

Venerable Business Guidelines

Information Sheet

ISSUED BY
Venerable

EFFECTIVE DATE
September 2019

TARGET AUDIENCE
All Venerable Representatives

NEXT REVIEW DATE
September 1, 2020

OWNED AND APPROVED BY
Venerable Law and Compliance
Department

CONTACT PERSON
Kristi Harding, Chief Compliance Officer

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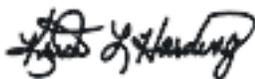
1. Letter from our Chief Compliance Officer

Dear Valued Representative,

We are committed to employing the highest standards of fundamental business practices and market conduct throughout every aspect of our organization.

Venerable's Business Guidelines serve as a framework to our valued Representatives that we are all responsible for upholding and embracing ethical market conduct as a part of our everyday business culture. In accordance with your Representative appointment, you are required to thoroughly read, understand, and abide by these Guidelines. These Guidelines were created to assist you in developing best practices for your business activities. A firm commitment to ethical market conduct is how we earn the trust that is critical to our business success and we look forward to partnering with you on that journey together.

Sincerely,



Kristi Harding,
SVP, Chief Compliance Officer
Venerable Insurance and Annuity Company

To Our Valued Representatives

As a Representative of Venerable Insurance and Annuity Company, (herein referred to as Venerable) it is important that you understand our company's guidelines on market conduct. This guide is designed to give you an overview of those guidelines. Representatives, and the companies they represent, are being held by regulators, clients, and the public to a very high standard. Read this guide in its entirety. By accepting appointment with our company, you are consenting to adhere to the guidelines which have been adopted by Venerable.

If you should have any questions about any of this material, please call the applicable Compliance Officer (see "Compliance Contact" section on Page 7).

Please note, the term "Representative" used throughout includes Agent, Producer, Registered Representative, Broker-Dealer, etc., and the term "Customer" includes Contract Holders, Account Holders, and Beneficiaries.

Our Philosophy

Venerable values our relationships with Representatives and Customers. We are committed to developing strong relationships of trust with our Customers – for whom we expect all transactions to be conducted honestly and ethically. All Representatives appointed with Venerable must demonstrate the highest standards of financial responsibility and integrity in all dealings with Venerable and its Customers. Representatives are expected to exemplify the highest standards of ethical and professional conduct and maintain a record free from compliance and market conduct issues.

In accordance with these guidelines and consistent with your contractual obligation to do business in conformity with our rules and procedures, the following standards have been set:

- Representatives must comply with rules, procedures, and policies of Venerable, written or otherwise.
- Any action or conduct that constitutes fraud or violates any law or regulation constitutes violation of the rules of Venerable.
- Venerable prohibits any misrepresentation or modification of any of the benefits, rates, or conditions of policies, contracts or accounts in any respect.
- Venerable prohibits any withholding, misappropriation, or conversion of funds.
- Venerable prohibits you from assuming the role of Assignee, Owner, Beneficiary, Contingent Beneficiary, Power of Attorney, Trustee, Executor, or Conservator, of any contract other than a contract on your life or the life of a member of your immediate family.* This prohibition includes employees of your agency or family members from taking on any conflicting roles with respect to your Customer. In addition, do not allow yourself, members of your family or business/charities that you have ownership in to be named as a beneficiary on a Customer's policy or contract.
- Venerable prohibits rebating (even in states where it is allowed).
- Use of any advertising without prior approval by Venerable is prohibited.
- Representatives shall not recommend to any person the purchase, sale or exchange of any policy, contract, or any rider, endorsement or amendment thereto, without reasonable grounds to believe that the transaction or recommendation is suitable for the person based upon reasonable inquiry concerning the person's insurance objectives, financial situation and needs, age and other relevant information known to them.
- To maintain the high standards of Venerable, you are required to notify Venerable Compliance (see "Compliance Contact" on Page 7) or the Ethics Helpline at (844) 330-7108 if you become aware of conduct by other Representatives that violates any of our rules, procedures, and policies. An on-line form is also available at www.venerable.ethicspoint.com. You may also email Whistleblower@venerableannuity.com to report any concerns.
- A Representative shall not represent a Customer(s) in any arbitration, proceeding, action or litigation against another Representative, in an effort to take on a future formal role as a Representative providing ongoing recommendations for the Customer(s).
- All investigations are confidential in nature and Representatives and Customers may be contacted directly by Venerable's Special Investigations Unit (SIU).
- All Representatives and their employees are required to cooperate fully with an investigation. A lack of cooperation could result in termination.

Any behavior deemed unacceptable by Venerable may result in contract termination. Venerable is committed to aggressive investigation of any conduct that violates its policies, procedures, or rules. Proper market conduct is an important component in our continued successful operation. Violation of these standards will undercut these objectives and could also result in personal liability and loss of license.

** An immediate family member is generally defined as a: (1) parent; (2) aunt or uncle; (3) child; (4) grandchild; (5) grandparent; (6) sibling; (7) niece or nephew; or (8) spouse. Additional state rules and regulations may result in further restrictions.*

Licensing/Appointments

Representatives are responsible for obtaining and maintaining licenses and appointments in all jurisdictions that Venerable products are being serviced, recommended, or solicited for add-on premiums. This includes having all required lines of authority associated with the product type being serviced or replaced and understanding all timeframes in relation to the appointment being submitted to the jurisdiction. This also includes fulfilling all jurisdiction specified continuing education, insurance company provided product training, and any other training required by the jurisdiction and/or insurance company.

2. Compliance Information

Compliance Contact Information

Kristi Harding, SVP, Chief Compliance Officer, AML Officer

Phone: 800-369-3690, Option 3, Ext. 698-7606

Email: Kristi.Harding@venerableannuity.com

Complaint Handling

Brad Bax, AVP, Compliance Manager

Phone: 800-369-3690, Option 3, Ext. 698-6245

Email: Brad.Bax@venerableannuity.com

Office File Checklist

You should maintain a record of Customer Information in a physical or electronic file for each Customer. We have created this checklist to help you review your files. **IMPORTANT NOTE:** Do not destroy any documentation associated with the sales process. This includes but is not limited to, advertising, letters, illustrations and signed forms. Certain documents should always be maintained. These include:

- Original sales proposals and signed illustrations;
- A copy of a Customer profile or fact-finder and needs analysis completed during the solicitation, including a description of how the product/replacement meets the Customer's needs and objectives;
- A copy of any sales material and advertisements used during the sales process;
- Any written correspondence to or from the Customer regarding the solicitation, issuance of the contract or policy, or subsequent service of the contract, policy or account;
- Documentation of phone calls to or from the Customer addressing the above issues;
- Notes from meetings with the Customer and any other individual regarding the contract or policy; and
- A copy of the Customer's signed delivery receipt or proof of mailing.

We recommend that you only include factual information in your files. Do not include opinions or inappropriate personal comments regarding your Customer.

Important Do's and Don'ts

Do:

- Use only advertising material provided or approved by Venerable.
- Disregard compensation, bonuses, and any other incentives when making a recommendation.
- Utilize Venerable's definition of replacement.
- Service business only in states where you are properly licensed and appointed.
- Accept checks made payable only to Venerable or the appropriate insurance company and promptly remit the check to Venerable.
- Sign as a witness only if you are actually present at the signing process.
- Maintain complete Customer files.
- Document and report Customer complaints immediately to the Venerable Compliance Department.
- Educate yourself about state market conduct rules and regulations. Keep thorough continuing education records.
- Keep all Customer Information confidential unless authorized by the Customer to release.

- Fully explain all charges and the fact that any non-guaranteed elements, such as the renewal interest crediting rates, are set at the discretion of Venerable, but will not be lower than the guaranteed rate.
- Immediately notify Producer Services of all changes in your criminal history or of any involvement in a regulatory action.
- Complete all Representative training and keep up to date on product information provided by Venerable.
- Protect Customer confidentiality and security of personal information.
- Cooperate fully with any investigation, audit, or inquiry being conducted by Venerable.

Don't:

- Don't churn! Churning is the practice where contract values in an existing contract are utilized to purchase another contract for the purpose of earning additional commissions, fees, or other compensation, without benefit to the Customer. It is prohibited.
- Don't sign or modify/alter any document on behalf of a Customer or other person under any circumstances, even if you have authorization from the Customer.
- Don't make, modify, or discharge contracts, policies or accounts.
- Don't extend or waive any of Venerable's rights or requirements.
- Don't advise a Customer to access free withdrawal amounts for the purpose of purchasing another contract or using it as premium for an existing contract unless there is a clear economic benefit to the Customer.
- Don't have a Customer or another person sign a blank or incomplete document.
- Don't recommend a client place their funds in an annuity contract as part of a spend down strategy, including but not limited to Medicaid, Medi-CAL, Veteran's Administration Benefits, or the like.
- Don't endorse, deposit, cash, or otherwise negotiate any check drawn to Venerable or any Customer.
- Don't lend money to or borrow money from any Customer or Customer's family member unless the Customer is a properly licensed financial institution.
- Don't directly or indirectly give rebates. Don't pay anything of value, directly or indirectly, to Customers, Representatives, or any other party to induce an individual or any legal entity to purchase a new contract or replace, withdraw funds, surrender, or in any other manner change an existing contract.
- Don't be an Assignee, Owner, Beneficiary, Contingent Beneficiary, Power of Attorney, or Trustee, of any contract issued by Venerable other than a contract on your life or the life of a member of your immediate family. Some states, such as Florida, may have even more strict guidelines that also prohibit the family of the Representative from assuming these roles as well.
- Don't represent Venerable in any manner before any governmental or self-regulatory authorities, including, but not limited to, state Insurance Departments, state Securities Departments, FINRA, and the Securities Exchange Commission (SEC).
- Don't modify or change the appearance of the contract, policy, account and/or company materials and correspondence.
- Don't act as notary or signature guarantee on Customers' financial or nonfinancial transactions.
- Don't maintain a joint financial account with a Customer unless the Customer is a member of your immediate family.
- Don't accept cash, money orders, credit card checks, traveler's checks or starter checks with no printed account owner information.
- Don't request Venerable to electronically transmit commission payments to a bank account that does not belong to you.
- Don't discuss or attempt to requite or settle a complaint without written authorization from Venerable Compliance.
- Don't allow Customers to make checks payable to you, your corporation, agency, or office staff.
- Don't use your personal or business address as the address for a Customer or a Customer's contract.

- Don't use your e-mail address as the e-mail address of record for a Customer, or use your own email to obtain access to the Customer website portal on behalf of any Customer, even if you have Customer permission.
- Don't use white out to make corrections to an application or form. Complete a new form and obtain new signatures/dates.
- Don't submit premiums whose source of funds is known to be loans of any kind, including but not limited to, mortgages, reverse mortgages, and margin loans.
- Don't engage with any Customers known to be involved with activities that threaten public order or safety.

Important Notice on Fraud

It is the declared and continuing policy of Venerable that Representatives shall not engage in, or provide assistance to others engaged in, any unfair or deceptive practice that involves dishonesty or a breach of trust. This includes, but is not limited to, any activity that constitutes fraud or deceit, misappropriation of funds or personal property, forgery, embezzlement, or unauthorized alteration of documents.

Representatives and their employees are prohibited from providing, or aiding and abetting the provision of, fraudulent or misleading answers to application or inspection questions. Representatives and their employees have an affirmative duty to report any known fraudulent activities. No retaliation will be taken against any person who reports a possible violation of law, ethics, or company policy- no matter what the report concerns.

If you fail to report or respond to a request or investigation while having knowledge of violations, you will be subject to disciplinary action, including but not limited to, termination of Representative contracts or employment, recommendation of license revocation and criminal prosecution, civil litigation and restitution.

Venerable will cooperate fully with law enforcement and regulatory agencies in the investigation and reporting of established violations of our policy. We believe that an insistence on the highest standards of ethical behavior benefits all our stakeholders.

We have a toll-free number where you may report suspected wrongdoing:

(844) 330-7108

This phone line can be used to report fraud or violation of regulations/laws by employees or Representatives. While you may choose to report anonymously through the Ethics Helpline channel, we encourage individuals to identify themselves in connection with any report to enable us to more effectively and efficiently assess and investigate, where appropriate, the issue and follow up with the reporting person regarding the status and resolution.

We are committed to handling all such matters professionally and will guard the confidentiality of the reported subject matter as well as the reporting person's identity to the fullest practical extent.

Important Information on Dealing with Elderly Clients and Vulnerable Adults

With the increasing number of people reaching retirement age, along with longer life spans, there is an increase in senior consumers seeking financial guidance. These senior consumers may become targets of potential financial fraud and exploitation which, according to the National Center for Elder Abuse, may include "the illegal and improper use of an elder's funds, property, or assets." While Venerable has standards, procedures and internal controls in place to prevent and detect financial exploitation of all Customers, we want to provide our Representatives with additional information to assist them in identifying "red flags" associated with potential financial exploitation of older adults or individuals with disabilities.

If you suspect financial abuse of a Customer, regardless of age, please contact the Chief Compliance Officer (see page 7 for contact information) or the Venerable Ethics Helpline.

Who is a Vulnerable Adult?

A vulnerable adult is defined by most state laws as an adult:

- age 60 years or older who lacks the functional, physical, or mental ability to care for him or herself;
- with a developmental disability;
- with a legal guardian;
- living in a long-term care facility (an adult family home, boarding home or nursing home);
- living in their own, or family's home, receiving services from an agency or contracted individual provider; or
- self-directing their care per law.

When a Customer has diminished capacity their ability to make decisions is impaired. This may translate into a failure on their part to understand the consequences of their financial decisions and/or cause them to make decisions that are not in their best interest.

Red Flags for Representatives for Identifying Potential Diminished Capacity in their Customers include when the Customer:

- Gives confusing or conflicting instructions when discussing a particular investment or transaction;
- Frequently repeats orders or questions;
- Shows signs of fearfulness, extreme anxiety, or other emotions that make it harder to maintain their trust;
- Has trouble understanding basic financial terms and math that they were previously able to grasp;
- Exhibits memory loss, inability to process information or erratic behavior, which are all warning signs for diminished capacity;
- Has difficulty giving essential information needed to provide or carry out their requests;
- Gets lost traveling to the Representative's office even though they have been there many times before;
- Makes unusual or unexplained withdrawals or transactions; or
- Is hard to reach after repeated attempts.

What are the Indicators?

Indicators are signs or clues that abuse has occurred. Some of the indicators listed below can be explained by other causes or factors and no single indicator can be taken as conclusive proof. Rather, one should look for patterns or clusters of indicators that suggest a problem such as:

- unpaid bills, eviction notices, or notices to discontinue utilities;
- withdrawals from bank accounts or transfers between accounts that the vulnerable adult cannot explain;
- bank statements and canceled checks no longer come to the vulnerable adult's home;
- new "best friends";
- legal documents, such as powers of attorney, which the vulnerable adult didn't understand at the time he or she signed them;
- unusual activity in the vulnerable adult's bank accounts including large, unexplained withdrawals, frequent transfers between accounts, or ATM withdrawals;
- the care of the vulnerable adult is not commensurate with the size of his/her estate;
- a caregiver expresses excessive interest in the amount of money being spent on the vulnerable adult;
- belongings or property are missing;
- forgeries of a signature on financial transactions or for the titles of possessions or suspicious signatures on checks or other documents;
- absence of documentation about financial arrangements;
- implausible explanations given about the vulnerable adult's finances by the vulnerable adult or the caregiver;
- sudden appearance of previously uninvolved relatives claiming rights to a vulnerable adult's possessions;
- unexplained sudden transfer of assets to a family member or someone outside the family;
- vulnerable adult receives services that are not necessary; or
- individual's statement that they are concerned about activities of exploitation.

Vulnerable adult financial abuse spans a broad spectrum of conduct, including:

- taking money or property;
- forging a vulnerable adult's signature;
- getting a vulnerable adult to sign a deed, will, or power of attorney through deception, coercion, or undue influence;
- using the vulnerable adult's property or possessions without permission;
- promising lifelong care in exchange for money or property and not following through on the promise;
- confidence crimes ("cons") (the use of deception to gain victims' confidence);
- scams (fraudulent or deceptive acts);
- fraud (the use of deception, trickery, false pretense, or dishonest acts or statements for financial gain); or
- telemarketing scams. Perpetrators call victims and use deception, scare tactics, or exaggerated claims to get them to send money. They may also make charges against victims' credit cards without authorization.

Who are the Perpetrators?

Family members, including sons, daughters, grandchildren, or spouses. They may:

- have substance abuse, gambling, or financial problems;
- stand to inherit and feel justified in taking what they believe is "almost" or "rightfully" theirs;
- fear that their family member will get sick and use up their savings, depriving the abuser of an inheritance;
- have had a negative relationship with the vulnerable adult and feel a sense of "entitlement"; or
- have negative feelings toward siblings or other family members whom they want to prevent from acquiring or inheriting the vulnerable adult's assets.

Predatory individuals who seek out vulnerable adults with the intent of exploiting them. They may:

- profess to love the vulnerable adult ("sweetheart scams");
- seek employment as personal care attendants, counselors, etc. to gain access;
- identify vulnerable adults by driving through neighborhoods (to find persons who are alone and isolated) or contact recently widowed persons they find through newspaper death announcements; or
- move from community to community to avoid being apprehended (transient criminals).

Unscrupulous professionals or businesspersons, or persons posing as such. They may:

- overcharge for services or products;
- use deceptive or unfair business practices; or
- use their positions of trust or respect to persuade the vulnerable adult to act in a manner the unscrupulous professional wants.

Who is at Risk?

A vulnerable adult's risk of being victimized increases when the following conditions or factors are present:

- Isolation
- Loneliness
- Recent losses
- Physical or mental disabilities
- Lack of familiarity with financial matters
- Have family members who are unemployed and/or have substance abuse problems

Why are the Elderly or Vulnerable Adults Attractive Targets?

- Many elderly and vulnerable adults have access to wealth.
- Many seniors do not realize the value of their assets.
- The vulnerable adults are likely to have disabilities that make them dependent on others for help. These "helpers" may have access to homes and assets, and may exercise significant influence over the vulnerable adult.

- They may have predictable patterns (e.g. for individuals who are likely to receive monthly checks, abusers can predict when those individuals will have money on hand or need to go to the bank).
- Severely impaired individuals are also less likely to take action against their abusers as a result of illness or embarrassment.
- Abusers may assume that frail victims will not survive long enough to follow through on legal interventions, or that they will not make convincing witnesses.
- Some vulnerable adults are unsophisticated about financial matters.
- Advances in technology have made managing finances more complicated.

3. Advertising Compliance

Titles and Designations

Financial services professionals may use title(s) and designation(s) that reflect their educational background and/or the licenses they may hold. The use of non-existent or self-conferred degrees or designations is prohibited. Caution should also be taken to ensure that a reference to a bona fide degree or designation is not used in a misleading manner.

NAIC Model Regulation, Section 5 (N) states that Representatives may not use terms such as “financial planner,” “investment advisor,” “financial consultant,” or “financial counseling” in such a way that implies you are generally engaged in an advisory business in which compensation is unrelated to sales unless that is actually the case. Designations should be used with the highest ethical standards. Venerable prohibits the use of any title or designation or title that may be construed as misleading in any way.

Please check with your state regulators for any additional state specific requirements for accepted titles, designations and/or additional licensing/registration requirements that may apply to use of certain titles/designations. If you are a registered representative, check with your broker-dealer for additional details.

Federal and State Do Not Call Rules

Representatives must observe the Federal Do Not Call protocols enforced by the Federal Communications Commission and the Federal Trade Commission, including but not limited to, the following:

- Refraining from placing telephone calls to numbers that are registered on the Do Not Call Registry unless the number falls within an exception to the do not call rules, such as having an established business relationship with the consumer or having written authorization to call a number;
- Observing the requirement for comparing or “scrubbing” your contact list against the National Do Not Call Registry at least once every 31 days;
- Ensuring that any entity or individual placing a sales call to a consumer at a residential telephone number:
 - o Records the telephone number of any consumer who requests to be placed on the caller’s company-specific Do Not Call list and ensures that no one else in the company calls that number for five years;
 - o Maintains a written Do Not Call policy, and upon demand, provides that list to any consumer who may request it;
- Respecting time restrictions for placing calls to consumers (the federal guidelines indicate no calls before 8:00 a.m. or after 9:00 p.m. in the consumer’s time zone, but these times may vary by state);
- Adhering to all restrictions related to telephone facsimile machine solicitations;
- Observing all State Do Not Call regulations and protocols;
- Observing the Venerable Company-specific Do Not Call restrictions and/or lists; and place the consumer’s telephone number on the company-specific Do Not Call List if so requested by the consumer;
- Observing the premise that cold calls are generally prohibited and explicit authorization to call must be obtained before making such a call as outlined by federal, state, and/or Company-specific protocol;
- Referrals must be based on explicit disclosure, “no door prize or lottery schemes.”

Advertising General Guidelines

All advertising, communications and training material used in connection with Venerable products or services is required to be reviewed and approved by Venerable Advertising Compliance, who will review and approve pieces in accordance with FINRA, SEC and National Association of Insurance Commissioners (NAIC) or state insurance regulations, if applicable, as well as company policies.

NAIC Guidelines

The National Association of Insurance Commissioners (NAIC) is an organization that consists of all the insurance department commissioners in the country. It meets on a regular basis to produce standardized or model laws. The NAIC model regulation pertaining to communication with the public is called Rules Governing the Advertising of Life Insurance [and Annuities]. It defines advertising as:

“material designed to create public interest in life insurance or annuities or in an insurer, or in an insurance producer; or to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy.”

An advertisement includes:

- Printed and published material, audiovisual material and descriptive literature of an insurer or insurance producer used in the direct mail, newspaper, magazines, radio and television scripts, billboards and similar displays; electronic media (e.g. web sites, emails, message boards, blogs) or any other mass communication media.
- Descriptive literature and sales aids of all kinds, authored by the insurer, its insurance producers, or third parties, issued, distributed or used by the insurer or insurance producer; including but not limited to circulars, leaflets, booklets, depictions, illustrations and form letters;
- Materials used for the recruitment, training and education of an insurer’s producers;
- Prepared sales talks, presentations and material for use by insurance producers.

An advertisement does not include:

- Materials used within an insurer’s own organization and not intended for distribution to the public.
- Communication with policyholders other than material urging policyholders to purchase, increase, modify, reinstate or retain a policy.

Definitions for Variable Products

The Financial Industry Regulatory Authority (FINRA) has been empowered by the Securities and Exchange Commission (SEC) to regulate communication with the public that contains information about registered broker/dealers and/or their products, services and representatives. The FINRA Regulations, Inc. is the entity created by FINRA to create and enforce these regulations.

The FINRA Conduct Rule that pertains to communications with the public is Rule 2210- Communications with the Public. The Rule, among other things, defines categories of communication with the public. FINRA Rule 2210 also requires that certain retail communications be filed with FINRA.

- Retail Communication includes any written (including electronic) communication that is distributed or made available to more than 25 retail investors within any 30 calendar-day period. “Retail investor” includes any person other than an institutional investor, regardless of whether the person has an account with the firm.
- Correspondence includes any written (including electronic) communication that is distributed or made available to 25 or fewer retail investors within any 30 calendar-day period. (Note: broker dealers may define correspondence more narrowly; therefore registered representatives should refer to their broker dealer manuals when determining which definition of correspondence to apply.) Correspondence does not include correspondence from a registered representative (rep) to the Home Office or correspondence from a rep to a fund company or insurance carrier.

- Institutional Communication- includes written (including electronic) communications that are distributed or made available only to institutional investors, but does not include a firm’s internal communications.
- Broker/Dealer use only is an additional communication category that is not defined as “communication with the public”. It is a communication solely intended for internal use by registered representatives. Broker/Dealer use only pieces must not be disseminated or shown to the general public.

Any advertisement should be designed to ensure compliance with state regulations and applicable portions of the Federal Communications Commission Telemarketing Sales Rule. Any communication or documentation that falls within the definition of “advertising” must be submitted to Advertising Compliance for review and approval prior to use. Certain states may also have special requirements when it comes to advertising in those jurisdictions.

You must submit your advertisement to Venerable prior to use at the following e-mail address:

AdReview@venerableannuity.com

4. Venerable Policies

Complaint Policy

Venerable is committed to providing fair and expeditious handling of customer complaints and disputes. It is the responsibility of Venerable to provide a forum for Customers to submit complaints. All complaints must be immediately forwarded to Venerable Compliance (see page 8 for Contact Information) for handling. Venerable records all complaints made with regard to material facts relating to each product’s benefits. Our products are subject to a complex and extensive array of state and federal tax, securities and insurance laws and regulations.

Definition of a Complaint

A complaint is a communication, usually written, but in some circumstances verbal, in which a grievance is expressed. A grievance is an expression of indignation, annoyance or resentment stemming from a feeling of being wronged. This definition is to be applied to all complaints received from a Customer or a Representative, when made on behalf of a Customer, or from a member of the general public. A grievance should be distinguished from a mere inquiry.

Guidelines to Consider when Determining if a Communication is a Complaint are as follows:

- Does the tone of the caller’s voice or the message indicate disappointment?
- Has the person called for the same or similar situation previously?
- Is the caller insistent that the Representative or another person misrepresented the policy or contract, engaged in deception or did something wrong?
- Do we need to go outside of our normal policies, procedures, or contract provisions in order to resolve the matter?

Any communication that threatens legal or regulatory action should be considered a complaint.

Where do Complaints Originate?

Complaints can originate from a number of governmental or self-regulatory authorities, including state Insurance Departments, FINRA, and the SEC, as well as from Customers, Representatives, or members of the general public.

Duty to Refer Complaints to Venerable

In the course of conducting their daily sales functions, Representatives may receive complaints, both verbal and written, from Customers with whom they are working. These complaints are to be immediately forwarded to the Venerable Compliance Department.

What is the Complaint Process?

Upon receipt of a complaint naming a Representative or involving a sales matter, a letter is sent to the Representative, along with a copy of the complaint. The Representative may be asked for his/her Customer contact notes, copies of documents in the Customer file as well as his/her recollection of the sale/service and the allegations stated in the complaint. Representatives shall not discuss a complaint with a Customer without prior written consent from Venerable Compliance.

Venerable tracks and monitors complaints by each Representative. If the number of complaints for a specific Representative within a 12-month rolling period is considered to be excessive, appropriate action will be taken.

If Venerable finds a complaint matter to have merit, it is possible that any settlement may result in a commission chargeback to the Representative, that Representative's Marketing Organization and/or Broker-Dealer. The determination of the amount of any liabilities in connection with a debit balance shall be at the sole discretion of Venerable.

The Insurance Producer/Representative has Responsibility to Respond to Complaint Inquiries

Representatives must promptly respond in writing to the Venerable Compliance Department to each allegation which forms the basis of the complaint. Failure to cooperate with a complaint investigation or settling a complaint without the knowledge of Venerable could result in disciplinary action including termination.

Customer Interactions Role

- Customer correspondence: Venerable will maintain direct contact with Customers. Correspondence between Venerable and a Customer will be sent directly to the Customer. Representatives may receive copies.
- Applicant correspondence: Venerable reserves the right to contact any Customer directly without the knowledge of the Representative.
- Record Retention: All files relative to the sale and/or servicing of a contract or policy should be maintained in the Representative's office for as long as the contract or policy is active, and for a ten year period after the termination of a policy or contract.
- Conservation: Venerable may exercise its right to conserve business on the books and contact Customers directly in an effort to provide all the information necessary to allow the Customer to make an informed decision regarding surrendering and/or replacing existing coverage or contracts.
- Representative as Trustee or Power of Attorney: Our procedures do not allow a Representative to be appointed as trustee, to own a policy or contract, to obtain a power of attorney on behalf of the owner, or otherwise to exercise the authority of the owner of a product (regardless if the Representative is or is not the writing or servicing Representative unless the Representative is the insured, the spouse of the insured, or an immediate family member of the insured/annuitant).

Anti-Bribery Policy

As a reminder, it is strictly prohibited for a Representative to engage in any activity that involves offering or accepting, or gives the appearance of offering or accepting, a bribe. Venerable has zero tolerance towards bribery and corruption. You are required to act with the highest level of personal and professional conduct.

In doing business anywhere in the world, neither Venerable nor any Representatives shall, directly or indirectly, offer, pay, promise, authorize, solicit or accept any bribe, kickback, or other illicit payment or benefit or anything of value* with the intent to secure or retain business or a business advantage. A violation can be a serious criminal offense and may be grounds for disciplinary action, up to and including termination of your appointment or registration.

You are prohibited from taking any action if doing so:

- Could be perceived as a bribe;

- Influences, is intended to influence, or reasonably gives the appearance of influencing any act or decision by anyone, including inducing anyone to do or omit to do something which is dishonest, illegal, misleading or a breach of trust, or to improperly perform their function;
- Is done while the recipient conceals, or can be expected to conceal, from his or her employer, a request, promise, offer, or gift;
- Makes the recipient appear to be under an obligation to Venerable or places a Venerable Employee, Representative or third party under an obligation; or
- Is done to secure, maintain, or obtain business or an advantage in business by improperly inducing a person to perform a function in Venerable's favor.

** Anything of Value – Anything tangible or intangible, financial or not – that provides a benefit or advantage to the recipient, including, but not limited to, Cash or Cash Equivalents, the purchase of property or services at inflated or discounted prices, Gifts, Entertainment, cars, jewelry, home improvements, travel and accommodation, and/or securities, etc.*

Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act prohibits “facilitation payments,” which are payments in order to facilitate or expedite performance of a routine government action, e.g., non-discretionary activities such as issuing permits, licenses, or other official documents to which the applicant is legally entitled. It is Venerable's policy that facilitation payments by Venerable Employees and/or Representatives are prohibited anywhere in the world.

The FCPA prohibits U.S. companies and their directors, officers, employees, Representatives, and stockholders acting on their behalf, from offering, promising, paying, or authorizing the payment of money or anything of value to a non-U.S. government official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business, for or with, or directing business to, any person. This prohibition applies whether the offer or payment is made directly or indirectly through a third-party.

Anti-Money Laundering Policy

The Financial Crimes Enforcement Network (“FinCEN”) of the Department of Treasury has prescribed minimum standards for the establishment of anti-money laundering (“AML”) programs and requires that insurance companies report suspicious transactions.

AML Overview

As a Representative, your skills and services help your Customers achieve financial success and security. Because you are on the front lines of a multi-billion dollar industry, you are in a unique position to help prevent money laundering and the financing of terrorist activities. To comply with the federal AML regulations, we have adopted a detailed AML program, which is outlined below. You have an important role to play in that program. As a person who deals directly with Customers, you will often be in a critical position to obtain information regarding the Customer, the Customer's source of funds, and the Customer's reasons for purchasing a particular product.

Representatives' Responsibilities Under the Venerable AML Policy

Venerable requires that all Representatives complete AML training and certify with Venerable at the time of contracting. Additionally, Venerable may require AML recertification on a biannual basis based on the date the last certification was completed. Representatives may satisfy the training requirement in any of the following ways:

- By serving as a Representative with a broker-dealer that has an agreement with Venerable and completing the broker-dealer's AML training.
- By submitting a certification of training provided by another vendor, an insurance company, or another regulated financial institution – Venerable will accept certifications, on forms provided by Venerable, that training has been provided by another vendor or entity. These forms are designed to show that the training is sufficient to satisfy regulatory requirements and Venerable's program.

Each Representative is obligated to comply with all of the terms of the AML Policy. These obligations include, but are not limited to the following:

- Provide proof of certified AML training.
- Be knowledgeable regarding red flags and AML risks.
- Collect the relevant Customer-related information in accordance with the terms of the Venerable AML Policy. This information will typically include an individual Customer's name, birth date, street address, Social Security or other tax identification number, and government-issued identification documents such as a driver's license or passport.
- Report any suspicious activity or unusual behavior of any proposed insured or existing Customer, such as refusal to provide required information, social security number, or refusal to allow a review of their government-issued identification card.
- Keep adequate records documenting all the relevant Customer related information as well as any report of suspicious activity.
- Cooperate with Venerable, internal auditors and external examiners related to Venerable's AML program.
- Keep confidential any reports of suspicious activity and do not notify anyone involved in a suspicious transaction that may have been reported to a regulator.
- Understand and enforce the restrictions on forms of payment specified by the AML policy.

FAILURE TO COMPLY WITH THE VENERABLE PROGRAM AND ALL APPLICABLE ANTI-MONEY LAUNDERING LAWS WILL CONSTITUTE GROUNDS FOR DISCIPLINE UP TO AND INCLUDING TERMINATION. IN ADDITION, VIOLATIONS OF ANTI-MONEY LAUNDERING LAWS EXPOSE THOSE INVOLVED TO SUBSTANTIAL PENALTIES UNDER FEDERAL LAW.

Customer Identification “Know Your Customer”

Representatives have specific responsibilities under Venerable's AML program including collection of Customer-related information. During the application process and in connection with a change in ownership, the following identification and information will be used to identify the Customer:

- For individual owners/applicants – name, address, birth date, Social Security or tax identification number, occupation, telephone number, and, to the extent practicable, driver's license number and state, or equivalent information from a government issued ID (e.g., passport).
- For all legal entities, including corporations, trusts, partnerships, etc. – name, address, nature of business, and the tax identification number and identity of all representatives authorized to act on behalf of the entity with respect to the account. For all individuals authorized to act on behalf of the entity – name, position, business address, and telephone number.
- For trusts – the identity of the trustees and grantors.

In addition, if applicable, we will require retail broker-dealers to have policies and procedures that comply with the Bank Secrecy Act as amended by the USA Patriot Act, including the “Customer Identification Program” requirement, and other federal and state laws and rules by self-regulatory organizations applicable to broker-dealers regarding the prevention of money laundering.

Venerable's AML program requires you to ensure that all information requested on contract-associated documents is accurate and complete.

Customers Who Resist Providing Information

If a Customer resists providing information, notify the Compliance Officer (contact information is located on page 7). Records of this information must be retained for as long as the contract remains in force and for ten (10) years thereafter.

Venerable does not open nor maintain correspondent accounts on behalf of foreign banks and does not open nor maintain private banking accounts.

Forms of Payment

Forms of Payment Accepted – “Money In”

In addition to identifying our Customers, we must have reasonable belief as to the source of the money used in the transaction. Venerable will not conduct business involving illegal funds. We must take care to identify the ownership and source of payments we receive.

Acceptable forms of payment:

- Checks drawn from Customer’s bank account or another financial institution payable to Venerable or the appropriate insurance company.
- Checks payable to the owner and endorsed to Venerable or the appropriate insurance company when Venerable has determined in advance there is a legitimate business reason for the use of this form of payment.
- Transfers from trust accounts.
- Payments from insurance companies or other financial institutions whose contracts or policies are exchanged for a Venerable contract or policy.
- Electronic Funds Transfer drawn from Customer’s United States bank account or another financial institution (e.g. employer for group plans, insurance or fund company).
- Wire transfers to a Venerable account from the Customer’s United States bank account or another financial institution (e.g. employer for group plans, insurance or fund company).
- Money orders totaling \$5,000.00 or less.
- Single Cashier’s Checks, Bank Drafts, Bank Checks, and Treasurer’s Checks in amounts over \$10,000.
- Single Cashier’s Checks, Bank Drafts, Bank Checks, and Treasurer’s Checks in amounts between \$10,000 and under only with the source of funds provided.

Unacceptable forms of payment:

- Currency (domestic or foreign).
- Traveler’s Checks.
- Money Orders totaling over \$5,000 per payment.
- Credit Card Checks.
- Wire transfers from a foreign financial institution.
- Checks drawn from a Representative’s bank account (other than for contracts owned by the Representative or the Representative’s immediate family).
- Starter Checks.

Forms of Payment from the Venerable Companies – “Money Out”

Payments from Venerable are made exclusively by check, by wire, or by Electronic Funds Transfer (EFT) in a manner consistent with the nature of the product.

Red Flags

Venerable, including our wholesale broker-dealer, to the extent applicable, is subject to SAR (Suspicious Activity Reporting) regulations with respect to its activities. Anyone who becomes aware of any of the following transactions must bring them to the attention of Compliance immediately. (Although suspicious activity reports are required only for transactions meeting certain dollar thresholds, Compliance should be advised of all such transactions, to permit consideration of voluntary reporting when dollar thresholds are not met.)

- Any known or suspected criminal violation, or pattern of criminal violations, committed or attempted against Venerable or involving a transaction conducted through that business where the business was either an actual or potential victim of a criminal violation or series of criminal violations, or where the business was

used to facilitate a criminal transaction.

- Any transaction or pattern of transactions that Venerable knows, suspects, or has reason to suspect (i) involves funds derived from illegal activities or is designed or intended to conceal such funds, (ii) is designed to avoid AML reporting requirements, (iii) has no business or apparent lawful purpose or is not the sort in which the Customer would normally be expected to engage, or (iv) involves the use of the financial institution in criminal activity.

Representatives' Responsibilities Regarding Suspicious Activity and Red Flags

Representatives must also be knowledgeable regarding the red flags and AML risks identified in this section regarding Venerable products. Representatives must report any suspicious activity or unusual behavior of any proposed insured, applicant, or existing Customer. You must notify us if you detect any AML red flags so that Venerable can determine whether a SAR must be filed with the U.S. Department of the Treasury, such as:

- refusal to provide required information, social security number, or refusal to allow a review of a government issued identification card,
- the reluctance to provide identifying information, or the provision of information that seems fictitious,
- the purchase of a product that appears to be inconsistent with a Customer's needs,
- the purchase or funding of a product that appears to exceed a Customer's known income or liquid net worth,
- any attempted unusual method of payment, particularly by cash or cash equivalents such as money orders or cashier's checks,
- payment of a large amount broken into small amounts,
- "not taken" terminations after payment of cash equivalent,
- surrenders in the first year after premium payments with cash equivalents,
- change of ownership to foreign nationals,
- use of PO boxes, C/Os, or Representative address as owner address,
- directing proceeds on claims or other disbursements to third parties in foreign countries,
- large overpayments followed by request for refunds,
- absence or delay in information needed to verify identification,
- any transaction involving an undisclosed party,
- early termination of a life insurance product, especially at a loss,
- applicant shows little or no concern for the performance of the contract, but much concern for the early cancellation of the policy or contract,
- applicant appears to have life insurance policies, accounts, or annuity contracts with several institutions, and/or
- any other activity which you think is suspicious.

Reporting

The AML Officer is responsible for filing reports as required, in compliance with the AML program or applicable law.

Confidentiality

All reports made under AML laws or policies must be maintained in strict confidence. Any request or legal process seeking disclosure of any report filed under this program will immediately be called to the attention of the AML Officer and to the attention of Venerable Legal.

Excessive Trading Policy

Venerable monitors the trading activities of Customers to ensure that potentially harmful trading practices or “Excessive Trade” transactions are not allowed on the products serviced by Venerable. Venerable reserves the right to limit fund trading or reallocation privileges with respect to any Customer, with or without prior notice if Venerable determines that the Customer’s trading activity is disruptive, regardless of whether the Customer’s trading activity falls within the definition of Excessive Trading set forth in Venerable’s Excessive Trading Policy. Also, Venerable’s failure to send or a Customer’s failure to receive any warning letter or other notice contemplated under this Policy will not prevent Venerable from suspending that Customer’s Electronic Trading Privileges or taking any other action warranted.

Replacements

Venerable recognizes that, in certain instances, replacements are necessary or advantageous to Customers. However, unnecessary replacements may lead to complaints, regulatory action, and litigation. Replacement activity should be considered only if the transaction is in the Customer’s best interests. To determine whether a replacement involving a Venerable policy or contract is in the Customer’s best interests, the Representative is expected to:

- Comply with applicable state and federal statutes and regulations as well as Venerable’s procedures;
- Utilize Venerable’s definition of replacement;
- Analyze each replacement to determine if it is in the Customer’s best interest;
- Provide the information necessary for the Customer to make an informed decision;
- Disclose on the application or in other written form whether a replacement is involved; and,
- Comply with these Business Guidelines.

Definition of Replacement

“Replacement” means any transaction in which a new life insurance policy or a new annuity contract is to be purchased and, because of that transaction, an existing life insurance policy or an annuity contract has been or is to be:

- Lapsed, forfeited, surrendered or partially surrendered, assigned to the replacing insurer, or otherwise terminated;
- Converted to paid-up insurance, continued as extended term insurance or continued under another form of non-forfeiture benefit, or otherwise reduced in value by 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 any reduction in cash value; or
- Used in a financed purchase.

If one of the above transactions is processed on an existing individual life policy or annuity contract within a time period beginning four months before or up to 13 months after the issue date on the new life policy or annuity contract, a replacement has occurred.

Whether the existing product is retained or replaced, the Customer will appreciate the time you took to assess his or her situation. Remember, unnecessary replacements may not provide any benefit to the Customer and may even harm the Customer. Be sure to comply with applicable state replacement regulations, disclose on the application that a replacement is taking place, and provide the required replacement notice to the Customer.

Privacy Policy

Privacy of Customer Information

In order to protect the confidentiality of Customer Information and to comply with the provisions of related federal and state laws and regulations, Venerable has incorporated relevant privacy law requirements into its policies and procedures. If your appointment with Venerable is terminated, you are no longer eligible to access contract or policy

information unless you sign an Extended Service Agreement contract.

“Customer Information” means an application and all personal financial and medical information (including non-public personal information) about the Customer. The Venerable Privacy Notice is mailed to all Venerable Customers on an annual basis and is delivered to all new Customers with their contracts.

Any Customer Information that you receive from Venerable must be treated as confidential and used only for the purpose of servicing the Customer with respect to Venerable products or services, or as otherwise permitted or required by applicable laws or regulations. Other than as permitted under this paragraph, you may not disclose Customer Information you receive from Venerable to any person without prior written permission from Venerable.

Summary of Venerable’s Privacy Policy

Venerable takes Customer privacy very seriously. We share a commitment to protect the privacy and confidentiality of personal and financial information. By accepting appointment with Venerable, you agree to be bound by the terms of our Privacy Policy.

Record Retention

It is important to maintain and make available a record of Customer Information collected upon request by Venerable or a regulatory body, whether or not the Customer elected to purchase a contract. Certain documents should always be maintained, including:

- Original sales proposals
- Signed forms
- A copy of any suitability analysis completed during the solicitation
- A copy of any sales material and advertisements used during the sales process
- Any written correspondence to or from the Customer regarding the solicitation, issuance of the contract or policy, or subsequent service of the contract
- Documentation of phone calls to or from the Customer addressing the above issues
- Notes from meetings with the Customer
- A copy of the Customer’s signed delivery receipt. This document is legal proof of the required delivery of the contract or policy, and of when the right to examine or free-look period begins. In the event of a dispute, if we cannot prove delivery of the contract or policy, we may be required to return all paid premiums, or monies to the Customer, which may result in a reversal of all compensation. A Representative is not allowed to keep a contract or policy for “safekeeping.”

State and federal regulations vary regarding the length of time that Customer files are to be maintained. However, a general rule of thumb is to maintain all documentation while a Customer’s contract or policy is active and for ten (10) years after the contract or policy terminates.

Document Destruction

Responsible record destruction is a critical part of an effective record-retention program. Once you are satisfied that a paper document, CD, DVD, or tape containing sensitive Customer data has reached the expiration of its required retention period, you should shred or otherwise destroy those documents/materials. A document contains sensitive Customer data, if it includes:

- Customer name
- Customer financial, health or individually identifiable information, especially Social Security and Tax Identification numbers
- Customer account information
- Customer PIN or ID numbers

Consequences of Inadequate Record Retention or Improper Document Destruction

The ability to demonstrate compliance with applicable laws in many situations is directly related to the ability to quickly and easily provide regulators with documents and information derived from the kinds of records that are described in this section. Inability or delay in producing documents in response to a complaint or request for additional information from Venerable, or pursuant to a regulatory request, may result in disciplinary action up to and including termination. A range of other negative consequences might also result, including presumption of facts against the Representative in litigation and imposition of sanctions.

Information Security Best Practices

Venerable is firmly committed to integrity and consistently high ethical standards of conduct in all of our business transactions. Each year, Venerable attests to this commitment by sending every Customer our promise to protect his/her privacy. We also function in an environment where laws have made it necessary for companies to secure the methods by which their data is handled.

The Gramm Leach Bliley Act of 1999 (GLB) requires financial services companies to protect Customer financial and personal information. This legislation applies to “financial institutions,” including insurance companies, financial advisors, and insurance brokerage/sales agencies.

In 1996, the Health Insurance Portability and Accountability Act (HIPAA) was enacted, requiring all companies to adhere to standards designed to protect an individual’s health and medical records. Like GLB, this law applies to insurance companies and insurance brokerage/sales agencies.

Venerable has defined and adheres to a set of Corporate Information Security Policies and is firmly committed to providing guidance to our distribution partners in regards to Information Security best practices. The purpose of this document is to provide a list of Information Security Best Practices specific to the operations of independent general agencies, and it is our hope that each of our distribution partners adopts them.

Recommended Best Practices

Human Resources Security

The following are best practices to ensure that employees understand their responsibilities, are suitable for the roles they are considered for, and to reduce the risk of theft, fraud, or misuse of company facilities.

- Security roles and responsibilities defined and documented in accordance with information security policies.
- Employee background screening procedures implemented.
- Ongoing information security awareness and training programs.

Information Systems Maintenance

The following are best practices to ensure that information security is an integral part of information systems, to prevent errors, loss, unauthorized modification or misuse of information in computer systems, and to protect the confidentiality of all Customer Information.

- Laptop computers or other mobile devices including external data storage devices (flash drives, external hard drives) utilize appropriate levels of encryption.
- Anti-Virus/Anti-Spyware software is installed on appropriate IT systems and regularly updated.
- Procedures defined to ensure that all confidential information has been permanently removed prior to the disposal of equipment.
- Appropriate IT systems are protected by firewalls.

Physical & Environmental Security

The following are best practices to prevent unauthorized physical access, damage, theft, and interference to premises and information. Critical or sensitive information should be housed in secure areas, protected with appropriate locks or security barriers and entry control.

- Prevention of unauthorized access to computer hardware and infrastructure elements and prevention of theft or removal of items such as:
 - o Secure servers in an isolated, locked room.

- o Install and monitor burglar alarms in offices.
- o Ensure that office visitors and Customers cannot view or access restricted or confidential information.
- o Ensure that all file cabinets containing confidential information are securely locked and only accessible to authorized personnel.
- o Ensure that confidential information is placed in secure locations when desks or offices are unattended.

Information Security Incident Management

The following are best practices to ensure information security breaches, losses, or other incidents associated with confidential information are communicated in a manner allowing timely corrective action to be taken, and to ensure a consistent and effective approach is applied to the management of information security incidents.

- In the event of suspicion of an unintended loss of information, or a confirmed loss of information, your associated insurance carriers should be contacted immediately. For Venerable notification, contact Venerable Compliance (see page 7).

Communications & Operations Management

The following are best practices to ensure the protection of information in transit, secure transmission of confidential data.

- When sending confidential data to Venerable and other parties, use encrypted email, or other methods to ensure that the data is secure. Alternative methods include Secure FTP, utilizing courier services, file encryption through the use of WinZip password protected files.

Access Control

To ensure only authorized users have access to Customer information and to prevent unauthorized access to Customer information to include information stored on computers you should:

- Never share system passwords with other parties.
- Ensure that controls are in place to enforce the implementation and use of strong passwords.
- Implement role based access to ensure that employees can only access that information which is necessary for the completion of their assigned duties.

Protecting Company Information

We expect our employees and those we engage to work on our behalf to protect Venerable information. We employ various measures to avoid the inadvertent or improper disclosure of Venerable information. These include:

- Treating Venerable information as confidential;
- Using Venerable information for its intended business purpose and not for any unlawful or improper purpose;
- Taking reasonable steps to properly safeguard Venerable information against loss, damage, misuse or unauthorized use and acquiring and handling it in accordance with Venerable policies; and
- Protecting Venerable information from illegal copying or other misuse.

If you come into possession of material, non-public or inside information, Venerable requires certain measures to safeguard this information. These include:

- We allow disclosure of price-sensitive information only to those with a legitimate “need to know” or who are authorized to receive such information.
- We prohibit the use of price-sensitive information for improper personal gain or for the benefit of others.

5. Regulatory Requirements

Fiduciary Requirements

To the extent that a Representative is a fiduciary, including any fiduciary requirements under any state or federal law or regulation, the Representative must put the interests of the Customer ahead of the fiduciary's interest, or those of its affiliated companies. Advice must be prudent and loyal; you must avoid misleading statements, and receive no more than reasonable compensation.

Is Venerable a Fiduciary?

Venerable will not act as a fiduciary. Venerable and their employees do not provide investment advice. A written agreement or disclosure is between the Customer and Representative as applicable. Venerable is not a party to any such disclosures or agreements.

What does Venerable Expect from You?

Although Venerable cannot provide you with legal advice regarding your obligations, the Company does require you to take all necessary steps to comply with any applicable law and fiduciary standards, if any. You should always act in the best interest of the Customer and only make recommendations that you can illustrate are in the Customer's best interest based on all available information.

Supervision: Your Broker-Dealer or other supervisory individual entity, and not Venerable, have supervisory authority and responsibility for your activities and the activities of its representatives relating to the provision of investment advice.

Please be aware that Venerable will not provide investment advice or act as a fiduciary with respect to any of our products. Venerable may not receive a fee or other compensation directly from a plan, plan fiduciary, plan participant or beneficiary, IRA or IRA owner for the investment advice recommendations that you make in connection with a product or transaction for which you are the Representative.

Venerable reserves the right to request information from you as to how you are complying with the applicable laws or regulations. You agree to provide this information or work with Venerable to obtain such information from your Broker-Dealer or other supervisory individual or entity.

ERISA Prohibited Transaction Warning

Depending upon the services you provide to an employee benefit plan you may be a fiduciary or a party in interest. ERISA imposes many obligations on a fiduciary, including a duty of prudence in the investment of plan assets. Prohibited transactions with respect to a fiduciary include a fiduciary dealing with plan assets in his own interest, acting in a transaction with the plan on behalf of a party whose interests are adverse to those of the plan, and receiving consideration from any party dealing with the plan in connection with plan assets. For a "party in interest" who is not a fiduciary, "prohibited transactions" include a sale of property to the plan, the furnishing of services (including as an insurance consultant) to the plan, and the transfer of plan assets to or for the benefit of the party in interest. Venerable urges you to consult competent ERISA counsel as appropriate. Remember, ERISA compliance is your responsibility.

New York Reg 60 and 152 Replacements

The New York Insurance Department defined the requirements for replacement transactions solicited in New York to assist the Customer in making an informed decision as it relates to their product and investment options.

All Representatives doing business in New York are required to comply with replacement standards under New York Regulation 60. Failure to comply with or intentionally avoiding these requirements will result in penalties imposed under the Insurance Law of the State of New York.

6. Market Conduct

Fair Competition Guidelines

Venerable is committed to fair and active competition as the most effective and efficient means of providing products and services to our Customers. We require our Representatives to engage in fair competition. Failure to do so could result in the termination of an appointed Representative. Fair competition is based on the elements of price, quality, and Customer Service subject to federal and state antitrust laws and state insurance laws and regulations. Negative practices, such as inappropriate replacement and bashing of competitors, are not tolerated.

Unfair Trade Practices

As a Representative of Venerable, you are required to comply with Venerable business practices and to engage in fair methods of competition in all of your actions and written and oral statements. You are required to comply with all state laws and regulations addressing unfair competition and other unfair or deceptive trade practices. Moreover, you are specifically prohibited from engaging in any of the following practices, regardless of whether they are prohibited or permitted by state law or regulation:

- Issuing or circulating false literature suggesting that Venerable can transact business it is not authorized to do;
- Making, circulating or transmitting false statements that disparage the financial condition, solvency, or financial standing of any company;
- Disparaging competitors or their products, policies, services, business or marketing methods;
- Issuing or circulating any illustration, statement, circular, or other material which contains misleading statements or estimates of the dividends or share of surplus or additional amounts to be credited in the future on a contract, the financial condition of an insurer or the legal reserve system upon which the insurer operates;
- Making incomplete comparisons between contracts or policies serviced by Venerable and any other company for the purpose of inducing a person to lapse, forfeit, or surrender any insurance contract or policy;
- Making any agreements to provide benefits or advantages not included in the terms of the contract or policy; or
- Rebating. "Rebating" is defined as participating, yourself or through another person, in any offer, payment, or gift of premiums, special favor or advantage in contract or policy benefits, or other valuable benefit or consideration – other than the benefits and rights embodied in the terms of the contract or policy itself – as an inducement to purchase a contract or policy of insurance.

You must comply with requirements of the laws of states prohibiting rebating, but may not engage in this practice, with respect to Venerable's business, even where it is not illegal under state law.

Violation of these prohibitions on unfair or deceptive practices is violation of your obligation to Venerable and will subject you to penalties up to and including termination. If you have any questions concerning these standards, you should feel free to contact your Compliance Contact (see Page 7 for contact information).

Professionalism

Venerable and its Representatives are expected to exercise integrity and professionalism when conducting business on behalf of Venerable. Venerable expects transparency and integrity in all of our business dealings to avoid any improper advantage or the appearance of questionable conduct by our employees or third parties with whom we do business. You are to conduct business according to high standards of honesty and fairness, abide by all applicable State and Federal Laws and Regulations as well as abide by Venerable's Policies and Procedures.

Venerable
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