client by the Financial Professional, the Financial Professional should use "certified mail, return receipt requested" to ensure documentation of delivery. All delivery receipts should be maintained as part of the client's records. Some states impose regulations that may require that a Financial Professional obtain a Policy Delivery Receipt.

4.4 File Documentation

Financial Professionals' files should include, but not be limited to:

- Copies of Jackson-approved illustrations signed by the client.
- Copies of any sales material presented to the client.
- Case notes, including documentation of recommendations made and why.
- Trust papers, corporate resolutions, etc., evidencing the applicant's authority to enter into the contract.
- Telephone log of calls related to the transaction.
- Copies of correspondence related to the transaction.
- A copy of the policy/contract and application forms.
- A copy of signed Policy Delivery Receipt.
- Copies of correspondence to and from the client
- Copies of any disclosure documentation to the client.
- Anti-Money laundering materials, including customer identification documentation.



Proper documentation is extremely important should a Financial Professional find it necessary to respond to an allegation of misconduct or to a client's complaint.

A black and white photograph of a woman with long, wavy hair and glasses, wearing a dark leather jacket over a light-colored top. She is sitting at a desk, looking down at a laptop. The background is a blurred office interior with large windows and structural elements. A semi-transparent orange rectangle is overlaid on the bottom left of the image, containing white text.

**Data security, privacy,
and anti-money
laundering**

5.1 Financial professional number and log-in information

Jackson will provide appointed Financial Professionals with a Jackson Financial Professional number that enables them to access account information through the Jackson website. Jackson considers the Financial Professional number and log-in information proprietary business information which must be kept confidential. A Financial Professional's use of the Jackson website to access client information is solely to permit or facilitate service to clients.

Financial Professionals may not provide their Financial Professional number or log-in information to anyone for any purpose and must use the delegation feature provided to grant access to an authorized party. Jackson may suspend or terminate a Financial Professional who provides access to the Jackson website in violation of this prohibition. Financial Professionals with questions concerning access to the Jackson website may contact Jackson Web Assistance at (877) 565-2968.

DATA PROTECTION AND SECURITY

Financial Professionals shall have security and privacy controls in place that address the management of security and data protection in accordance with industry best practices as well as all applicable state and federal rules and regulations for all machines with access to Jackson Data. This includes, but is not limited to, training all office staff/employees on information security; up to date antivirus/antimalware software; updating or patching all devices, operating systems, and applications; use of strong, unique passwords; use of Multi-Factor Authentication; and firewall protection.

Financial Professionals shall monitor systems and processes for security intrusions or violations and must notify Jackson of suspicious cyber activity. Jackson can be notified via email to jtac@jackson.com. A written incident response plan ensuring all security breaches are promptly responded to and reported ("Security Breach Response Plan") is required. The Security Breach Response Plan should include (1) the internal processes for responding to security breaches, (2) the goals of the incident response plan, (3) the definition of clear roles, responsibilities and levels of decision-making authority, (4) external and internal communications and information sharing, and (5) identification of requirements for the remediation of any identified weaknesses in the Security Breach Response Plan, systems, and associated controls. Financial Professionals shall be responsible for any and all security breaches, including security breaches made by employees and subcontractors.

5.2 Privacy compliance

The Gramm-Leach-Bliley Act ("GLBA") regulates financial institutions' (including, insurance companies, agencies and Financial Professionals, broker/dealers, and banking entities) information sharing and protection practices. Each state is responsible for enacting regulations to implement the GLBA privacy requirements and other applicable privacy requirements as they apply to the insurance industry. Financial Professionals should educate themselves about the specific privacy regulations adopted in each state in which they are licensed and appointed with Jackson.

Privacy regulations require that financial institutions safeguard customers' personal information and develop a policy regarding their practices for collection and sharing non-public personal information. Additionally, financial institutions are required to provide notice of these practices to their customers at the time a relationship is established. In certain situations, financial institutions are also required to provide notice of their privacy practices to customers annually. State and federal privacy regulations permit financial institutions to share customer non-public personal information for the institution's everyday business

purposes - such as to process transactions and maintain accounts, to prevent fraud, and to respond to court orders and legal investigations. As a general rule subject to limited exception, financial institutions that wish to share information for other purposes must provide each customer with an opportunity to limit (or opt out of) information sharing.

Jackson recognizes that its customers expect Jackson to protect their information and to use that information responsibly, and Jackson is committed to fulfilling that expectation. For that reason, as indicated in Jackson's Privacy Notice, Jackson will share information, if at all, only pursuant to the exceptions permitted by law.

5.3 Anti-Money laundering

Jackson opposes money laundering and other activities that facilitate money laundering or the funding of terrorist or criminal activities. Jackson is vigorously committed to complying with all laws and regulations designed to combat money laundering activity, including those rules and regulations that require the reporting of transactions involving currency, certain monetary instruments, and suspicious activity. It is expected that all Financial Professionals share this stance in spirit and in practice.

WHAT IS MONEY LAUNDERING?

Money laundering is the practice of disguising the proceeds and true ownership of funds derived from illegal activities, or the filtering of legal money intended for illegal purposes. The practice can involve a single transaction or a series of transactions that conceal or disguise the nature, source, ownership, control or intended use of the proceeds.

The money laundering process is comprised of three phases:

- Placement: The illicit proceeds are deposited into the financial system through transactions such as bank deposits or the purchase of insurance products.
- Layering: The illicit proceeds are separated from their criminal source through complex financial transactions.
- Integration: The proceeds are put back into circulation into the economy with the appearance of legality.

IDENTIFICATION OF CUSTOMERS

The single most significant factor in preventing money laundering is "Know Your Customer." Financial Professionals must know their customers well enough to ensure that they are who they claim to be and must be sufficiently familiar with their customers' investment practices so that any transactions outside the norm can be readily identified.

Under Anti-Money Laundering ("AML") regulations, insurance companies that issue or underwrite covered products are required to obtain relevant customer-related information necessary for an effective AML program. In turn, and as described below, Jackson expects the Financial Professional to obtain this information and share it with Jackson.

Relevant customer-related information includes:

- Name
- Date of birth
- Address
- Taxpayer identification number (for U.S. persons)

Jackson uses its annuity products' application forms to collect required information. Jackson requires all questions on applications to be fully and accurately completed.

If a potential customer either refuses to provide required information when requested, or appears to have intentionally provided misleading information, Jackson will not issue the customer a new annuity contract.

Appropriate documents for verifying customers' identities include the following:

- For an individual, an unexpired government-issued form of identification evidencing nationality or residence and bearing a photograph or similar safeguard such as a driver's license or passport.
- For an entity, documents demonstrating the entity's legal existence such as certified articles of incorporation, a government-issued business license, a partnership agreement, or a trust instrument.

Financial Professionals are not required to verify that documents a customer offers for identity verification have been validly issued and may rely on a government-issued identification as verification of a customer's identity. If, however, a Financial Professional suspects that the document shows some obvious form or fraud, the Financial Professional must consider that suspicion when evaluating the form of identification.



Financial Professionals should immediately report any concerns regarding the validity of a customer's identification documents to AML-Jackson@jackson.com.

If a Financial Professional suspects that an identifying document shows some obvious form of fraud, they should document their efforts to verify a customer's identification, including all identifying information provided by a customer, the methods the Financial Professional employed to verify identification, and the resolution of any discrepancies. The Financial Professional's documentation should contain a description of any document that they relied on to verify a customer's identity, noting the type of document, any identification number contained in the document, the place of issuance, and the date of issuance and expiration date if applicable. Financial Professionals should also document the resolution of each substantive discrepancy discovered when verifying the identifying information obtained. Financial Professionals must retain records of all identification information for five years after an annuity contract or life insurance policy is terminated and must retain records made about verification of the customer's identity for five years after the record is made.

Anti-money laundering regulations require insurance companies to develop an AML program that includes training.

The AML regulations apply to the following:

- Permanent life insurance, other than group life insurance
- Annuity contracts, other than group annuity contracts
- Any other insurance product with features of cash value or investment

TRAINING

Jackson is responsible for ensuring Financial Professionals receive training on money laundering prevention on a regular basis, fully understand relevant AML procedures and their importance, and understand the ramifications of noncompliance. Applications will not be processed if the writing Financial Professional has not completed required AML training.








Financial Professionals are in a unique position to obtain information regarding the customer, the customer's source of funds, and the customer's reasons for purchasing an insurance product.




Because federal laws defines marijuana as an illegal drug, and because of the risk inherent in marijuana-related businesses, Jackson does not issue contracts to individuals or businesses involved in the manufacture, sale, or distribution of marijuana. Jackson asks that Financial Professionals assist Jackson in identifying any customers involved in marijuana-related businesses. Financial Professionals that discover that Jackson has issued a contract to customer involved in marijuana-related businesses should contact Jackson at AML-Jackson@jackson.com.

SUSPICIOUS ACTIVITY

Financial Professionals are in a unique position to obtain information regarding the customer, the customer's source of funds, and the customer's reasons for purchasing an insurance product. In accordance with the reporting procedures below, Financial Professionals must notify Jackson if they detect any suspicious activity, also referred to as "red flags." Jackson's AML Team will determine whether a Suspicious Activity Report ("SAR") must be filed with FinCEN. See the section titled "Reporting of Suspicious Activity" for further information on this process.

Examples of suspicious activity:

-  The customer exhibits unusual concerns regarding Jackson's compliance with government reporting requirements and/or Jackson's AML policies.
-  The customer is reluctant or refuses to reveal information concerning business activities or furnishes unusual or suspect identification or business documents.
-  The customer wishes to engage in transactions that lack business sense or apparent investment strategy, or that are inconsistent with the customer's stated financial goals.
-  The customer provides false, misleading, or substantially incorrect information regarding the source of transaction funds.
-  The customer has a suspicious background or is the subject of news reports indicating possible criminal, civil, or regulatory violations.
-  The customer exhibits a lack of concern regarding risks, surrender charges, or other transaction costs.
-  Any attempted unusual method of payment, particularly by cash or cash equivalents such as money orders or cashier checks.

-  Payment of large sums "broken" into multiple smaller sums.
-  The purchase or funding of a product that appears to exceed a customer's known income or liquid net worth.
-  The customer has difficulty describing the nature of, or lacks general knowledge of, the person's business or industry.

REPORTING OF SUSPICIOUS ACTIVITY

Jackson's AML Officer has the sole responsibility to respond to any inquiry regarding the subject matter of any SAR. Financial Professionals must not, under any circumstances, disclose the fact that a SAR has been filed or considered, or disclose the contents of a SAR, to the subject of a SAR or to any third party. Financial Professionals should report any suspicious activity to the Money Laundering Reporting Officer via email to AML-Jackson@jackson.com.

PENALTIES FOR NONCOMPLIANCE

Jackson and its Financial Professionals share an important responsibility to comply with Jackson's AML program and all applicable AML laws. Noncompliance will constitute grounds for discipline, up to and including appointment termination. In addition, a Financial Professional's violation of AML laws may expose the Financial Professional to substantial penalties under federal law.

5.4 Fraud

Jackson does not tolerate fraud, be it internal or external, and whether perpetrated by outsiders, customers, Financial Professionals, or associates of Financial Professionals.

Fraud is defined as any act characterized by deceit, concealment, or violation of trust that is committed by an individual or organization to obtain money, property, or services; avoid payment or loss of services; or secure a personal or business advantage. Jackson and its Financial Professionals share an important responsibility to detect and prevent external fraud directed against the Company by contract/policy owners, beneficiaries or other third parties.

External fraud examples include:

- Submitting altered or forged documents to the Company in order to withdraw or transfer funds;
- Submitting false claims;
- Negotiation of counterfeit, altered or forged checks; and
- Altering applications, forms or other documents submitted to the Company
- Impersonation of the client via signature, telephone call, web account

The following is a non-exclusive list of indicators related to external fraud. The occurrence of a specific indicator, in and of itself, does not substantiate the existence of fraudulent acts, but rather should serve as a basis for raising suspicion and possible notification to Jackson.

- Partial or full surrender request is received shortly after a change of address on the contract/policy;
- Partial or full surrender request indicates funds should be sent to somewhere other than the address of record;

- Partial or full surrender request indicating the funds should be payable to an individual other than the owner(s), or directed to an account which is not of identical ownership;
- False and/or misleading information is discovered on the contract application, claim paperwork, surrender paperwork or transfer/exchange paperwork;
- The claimant/requestor is apparently experiencing events which may lead to financial difficulty, such as separation or divorce, unemployment, business declines or defaults, or medical or legal expenses; or
- Submitted documents appear to be altered and/or forged.



It is Jackson's policy that all Financial Professionals must report all instances of known or suspected fraud related to Jackson business to Jackson's Special Investigations Unit via email to siu@jackson.com. Financial Professionals must also cooperate with Jackson related to any fraud investigation.

5.5 Elder and vulnerable client financial exploitation

Elder and vulnerable client financial exploitation is the illegal or improper use of an older or vulnerable client's funds, property, or assets, often involving fraud, theft, or scams. Perpetrators can be trusted individuals like family members or caregivers, as well as strangers. Some examples of financial exploitation include:

- Identity theft;
- Check fraud;
- Counterfeit debit/credit cards;
- Misuse by caretakers, including theft of property and money;
- Lottery and sweepstakes scams;
- Romance scams;
- Grandparent/imposter scams;
- Tax and debt collection scams; and
- Home improvement scams.

The following is a non-exclusive list of indicators specifically related to financial exploitation. The occurrence of a specific indicator, in and of itself, does not substantiate the existence of elder financial exploitation but rather should serve as a basis for raising suspicion and possible referral to Jackson.

- The elderly customer moves away from existing relationships and toward new associations with other "friends" or strangers;
- A caregiver or other individual shows excessive interest in the elder's finances or assets, does not allow the elder to speak for themselves, or is reluctant to leave the elders side during conversations;
- Withdrawal or other transactional activity that is inconsistent with prior transaction patterns;
- The elderly customer shows an apparent disregard for surrender/withdrawal charges;
- The elder appears confused about withdrawal/surrender activity associated with the contract and/or is unwilling to discuss the activity
- The elderly customer feels pressured to make immediate financial decisions or is coerced into signing documents;
- You are unable to speak directly with the elder, despite repeated attempts to contact them;
- A new caretaker, relative, or friend suddenly begins conducting financial transactions on behalf of the elder without proper documentation;

- Caregiver insists you call at a certain time to speak to the elderly contract/policy owner;
- Frequent follow-up calls from the caregiver asking for status of a payment;
- The elderly individual's financial management changes suddenly, such as through a change of power of attorney to a different family member or a new individual; and
- The elderly customer lacks knowledge about their financial status or shows a sudden reluctance to discuss financial matters.



It is Jackson's policy that all Financial Professionals must report all instances of known or suspected elder financial exploitation related to Jackson business to Jackson's Special Investigations Unit via email to siu@jackson.com.



Other

6.1 Complaint handling

Jackson treats all client concerns seriously and is committed to their prompt and fair resolution.

Financial Professionals must notify Jackson's Customer Relations Department within 24-48 hours of any contract or policy owner complaints, disciplinary proceedings against the Financial Professional, or threatened arbitration action or civil litigation against the Financial Professional arising out of the solicitation or servicing of the contracts or policies. Additionally, Financial Professionals must promptly forward any notice or legal process served on them to the Litigation Department by certified mail, by email to customercare@jackson.com (with "Customer Relations" in the subject line), or by other means which can be tracked.

Financial Professionals must cooperate with Jackson in investigating, responding to, settling, and/or litigating any complaint. Financial Professionals must respond to Jackson's inquiries thoroughly and promptly, and with all relevant information and documentation. The response must be within the timeframe requested by Jackson or such other agreed upon timeframe. Financial Professionals must submit to Jackson and obtain Jackson's approval of any proposed communication to any contract or policy owner or other third party regarding any complaint before sending such communication.

When Jackson receives allegations of Financial Professional misconduct of any kind, Jackson will contact the Financial Professional and request a written statement addressing the allegations. Jackson expects Financial Professionals to respond thoroughly and promptly, and to include all relevant information and documentation. The response must be provided within the timeframe requested by Jackson or such other agreed upon timeframe. Failure to do so will result in disciplinary action, up to and including termination of the Financial Professional's appointment with Jackson.

6.2 Other state requirements

Jackson does not intend this Manual as an all-inclusive document outlining all state requirements regarding Financial Professionals' sales activities. Jackson expects Financial Professionals will understand the requirements of each state in which he/she is licensed and appointed with Jackson.

6.3 Questions regarding financial professional compliance manual

Financial Professionals should contact Jackson's Compliance Department with any questions regarding this Financial Professional Compliance Manual.

List of contacts

Below is a list of Jackson contacts and the concerns related to those areas. Should you be affiliated or employed with a broker dealer, please review your firm's policies and procedures regarding the reporting obligations of the concerns contained within this manual.

aml-jackson@jackson.com—for questions regarding money laundering

siu@jackson.com—for questions regarding fraud, suspicious activity, or financial exploitation

suitabilitylegal@jackson.com—for questions regarding suitability or best interest

customercare@jackson.com—for submission of complaints

jacksoncomplianceprogrammanagement@jackson.com— for questions regarding this manual

customercare@jackson.com—for all other general inquiries.

