

VARIABLE ANNUITIES

RETIREMENT INCOME PLANNING SHOULDN'T BE A BALANCING ACT

To help create a plan to provide steady, level income year to year, it's important to understand the impact earnings can have on the income you take from a variable annuity.

Earnings, Withdrawals and Income...Oh my.

The income a variable annuity generates may be the result of investment earnings, or it may come from the principal amount—or it may be a combination of both—but why does that matter?



- **Greater earnings may result in less income.** That may sound backwards, but remember that you withdraw earnings first, and they're taxed as ordinary income. You want your investments to perform well, of course, but you may also need to plan for a larger tax burden if they do.
- **Less earnings may mean more income.** If you withdraw from principal, your tax liability may be much smaller...if you have any taxes to pay at all. That can result in more after-tax income compared to a year when distributions from earnings are high.*

Consider this hypothetical example: if you had \$10,000 in earnings and took a \$5,000 withdrawal, the entire withdrawal amount is taxable as ordinary income. If you had \$2,500 in earnings, only half the withdrawal amount is taxable as ordinary income.*

The result is that you may not receive the same after-tax withdrawal amount each year. And that can make planning for your retirement needs more difficult.

* Assumes a nonqualified annuity.

** Guarantees are backed by the claims-paying ability of Jackson National Life Insurance Company® or Jackson National Life Insurance Company of New York® and do not apply to the principal amount or investment performance of the separate account or its underlying investments.

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

What is a variable annuity?

A variable annuity is a long-term, tax-deferred investment designed for retirement, involves investment risks and may lose value. Earnings are taxable as ordinary income when distributed and may be subject to a 10% federal tax penalty if withdrawn before age 59½.

Optional benefits are available for an extra charge in addition to the ongoing fees and expenses of the variable annuity.

Jackson® can help.

To help you take advantage of more precise retirement planning, Jackson offers an optional guarantee** called LifeGuard Freedom 6SM Net. This distinctive benefit gives you greater access to your earnings when your contract performs well—allowing you to balance a larger tax burden and anticipate the same after-tax withdrawal amount every year.



**Start a conversation about this benefit
with your representative today!**

JACKSON®

Call your representative to find out how you can make this distinctive benefit a part of your plan!

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.

This material was prepared to support the promotion and marketing of Jackson variable annuities. Jackson, its distributors and their respective representatives do not provide tax, accounting or legal advice. Any tax statements contained herein were not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. federal, state or local tax penalties. Please consult your own independent advisor as to any tax, accounting or legal statements made herein.

The latest income date allowed is age 95, which is the required age to annuitize or to take a lump sum. Please see the prospectus for important information regarding the annuitization of a contract.

LifeGuard Freedom 6 Net may only be elected at issue and, once elected, may not be cancelled. Proof of age is required at the time of first withdrawal. In Florida, New York and Oregon, proof of age is required at issue. May not be available in all states or on all products, and state variations may apply. The long-term advantage of the benefit will vary with the terms of the benefit option, the investment performance of the variable investment options selected and the length of time the annuity is owned. As a result, in some circumstances the cost of the option may exceed the actual benefit paid under the option. If elected, ownership changes are not permitted, except under limited circumstances. In Oregon, ownership changes outside of those permitted under the benefit will terminate the benefit. In Washington, the Fixed Account option is not available if a GMWB is elected; however, a 12-month DCA account is available for new issues only (not available on all products).

The minimum death benefit and withdrawal guarantees, as well as any fixed account crediting rates or annuity payout rates, are backed by the claims-paying ability Jackson National Life Insurance Company or Jackson National Life Insurance Company of New York. They are not backed by the broker/dealer from which this annuity contract is purchased, by the insurance agency from which this annuity contract is purchased or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of Jackson National Life Insurance Company.

Variable annuities (VA410, VA410OR, VA610, VA610OR, VA620, VA620OR and VA640) are issued by Jackson National Life Insurance Company (Home Office: Lansing, Michigan) and in New York (VA440NY, VA610NY, VA620NY and VA640NY) by Jackson National Life Insurance Company of New York (Home Office: Purchase, New York). Variable products are distributed by Jackson National Life Distributors LLC, member FINRA. These contracts have limitations and restrictions, including possible withdrawal charges, recapture charges and excess interest adjustments (interest rate adjustments in New York) where applicable. Please contact your representative or Jackson for more information. Jackson is the marketing name for Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York.

Oregon endorsement numbers are as follows: LifeGuard Freedom 6 Net (76190R); LifeGuard Freedom 6 Net with Joint Option (76200R).

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LONG-TERM SMART[®]