

REQUIRED MINIMUM DISTRIBUTION WITHDRAWALS SUSPENDED IN 2009

Volatile market conditions in 2008 precipitated changes to some retirement account investment rules. As a result, recent legislation suspends Required Minimum Distribution (RMD) Withdrawals for 2009 with no penalty for people 70½ and older. This allows investors the potential to recover from the significant market declines in 2008. In an effort to help you better understand the details, JacksonSM has published the following guide with answers to frequently asked questions:

Q: What types of accounts are suspended?

A: The RMD suspension legislation applies to IRAs and employer-provided, defined contribution plans, including:

- 401(k)
- 403(b)
- 457
- Stretch or Beneficiary IRA and 403(b) accounts

The suspension is also available for all account types, regardless of total account balance.

Q: What is the impact on five-year after-death distributions?

A: The RMD relief legislation provides a special rule under which the five-year rule is applied, without regard to 2009. For example, if an IRA owner died in 2006, prior to the beginning date of his RMD, the five-year period is extended under the RMD relief from December 31, 2011 to December 31, 2012.

Q: Are all annuity accounts included?

A: No. The legislation does not include the following types of accounts:

- Contracts that have been annuitized, including immediate annuities
- Contracts on a pre-59½ payout – 72(t) and 72(q)
- Any non-qualified contract
- For those who turned 70½ in 2008, distributions must still be taken by April 1, 2009, if not taken previously.

Q: What does Jackson need to postpone or suspend systematic RMD payments?

A: Jackson will require a letter asking for postponement of the 2009 RMD and acknowledgement that the payment will be restarted in 2010. The letter must include the policy number, phone number, and the policy owner's signature. To the extent possible, written requests should be sent to Jackson at least seven business days prior to the payment date. Requests can be faxed directly to:

Fixed Annuities: 517/706-5519

Variable Annuities: 800/701-0125

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

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Q: Will Jackson automatically restart payments in 2010, or will policy owners need to send in another letter?

A: Jackson will reset the payment date and automatically restart the RMD in 2010.

Q: What happens if someone takes their RMD, but later changes their mind and wants to put the money back into the policy?

A: Certain restrictions will apply in this situation, and some withdrawals will not be allowed to be reinstated into the policy. For complete details we encourage you to contact your representative.

As required by the IRS, you are advised that any discussion of tax issues in this material is not intended or written to be used, and cannot be used, (a) to avoid penalties imposed under the Internal Revenue Code or (b) to promote, market or recommend to another party any transaction or matter addressed herein.

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