

EXHIBIT A

- ii. On April 18, 2018, the original plaintiffs filed a motion to dismiss all named plaintiffs except David Cruson. On April 24, 2018, Named Plaintiffs filed a Second Amended Class Action Complaint adding John Denman as a named plaintiff.
- iii. The Second Amended Class Action Complaint asserts claims for breach of contract and seeks injunctive relief against Jackson related to Jackson's method of calculating surrender charges under the terms of variable annuity contracts Jackson sold throughout the United States.
- iv. Jackson has denied all material allegations in the Lawsuit and asserted numerous affirmative defenses.
- v. Named Plaintiffs and Class Counsel have examined the relevant law and facts to assess Named Plaintiffs' claims and to determine how best to serve the interests of Named Plaintiffs and the Settlement Class.
- vi. Based on their evaluation of the facts and the law, Named Plaintiffs and Class Counsel have agreed to settle the Lawsuit after considering such factors as (1) the benefits to the Settlement Class; (2) the risk, uncertainty and delay of litigation; and (3) the desirability of obtaining relief for Plaintiffs and the Settlement Class now rather than later (or not at all).
- vii. Named Plaintiffs, along with Class Counsel, have determined that the Settlement Agreement provides substantial benefits to the Settlement Class and represents a fair, reasonable, and adequate settlement of the claims that are or could have been alleged in the Lawsuit.
- viii. Jackson denies any wrongdoing. Jackson is entering into the Settlement Agreement to avoid the expense, inconvenience, and inherent risk of litigation, as well as the

concomitant disruption of its business operations. For the purposes of this Settlement Agreement, and only for purposes of Settlement Agreement, Jackson is waiving any individual defenses that it may have as to the Class Members who do not opt out of the Settlement, as of the Effective Date. Jackson reserves the right to assert such defenses if for any reason the Settlement does not become final.

DEFINITIONS

1. For purposes of this Settlement Agreement, the following definitions shall apply.
 - a. “Claims Administrator” shall mean the Heffler Claims Administration.
 - b. “Class Counsel” shall mean McKool Smith, P.C. and the Corley Law Firm.
 - c. “Class Members” shall mean members of the Settlement Class.
 - d. “Class Member Policies” shall mean the contracts listed in Exhibit A.
 - e. “Class Notice” shall mean the program of notice described in Paragraph 7 that will be provided to potential Class Members that will notify potential Class Members of, among other things, the terms of the Settlement Agreement, their rights to opt out of or object to the Settlement Agreement, the preliminary approval of the Settlement Agreement, and the scheduling of the Final Approval Hearing.
 - f. “Current Accounts” shall mean variable annuity customer accounts for the Class Members who are existing variable annuity customers of Jackson as of the Effective Date.
 - g. “Effective Date” shall mean (a) 35 days after the Final Approval Order is entered if no notice of appeal or motion tolling the time for appeal is filed; or (b) if any such document is filed, 14 days after all appellate proceedings (including

proceedings in the Court in the event of a remand) have been concluded without possibility of any further appeal and the Settlement Agreement has been finally approved in all material respects and has not been terminated by any Party.

- h. “Escrow Account” shall mean an interest-bearing escrow account controlled by Class Counsel and the Claims Administrator.
- i. “Explanation Letter” shall mean a letter that may be sent by Jackson to Class Members who have Current Accounts, in the form attached as Exhibit B.
- j. “Fee and Expense Award” shall mean Class Counsel’s attorneys’ fees, costs and expenses as approved by the Court.
- k. “Final Approval Hearing” means the hearing held by the Court to determine whether the terms of this Settlement Agreement are fair, reasonable, and adequate for the Settlement Class as a whole, and whether the Final Approval Order and the judgment should be entered.
- l. “Final Approval Order” means the order granting final approval of the Settlement Agreement and dismissing Named Plaintiffs’ claims, to be entered by the Court pursuant to this Settlement Agreement.
- m. “Jackson” shall mean Defendant Jackson National Life Insurance Company, and its affiliate Jackson National Life Insurance Company of New York.
- n. “Language at Issue” shall mean same or substantially similar operative language to the language at issue in the Complaint (listed in Exhibit C).
- o. The “Lawsuit” shall mean the lawsuit filed as *Tredinnick v. Jackson National Life Insurance Co.*, No. 16-CV-00912, in the United States District Court for the Eastern District of Texas.

- p. “Long-Form Notice” shall mean Class Notice in the form attached as Exhibit E.
- q. “Minimum Payment” shall mean the \$2.00 payment described in Paragraph 14 for Class Members whose Pro Rata Distribution otherwise would be less than \$2.00.
- r. “Named Plaintiffs” shall mean named plaintiffs David Cruson and John Denman.
- s. “Parties” shall mean Named Plaintiffs and Jackson.
- t. “Preliminary Approval Order” means the order in a form substantially similar to Exhibit D and providing for, among other things, preliminary approval of the Settlement Agreement as fair, reasonable, and adequate; preliminary certification of the Settlement Class for settlement purposes only; dissemination of the Class Notice to potential Class Members; and a finding that the proposed Class Notice is reasonably calculated to apprise potential Class Members of the pendency of the Lawsuit, the material terms of the Settlement Agreement, and potential Class Members’ options and rights with respect thereto.
- u. “Recapture Charges” shall have the meaning defined in the Class Member Policies.
- v. “Released Claims” shall mean any and all claims or causes of action, whether known or unknown, that concern, refer or relate to Jackson’s calculation of Withdrawal Charges and/or Recapture Charges for variable annuities, and all other claims that were asserted, or that could have been asserted, in this Lawsuit. The Released Claims do not cover, include, or release: (i) any claims relating to the enforcement of the Settlement, and (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

- w. “Released Parties” shall mean Jackson, its parents, subsidiaries, and affiliates, including Jackson National Life Insurance Company of New York, and all of their present and former officers, directors, employees, agents, attorneys, representatives, insurers, and legal representatives.
- x. “Settlement Agreement” shall mean this Settlement Agreement and Release.
- y. The “Settlement Amount” is \$8,750,000.
- z. “Settlement Class” shall mean all persons and entities who are or were U.S. customers of Jackson with contracts that contain the Language at Issue who incurred Withdrawal Charges and/or Recapture Charges on variable annuities between January 2, 2009 and January 31, 2021. The following persons and/or entities are excluded from the Settlement Class: (i) Jackson; (ii) Jackson’s subsidiaries and affiliates; (iii) Jackson’s past and current executive officers and directors; (iv) Jackson’s legal representatives, heirs, successors or assigns; (v) any entity in which any of the foregoing excluded persons have or had a controlling interest; and (vi) the judge presiding over the Action or a member of his immediate family or judicial staff. For purposes of clarification, Jackson’s appointed financial professionals are not excluded under (iv) above. Any person and/or entity who or which submits a request for exclusion that is accepted by the Court also shall be excluded from the Settlement Class.
- aa. “Settlement Fund” shall mean the Settlement Amount deposited into the Escrow account, plus any and all interest earned thereon.
- bb. “Short-Form Notice” shall mean Class Notice in the form attached as Exhibit F.

cc. "Withdrawal Charges" shall have the meaning defined in the Class Member Policies.

AGREED RELIEF

2. **Settlement Amount**: Jackson will pay \$8,750,000 as consideration for this Settlement Agreement and Release. Jackson shall pay the Settlement Amount as follows:

- a. No later than 30 calendar days after the last to occur of both (a) the date of entry by the Court of an order preliminarily approving this Settlement; and (b) Jackson's counsel's receipt from Class Counsel of the information necessary to effectuate a transfer of funds to the Escrow Account, including wiring instructions that include the bank name and ABA routing number, account name and number, a signed W-9 reflecting a valid taxpayer identification number for the qualified settlement fund in which this portion of the Settlement Amount is to be deposited, and contact information for the individual who will receive and confirm payment (including a name, address, and telephone number), Jackson will cause \$2,750,000 to be deposited or transferred into the Escrow Account.
- b. Within 45 days after the Effective Date, Jackson shall deposit into the Escrow Account \$6,000,000 less the amount paid by Jackson directly to Class Members with Current Accounts (as described in Paragraph 15.a). The Settlement Amount, once deposited into the Escrow Account, is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation § 1.458B-1.

3. Except for the circumstance described in Paragraph 8, if the Settlement does not become final or effective, the Settlement Amount, including any amounts in the Escrow Account, shall be returned to the payors in the amount of their respective contributions less any

taxes paid, due, or owing, less 50% of any notice or administrative expenses actually paid and/or incurred.

4. Under no circumstances shall the amount to be paid by Jackson into the Escrow Account or directly to Class Members exceed \$8,750,000.

SETTLEMENT APPROVAL PROCESS

5. **Preliminary Approval Order**: Within 10 business days after this Settlement Agreement has been fully executed, Class Counsel will petition the Court to enter the Preliminary Approval Order. In the Motion for Preliminary Approval, Class Counsel will ask the Court to certify the Settlement Class for settlement purposes only. Jackson agrees not to object to this request, but Jackson expressly reserves its right to contest certification if the settlement does not receive final approval.

6. **CAFA Notice**. Jackson shall be responsible for serving any notice required under the Class Action Fairness Act (CAFA), 28 U.S.C. § 1715, and shall pay any and all costs associated with CAFA notice.

7. **Class Notice**: Following entry of the Preliminary Approval Order and at least 60 days before the Final Approval Hearing, the Claims Administrator will transmit Class Notice to each Class Member. Notice will be sent as follows:

- a. Jackson shall send the Long-Form Notice to Class Members with Current Accounts using (i) the mail address and (ii) the e-mail address (if any) that Jackson has on file for each such Class Member with a Current Account.
- b. For Class Members who do not have Current Accounts:
 - i. The Claims Administrator shall send the Short-Form Notice using the mailing address that Jackson has on file; and

- ii. If Jackson has an e-mail address on file, the Claims Administrator shall send the Long-Form Notice by e-mail.
 - iii. Class Counsel may take additional steps to attempt to ensure Class Notice to Class Members whose allocation of the Settlement Amount Class Counsel deems sufficiently high that additional efforts at providing Class Notice is warranted.
 - iv. Jackson will send a copy of the Long-Form Notice to any broker-dealer who is listed in Jackson's system as having been involved with any Class Member Policies. Because it is not feasible for Jackson to provide the broker-dealers with detailed information about which of the broker-dealer's customers may be Class Members, the Long-Form Notice will be accompanied by a communication from Jackson advising the broker-dealer that certain of the broker-dealer's customers may be Class Members and therefore entitled to relief under the Settlement Agreement, and that if the broker-dealer or the broker-dealer's customer has questions about the Settlement, they may contact the Claims Administrator.
- c. The Long-Form Notice and the Short-Form Notice will instruct Class Members who do not have Current Accounts to provide additional contact information to facilitate distribution of settlement payments. The Long-Form Notice and the Short-Form Notice will specify that Class Members without Current Accounts who do not provide this information will not receive a settlement payment.

- d. Upon receipt of any returned Class Notice that includes a forwarding address provided by the Postal Service, the Claims Administrator will re-mail the Short-Form Notice to the forwarding address.
- e. For any Class Notice returned without forwarding addresses, the Claims Administrator will use the United States Postal Service's Address Element Correction ("AEC 1") service to attempt to identify the Class Member's current address. The Claims Administrator will be obliged to re-mail the Class Notice only if the Claims Administrator obtains a current address.

8. **Right of Exclusion**: Class Members who submit a timely written request for exclusion from the Settlement Class will be excluded from the Settlement Class, will have no rights as Class Members, and will not be bound by the release in the Settlement Agreement. A request for exclusion must be in writing and must state the name, address, and phone number of the person seeking exclusion. Each request must also contain a signed statement to the following effect: "I request to be excluded from the Settlement Class in the Cruson lawsuit." The request must be delivered by mail to the Claims Administrator at the address provided in the Class Notice, postmarked at least 21 days before the Final Approval Hearing, or such other date set by the Court. A request for exclusion that does not include all of the foregoing information, or that is sent to an address other than the one designated in the Class Notice, or that is not mailed by the deadline will be invalid, and the person submitting the request will remain a Class Member. Class Counsel will file a list of Class Members requesting exclusion with the Court. If either (i) more than 25% percent of the Class Members; or (ii) Class Members whose Pro Rata Distributions cumulatively total more than \$1,000,000 request exclusion, Jackson will have the right, at its sole discretion, to terminate the Settlement Agreement, provided that if Jackson

exercises this right, Jackson will be responsible for 100% of Class Notice or administrative expenses actually paid and/or incurred by the Claims Administrator in connection with the settlement process.

9. **Right to Object**: Any Class Member who objects to the settlement may appear in person or through counsel, at his or her own expense, at the Final Approval Hearing to present any relevant evidence or argument. No Class Member will be heard and no papers submitted by any Class Member will be considered unless, at least 28 days before the Final Approval Hearing, or such other date as set by the Court, the Class Member files with the Court and mails to Class Counsel and Jackson's counsel written objections that include (1) the title of the case; (2) the Class Member's name, address, and telephone number; (3) the approximate date when the Class Member bought a variable annuity from Jackson; (4) the policy number of the Class Member Policy; (5) all legal and factual bases for any objection; and (6) copies of any documents that the Class Member wants the Court to consider. Any Class Member who fails to object in this manner will be deemed to have waived any objections.

10. **Final Approval Order**: At the Final Approval Hearing, the Parties will ask the Court to enter the proposed Final Approval Order.

11. **Costs of Notice and Settlement Administration**: Notwithstanding the fact that the Effective Date has not yet occurred, Class Counsel may pay from the Escrow Account the actual and reasonable costs of Class Notice and settlement administration without further order of the Court. Class Counsel shall provide monthly reports of such expenditures from the Escrow. In the event that the Settlement is not consummated for any reason other than Jackson's exercise of its right under Paragraph 8, 50% of the money paid or costs actually incurred for the costs of

notice and settlement administration, shall be returned or repaid to Jackson, their insurance carriers, or any other person or entity who or which funded the Settlement Amount.

DISTRIBUTION OF SETTLEMENT AMOUNT

12. **Attorneys' Fees and Costs and Incentive Award:** The Fee and Expense Award, and an incentive award of \$1,000 for each of the two named Class Members (the "Incentive Award"), which may be paid from the Escrow Account within 14 days after the Effective Date. Jackson will not oppose a Fee and Expense Award that is equal to or less than \$2,500,000, nor will Jackson oppose the Incentive Award. Any attorneys' fees and expenses requested by Class Counsel or awarded by the Court are separate from the Settlement, and any issues, problems, or objections to the fee and expense request or award will not affect the validity of the Settlement (including the releases contained therein). Each side shall bear its own costs and expenses, other than those fees and expenses to be paid from the Settlement Fund. Class Counsel represent that they will divide the Fee and Expense Award between them in a manner to which they have agreed.

13. **Pro Rata Distribution.** After the deduction of costs of notice, settlement administration, and attorneys' fees, the remainder of the Settlement Amount shall be distributed to Class Members pro rata based on a percentage of the total amount each Class Member incurred in Withdrawal and/or Recapture Charges under a Class Member Policy in the applicable time period for this Settlement. Class Counsel and Counsel for Jackson shall confer with respect to any issues associated with the mechanics of distribution based on the responses received to the Class Notice. Any adjustments that are necessary shall be agreed upon prior to the Final Approval Hearing and, if material, shall be approved by the Court. If there are any disputes about the detailed mechanics of distribution, the dispute will be resolved by the Court in connection

with the Final Approval Hearing. Counsel have agreed that pro rata distribution on the a percentage of the total amount each Class Member incurred in Withdrawal and/or Recapture Charges under a Class Member Policy in the applicable time period for this settlement is the most appropriate methodology, and absent mutual agreement, that methodology shall not be substantially changed.

14. **Minimum Payment**: If Pro Rata Distribution would result in a payment of under \$2.00 to a Class Member, that Class Member will instead be compensated with a Minimum Payment. Once Minimum Payments have been calculated, the remaining amount of the Settlement Fund will be distributed pro rata to the remaining Class Members.

15. **Method of Distribution**.

- a. For Class Members with Current Accounts, no later than 60 days after the Effective Date, Jackson will cause each Class Member's pro rata share of the Settlement Amount credited to Class Members' Current Accounts. Jackson will administer and pay the aforementioned existing customers in a manner to be agreed with Class Counsel, subject to reasonable audit by Class Counsel or a mutually agreed-upon third-party expert hired and paid for by Class Counsel. If a Class Member has more than one Class Member Current Account, the credits will be applied to each Current Account corresponding to the charges incurred on that account. If a Class Member with more than one Current Account receives a distribution for Withdrawal and/or Recapture Charges incurred on a closed account, that distribution will be credited to the Class Member's oldest Current Account. Credited amounts will be treated as "Premium," as defined in the Class Member Policy that corresponds to the Current Account.

- b. The Claims Administrator no later than 60 days after the Effective Date will make the required payments to Class Members who do not have Current Accounts from the Settlement Fund by either: (1) delivering a digital Visa card in such amount to the respective Class Member via email, or (2) delivering a postcard check to Class Members who are unable to provide a valid email address, or (3) by mailing a check to the address provided by the Class Member if the amount of the required payment is in excess of \$250.

16. **Redistribution.**

- a. If a check is neither returned nor cashed within 90 days of mailing, the monetary value of the check will revert to the Settlement Fund. If a check is returned as undeliverable, the Claims Administrator will promptly employ a “skip-trace” procedure and re-mail the check if the skip-trace yields a new address. If the skip-trace does not yield a new address, or if the check is re-mailed and returned, or if the check is re-mailed and not cashed within 90 days of re-mailing, the monetary value of the checks will revert to the Settlement Fund.
- b. Any amounts remaining in the Settlement Fund under Paragraph 16.a shall re-distributed to Class Members using the same Pro Rata Distribution described in Paragraph 13. However, if Class Counsel and Jackson agree at any time that pro rata redistribution is not practical because the amount to be re-distributed is sufficiently small, then Jackson shall credit such amount pro rata to the accounts of Class Members with Current Accounts, in a manner consistent with Paragraph 15.a. There will be no reversion of settlement funds to Jackson or Jackson’s

insurance carriers, or any other person or entity who or which funded the Settlement Amount if the Settlement becomes final.

17. To the extent that payments are made through the Escrow Account, Jackson and all other Released Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the distribution of such funds, nor shall Jackson have responsibility for escrow fees and costs, the payment or withholding of taxes or tax expenses, or any losses incurred in connection therewith.

DUTIES OF CLAIMS ADMINISTRATOR

18. The Claims Administrator's duties will include sending the Class Notice to all Settlement Class Members; creating, maintaining, and monitoring a settlement website; receiving and administering claims for the Settlement Payments; receiving and assessing opt-out notices and objections; providing the Settling Parties with periodic status reports about the delivery of the notices, claims administration status, and receipt of objections to and requests to opt out; and otherwise administering the Settlement pursuant to this Agreement. Along with the motion for preliminary approval, the proposed Settlement Administrator shall file a declaration describing the Notice Plan.

19. As a condition of its retention, the Claim Administrator must agree that (a) it will use commercially reasonable efforts to fulfill all responsibilities and duties assigned to the Claim Administrator under the terms of this Agreement, and (b) the Settling Parties and their Counsel, as well as the Releasees, reserve all claims and rights for any material failure by the Claim Administrator to fulfill its responsibilities and duties. In no event shall the Settling Parties or their Counsel have any liability for gross negligence or willful misconduct on the part of the Claims Administrator, or their agents. The Settlement Fund shall be invested, at the sole

discretion of the Claims Administrator, in a United States treasury money market fund subject to the regulations of the United States Securities and Exchange Commission or United States Government Treasury Bills or Notes of no more than 6 months' duration, provided however that when disbursement of some or all of the Settlement Amount is approved by the Court, the necessary funds may be transferred into and paid out of a federally insured bank account. All interest earned on the Settlement Amount shall become and remain part of the Settlement Fund. For avoidance of doubt, in the event the Settlement is voided or not approved or made final, all interest earned while deposited in said Escrow Account prior to the Effective Date shall be used to reduce the cost of notice and administration, and if any additional amount remains, it shall be divided equally between Jackson and Class Counsel.

20. **Protection of Personal Information**. The Claims Administrator shall:

- a. Use personal information acquired as a result of this Agreement solely for purposes of evaluating and paying claims under this Agreement; and
- b. Assign a manager to oversee the protection and appropriate management of personal information and review its internal system to manage the protection of personal information to ensure consistent performance and constant improvement; and Take security countermeasures to prevent unauthorized access to personal information, and loss, destruction, falsification, and leakage of personal information; and
- c. Assign a manager to oversee the protection and appropriate management of personal information and review its internal system to manage the protection of personal information to ensure consistent performance and constant improvement; and Take security countermeasures to prevent unauthorized access to personal

information, and loss, destruction, falsification, and leakage of personal information; and

- d. If outsourcing the handling of personal information, determine that outsourced companies take steps to ensure appropriate management of the information to prevent leaks of personal or confidential information, and prohibit re-use of information for other purposes; and
- e. Respond immediately with appropriate measures then necessary to disclose, correct, stop using, or eliminate contents of information; and
- f. Once all timely, valid claims have been paid, and in compliance with applicable retention law, destroy all personal information obtained in connection with this Settlement in a manner most likely to guarantee that such information not be obtained by unauthorized persons; provided however, that the Claims Administrator may keep a copy of such information pursuant to bona fide internal document retention and business continuity policies and procedures..
- g. **Settlement Website.** The Claims Administrator shall create, maintain, and monitor a website on which the Class Notice, this Agreement, and other important documents shall be posted. Class Members may submit required information online via the website. The website will go live on the Notice Date and shall remain active throughout the pendency of the Settlement administration.
- h. **Weekly Report.** As part of its duties, the Claims Administrator shall provide Class Counsel and Jackson's Counsel with a weekly status report that sets forth information including but not limited to: undeliverables, website hits, claims received and paid; and objections and opt-out requests received.

- i. **Final Report.** Not later than 10 court days after the deadline for submission of requests to opt out, the Claims Administrator shall provide all counsel with a declaration of due diligence setting forth its compliance with its obligations under this Agreement to be filed in conjunction with a motion for final approval. The declaration shall identify those individuals who have submitted a valid and timely request to opt out. Prior to the hearing on the motion for final approval, the Claims Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

RELEASE

21. Upon the Effective Date, Named Plaintiffs and every Class Member (except those who have opted out), for themselves, their attorneys, spouses, beneficiaries, executors, representatives, heirs, successors, and assigns, in consideration of the relief set forth in this Settlement Agreement, fully and finally release the Released Parties for the Released Claims.

22. Class Members who reside in California acknowledge that they are familiar with principles of law such as Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Named Plaintiffs and the Settlement Class agree that Section 1542 and all similar federal or state laws, rules or legal principles of any other jurisdiction are knowingly and voluntarily waived in connection with the claims released in the Settlement Agreement, and agree that this is an essential term of the Settlement Agreement. Named Plaintiffs and the Settlement Class

acknowledge that they may later discover claims presently unknown or unsuspected, or facts in addition to or different from those which they now believe to be true with respect to the matters released in this Settlement Agreement. Nevertheless, it is the intention of Named Plaintiffs and the Settlement Class to fully, finally, and forever settle and release the Released Claims.

MISCELLANEOUS PROVISIONS

23. **Explanation**: Class Counsel agrees that Jackson – without violating any prohibition against contact by represented parties – may send to Class Members with Current Accounts the Explanation Letter. The Explanation sets out Jackson’s methodology in calculating Withdrawal Charges and Recapture Charges, such that when Jackson calculates such charges in the future, it will be consistent both with Jackson’s past methodology and the Explanation, and Class Members with Current Accounts will be aware of how such charges will be calculated should they incur them in the future. The Explanation will be subject to the approval of the Court at the Final Approval Hearing, and the Court’s approval of the Explanation Letter will be included in the Final Approval Order.

24. **Dispute Resolution Procedure**. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation, or payment of settlement claims, or other disputes regarding compliance with this Settlement Agreement, shall be resolved as follows:

- a) If Plaintiffs or Class Counsel, on the one hand, or Jackson, on the other hand, at any time believe the other party has materially breached the Settlement Agreement, that party shall notify the other party in writing of the alleged violation.
- b) Upon receiving notice of the alleged violation or dispute, the responding party shall have 10 days to correct the alleged violation and/or respond in writing to the initiating party with the reasons why the party disputes all or part of the allegation.

c) If the response does not address the alleged violation to the initiating party's satisfaction, Plaintiffs, Class Counsel, and Jackson shall negotiate in good faith for up to 10 days to resolve their differences.

d) If Plaintiffs, Class Counsel, and Jackson are unable to resolve their differences, either party may file an appropriate motion or pleadings to enforce the Settlement Agreement with the Court.

25. **Integration and Drafting**: The Settlement Agreement was drafted and negotiated by counsel for the Parties at arm's length. It sets forth the entire agreement among the Parties.

26. **Amendment, Court Approval, Extensions**: The Settlement Agreement may not be amended without the written consent of all parties and approval of the Court; provided, however, that the Parties may agree to reasonable extensions of time to carry out any provision of the Settlement Agreement, and provided further that any extension of more than 30 days must be approved by the Court.

27. **Construction**: This Settlement Agreement has been drafted by all Parties and shall not be construed strictly for or against any of the Parties.

28. **Integration of Exhibits**: The exhibits to the Settlement Agreement are incorporated by reference and are an integral part of the Settlement Agreement.

29. **Counterparts**: The Settlement Agreement may be executed in counterparts, each of which will be considered an original. Executed signature pages are valid and enforceable whether they are originals or copies, and whether transmitted by facsimile, e-mail or any other means.

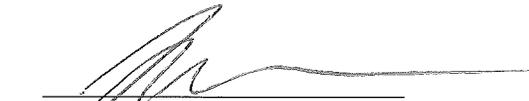
30. **No Evidence, No Admission**: In no event shall this Settlement Agreement, any of its provisions, or any negotiations, statements or proceedings relating to it be offered or received as evidence in the Lawsuit or any other proceeding, except in a proceeding to enforce the Settlement Agreement (including its release). Without limiting the foregoing, neither the Settlement Agreement nor any related negotiations will be offered or received as evidence, or as an admission or concession, by any person of any matter, including but not limited to any alleged wrongdoing on the part of Jackson or the appropriateness of certification of any class.
31. **Tax Consequences**: Jackson gives no opinion as to the tax consequences of the settlement to Class Members or anyone else. Each Class Member's or other person's tax obligations, if any, and the determination of those obligations, are the sole responsibility of the Class Member or other person. Jackson will act as it determines is required by the Internal Revenue Code and any similar state tax laws in reporting or withholding for taxes any settlement benefit provided pursuant to the Settlement Agreement.
32. **No Effect on Contract**: Neither the Settlement Agreement nor any of the relief provided under it alters the terms of any Class Member Policies or constitutes a novation of any Class Member Policy.
33. **Cooperation in Effecting Settlements**: The parties, their successors and assigns, and their attorneys will implement the Settlement Agreement in good faith, use good faith in resolving any disputes that may arise in the implementation of the Settlement Agreement, cooperate with one another in seeking Court approval of the Settlement Agreement, and use their best efforts to effect the prompt consummation of the Settlement Agreement.

34. **Publicity**: The Parties will not make any public statement about the settlement, including any representations by their counsel on their websites or otherwise, other than Class Counsel being permitted to place neutral notices (subject to Jackson's review and approval, which approval shall not be unreasonably withheld) on their websites that a settlement has been reached with a hyperlink to the settlement website. The Parties will only make jointly approved public statements about the settlement.

35. **Authority to Execute Agreement**: Each person executing the Settlement Agreement represents that he or she is authorized to execute it. Counsel for Jackson acknowledge that they are signing the agreement as agent for Jackson and represent that they are doing so with the authority and approval of Jackson.

IT IS HEREBY AGREED by the undersigned as of the 5th day of February, 2021.


David Cruson


John Denman



Lewis T. LeClair, Lead Attorney
Texas State Bar No. 12072500
lleclair@mckoolsmith.com
MCKOOL SMITH, P.C.
300 Crescent Court Suite 1500
Dallas, TX 75201
Telephone: (214) 978-4000
Telecopier: (214) 978-4044

Gary D. Corley
Texas State Bar No. 04823800
garycorley@gcorleylaw.com
Corley Law Firm
108 North Travis Street
Sherman, Texas 75090
Telephone: (903) 892-1048
Telecopier: (214) 260-4925

ATTORNEYS FOR NAMED PLAINTIFFS
DAVID CRUSON AND JOHN DENMAN
AND THE SETTLEMENT CLASS

David J. Levy, Lead Attorney
State Bar No. 12264850
david.levy@morganlewis.com
Thomas R. Davis
State Bar No. 24055384
thomas.davis@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
1000 Louisiana, Suite 4000
Houston, Texas 77002
(713) 890-5000 Telephone
(713) 890-5001 Facsimile

Scott T. Schutte
(admitted pro hac vice)
scott.schutte@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
77 West Wacker Drive, Suite 500
Chicago, IL 60601
(312) 324-1000 Telephone
(312) 324-1001 Facsimile

ATTORNEYS FOR DEFENDANT
JACKSON NATIONAL LIFE INSURANCE
CO. AND JACKSON NATIONAL LIFE
INSURANCE COMPANY OF NEW YORK

Heffler Claims Administration (for purposes of acknowledging and agreeing to terms binding or impacting the Claims Administrator:

By: _____

Title: _____

Lewis T. LeClair, Lead Attorney
Texas State Bar No. 12072500
lleclair@mckoolsmith.com
MCKOOL SMITH, P.C.
300 Crescent Court Suite 1500
Dallas, TX 75201
Telephone: (214) 978-4000
Telecopier: (214) 978-4044

Gary D. Corley
Texas State Bar No. 04823800
garycorley@gorleylaw.com
Corley Law Firm
108 North Travis Street
Sherman, Texas 75090
Telephone: (903) 892-1048
Telecopier: (214) 260-4925

ATTORNEYS FOR NAMED PLAINTIFFS
DAVID CRUSON AND JOHN DENMAN
AND THE SETTLEMENT CLASS



David J. Levy, Lead Attorney
State Bar No. 12264850
david.levy@morganlewis.com
Thomas R. Davis
State Bar No. 24055384
thomas.davis@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
1000 Louisiana, Suite 4000
Houston, Texas 77002
(713) 890-5000 Telephone
(713) 890-5001 Facsimile

Scott T. Schutte
(admitted pro hac vice)
scott.schutte@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
77 West Wacker Drive, Suite 500
Chicago, IL 60601
(312) 324-1000 Telephone
(312) 324-1001 Facsimile

ATTORNEYS FOR DEFENDANT
JACKSON NATIONAL LIFE INSURANCE
CO. AND JACKSON NATIONAL LIFE
INSURANCE COMPANY OF NEW YORK

Heffler Claims Administration (for purposes of acknowledging and agreeing to terms binding or impacting the Claims Administrator:

By: _____

Title: _____

Lewis T. LeClair, Lead Attorney
Texas State Bar No. 12072500
lleclair@mckoolsmith.com
MCKOOL SMITH, P.C.
300 Crescent Court Suite 1500
Dallas, TX 75201
Telephone: (214) 978-4000
Telecopier: (214) 978-4044

Gary D. Corley
Texas State Bar No. 04823800
garycorley@gcorleylaw.com
Corley Law Firm
108 North Travis Street
Sherman, Texas 75090
Telephone: (903) 892-1048
Telecopier: (214) 260-4925

ATTORNEYS FOR NAMED PLAINTIFFS
DAVID CRUSON AND JOHN DENMAN
AND THE SETTLEMENT CLASS

David J. Levy, Lead Attorney
State Bar No. 12264850
david.levy@morganlewis.com
Thomas R. Davis
State Bar No. 24055384
thomas.davis@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
1000 Louisiana, Suite 4000
Houston, Texas 77002
(713) 890-5000 Telephone
(713) 890-5001 Facsimile

Scott T. Schutte
(admitted pro hac vice)
scott.schutte@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
77 West Wacker Drive, Suite 500
Chicago, IL 60601
(312) 324-1000 Telephone
(312) 324-1001 Facsimile

ATTORNEYS FOR DEFENDANT
JACKSON NATIONAL LIFE INSURANCE
CO. AND JACKSON NATIONAL LIFE
INSURANCE COMPANY OF NEW YORK

Heffler Claims Administration, LLC (for purposes of acknowledging and agreeing to terms binding or impacting the Claims Administrator:

By: Randal P. Bullock

Title: President, Heffler Claims Administrator, LLC

Table 1 (all states except NY)	
Product Name	Contract Number
Defined Strategy	VA200
Elite Access Advisory	VA780
Elite Access Brokerage Ed.	VA650
Elite Access Brokerage Ed.	VA650G
Elite Access	VA650
Elite Access	VA650G
Elite Access With Liquidity Option	VA660
Elite Access With Liquidity Option	VA660G
Fifth Third Perspective	VA220FT
Fifth Third Perspective	VA250FT
Perspective Advantage	VA600
Perspective Advisors II	VA410
Perspective Advisors II	VA410G
Perspective Advisors II	VA410WA
Perspective Advisory	VA770
Perspective Advisory	VA770G
Perspective Focus	VA260
Perspective II	VA220
Perspective II	VA220CT
Perspective II	VA220G
Perspective II	VA220WA
Perspective II	VA250
Perspective II	VA250G
Perspective II	VA250WA
Perspective II	VA250WA2
Perspective II	VA620
Perspective II	VA620A
Perspective II	VA620AK
Perspective II	VA620G
Perspective II	VA620MS
Perspective II	VA620WA
Perspective L Series	VA210
Perspective L Series	VA210CT
Perspective L Series	VA210G
Perspective L Series	VA210WA
Perspective L Series	VA610
Perspective L Series	VA610AK
Perspective L Series	VA610G
Perspective L Series	VA610MS
Perspective L Series	VA610WA
Perspective Rewards	VA340

Perspective Rewards	VA340CT
Perspective Rewards	VA340G
Perspective Rewards	VA340WA
Perspective Rewards	VA640
Perspective Rewards	VA640G
Perspective Rewards	VA640MS
Perspective Rewards	VA640WA
Perspective	VA200
Perspective	VA200G
Retirement Latitudes	VA310
Retirement Latitudes	VA310CT
Retirement Latitudes	VA310G
Retirement Latitudes	VA310WA
Retirement Latitudes	VA610
Retirement Latitudes	VA630
Retirement Latitudes	VA630A
Retirement Latitudes	VA630G
Retirement Latitudes	VA630WA

Table 2 (NY only)	
Product Name	Contract Number
Curiangard Simplified Retirement Annuity	VA320NY
Elite Access	VA650NY
Elite Access Advisory	VA780NY
Elite Access Brokerage Edition	VA650NY- EABE
Elite Access Brokerage Edition with Liquidity Option	VA660NY- EABE
Elite Access with Liquidity Option	VA660NY
Perspective	VA202-1
Perspective Advisors	VA402NY
Perspective Advisors II	VA440NY 08/11
Perspective Advisors II	VA440NY
Perspective Advisors II	VA410NY
Perspective Advisors II	VA410NY 05/05
Perspective Advisory	VA770NY
Perspective Focus	VA260NY
Perspective II	VA202-1
Perspective II	VA250NY
Perspective II	VA250NY 05/04
Perspective II	VA220NY
Perspective II	VA220NY 05/05
Perspective II	VA220NY 05/06
Perspective II	VA350NY
Perspective II	VA620NY
Perspective II	VA620NY 09/12
Perspective II (Wells Fargo Proprietary)	VA620NY
Perspective II (Wells Fargo Proprietary)	VA620NY 09/12
Perspective L Series	VA210NY
Perspective L Series	VA210NY 05/05
Perspective L Series	VA210NY 05/06

Perspective L Series	VA610NY
Perspective L Series	VA610NY 08/11
Perspective Rewards	VA340NY 05/10
Perspective Rewards	VA640NY

contract value of \$10,000 (assuming that your contract value has not increased or decreased because of investment performance). In this case, you could withdraw \$1,000 (10% of contract value) free of surrender charges, but you would pay a surrender charge of 7%, or \$280, on the other \$4,000 withdrawn.

(For more information, visit <https://www.sec.gov/investor/pubs/varannty.htm>)

In other words, the 7% charge in the SEC example is applied to the full \$4,000 in Premium that is subject to withdrawal charges, resulting in the \$280 charge, resulting in a payment to you of \$4,720. Similarly, if you had requested a net withdrawal of \$4,720, your total gross withdrawal and reduction of contract value would be \$5,000, under this example. This is how Jackson, consistent with industry standards, calculates the Withdrawal and/or Recapture Charges you may incur when withdrawing Premium from your variable annuity account.

Your annuity contract and prospectus provide additional details on Jackson's calculation of Withdrawal and Recapture Charges. If you have any further questions after reviewing these materials, please contact your Jackson representative or Jackson's customer service phone number at [REDACTED].

basis so that all withdrawals will be allocated to Remaining Premium to which the lowest (if any) Withdrawal Charges apply.

* * *

Withdrawal Charges and Excess Interest Adjustments are waived on amounts withdrawn that are less than or equal to the Additional Free Withdrawal. Although Additional Free Withdrawals reduce Contract Value in either the Investment Division and/or the Fixed Account Option, they do not reduce Remaining Premium. As a result, You will not receive the benefit of an Additional Free Withdrawal if You take a full withdrawal. Withdrawals during the Contract Year in excess of the Additional Free Withdrawal may be subject to a Withdrawal Charge, as well as any applicable Excess Interest Adjustment.

Recapture Charge Language at Issue

RECAPTURE CHARGE. The Contract Enhancement may be recaptured upon certain withdrawals and in the event of payments under an income option. Recapture Charges will be calculated in accordance with the Recapture Charge schedule set forth on the Contract Data Page. The Recapture Charge is equal to the Recapture Charge percentage applied to the portion of Remaining Premium withdrawn. The Recapture Charge will be taken from the Investment Divisions and the Fixed Account Options in the same proportion as the requested withdrawal.

The Recapture Charge will be deducted from the remaining Contract Value such that the actual reduction in Contract Value as a result of the withdrawal may be greater than the withdrawal amount requested and paid.

For purposes of determining the Recapture Charge, earnings are defined as the excess of the Contract Value over the sum of remaining Contract Enhancements and Remaining Premiums. Withdrawals will be allocated first to earnings, if any (which may be withdrawn free of any Recapture Charge), second to Remaining Premium on a first-in, first-out basis so that all withdrawals will be allocated to Remaining Premium to which the lowest (if any) Recapture Charges apply, and third to Contract Enhancements (which may be withdrawn free of any Recapture Charge.)

EXHIBIT D

WHEREAS, discovery has proceeded on issues relating to the allegations asserted in the Second Amended Class Action Complaint, and Plaintiffs have had an opportunity to review extensive document productions; and

WHEREAS, Defendant denies any wrongdoing or liability relating to any of the allegations made by the Plaintiffs, and it is agreed among Defendant and the Plaintiffs that the Settlement Agreement (“Agreement”) shall not constitute, and shall not be construed as or deemed to be evidence of, an admission of any fault, wrongdoing, or liability by Defendant; and

WHEREAS, the Court has considered the Settlement Agreement, the proposed Notice, the proposed distribution plan, and the other documents submitted in connection with Plaintiffs’ request for preliminary approval of the Agreement, certification of the Settlement Class for the purposes of settlement only, appointment of counsel for the Settlement Class, appointment of a third-party Claim Administrator, and good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. The Motion is **GRANTED**.
2. Terms used in this Order that are defined in the Agreement are, unless otherwise defined herein, used in this Order as defined in the Settlement Agreement.

Preliminary Approval of the Settlement

3. The Court finds that: (a) the proposed settlement with Defendant, as set forth in the Settlement Agreement, is sufficiently fair, reasonable and adequate to authorize the dissemination of notice of the settlement to the Settlement Class members and to schedule a fairness hearing to determine whether to grant final approval of the proposed settlement under Fed. R. Civ. P. 23(e); (b) the Agreement was negotiated at arm’s-length by experienced counsel acting in good faith with the assistance of Heshia Abrams, an experienced mediator; and (c) there

has been adequate opportunity for discovery by experienced counsel to evaluate the claims and risks at this stage of the litigation.

4. The Court finds that preliminary approval is appropriate and hereby grants that preliminary approval subject to final determination following notice and a hearing. Further, the Court also grants the Certification of the Settlement Class, Appointment of Settlement Class Representatives, Appointment of Settlement Class Counsel, and Appointment of third-party Claim Administrator.

5. For purposes of the settlement of the claims against Defendant, and only for that purpose, and without an adjudication on the merits and other issues between Plaintiffs and Defendant in the event that final approval of the settlement does not occur, pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court finds that the requirements for a class action are met, and the Court provisionally certifies the following class solely for purposes of settlement of claims against Defendant:

The “Settlement Class” means all persons and entities who are or were US customers of Jackson with contracts that contain the Language at Issue who incurred Withdrawal Charges and/or Recapture Charges on variable annuities between January 2, 2009 and January 31, 2021. The following persons and/or entities are excluded from the Settlement Class: (i) Jackson; (ii) Jackson’s subsidiaries and affiliates; (iii) Jackson’s past and current executive officers and directors; (iv) Jackson’s legal representatives, heirs, successors or assigns; (v) any entity in which any of the foregoing excluded persons have or had a controlling interest, and (vi) the judge presiding over the Action or a member of his immediate family or judicial staff. Also excluded from the Settlement Class shall be any person and entity who or which submits a request for exclusion that is accepted by the Court.

6. For purposes of preliminary approval, the Court finds that provisional certification of the Settlement Class is warranted in light of the proposed settlement under the prerequisites of Federal Rule of Civil Procedure 23(a) because: (1) the members of the

Settlement Class are so numerous that joinder is impracticable; (2) there are issues of law and fact common to the class; (3) the Plaintiffs' claims are typical of the claims of the Settlement Class members; and (4) the Plaintiffs and Co- Lead Class Counsel will fairly and adequately represent the interests of the Settlement Class members.

7. For purposes of preliminary approval, the Court finds that provisional certification of the Settlement Class is warranted in light of the proposed settlement under Federal Rule of Civil Procedure 23(b)(3) because common issues, including the issue of whether Defendant engaged in improper behavior, predominate over any questions affecting only individual members of the Settlement Class, and settlement of this action on a class basis is superior to other means of resolving the Action.

8. The Court finds that the scope of the release in the Agreement is appropriate and calls for a release of claims that were or could have been asserted in this action or that arise from the factual allegations made in this action.

9. The Court hereby appoints Plaintiffs David Cruson and John Denman as Settlement Class Representatives. The Court preliminarily finds that the Settlement Class Representatives have standing to, and will fairly and adequately protect the interests of the Settlement Class because: (1) the interests of the Settlement Class Representatives are consistent with those of Settlement Class Members; (2) there appear to be no conflicts between or among the Settlement Class Representatives and the other Settlement Class members; (3) the Settlement Class Representatives have been and appear to be capable of continuing to be active participants in both the prosecution and the settlement of this litigation; and (4) the Settlement Class Representatives and Settlement Class members are represented by qualified, reputable counsel who are experienced in preparing and prosecuting large, complicated class action cases,

including those concerning alleged violations of Securities and Exchange laws.

10. In making these preliminary findings, the Court has considered, inter alia, (1) the interest of the Settlement Class members in individually controlling the prosecution or defense of separate actions; (2) the impracticality or inefficiency of prosecuting or defending separate actions; (3) the extent and nature of any litigation concerning these claims already commenced; and (4) the desirability of concentrating the litigation of the claims in a particular forum.

11. At this juncture, the Court makes no determination regarding the manageability of this litigation as a class action, if this litigation were to go to trial.

12. The requirements of Rule 23(g) of the Federal Rules of Civil Procedure are met, and the Court hereby appoints Lewis LeClair of McKool Smith, PC and Gary Corley of Corley Law Firm as Settlement Class Counsel.

CAFA Notice

13. Pursuant to the Settlement Agreement, Defendant shall be responsible for serving any notice required under the Class Action Fairness Act (CAFA), 28 U.S.C. § 1715, and shall pay any and all costs associated with CAFA notice.

Notice to Potential Settlement Class Members

14. The Court finds that the proposed settlement with Defendant, as set forth in the Settlement Agreement, subject to final determination following proper notice and a fairness hearing, is sufficiently fair, reasonable, and adequate to authorize dissemination of notice to the Settlement Class.

15. Plaintiffs provided a proposed Long-Form and Short-Form Class Notice to the Court for its review (the "Class Notice"). The Court finds the Class Notice acceptable and approves of its form and content.

16. The Court finds that the dissemination of the Class Notice in the manner set forth herein constitutes the best notice practicable under the circumstances and is valid, due and sufficient notice to all persons entitled to notice and complies fully with the requirements of Federal Rule of Civil Procedure 23 and due process.

17. By _____, 2021 (30 days prior to the Final Approval Hearing), Settlement Class Counsel shall file with the Court their motion for final approval of the Settlement, along with proof that notice was provided to the Settlement Class members as directed by this Order.

18. Any member of the Settlement Class who objects to the proposed settlement, must do so in writing, postmarked no later than _____, 2021 (28 days prior to the Final Approval Hearing), and shall otherwise comply with the requirements set forth in the Notice.

19. All requests for exclusion from the Settlement Class must be in writing, postmarked no later than _____, 2021 (21 days prior to the Final Approval Hearing), and must otherwise comply with the requirements set forth in the Notice.

20. Class Counsel shall file with the Court and serve on the parties their responses to any objection(s) to the settlement and/or the request to use the settlement funds for ongoing litigation expenses on or before _____, 2021 (7 days prior to the Final Approval Hearing).

21. The Court will hold a fairness hearing on _____, 2021, at _____ .m. (at least 90 days from the date of entry of this Order)], at the Paul Brown United States Courthouse, 101 East Pecan Street, Sherman, Texas 75090 to determine the fairness, reasonableness, and adequacy of the proposed settlement with Defendant. Any of the Settlement

Class members who follow the procedure set forth in the Notice may appear and be heard. The fairness hearing may be rescheduled, adjourned or continued without further notice to the Settlement Class members.

Other Provisions

22. In the event that the settlement is validly terminated as provided for in the Settlement Agreement, all proceedings had in connection with the settlement and any orders regarding the settlement shall be null and void, except insofar as expressly provided to the contrary in the Settlement Agreement, and without prejudice to the status quo ante rights of the Plaintiffs, Defendant, and the members of the Settlement Class.

23. In the event that the settlement does not become final and effective for any reason, nothing in the Settlement Agreement, this Order or proceedings or orders regarding the settlement shall be construed to prejudice any position that any of the parties may assert in any aspect of this litigation.

24. Neither the Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations or proceedings in connection with it, shall be construed as an admission or concession of Defendant of the truth of any allegations in the litigation, or of any fault or wrongdoing of any kind, or of Plaintiffs of any lack of merit in Plaintiffs' allegations.

25. Heffler Claims Group, LLC is approved to serve as Claim Administrator for the purpose of issuing notice to the Settlement Class.

26. The litigation against Defendant by the Plaintiffs is stayed except as provided for in the Agreement and to the extent necessary to obtain final approval of the settlement.

IT IS SO ORDERED.

SIGNED this ____ day of _____, 2021

AMOS L. MAZZANT, III
UNITED STATES DISTRICT JUDGE

EXHIBIT E

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS

NOTICE OF CLASS SETTLEMENT

If You Purchased a Perspective Series, Elite Access Series or a Retirement Latitude Series of Variable Annuity from Jackson National Life Insurance Company and were Assessed a Withdrawal or Recapture Charge on Withdrawal of Variable Annuity funds, You Could Get A Payment From A Class Action Settlement.

A federal court authorized this Notice.

It is not a solicitation from a lawyer. You are not being sued.

- A settlement fund will pay certain amounts to Jackson National Life Insurance customers who paid withdrawal or recapture charges assessed by Jackson on the withdrawal of funds from variable annuities (“the Class”). The total amount of the settlement fund is \$8.75 million, less certain fees and expenses that the Court may order.
- The settlement resolves a certified class action lawsuit, pending in the United States District Court for the Eastern District of Texas (“the Court”), against Jackson National Life Insurance Company (“Jackson” or the “Defendant”). The lawsuit alleges that Defendants breached the contracts with the Class by incorrectly calculating withdrawal and recapture charges when funds were withdrawn. Defendants deny any wrongdoing. The two sides also disagree on how much money, if any, the Class could have won if the case had gone to trial.
- The settlement establishes the settlement fund to pay money to class members, provides that Defendants will provide additional notice to members of the Class who continue to hold variable annuities sponsored by Jackson, avoids the costs and risks from continuing the lawsuit, and releases Jackson from liability.
- Court-appointed lawyers for the Class will ask the Court for an award of expenses and fees as compensation for investigating the facts, litigating the case, and negotiating the settlement.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

<u>YOUR RIGHTS AND OPTIONS IN THIS LAWSUIT</u>	
<i>Submit additional contact information and, if applicable, select a payment method</i>	This is the <u>only</u> way to get a payment.
<i>Opt-out of the Settlement</i>	Get no payment. This is the only option that allows you to keep your right to sue Jackson for the claims asserted in the Action.
<i>Object And, If You Choose To, Go To A Hearing</i>	Write to the Court about why you don’t like the settlement. You do not have to attend the final settlement hearing, but you may do so. You must still submit the additional information in order to get a payment.
<i>Do Nothing.</i>	Get no payment. Give up rights.

- These rights and options—and the deadlines to exercise them—are explained in this notice. **You must submit the requested information, including contact information no later than [10 days before FAH]. To opt-out of the settlement, you must submit your notice of opt-out by [21 days before FAH]. To object to the settlement, you must submit your objection by [28 days before FAH].**
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. Please be patient.

BASIC INFORMATION ABOUT THE LAWSUIT

1. Why did I get this Notice?

Records indicate that you may have purchased one or more Perspective Series, Elite series, or Retirement Latitude variable annuities from Defendant and been charged withdrawal and recapture charges after January 2, 2009 when withdrawing funds from the annuities.

This Notice explains that the Court has preliminarily approved a settlement resolving a class action lawsuit that may affect you. You have legal rights and options that you may exercise. Judge Amos Mazzant of the United States District Court for the Eastern District of Texas is overseeing this class action. The case is known as *David Cruson, et.al., v Jackson National Life Insurance Company.*, Civ. Action No. 4:16-cv-912 (the “Action”).

2. What is the lawsuit about?

This lawsuit is about whether Defendant breached the contracts with variable annuity purchasers when calculating the amount of withdrawal and recapture charges at the time of withdrawal of funds from the variable annuity. Specifically, Plaintiffs allege that Jackson improperly charged a withdrawal and recapture charge on the amount of the withdrawal and recapture charge, rather than just charging it on the amount withdrawn. Defendant denies any wrongdoing.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” (in this case David Cruson and John Denman) sue on behalf of themselves and other people who have similar claims. These people and entities together are called a “Class” or “Class Members.” Cruson and Denman—and all the Class Members like them—are called Plaintiffs. The company the Plaintiffs sued—Jackson—is called the Defendant. One court resolves the issues for all Class Members—except for those who chose to exclude themselves by [21 days before FAH].

4. What has happened in the lawsuit?

On November 29, 2016, Class Representative Cruson (and others), on behalf of a putative class, filed a complaint against Defendant alleging that Defendants had breached the variable annuity agreements that the putative class had or have with the Defendants and breached other duties to the putative class in connection with the calculation of withdrawal and recapture charges.

On May 9, 2018, the Court certified a class of variable annuity purchasers who suffered withdrawal and recapture charges when withdrawing funds from such annuities. On June 27, 2018, the United States Court of Appeals for the Fifth Circuit granted Defendant’s request to appeal the Court’s class certification order. That appeal was briefed and argued on April 30, 2019, and on March 25, 2020, the Court of Appeals issued its opinion vacating the class certification order entered by the district court and remanded the case to the district court for further handling.

On August 8, 2018, the Court denied Defendant’s motion for summary judgment on the Class’s breach of contract claims and granted summary judgment on the claims for breach of fiduciary duty.

On [preliminary approval order date], the Court preliminarily approved the settlement, certified the class of variable annuity purchasers who were charged withdrawal and recapture charges by Jackson, and authorized the Class Representatives to notify the Class Members about the settlement.

5. Why is there a settlement?

The Court did not decide the Action in favor of the Plaintiffs or the Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost of trial, and the customers affected are certain to get compensation if the Court approves the settlement and the settlement becomes final (unlike in a trial where there is a possibility that the Class Members would get no compensation). The Class Representatives and Class Counsel think this settlement is best for all Class Members.

DETERMINING IF YOU ARE PART OF THE SETTLEMENT

6. How do I know if I am part of the settlement?

You are a member of the Class if you are or were the purchaser of a Perspective Series, Elite series, or Retirement Latitude variable annuity from Jackson and were charged a withdrawal and recapture charge when you withdrew funds from the annuity on or after January 2, 2009.

7. Are there exceptions to being included in the settlement?

Yes, you are **NOT** a Class Member if: (i) you are Jackson or one of Jackson's subsidiaries and affiliates; (ii) you are one of Jackson's past and current executive officers and directors; (iii) you are Jackson's legal representatives, heirs, successors or assigns; and (iv) you are any entity in which any of the foregoing excluded persons have or had a controlling interest. (v) you are the judicial officer presiding over the Action or a member of her immediate family or judicial staff; or (vi) you have excluded yourself from the Class.

8. Are you still not sure if you're included?

If you are still not sure whether you are included in the Class, you can get free help at [www._____](http://www._____.com), or by calling or writing to the lawyers in this case at the phone numbers or addresses listed in response to question 19.

THE SETTLEMENT BENEFITS – WHAT YOU GET

9. What does the settlement provide?

The settlement creates a fund of \$8.75 million to compensate Class Members and pay certain fees and expenses that may be awarded by the Court. This fund will be reduced by payments to Class Counsel, reimbursement of expenses, and payments to the Claims Administrator.

Defendant also agrees that it will provide an additional explanation to current variable annuity owners to avoid any misunderstanding about future withdrawals and the calculation of the withdrawal and recapture charge.

10. How much will my payment be?

Your share of the fund will depend on the number of Class Members that respond with contact and payment option information, and how much you paid in withdrawal and recapture charges to Defendant. However, you should expect that your payment will be in the range of one percent (1%) of the total amount of withdrawal and recapture charges that you incurred during the class period. The exact amount of your payment cannot be determined until the number of people participating in the settlement is determined following the notice, the response to the notice, and exclusion decisions are made.

The total settlement amount is \$8.75 million. Part of the settlement money will be used to compensate the Class Counsel and to pay the Claims Administrator. After those deductions, the entire balance of the settlement fund will be distributed to Class Members who provide the necessary information on a *pro rata* basis, based on Class Members' total withdrawal and recapture charges incurred on withdrawal from the defined variable annuities. None of the settlement fund will revert to Defendant, unless the settlement is terminated or otherwise does not become final.

11. Can I exclude myself from the settlement?

Yes. You may opt out of the Settlement by [21 days before FAH] at [www._____](http://www._____.com).com. You may opt out by sending a letter that includes your name and address, a statement that you want to be excluded from the Settlement, and your signature to: Opt Out, JNL Withdrawal Charge Settlement, P.O. Box _____, _____, _____. Mailed opt-out requests must be postmarked by [21 days before FAH].

If you opt out of the Settlement, you won't receive any payment as part of the Settlement. You won't be bound by further orders or judgments in this case. You keep the right, if any, to sue on the claims alleged in the case at your own expense. All Class Members who did not exclude themselves from the Class by the deadline will be bound by the settlement and cannot exclude themselves from the Class.

12. What am I giving up in exchange for the settlement?

In exchange for the settlement fund and additional commitments made by Defendants, Class Members agree that any claims Class Members have against Defendant that arise out of or relate in any way to the claims in the Action, including unknown claims, are released.

13. What are the released claims?

Class Members will release any and all claims or causes of action, whether known or unknown, that concern, refer or relate to Jackson's calculation of Withdrawal Charges and/or Recapture Charges for variable annuities, and all other claims that were asserted, or that could have been asserted, in this Lawsuit. The Released Claims do not cover, include, or release: (i) any claims relating to the enforcement of the Settlement, and (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

HOW YOU GET A PAYMENT – PROVIDING INFORMATION

- 14. How can I get a payment?** To qualify for a payment, you must provide the necessary contact information and, if applicable, a payment election. You may submit the information and payment election online at [www. \[REDACTED\]](http://www. [REDACTED]). Please read the instructions carefully, and be sure to provide all of the information requested..

All information must be submitted electronically by **[10 days before FAH, 2021]**.

15. When would I get my payment?

The Court will hold a hearing on [REDACTED], at [REDACTED] p.m. to decide whether to approve the settlement. If the Court approves the settlement, there may be appeals. It's always uncertain whether there will be any appeals, and the appeal process can take time, perhaps more than a year. The settlement website will contain the most up-to-date information about the progress of the litigation. Please be patient.

Once the deadline to submit claims expires and all appeals, if any, are resolved, the Claims Administrator will distribute all the settlement money to the Class Members who have provided the appropriate information based on the proportion of the Class Member's purchases to the total purchases made by all Class Members who have submitted valid claims forms.

16. What am I giving up to get a payment?

You give up nothing by providing the requested information and receiving a payment. All Class Members, except those who have excluded themselves from the Class, will be bound by the terms of the settlement and judgment. Submitting the claim form entitles you to payment from the settlement fund. If you do not provide the information, you are still bound by the terms of the settlement and judgment, but you will not receive a payment.

17. What happens if I do nothing at all?

If you do not do anything, you will still be bound by the settlement and judgment, but you will not get a payment.

THE LAWYERS REPRESENTING YOU

18. As a Class Member, do I have a lawyer representing my interests in this Class Action?

Yes. The Court has appointed lawyers to represent you and other Class Members. These lawyers are called Class Counsel. The following lawyers are representing the Class:

<p>Lewis T. LeClair, Esq. McKool Smith, P.C. 300 Crescent Ct. Suite 1500 Dallas, Texas 75201 (214) 978-4984 www.mckoolsmith.com</p>	<p>Gary C. Corley, Esq. Corley Law Firm 108 N. Travis St. Sherman, TX 75090 (903) 892-1048 www.georleylaw.com</p>
---	--

19. How will the lawyers be compensated, and will the named plaintiffs receive compensation?

Class Counsel will ask the Court to approve payment of attorneys' fees and expenses incurred in litigating this case, and Defendants will not contest Class Counsel's request for a fee up to the amount of \$2.5 million. The fees would pay Class Counsel for investigating the facts, litigating the case, preparing for trial, and negotiating the settlement. The Court may award more or less than these amounts. Defendants will not separately pay the attorneys' fees or expenses of Class Counsel; instead, these amounts will reduce the \$8.75 million available for Class Members. The settlement fund will also be reduced by the amount paid to administer the settlement. Class Counsel will file a fee and expenses application no later than **[21 days before FAH]**. Once filed, the fee and expenses application will be made available on the class website, www._____.com. Class Counsel will also request that the Court, in its discretion, make incentive awards to the Class Representatives from the settlement fund in the amount of \$1,000 for each class representative.

OBJECTING TO THE SETTLEMENT

20. How can I object to this settlement?

If you are a Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it as a whole or parts of it. You may specifically object to Class Counsel's application for fees. The Court will consider your views. If you object to the settlement, you must send a letter saying that you object to the settlement in the matter *David Cruson, et.al., v Jackson National Life Insurance Company*, Civ. Action No. 4:16-cv-912. You do not have to attend the final settlement hearing to object, but you may attend if you choose to. Be sure to include your name, address, telephone number, the name of your attorney, if applicable, your signature, the reasons why you object to the settlement, any evidence supporting your objection, and whether you intend to appear at the hearing. If you intend to present witnesses at the final settlement hearing, you must also include a list of those witnesses. You must mail your objection to the following four places, postmarked no later than **[28 days before FAH]**.

The Court:

Clerk of Court
Paul Brown United States Courthouse
101 E. Pecan Street
Sherman, Texas 75090

Class Counsel:

Lewis T. LeClair, Esq.
McKool Smith, P.C.
300 Crescent Ct., Suite 1500
Dallas, Texas 75201

Gary Corley, Esq.
Corley Law Firm
108 N. Travis Street
Sherman, TX 75090

Counsel for Defendants:

David J. Levy
david.levy@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
1000 Louisiana, Suite 4000 Houston, Texas 77002

THE COURT'S FINAL SETTLEMENT HEARING

21. When and where will the Court decide whether to approve the settlement?

The Court will hold a hearing on [REDACTED], 2021, at [REDACTED] p.m. at the United States District Court for the Eastern District of Texas, Paul Brown United States Courthouse, 101 E. Pecan St., Sherman, Texas 75090. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel. After the hearing, the Court will decide whether to approve the settlement and enter judgment. We do not know how long these decisions will take.

22. Do I have to come to the hearing?

No, you do not have to come to the hearing, even if you file an objection. You may attend the hearing, at your own expense, but if you wish to speak at the hearing you must follow the instructions below. Otherwise, Class Counsel will answer questions the Court may have. You may also pay your own lawyer to attend, but it's not necessary.

23. May I speak at the hearing?

Yes. You or your attorney may speak at the final settlement hearing. To do so, you must either send a letter objecting to the settlement or, if you do not object but desire to speak anyway, send a letter stating that it is your "Notice of Intention to Appear in *David Cruson, et.al., v Jackson National Life Insurance Company.*, Civ. Action No. 4:16-cv-912." Be sure to include your name, address, telephone number, the name of your attorney, if applicable, and your signature. Your Notice of Intention to Appear must be postmarked no later than [28 days before FAH] and be sent to the Clerk of Court, Class Counsel, and Counsel for Defendants, at the four addresses listed in Question 20. You cannot speak at the hearing if you previously excluded yourself ("opted out") of the Class.

ADDITIONAL INFORMATION

24. Are more details available?

This Notice contains a summary of relevant court papers and does not describe all of the claims, defenses, and contentions of the parties to the lawsuit. Certain key documents, including the settlement agreement and certain relevant pleadings and court decisions are available on the class website: www._____.com. If you have further questions about this Notice or would like more information about the lawsuit, you may contact *Cruson v Jackson National Life Insurance*. Claims Administrator, [REDACTED], 1-[REDACTED].

Please do not contact the Court or Judge Mazzant. They cannot answer any questions or discuss the Action.

DATED: _____

BY ORDER OF THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS

EXHIBIT F

If you purchased variable annuities from Jackson National, including Perspective Series, Elite Series, or Retirement Latitude and paid withdrawal or recapture charges when you withdrew funds, your rights may be affected by a class action settlement.

The lawsuit, *Cruson v. Jackson National Life Ins. Co.*, claims that Jackson National Life Insurance Company and Jackson National Life Insurance Company of New York ("Jackson") improperly calculated withdrawal and recapture charges on withdrawals from certain annuities. Jackson denies any wrongdoing.

Who is a Class Member? You are a Settlement Class member if you are or were the purchaser of certain Perspective Series, Elite Series, or Retirement Latitude variable annuities from Jackson and were charged a withdrawal or recapture charge when you withdrew funds from the annuity between January 2, 2009 and January 31, 2021. Visit [redacted], or call [redacted] for complete details.

What are the benefits? The proposed \$8.75 million settlement fund will pay settlement class member claims, attorney fees and costs and the cost of administration. The payment to class members will be *pro-rata* based on the total amount of withdrawal and recapture charges incurred by each participating settlement class member. Depending on participation, settlement class members can expect to receive approximately 1% of the amount of their withdrawal or recapture charges. No money will revert to Jackson unless the settlement does not become final. The Settlement will also require Jackson to provide additional notice to members of the Class who continue to hold variable annuities sponsored by Jackson.

What are my options? Participate: The **only** way to receive a payment is to provide information online, including an email address and mailing address, no later than **[21 days prior to FAH]**. **Do Nothing:** You will not be eligible for a payment, but you will be bound by the decisions of the Court and release any potential claim against Jackson. **Opt-Out:** You will **not** receive a payment, but you will keep the right to sue Jackson at your own expense concerning alleged claims in the case. **Object:** You may write to the Court and explain in detail why you do not like the Settlement. Detailed instructions concerning how to Object or Opt-Out are found on the website. You must follow the instructions carefully. Any Objection must be postmarked no later than **[28 days prior to FAH]**. Any Opt-Out notice must be postmarked no later than **[21 days prior to FAH]**.

The Court will hold a hearing on _____, at _____ p.m. at the U.S. District Court for the Eastern District of Texas, Paul Brown U.S. Courthouse, 101 E. Pecan St., Sherman, Texas 75090. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate and decide whether to approve the settlement and to pay attorney fees and costs of up to \$2.5 million and awards of \$1,000 each to the two class representatives. The attorney fees and costs will be posted on the website after they are filed, no later than **[21 days prior to FAH]**. You may appear at

the hearing, at your own expense, but you do not have to appear. If the Court approves the settlement, there may be appeals, which can take time. The settlement website will contain the most up-to-date information about the progress of the litigation.

This is only a summary. For more information visit [www.\[redacted\].com](http://www.[redacted].com), which contains the Settlement Agreement, a detailed notice, and instructions concerning how to opt-out and object. You may also call [redacted], or write to [redacted], co/[redacted] P.O. Box [redacted], [redacted].