



Producer Handbook

New York Life Advanced Markets Network

November 2024

This Handbook is an integral part of your contract with the Company. Carefully review it to become familiar with the Company's practices and procedures.

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Information contained in this Handbook is subject to change. You are responsible for becoming familiar with the changes as these are published.

Nothing contained in the Handbook is intended to imply an employer-employee relationship between the Company and the Producer.

NEW YORK LIFE ADVANCED MARKETS NETWORK COMPLIANCE GUIDELINES

Introduction: A higher standard

Since 1845 New York Life has grown to be among the largest and strongest insurers in the industry by providing solid credible life insurance products to our customers. As important as the products we sell, however, is the way they are presented to customers. To assist everyone involved in the sale, New York Life has developed corporate procedures designed to help Producers operate safely and properly and ensure that our customers are informed about the products they purchase.

At New York Life Advanced Markets Network, our approach is to work only with Producers and BGAs who work consistently with clients in our target markets and appreciate the value New York Life offers. By working with a limited number of such Producers, who provide high quality business, we can give a high level of attention to each Producer and customer.

Ensuring quality sales is equally as important in protecting our Producers as in protecting New York Life, especially given the highly regulatory environment in which we operate.

Our licensing and contracting requirements, our sales materials review and our advertising restrictions are examples of our high standards. In addition, our high financial ratings are a major factor in our sales, so maintaining them is an important part of New York Life's business strategy. High ratings bring closer scrutiny by the ratings agencies. As a result, part of the price we pay for our ratings is that often we cannot be as aggressive in accepting new business. The New York State Department of Financial Services, in particular, closely supervises our business practices and activities.

New York Life has a strong standing commitment to our career agency. As such, we require that you inform us of cases on which a New York Life career agent has a potential conflict so that we can provide a mutually acceptable solution. Most channel conflicts require individual attention; we will work with you as they occur. To resolve problems quickly, we check every case as soon as the first paper or phone call comes through the underwriting area.

Advertising procedures are broad and comprehensive. Sales literature includes *any written or electronic communication* with a client, e.g., letters, cards, sales illustration, plus any notes or addenda, which may influence a product sale. This includes any electronic material as well. If the material uses the New York Life name or talks about our product, you are required to share it with us prior to use. In addition, you must review the material whether or not it explicitly uses our name to ensure it complies with corporate and regulatory standards.

The licensing and contracting requirements as well as the advertising procedures apply to the use of illustrations. You must use only approved illustrations, created on the most current version of the illustration software. The software must be kept under your control and not shared with Producers who are not properly contracted and appointed with us. In addition, we need to review any spreadsheets or extracts from the illustrations you plan to use with a client in advance to ensure they comply with our published standards. For materials that are unique to a case, please send them to a member of the Advanced Markets Network Sales

Support team for review. For 'template' materials that are typical of many cases, e.g., planning documents, send a sample of the format for us to review and keep a copy on file for each case in which it is used.

New York Life policies can be issued and placed in force only after compliance with the Company's underwriting and other rules and by the authorized delivery of, and payment for, the policies.

You must obtain complete applications that comply with all underwriting requirements and, within your authority, deliver any policy issued by the Company without undue delay. For this reason, you must be familiar with the Company's policies and practices, underwriting requirements, practices, and procedures, and with all applicable laws and regulations. You must also understand the limits of your authority as a Producer of the Company.

Definitions

As used in these Guidelines, the following terms have the meanings attributed to them below, in the absence of express language to the contrary:

Producer	A person operating under a Producer's Contract with the Company
New York Life or Company	New York Life Insurance Company, New York Life Insurance and Annuity Corporation, or NYLIFE Insurance Company of Arizona
Insurance	Life insurance and annuities
Application	An application for an insurance policy, or change or addition to an inforce policy, any amendment to an application for a policy and any other Company form that constitutes part of an application
Policy	An insurance policy and any rider, endorsement, amendment, or other Company form that modifies the benefits or coverage
Cash	Cash, currency, Company dividend withdrawal vouchers and, subject to collection, checks, money orders and drafts
EA	Expense Allowance
Compensation	First year commissions, renewal commissions, expense allowance, persistency bonus, asset-based compensation, and policy service

Authority of a Producer

Subject to the terms and conditions of your contract, of which this Handbook is a part, you are authorized to:

1. solicit, within Company rules, applications for insurance issued by the Company;
2. deliver, within the limits of your authority, policies issued on applications obtained by you; and

3. collect, in accordance with Company rules, (a) an amount not exceeding the full first premium or any unpaid balance of premiums due New York Life as of the delivery date; or (b) with prior approval, an amount equal to the unpaid balance or the full first premium, by using the proper amendment to application provided by New York Life in the interval between the dates of the application and delivery; or (c) other premiums in such amounts and at such times as explicitly authorized by New York Life.

PROHIBITED CONDUCT

Policy and Dividend Misrepresentations Prohibited

You may not create or allow any estimate, illustration, circular, statement or memorandum to be released that misrepresents:

1. the terms of any policy issued by the Company;
2. the dividends to be received on any policy being offered by the Company, or the dividends previously paid by the Company on similar policies;
3. the true nature of any policy or class of policies by the use of any improper name or title; or
4. the contents of any policies being offered by the Company or other insurer.

The laws of many jurisdictions make such acts criminal or civil offenses.

Rebates Prohibited

You are not permitted, or at any time authorized, to pay, allow or give any rebate, special favor, advantage or other valuable consideration or inducement on any policy, either to the applicant for that policy or any other person.

Other Prohibited Acts

In addition to the above restrictions, you may not:

1. place the Company under any legal obligation that is not within the authority granted by the Company in the Producer Contract, in this Handbook or otherwise in writing;
2. accept risks of any kind; make, modify, or discharge contracts; extend the time for paying any premium; waive forfeitures or any of the Company's rights or requirements; bind the Company by any statement, promise or representation;

agree with any applicant to any extra premium for extra risks; nor collect any moneys other than as provided in **Authority of a Producer** beginning on page 4;

3. share commissions with anyone not licensed and under contract with the Company. Additionally, any payments relating to compensation made to any person, whether authorized by the Company to sell New York Life products or not, is prohibited unless authorized by the Company. All sharing arrangements must be explicitly stated and approved by the Company in writing prior to delivery and payment for the policy;
4. engage in speculation in human life by soliciting or receiving an application, or delivering a policy where the policy is to be used for that purpose or is intended for sale in the secondary market¹;
5. have an ownership interest in any business that owns insurance policies where the business had no insurable interest at the time the policy was issued;
6. solicit or promote the solicitation of a New York Life insurance policy on the life of an applicant (or any other insured) who is applying for the coverage with the expressed intent to sell to a third party;
7. receive compensation for the sale or transfer or settlement of a New York Life policy to an unaffiliated third party;
8. recommend the purchase of an insurance product that may involve the use of funds from mortgages, reverse mortgages, home equity loans/lines of credit or cash out refinancing;
9. engage in "churning" practices. Churning is defined as using policy values in an existing life insurance policy or annuity contract to directly or indirectly purchase another insurance policy or annuity contract for the purpose of generating additional premiums, fees, commissions, or other compensation, without an objectively reasonable benefit to the policyowner.
10. facilitate or participate in market timing with respect to the allocation of premiums and contract values;
11. be the assignee, owner or beneficiary of any policy issued by the Company, other than a policy for you or for your family;
12. advertise or publicize the Company's name or logo by using it in any advertising or publicity medium, including newspapers, magazines, Website, television or radio broadcasts or other means, unless the content of such advertising or publicity has

¹ The Producer is also advised that active engagement in the secondary market with respect to policies issued by other insurers may result in the Company exercising its right to terminate the Producer Contract without cause.

first been submitted to and approved and authorized by the Company in writing. This includes all materials that indirectly describe a New York Life product through the use of New York Life policy values, dividends, illustrations, or rates without identifying or naming New York Life or the specific product;

13. endorse, deposit, cash or otherwise negotiate any check drawn to the Company's order; to open any bank account in the Company's name; to sign the Company's name in any circumstances; or to have checks or promissory notes printed with the names of "New York Life Insurance Company", "New York Life Insurance and Annuity Corporation", or "NYLIFE Insurance Company of Arizona";
14. endorse, deposit, cash or otherwise negotiate any check drawn by the Company to the order of a payee other than you or a member of your family;
15. charge for services that are rendered to any applicant, policyowner, beneficiary or assignee, such as explaining the terms of a policy, collecting the policy proceeds, making or submitting proofs or settlement of any claim, or any other similar service;
16. keep custody of a policy, other than a policy on you or a member of your family, for a period longer than is necessary for purposes of analysis, record organization and review for servicing;
17. respond to inquiries from regulatory authorities regarding New York Life products, except as may be compelled by law. Any such inquiry should be directed to the Company. The Producer may not represent the Company in any manner before any State Insurance Department or official or any Government Agency;
18. sign as a witness to any person's signature on any application or other paper relating to the Company's business unless that person's signature is written in your presence;
19. sign the name of another person such as an applicant, insured, policyowner, beneficiary, assignee or otherwise, whether or not the person consents;
20. affix stamps or labels on policies, policy envelopes or literature of the Company in such a way as to modify or destroy any of the printed matter;
21. receive at your address or an address under your control, any correspondence from the Company to an applicant, policyowner, insured or beneficiary, whether or not the person consents. This does not apply to duplicates of such correspondence intended by the Company for your information;
22. effect compensation in excess of the limits of Section 4228 of the Insurance Law of the State of New York, or in such a way that would provide more compensation to a person than they would otherwise receive under agreement with New York Life;

23. disclose confidential information concerning insureds, beneficiaries, policyowners, applicants or specific policies to any third party without the express authorization of such person. Additionally, no confidential information regarding Company products or policies may be disclosed to a third person without the express authorization of the Company;
24. Coach, direct, encourage, or assist customers on ways to avoid FATCA requirements (See FATCA on page 27).
25. violate any of New York Life's policies, procedures, rules, or guidelines; nor
26. violate any federal or state law, rule or regulation or the rules or regulations of any other regulatory authority.

Underwriting Limitations and Rules

You must carefully observe the Company's limitations and rules with respect to amount of insurance, premium, age and other matters. These limitations and rules, which are subject to change without notice, may be found in various documents prepared by the Company. You are furnished with these documents and, from time to time, with other announcements of underwriting limitations and rules that must be observed with equal care.

Applications

You must carefully observe the following rules with respect to applications for any insurance issued by the Company:

1. **Forms.** The proper policy application forms must be used. With regard to the insurance being applied for, general information with respect to application forms, including the manner in which they should be completed, is found in the Company's application packet.
2. **Conditions.** The application, together with any special forms required, must be fully and accurately completed by you, personally, in the presence of the applicant and other parties to the application. Any change or alteration of an answer on an application must be initialed by the applicant. Instructions contained in all such documents must be fully complied with before the forms or documents are submitted to the Company. This section does not apply to paramedical or medical Part II Applications.
3. **Premiums Submitted Immediately.** Any premium payment received by you, within your authority as a Producer, must be turned in to the Company immediately. You must not commingle such funds with any other funds (see **5 below**).

4. **Applications Submitted Immediately.** An Application Part I or a Non-Medical Part II and all other documents received by you relating to insurance, including amendments, questionnaires and change of beneficiary and ownership forms, must be sent to the Company immediately.
5. **Initial Premium.** A check for the initial premium may be accepted with applications only from currently contracted and appointed Producers. Coverage will be limited to the terms of our conditional temporary coverage agreement (currently \$1,000,000 single life and \$2,000,000 joint lives). In addition, our Company practice is not to accept a check for the initial premium with any application if the total coverage amount in force or applied for with New York Life exceeds \$5,000,000 or the applicant's (or other insured's) age exceeds 75. Any check written as a premium payment must be drawn to the order of the Company (see **Authority of a Producer** beginning on page 4).
6. **Witness to Signature.** You must witness the signature of an applicant or other party to the application. Where required, you must witness signatures on other insurance documents. In the unusual situation where you cannot witness an applicant's or other party's signature, some disinterested person, unrelated by blood or marriage to the proposed insured, owner, applicant, beneficiary, or premium payor must witness the signature and the 'agent' designation must be crossed out. In this circumstance, you must sign the application in the appropriate space to receive credit, but not as a witness. You must send a separate written statement with the application or insurance documents, explaining why you were unable to witness the signature.
7. **Execution of Documents.** Applications or other papers relating to the Company's business must include the dates on which, and the locations where, the transactions took place.

Medical, Paramedical and Non-Medical Programs

You must become familiar with the Company's rules regarding medical examiners, medical examinations, and the paramedical program.

You must submit an application on a non-medical basis unless a paramedical or medical examination is required under the Company's rules. On applications submitted on a non-medical basis, you must see the proposed insured and other persons proposed for coverage, if required, at the time the application is obtained and be satisfied that such persons appear to be normal, healthy, and satisfactory risks for insurance.

Cases that do not qualify for a non-medical program must be submitted under the paramedical program, where available, unless a medical examination is necessary under the Company's rules. The paramedical examination Part II must be completed by a paramedical facility approved by the Company. The Company reserves the right, however, under both the non-medical and paramedical programs, to call for a medical examination whenever it deems it necessary.

When a medical examination is necessary, it must be conducted by a medical examiner approved by, or acceptable to, the Company. The Company will not accept an examination made by an examiner who is related by blood or marriage to the owner, proposed insured, beneficiary, premium payor, or you. The Company decides a medical or paramedical examiner's compensation. Producers have no authority in these matters (see **When You are Liable for Fees** beginning on page 15).

You are not authorized to examine, review, modify, retain, or copy any information received by or set forth by a medical examiner, paramedical examiner or attending physician whether that information is set forth in the medical application Part II, the paramedical application Part II, the attending physician's statement or otherwise. Copies of such information may be retained only with the express permission of the applicant.

In addition, the Company reserves the right to suspend, revoke or terminate a Producer's authority to solicit applications on a non-medical basis, effective as of the date specified in any written notice.

Rules for Delivery of Policies

You are authorized and required to deliver each billed policy as soon as the following conditions are met:

1. the applicant signs and delivers all necessary papers and performs every act required of the applicant in connection with the issuance of the policy;
2. you, or the Company, receive all of the premiums due as of the delivery date.

The policy must be delivered promptly in accordance with the continuing insurability rules for delivery of a policy, as set forth in the delivery instructions accompanying the policy.

You should become familiar with all of the Company's delivery rules and the appropriate forms that apply to those rules. New York Life requires a "Privacy Delivery Receipt" to be signed by the Producer as a policy delivery requirement.

All life insurance clients must receive a Buyer's Guide and all state-specific and other requirements set forth in the Buyer's Guide must be carefully followed. A Buyer's Guide (form 21621 in most states) must be presented to the consumer when the life insurance policy is delivered. Please refer to the Advanced Markets Network website (www.nylamn.newyorklife.com) for state-specific versions of the Buyer's Guide.

The Company reserves the right to call for any additional requirements considered necessary in connection with the delivery of a policy. In complying with these rules, it is your responsibility to see that all premiums due as of the delivery date of the policy are paid concurrently with delivery.

Any policy that cannot be delivered as authorized must be returned promptly to the Company.

Policy Review on Delivery

Under the Company's "ten-day free look"* policy examination program, an applicant may request in writing cancellation of a policy within ten days after the delivery date of the policy for a refund of the full premium. At the time of delivery, you should show this provision, which is stated on the face page of the policy, to the policyowner. If at the time the policy is delivered, the applicant does not want to accept the policy, you should obtain a written request for cancellation and for a refund of the premium paid. (*Some jurisdictions require a free look in excess of 10 days. You must be familiar with these requirements.)

Illustrations

Illustrations shown to the customer or prospective customer must comply with all Sales Material Guidelines and include all numbered pages. Pages of the illustration specifically designed for Producer usage, such as commission estimate pages, are marked as Training Material and/or Internal Use Only and should not be shown to the customer or prospective customer. If you use the Company's illustration software, you must adhere to the Company's Confidentiality provisions. In addition, you must use the most current copy of the Company's software and discard all previous versions. Due to the nature of the advanced market, an illustration of the proposed insurance is generally required for underwriting. A final, signed illustration must be provided to the Company no later than at policy delivery. Both you and the applicant/policyowner must sign this final illustration.

If you have received a pre-underwriting determination from the Company, you may illustrate the policy only at that rating. You may not illustrate the policy at an improved rating. (Note: if the illustration does not match the policy issued, a "Revised/Delivery" illustration matching the policy issued must be furnished to the policyowner and signed by both the Producer and the policyowner. A copy should be kept in the client files.) (See **Sales Materials Guidelines** beginning on page 27.)

Delivery of a Policy Against Promissory Note

The Company will not accept a promissory note in payment of a premium.

Policyowner Complaints

You must immediately notify the Company's Advanced Markets Network Department in the event of any policyowner complaint, written or verbal (see **Advanced Markets Network Complaint Handling Procedures** beginning on page 33).

Compensation and Expense Allowance (EA)

You are entitled to receive compensation only in accordance with the Company's rules, including but not limited to the following:

1. you must have fully complied with and performed in accordance with your authority, each and every condition and act required of you by the terms and conditions of the Producer Contract and of this Handbook (including any amendments and supplements);
2. if there is any question or controversy as to whom compensation is payable, the Company's decision shall be final;
3. if, for any reason, the Company rescinds, reforms, or cancels a policy and refunds or tenders a refund of a premium in whole or in part, your compensation and EA will be recalculated and any overpayments must be repaid to the Company; and
4. if the Company deems it necessary, a policy may be issued subject to an adjustment being made in your compensation and EA; or, if compensation and EA have been allowed, the Company may require that they be refunded in whole or in part (see **Replacements** beginning on page 15).

Note: Effective January 1, 2011, NYS Regulation 194 requires Producers to make certain compensation disclosures when selling life insurance, annuity, Long Term Care, and other insurance policies in NY State. You can find Frequently Asked Questions regarding Insurance Regulation 194 on the New York Department of Financial Service's website at: https://www.dfs.ny.gov/apps_and_licensing/insurance_companies/faqs/regulation_194
The NY Department's Circular Letter No. 18 (2010), which provides additional guidance on how to comply with the regulation, also can be found on the website at: https://www.dfs.ny.gov/insurance/circltr/2010/cl2010_18.htm

Exceptions include but are not limited to:

1. no compensation or EA will be payable if the Company cannot lawfully pay it, or if you cannot lawfully receive it;
2. no compensation or EA will be paid to you if your name does not appear as a Producer on the application for the policy involved;
3. no compensation will be payable before the premium on which it is based becomes due under the terms of the policy and is paid to and received by the Company. If a premium is paid within 10 days before its due date, the Company, at its discretion and for its own convenience, may then pay the compensation before the premium due date (although it will be under no obligation to do so), but no such payment shall be deemed a waiver of the Company's right in other similar instances to defer payment until the premium due date; and
4. no compensation will be paid on an annualized basis. Compensation will be payable, in accordance with Company rules, only when a premium upon which it is based has become due under the terms of the policy, and it has been paid to and received by the Company.

Vesting Rules

1. All First Year and Renewal Commissions are vested in accordance with the current compensation schedule, except that no commissions will be vested if your Contract is terminated for any of the following causes:
 - a. the collection or receipt by you of any monies for or on behalf of, or due or to become due to the Company, except as authorized in your Contract;
 - b. any unauthorized appropriation to your own use and purpose of any money or other property received by you for or on behalf of the Company or received by you for the benefit of a person other than you;
 - c. submission to the Company by you of any document on which any required signature is not a genuine or duly authorized signature;
 - d. withholding of any policy or document after such document shall have been demanded by the Company;
 - e. rebating of any premium;
 - f. any fraud in connection with the solicitation or sale of a policy or application or any other information requested by the Company;
 - g. any use of the Company software to illustrate better ratings on cases where the Company underwriter has provided a less favorable rating (See **Illustrations** beginning on page 11 and **Sales Materials Guidelines** beginning on page 27);
 - h. any payment of or sharing of compensation, except as approved by the Company.
2. Policy Service Fees and Asset Based Compensation will be paid only if you are under contract with the Company, have the appropriate state license(s) and, if applicable, security license(s) and are the designated Servicing Agent at the time the fee becomes payable.
3. If your contract terminates and the expected amount of Vested Renewal Commission to be paid in a year following such termination is less than \$600, the Company, at its discretion, may buy out the unpaid portion of any Vested Renewal Commissions. The buy-out amount will be equal to the commuted value of the Vested Renewal Commissions not yet paid. The Company will apply an interest rate that is the greater of 10 percent (or the Company's current variable loan interest rate then in effect) and Linton C mortality and lapse rates to determine this amount. The Company shall determine the manner in which such buy out amount will be paid.

Producer Account

The Company will maintain a ledger account for compensation to be credited to you.

- 1.** The Company will credit First Year and Renewal Commissions, EA, and Policy Service Fees to your ledger account as premiums become due and are paid. Asset Based Compensation will be credited as it becomes due under the rules established by the Company.
- 2.** Compensation balances on the account will be paid twice per month.

If your ledger account shows a negative balance for any reason, you will be required to repay such amount immediately upon notification by the Company.

Right of Offset

Any sums becoming due to you pursuant to this Agreement or otherwise, at any time, may be applied directly by the Company to the liquidation of your indebtedness or obligation to the Company with applicable interest. The failure to so apply any sums shall not be deemed a waiver of the Company's lien on any sums that become due nor impair the Company's rights to so apply such sums. Any indebtedness or obligation remaining after offset shall be recoverable at any time with the maximum allowable interest under applicable law. The Company reserves the right to demand full and immediate repayment of such indebtedness.

Change in Plan, Change in Benefits or Conversion of an Inforce Policy

- 1.** Except as noted in the immediately succeeding subsection 2, and subject to the provisions of the succeeding subsections, we will not pay compensation for changes to a policy unless (a) the changes are effected before the end of the second policy year; (b) you effect the changes; and (c) you sold the original policy.
- 2.** If a Term policy is exchanged for a life policy before the end of the term period or if Term Insurance is converted, compensation will be payable to you, subject to the provisions of the immediately succeeding subsection 3, if (a) you effected the change or conversion and (b) you sold the original policy.
- 3.** You will be deemed to have brought about a change or conversion only if you obtain all requirements necessary to effect the change or conversion, including the collection of the required premium, and if, in the case of conversion of Term Insurance, the insured is not, at the time written request for the conversion is made, disabled under any disability provisions contained in a Term policy or a policy to which a Term rider is attached.

4. Your rights to compensation on premiums received after a change or conversion of insurance has taken effect, and the amount of such compensation will be determined in accordance with the Company's applicable compensation and rules in effect at the time of such change or conversion. In the event of a compensation dispute, the Company reserves the right to make a final determination.

Replacements

The rules governing replacement business, and the principles underlying such rules, are as follows:

1. When a customer is considering the surrender or lapse of existing insurance to purchase new insurance, including financing new policies from existing ones, caution must be exercised. A customer has the right to replace an existing contract. However, you should be certain that the replacement is in the best interest of the customer and that you thoroughly understand the effects of replacement before you make a replacement recommendation. You are similarly required to ensure that the client fully understands the effects of replacement prior to making their purchase decision.
2. The Company hereby limits, and reserves the right to limit in the future, the amount of any and all compensation and EA on internal (intra-Company) replacements and to make the final determination of your right to receive compensation or EA on any internal replacement.
3. Most jurisdictions have laws or regulations concerning replacement of insurance. You must become familiar with and comply with these requirements.

When You are Liable for Fees

In addition to any other charge for which you are liable, you must pay the Company the applicable fees listed below:

1. **A Medical or Paramedical Fee**, in an amount determined in accordance with the Company's rules in effect on the application date, when:
 - a. a medical or paramedical examination is made but the application Part I is never received;
 - b. a medical or paramedical examination is submitted when it is not required, i.e., when the case should have been submitted under the Company's mandatory non-medical program;
 - c. a medical examination is not acceptable to the Company because (1) it was incomplete; or (2) it was made by a physician who was not on the Company's

list of approved medical examiners; or (3) it was made by a medical examiner related to the owner, proposed insured, beneficiary, premium payor, or you;

- d. a paramedical examination was made by a paramedical facility not approved by the Company;
- e. the proposed insured is above the age at which the Company will issue a policy or is not eligible for insurance in accordance with the Company's published rules; or
- f. the charge for the medical examination exceeds the Company's basic maximum for that examination.

2. **A Policy Cancellation Fee** is payable, in an amount determined in accordance with the Company's rules in effect on the date of cancellation, if a policy has been issued as applied for, and has been canceled under circumstances other than the "free look" policy examination program. Such fees will be applicable to cases submitted on a medically examined basis, paramedically examined basis or a non-medical basis.

3. **An Inspection Fee** is payable, in an amount determined in accordance with the Company's rules in effect on the applicable date, if an inspection report has been made and the requirements for an application are not submitted or are submitted in an incomplete manner.

Review of Producer's Files

The Producer shall maintain records relating to the solicitation and sale of Company products. Periodically, the Company may request review of such records and the Producer shall make such records available as soon as reasonably possible. Failure to promptly respond to the Company's request shall result in immediate suspension of the Producer's authority under the Producer's Contract.

Insurance Laws and Insurance Department Rulings

The contents of this Handbook are subject to any additional limitations, obligations or prohibitions imposed by the laws of any applicable jurisdictions, or by the rulings of any applicable Insurance Department. For this reason, you must become familiar with the laws and Insurance Department Rulings that apply to the solicitation of insurance (see **Other Prohibited Acts** beginning on page 5).

Certain jurisdictions require specific conduct and disclosure at the time an application is solicited or a policy is delivered, e.g., furnishing Policy Summaries or Interest-Adjusted Cost Indices. The Company provides material in compliance with these requirements. You are subject to these legal limitations.

Confidentiality

You agree that the terms of your Producer Contract and any marketing or business plans regarding the sales or the methods of operations of you or New York Life are confidential and will not be disclosed to any other person or entity without the consent of the other party except as might be required by law or regulation.

You and New York Life agree that any personal, financial, or medical information concerning any applicant or customer that any party communicates (a "Provider") to another party (a "Recipient") during the term of your contract is "Confidential Customer Information." Confidential Customer Information shall not, however, include personal, financial, or medical information that duplicates information legally obtained by the Recipient in the past or in the future from a source other than the Provider. Such duplicate information may, however, be subject to other confidentiality obligations beyond the terms of your Producer Contract.

Each Recipient agrees to hold all Confidential Customer Information in strictest confidence and agrees to use such information only for purposes of this Producer Contract and will not disclose it to any third party, other than its employees or agents who need such information in order to perform under the Producer Contract or as may be required by law or regulation, without the prior written consent of the Provider. Each Recipient will cause its employees and agents to whom Confidential Customer Information is disclosed to be informed of and to agree to be bound by the restrictions of this section concerning confidentiality.

You and New York Life agree that each party owns or has the legal right to disclose to the other party any Confidential Customer Information provided hereunder and that such disclosure shall not and will not violate any agreement of any kind with a third party.

You and New York Life agree to comply with all applicable laws and regulations relating to the privacy and security of Confidential Customer Information and will comply with, and cause all employees to comply with, all privacy and security guidelines as provided in writing by any other party; this includes state information security breach laws. If any Confidential Customer Information of New York Life customer(s) is accessed by unauthorized parties as codified in the various state information security breach laws, you must notify New York Life within 48 hours of the breach of New York Life Confidential Customer Information. Upon notification, New York Life will assess the incident and determine if customer notifications are required as well as notification of the appropriate state authorities. New York Life will notify you if customer and state notifications will take place in at least three days in advance of such notifications.

Upon written request, you and New York Life agree to provide to any other party related to your Producer Contract any information reasonably requested by the other party regarding such party's security system for safeguarding Confidential Customer Information as well as such party's compliance with the requirements contained in this section concerning confidentiality.

In addition to the requirements under this Handbook and the Producer Contract, you agree to comply with New York Life's Insurance-Related Servicer Security Standard. A copy of New York Life's Insurance-Related Servicer Security Standard has been provided to you and is also available for your review on AMN's website at <https://online.newyorklife.com/secure-amn-docs/Insurance-Related-Servicer-Security-Standard.pdf>

The obligations contained in this section shall survive the termination of your Producer Contract.

LICENSING AND CONTRACTING GUIDELINES

All contracts and licenses must be in the legal name of the Producer of record, and the legal names must be identical, or New York Life will not be able to complete the appointment. Prior to soliciting business Producers and BGAs must be contracted and appointed with New York Life, according to the state regulations pertaining to his or her resident state and any other jurisdiction where he or she wishes to conduct business. Contract dates will reflect the date of the resident appointment as permitted. No contracts are finalized until the resident state appointment has been processed.

Corporate Contract Holders

1. Each corporate (i.e., business entity) Producer must be contracted with New York Life Insurance Company (NYLIC), New York Life Insurance and Annuity Corporation (NYLIAC) and any other New York Life affiliates as deemed appropriate by New York Life at its sole discretion. The corporate Producer must also be appointed by the appropriate New York Life affiliate in each state in which they conduct business. Each corporate Producer is required to hold licenses in all states where they have related Producers conducting business.
2. If a representative covered under the corporate state license writes business in a state other than the resident state, the representative must be appointed as an individual in his or her resident state as well as the non-resident state.

Individual Contract Holder

Prior to soliciting business, the individual Producer must be contracted and appointed by New York Life in his or her resident state and in any other jurisdiction where he or she wishes to conduct business.

General Licensing Rules

New York Life requires copies of current resident licenses in order to make appointments. New York Life will not process first time licensing. The Company carefully follows the rules for appointments determined by the applicable state insurance department. New York Life will pay the appointment fees for resident licenses only. You are responsible for your own non-resident appointment fees. Please note that non-resident appointments will not be processed without the appropriate fees. The check for these fees is to be made payable to New York Life Insurance Company. Checks for fees are to be in exact amounts. If you have a question regarding what the non-resident appointment requirements are, please contact New York Life's Contracting, Licensing, and Registration Unit.

Licenses/Appointments

All Producers must have a resident or non-resident license and appointment in the state in which he/she takes the application. New York Life will only appoint a Producer with a current state license.

Some states allow immediate appointments or "temporary license status" while licenses are in process. With some states, we are able to obtain license information after three weeks, but some states will not release this information until this process is complete. The Company will follow up on all states in which the Producer is currently waiting for appointment; but since this process can take some time, it's best to begin as early as possible.

License Renewals

Master Licenses - Some states issue the Producer a Master License and allow companies to appoint the Producer. When a Master License is renewed, New York Life will update Company records based on information obtained from the state website or the Producer Database (PDB). If a license is not renewed, we will update our records to "expired" which may stop commission payments for cases written in some states. If the expired license is the resident license and New York Life has not received a response from the Producer, we may need to terminate the Producer's contract.

Renewal of Appointments - Please note that the Producer is responsible for any non-resident renewal appointment fees. New York Life Advanced Markets Network will send out a notice via mail or fax to advise the Producer that the appointment for a state is due to be renewed. The notice provides the state for renewal the amount of necessary fees and a deadline date. If a Producer misses the deadline and wishes later to do business in that state, the Producer will have to go through the initial appointment process. No business can be conducted until all appointments are completed.

Reminder: State law requires that the Producer keep the state informed of any changes pertaining to their licenses. Examples include, but are not limited to, change of resident or office address and continuing education. If you have any questions or concerns, please feel free to call anyone in New York Life's Contracting, Licensing, and Registration Unit listed in the functional directory.

ANTI-MONEY LAUNDERING

The products sold through New York Life are subject to the anti-money laundering and suspicious activity reporting provisions of the USA PATRIOT Act of 2001, and the underlying regulations, as they apply to covered insurance products. Accordingly, brokers (e.g., Producers and BGAs) appointed with New York Life through Advanced Markets Network are subject to the provisions of New York Life's corporate anti-money laundering ("AML") policy as outlined below.

1. Accepting Cash

- a.** Brokers are prohibited from accepting U.S. or foreign currency as payment for any New York Life securities product or transaction.
- b.** Brokers are prohibited from "converting" U.S. or foreign currency in relation to any transaction in a New York Life product, whether or not securities are involved. Brokers are therefore prohibited from first accepting currency from or on behalf of a customer, and then purchasing a "cash equivalent" (such as a money order, traveler's check, or cashier's check) with the funds, so that the cash equivalent can be used to fund the transaction. Similarly, brokers are prohibited from accepting currency and writing a personal check to pay for a transaction.
- c.** New York Life limits the amount of currency that it will accept in any single non-securities transaction to \$5,000. In addition, currency may not be accepted for any transactions other than initial premiums. Where currency is accepted as payment for an initial premium on a traditional product, brokers and Advanced Markets Network employees are required to comply with New York Life's procedures for timely and accurate reporting on IRS Form 8300. For further information, please refer to "Cash Receipt and Reporting" immediately below.

2. Cash Receipt and Reporting

Brokers who receive more than \$10,000 in currency and/or cash equivalents in a single transaction (or in a series of related transactions over the course of a twelve-month period) are required to provide information required by the Advanced Markets Network to draft IRS Form 8300. Any questions concerning whether or not a Form 8300 is required in a particular situation should be discussed with the Advanced Markets Network. When a transaction must be reported, the Advanced Markets Network will provide brokers with a copy of IRS Form 8300 and assist in completing the draft Form 8300. The Advanced Markets Network should verify that the form has been completed properly and promptly fax the form to the IPS Tax Unit for filing with the IRS. Forms 8300 are required to be filed with the IRS within 15 days of the receipt of currency or cash equivalents that causes the \$10,000 threshold to be exceeded. Accordingly, brokers should return the completed Form 8300 to the Advanced Markets Network no later than five days after the transaction which gives rise to the filing. Severe penalties may be imposed by the IRS for failure to file, late filing, or the filing of an incomplete Form 8300.

Cash equivalents may include a cashier's check even if it is referenced to as a "treasurer's check" or "bank check."

Cash equivalents do not include checks drawn on an individual's personal account. A cashier's check, bank draft, traveler's check, or money order with a face amount of more

than \$10,000 is not treated as a cash equivalent, and the brokers is not required to assist in the preparation of Form 8300 based on the receipt of such instruments.

Brokers are prohibited from advising New York Life product customers on ways to structure transactions to avoid reporting requirements. An example of structuring would be arranging for a client to make a series of cash deposits in amounts below the reporting threshold in an effort to avoid reporting requirements. To do so is a violation of federal law and could result in fines, incarceration, and termination.

Brokers are responsible for obtaining all required information on Form 8300 in connection with new business or for any other cash transaction or series of related transactions. Brokers should obtain and record the documentation necessary to verify the identity of the person from whom the reportable currency and/or cash equivalents is/are received (not necessarily the policy owner). Verification may be made by examination of a valid government issued document such as a photo ID driver's license or passport. Verification of the identity of a non-U.S. citizen can be made by examination of such person's passport. If the payor has a Social Security Number, it must also be included on Form 8300.

For additional information on currency or cash equivalent receipt and reporting, brokers should consult with Advanced Markets Network personnel.

3. Customer Identification Programs

New York Life has in place a Customer Identification Program ("CIP") that sets forth procedures for establishing policies and opening accounts that specify the identifying information to be obtained from each customer.

a. Information that must be obtained: Brokers must at a minimum obtain the following information on a policyowner or account owner prior to submitting an application or new account form:

- name
- date of birth (for an individual)
- address, which shall be:
 - for an individual, a residential or business street address;
 - for an individual who does not have a residential or business street address, an Army Post Office, or Fleet Post Office box number, or the residential or business street address of a next of kin or another contact person; or
 - for a person other than an individual (such as a corporation, partnership, or trust), a principal place of business, local office, or other physical location; and
- identification number, which shall be:
 - for a U.S. citizen, a Taxpayer Identification Number ("TIN").
 - for a non-U.S. citizen, one or more of the following: TIN, or a passport number and country of issuance. For citizens of Canada and Mexico, a government issued document such as a valid driver's license will be acceptable. Any other driver's licenses or national citizenship cards will not be accepted.

Note: The above requirements pertaining to non-U.S. citizens do not change existing

underwriting procedures or requirements.

Brokers will be provided with a simple form entitled *Identification and Verification Form (22502)* to use to collect the information required. The form only needs to be completed once for each new business customer, or the first time a repeat buyer is looking to place additional business.

Brokers must attest that the information collected is true to the best of their knowledge and that the person identified on the documentation submitted by the proposed owner appears to be the same person identified on the application.

- b. Verification of identity:** The CIP requires the verification of identity of each policyowner or account owner, using the information obtained above. New York Life procedures for verifying customer identity require brokers to review identifying documents, which may include:
- for an individual, an unexpired U.S., Canadian or Mexican government-issued identification evidencing nationality or residence, such as a valid driver's license or passport; any other driver's licenses or national citizenship cards will not be acceptable;
 - for corporations, partnerships, and trusts, documents demonstrating the existence of the entity, such as certified articles of incorporation, a government-issued business license, a partnership agreement, or a trust instrument.

In addition to reviewing the appropriate identifying document(s), brokers must record the type of document reviewed (e.g., driver's license or passport) and document (e.g., driver's license or passport) number and expiration date on the *Identification and Verification Form (22502)*. A separate form is required for each owner. New York Life is responsible for providing notice ("Customer Notice") to policyowners and account owners that it is requesting information to for the purpose of verifying the customers' identities. For all new business, brokers must provide new clients with a copy of a notice disclosing "Important Information about Procedures for Opening a New Account." The notice is included with New York Life's "Privacy Notice." Brokers should sign and submit the *Identification and Verification Form (22502)* together with the application. New York Life will not process an application without this form.

- c. Payment from Third Party Payors:** New York Life is responsible for obtaining information regarding initial and inforce payments received from parties other than the policyowner, insured or annuitant – i.e., payments from Third Party Payors. In addition to verifying identity to meet the Customer Information Program (CIP) requirements, New York Life must collect and monitor additional information in accordance with the regulations administered by the Office of Foreign Assets Control (OFAC), as well as the Bank Secrecy Act (BSA). The required information regarding any payor other than the policyowner, insured or annuitant will be collected through either the new business application or Form 22502. Brokers may be contacted for additional information regarding initial or inforce payments.

4. Suspicious Activity

For purposes of these procedures, the phrase "suspicious activity" refers to one or more transactions conducted or attempted by, at or through a financial institution or broker involving funds or assets for which:

- the financial institution or broker knows, suspects, or has reason to suspect, that the transaction (or pattern of transactions of which the transaction is a part);
- involves funds derived from illegal activity, or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement;
- is designed, whether through structuring or other means, to evade reporting requirements;
- has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the financial institution or brokers knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction; or
- involves the use of the financial institution or broker to facilitate criminal activity.

In addition to the above, broker should also treat as "suspicious activity" for purposes of these procedures any transaction or attempted transaction involving a New York Life product, where the broker believes the transaction or attempted transaction relates to a possible violation of law or regulation.

Should a broker, in the course of dealing with New York Life products, encounter any instances of the type of activity discussed in this section, he/she shall immediately bring the matter to the attention of the New York Life.

5. Discovering a "Red Flag" Indicating a Suspicious Transaction

If in the course of his business a broker encounters any one or a combination of the red flags discussed below in Section 6, the broker should immediately bring the situation to the attention of the Advanced Markets Network.

Brokers should provide the Advanced Markets Network with all of the facts of the situation, including all relevant documentation. Advanced Markets Network will then, where appropriate, contact the New York Life AML Compliance Officer. The New York Life AML Compliance Officer may ask the broker to complete a questionnaire designed to obtain additional information about the activity, the customer, and the transaction, and may also ask for copies of documentation. Once the review of the situation is completed, the New York Life AML Compliance Officer will determine whether or not the suspicious activity should be reported to the authorities and take other appropriate action. Under no circumstances should a broker disclose to the customer that they are being investigated for suspicious activity or that there may be notice provided to government authorities.

6. Anti-Money Laundering Red Flags

Brokers may encounter red flags (or warning signals) of money laundering or other suspicious activity when working with a new account or existing customer on a new policy or account. A broker who identifies any of the following red flags should promptly notify the Advanced Markets Network.

New Business Red Flags

- A customer exhibits unusual concern about New York Life's compliance with government reporting requirements or New York Life's AML policies, particularly with respect to his, her or its identity, type of business and assets, or is reluctant or refuses to reveal information concerning business activities, or furnishes unusual or suspect identification or business documents.
- The customer wishes to engage in transactions that lack business sense or apparent investment strategy, or are inconsistent with the customer's stated strategy.
- The customer provides information identifying a source of funds, but the information turns out to be false, misleading, or substantially incorrect.
- Upon request, the customer refuses to identify or fails to indicate a legitimate source for his or her funds or other assets.
- A customer (or person associated with the customer) has a questionable background or is the subject of news reports indicating possible criminal, civil or regulatory violations.
- The customer exhibits a lack of concern regarding investment risks, transaction commissions, or other costs.
- The customer appears to be acting as a Broker for an undisclosed principal, but is evasive about providing, or declines or is reluctant, without legitimate reasons, to provide information regarding that person or entity.
- The customer has difficulty describing the nature of his, her or its business or lacks general knowledge of his or her industry.
- The customer's policy/account application contains incomplete or missing information (not including simple oversights).
- The customer is from, or has accounts in, a country identified as a non-cooperative country or territory, bank secrecy or tax haven by the Financial Action Task Force ("FATF") of the Organization of Economic Cooperation and Development ("OECD"). The FATF website is <http://www.fatf-gafi.org/countries/>.
- The customer is a government official of, is affiliated with, or resides in one of the following countries: Burma (Myanmar), Cuba, Iran, Libya, North Korea, Sudan, or Syria. The list of country sanction programs is updated on a regular basis by the U.S. Treasury's Office of Foreign Asset Control ("OFAC"). The OFAC web site is <https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information>
- The customer provides a suspicious Social Security Number or Taxpayer Identification Number. For example - all zeros or sequential numbers.

Policy Payment Red Flags

- A check with an unusual or unofficial corporate name or logo.
- A "starter check" is used to pay premiums. Any check without a pre-printed name and/or address, or without numbers usually, but not always, between 1 and 100, may be suspicious, especially for a business bank account.
- Premium payments made by a third party with no apparent relationship to the policy/account/contract.
- Brokers should be suspicious of cash or cash equivalents and recognize the possibility of structured transactions designed to circumvent the reporting requirements. Brokers should carefully review payments made with bank drafts, cashier's checks, money orders or traveler's checks.

7. Training

All brokers are required to complete the approved anti-money laundering training as specified by New York Life prior to an initial appointment. Brokers who fail to satisfy required aspects of their annual AML Computer Based Training (CBT) course by the required date may have their insurance and securities license(s) suspended. Brokers will also be required on submission of new business to provide documentation that they have taken anti-money laundering training from a financial institution covered under the USA PATRIOT Act or an appropriate compliance training provider (e.g., LIMRA, RegEd, state departments of insurance, etc.) in the current or previous calendar year prior to the broker submitting the new business.

SPECIAL ATTENTION FOR SENIORS AND VULNERABLE ADULTS

Extra care should be exercised when dealing with seniors and those suffering from cognitive impairment ("vulnerable adults") to ensure that they fully understand the product being recommended and that it is suitable to their needs. Make sure that you speak clearly, avoiding jargon and abbreviations, and confirm that they understand what you tell them.

You should be on the lookout for signs of possible cognitive impairment, such as:

- Memory loss or greater familiarity with the past than the present
- Inappropriate confusion or enthusiasm
- Comprehension problems
- Trouble staying on topic
- Disorientation
- Transactions contrary to their stated goals or interests

Signs of potential financial exploitation include:

- Apparent isolation from family or friends
- Unexplained disbursements or changes in transaction patterns
- Inability to speak directly with the client, despite attempts to do so
- Lack of awareness or understanding of recent financial transactions
- Unexplained change of mailing address to an unfamiliar address
- Apparent lack of control over or access to the client's own money
- The client appears intimidated

If you believe you have identified signs of cognitive impairment or financial exploitation,

you must report it to your superior and to the VAFA Unit (CAD_SIU@newyorklife.com). You must familiarize yourself with applicable state laws regarding this subject and, where required or appropriate, obtain training to recognize incidents of potential financial abuse and diminished capacity.

TRANSACTIONS WITH RETIREMENT PLAN CLIENTS

The Company generally does not issue life insurance products to tax-qualified retirement plans (i.e., pension, profit sharing and 401(k) plans). The Company will issue life insurance products in connection with employee benefit plans that are welfare plans (i.e., plans that provide death benefits) ("Welfare Plan Clients") subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Accordingly, producers are subject to the provisions below.

- 1.** The only Company products for which you may submit applications on behalf of your Welfare Plan Clients (to the extent you are permitted to sell these products) include:
 - NYLIAC CorpExec Variable Universal Life (CEVUL Plus)
 - Custom Whole Life (CWL)
 - Modified Single Premium Universal Life Insurance Policy (BOLI Plus)

You are not permitted to submit applications on behalf of tax-qualified retirement plans subject to ERISA (including, but not limited to, pension, profit sharing and 401(k) plans), except as expressly permitted with prior written approval from the Company.

- 2.** In the event you submit applications for life insurance contracts issued by the Company to your "Retirement Plan Clients," which include a pension plan, welfare plan, plan fiduciary, plan participant or beneficiary, subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), the following applies:
 - The Company is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity in connection with any transaction related to its products and services with respect to your Retirement Plan Clients ("Transaction"): and
 - You will comply with any fiduciary obligations you may have with respect to any Transaction and, to the extent required to avoid engaging in a prohibited transaction described in section 406(a) or (b) of ERISA or section 4975(c) of the Code, you will comply with all conditions of an applicable prohibited transaction exemption that covers the Transaction.
- 3.** You are not permitted to disclose the compensation you receive from the Company for submitting applications on behalf of your Retirement Plan Clients on a website, other than compensation received in connection with applications for CEVUL Plus.

MILITARY SALES PRACTICES AND SOLICITATION

The NAIC has worked with state insurance regulators to develop the Military Sales Practices Model Regulation (Model") that sets forth standards for insurance sales to military personnel that take place both on and off military installations. The Model applies to the solicitation or sale of any life insurance or annuity product by an insurer or insurance producer to any active-duty members of the U.S. Army, Navy, Air Force, Marine Corp, Coast Guard, National Guard and Reserves as well as, in some states, a dependent family member. **New York Life prohibits Producers from soliciting on military installations.** With respect to the solicitation of insurance and annuity products at other locations, you must familiarize yourself with the prohibited acts and practices as well as the additional written disclosures required for compliance.

THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

Effective July 1, 2014, New York Life Advanced Markets Network is required to implement new procedures designed to comply with the Foreign Account Tax Compliance Act (FATCA) promulgated by the IRS. In order to comply with FATCA, producers are required to obtain the TIN and FATCA certification of each policyowner on the new business application for individuals and a W-9 form for non-natural persons. Any application received without FATCA TIN certification will be deemed Not In Good Order. In addition, Producers are prohibited from coaching, directing, encouraging, or assisting customers on ways to avoid FATCA requirements.

SALES MATERIALS GUIDELINES

General Rules

State insurance laws and regulations require that we review and approve all advertising and sales materials that refer to or mention the name of New York Life or any of its subsidiaries or any New York Life product prior to using those materials with a customer or prospective customer. We are also required to keep a copy of all such materials in our central records for review by state examiners. The Sales Material Review Unit of our Corporate Compliance Department reviews and approves all advertising and sales materials.

The legal definition of advertising includes any and all materials used to sell life insurance or to keep it in force. It includes materials in any media, e.g., print, audio-visual, electronic, or the internet. Thus, illustrations, spreadsheets, and other materials used to further explain or define a policy contract, its provisions, or its ongoing performance require review and approval prior to use.

Generic sales literature that does not mention the New York Life name or is not used to advertise New York Life products and services, but may lead to the sale of a New York Life product, should be maintained in the client file for potential review. Although it is not required, we reserve the right to review this material upon request. Any materials that are not intended for dissemination or use with customers should contain the following "For internal use only" caveat on each page:

This material is prepared for internal use only and is not authorized for use with or distribution to consumers.

Sales Material for Variable Products

When presenting a NYLIAC variable product, only illustrations, policy comparisons, spreadsheets, presentations, letters, and materials that have been explicitly approved in writing by NYLIAC may be used. No extractions or templates may be used without prior written approval. A copy of the prospectus must always precede or accompany the illustration.

Any sales material prepared, must be submitted for approval. This material will be submitted to our Sales Material Review Unit for review and if necessary, filing with FINRA. Variable product Sales Material must also have approval from the Producer's Broker Dealer.

When presenting a NYLIAC variable product, a full registered branch office address and the identity of the Registered Representative's supervisory Broker/Dealer must appear on all materials.

Internet materials

Material used on an internet site is subject to all of the requirements of state insurance laws and regulations that apply to advertising. Anytime the New York Life name is mentioned in your internet material, you are required to send the material to New York Life for review prior to use on the site. If you use our material, you should register the site with us and have our permission to place our material on your site prior to use. The New York Life Advanced Markets Network website is available to appointed Producers who obtain a user ID and password. Our website is newyorklife.com/amn.

Language tips

- Captions or headings should disclose that the product being sold is life insurance.
- The words "life insurance policy" or "life insurance plan" should be used to identify a particular policy; the word "plan" by itself should not be used.
- Premiums should be called "premiums," **not** "deposits" or "contributions."
- Cash value should not be called "net equity" or similar term(s). Cash value itself should not be described as "savings" or a "savings plan."
- Materials may not identify life insurance as a "savings plan," "investment plan" or retirement plan."
- Death benefits or cash values that are **not** guaranteed should not be described as "guaranteed."
- Materials may not describe the policy as a tax-advantaged plan or the like without specifying that it is a life insurance policy.
- Materials should describe the cash value accumulation as tax-deferred, rather than tax-free.
- There should be no implication that a dividend is a "return on investment" nor that dividends are guaranteed.

Estate and Business Insurance Needs Analyses

When you prepare personalized planning documents for clients, and include the New York Life name or a New York Life product, any materials that mention New York Life must be submitted for review prior to use. You may submit materials to us through one of three ways:

1. Submit a copy of each document to be shown to potential customers.
2. If you use a common document format for certain clients or certain types of clients, you may wish to submit for review and approval a 'template' of that format prior to use. After the template is approved, you may use it for individual cases without further review, provided the template is not changed. The only allowable changes should be the information data specific to a client's name and specific policy number. Approved templates in which only the numbers specific to the policy are changed need only be kept in the client file for future inspection.
3. If your planning document separates the insurance proposal(s) into a separate document, and the New York Life name does not appear in the planning document, then only the insurance proposal needs to be reviewed and approved by New York Life compliance prior to use.

Whichever method you use, you should retain a copy of all documents used in the client file for potential review.

Tax and Legal Advice Caveat

Only insurance options may be "recommended." Non-insurance alternatives may be noted for purposes of discussion with the client's legal and financial advisors. When presenting complex financial concepts, the following caveat is necessary to clarify your role in the process:

New York Life and its representatives are primarily in the business of helping customers meet their current and future financial goals. They are not in the business of giving legal or tax advice. Prospects and clients should seek that type of advice from the appropriate professionals. Or:

This is an analysis of possible tax consequences. The actual taxation depends on a number of factors, and tax laws do change. New York Life is not in the business of providing legal or tax advice. Please consult other professional advisors for any specific legal, tax, or accounting advice.

Financial information

Any financial information used must be the most recent annual statutory figures available. Use either New York Life figures or consolidated figures for New York Life Insurance Company and New York Life Insurance and Annuity Corporation (NYLIAC) with a separate footnote for each consolidated figure showing the separate figure for each Company/Corporation. Surplus figures must be disclosed as well. In a variable sale, consolidated numbers may be used only if NYLIAC numbers are also presented separately.

Please contact us for the current text of the required disclosure.

Ratings information

All third-party ratings should be current, accurate, and specify the basis of the rating by the agencies and indicate source and date:

A.M. Best	(For financial strength)	A++
Moody's	(For financial strength)	Aaa
Standard and Poor's	(For financial strength)	AA+
Fitch	(For financial strength)	AAA

The above ratings are for both NYLIAC and New York Life Insurance Company.
Source: Independent third-party rating agency commentaries as of 8/9/2016.

Ratings published by firms such as A.M. Best refer only to the financial strength and/or claims paying ability of the Company/Corporation. Ratings may not be used as an indicator of fund performance in a variable product and if ratings are referenced in variable product material, the following disclosure needs to be included:

“Ratings apply only to the account, which is backed by assets in the general account of New York Life Insurance and Annuity Corporation (a Delaware Corporation) and not to the performance of the variable investment options which will fluctuate with market conditions.”

Ratings by firms such as A.M. Best may not be used in relation to variable products at all in the state of Arizona.

Illustrations

Approved Producers will be provided software to illustrate New York Life products; access to this software may not be given to others. Producers may illustrate only those products that they are authorized to sell. Variable product illustrations must also have approval by the Producer's Broker-Dealer.

Private Placement Life Insurance

There are additional rules and restrictions for the sale of NYLIAC private placement life insurance products. Producers who qualify to offer these products and whose broker-dealers have executed a Placement Agreement will receive a copy of the special procedures and rules relating to these products. Only illustrations approved by New York Life may be used.

PROMOTIONAL ADVERTISING

Advanced Markets Network Producers may use the New York Life name in promotional advertising in any materials with defined and limited circulation, i.e., in house brochures and circulars intended for distribution to prospective and existing customers, letters mailed to specific target groups in the high-income market that we serve, or generic materials that describe the services or products offered, with prior approval from New York Life. Broad advertising in media directed at the general public or general professional lists is prohibited.

Contracted Advanced Markets Network General Agents may solicit existing Producers or prospective Producers whom they expect to qualify for a New York Life Advanced Markets Network contract. Please make every effort to ensure that any such pieces are *not sent* to New York Life career agents or managers.

All materials that mention New York Life must be submitted to New York Life for approval prior to use. When submitting an advertising piece to New York Life for approval, please explain the intended audience, how the piece will be used and how it will be distributed. Include any additional materials that will accompany the piece, such as a cover letter or any other attachments.

If you include New York Life in a list with other carriers, place an asterisk after New York Life and note “*For Approved Producers Only.”

TELEMARKETING/DO NOT CALL

You are required to comply with all applicable telemarketing/do not call rules. The Federal Communications Commission ("FCC"), the Federal Trade Commission ("FTC"), the SEC, FINRA, and many states have rules governing telephone solicitations, known as “Do-Not-Call” rules, (“DNC”). These rules are intended to protect the public from telephone-solicitation abuses. These rules prohibit you from using the telephone to solicit business if a consumer's residential or wireless telephone number appears on the National DNC list or a state specific DNC list, unless otherwise noted.

CAN-SPAM ACT of 2003

The Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 and the rules adopted to implement the Act (“CAN_SPAM”) have important implications for those who communicate with clients and prospects using email. CAN-SPAM is intended primarily to prevent commercial emails that are designed to mislead or deceive recipients. It also imposes certain obligations on legitimate users of commercial email, such as providing recipients with a means to “opt out” of receiving future emails. Violations of CAN-SPAM can result in both civil and criminal penalties for you and your Employer. You are required to comply with the CAN_SPAM rules.

JUNK FAX

Based on the Junk Fax Prevention Act of 2005 and state laws, you are prohibited from sending unsolicited advertisements to facsimile machines with respect to any matter that may directly or indirectly relate to New York Life, its affiliates, or products. An “unsolicited advertisement” includes “any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person’s prior express invitation or permission, in writing or otherwise”. You are also prohibited from hiring or engaging the services of any vendor or third party to send any unsolicited faxes that may directly or indirectly relate to New York Life, its affiliates, or products. Finally, non-Agents, such as secretaries, sales assistants, and licensed/registered service assistants, are prohibited from transmitting unsolicited advertisements to fax machines, on your behalf.

FILE MAINTENANCE

Producers are required to maintain complete and accurate files for all cases involving New York Life products. A complete and accurate file will enable you to better service your customers and will serve as your first line of protection against inappropriate or wrongful complaints or legal claims. It is important to build the file from your first contact with the prospective customers since it can be difficult or impossible to reconstruct the file years later when questions arise or a complaint is received.

Each file should contain the following:

1. All sales presentations or other marketing materials used by you or shown to the customer.
2. Fact-finding tools or any other documents used to collect data and determine the customer's insurable needs and financial objectives.
3. Copies of all illustrations and/or spreadsheets used.
4. Any correspondence from New York Life that granted approval of sales material or spreadsheets used in the sale.
5. Copies of all applications.
6. Copies of any correspondence related to the customer or the case.
7. A record of dates and notes concerning substantive telephone conversations or meetings between yourself and the customer.

ADVANCED MARKETS NETWORK COMPLAINT HANDLING PROCEDURES

New York Life is dedicated to the highest level of customer satisfaction in all of its transactions. Customer complaints are to be taken very seriously and addressed promptly. In order to comply with New York Life's policy of promptly addressing customer complaints, please note the following guidelines.

- A complaint is defined as any written or verbal communication primarily expressing a grievance or dissatisfaction with a company action or service. All complaints, written or verbal, are to be forwarded immediately to New York Life to allow us to record them in the complaint log and to immediately follow up on the complaint.
- Begin to complete the Producer Statement Worksheet.
- Create a statement in narrative form and forward immediately to New York Life.
- Review your client/case file, ensure that you have copies of all sales materials used in the sale, and copies of all illustrations or spreadsheets shared with the client.
- Keep New York Life informed of any new developments concerning the original complaint (if the client brings or threatens suit or broadens the scope of the complaint).

New York Life will work with you to resolve the complaint as quickly as possible.

All materials relating to customer complaints are kept by the Corporate Compliance Department in a central records area in the Company's Home Office. The Company has an obligation to maintain a central tracking of all customer complaints.

PRODUCER STATEMENT WORKSHEET

Use this worksheet to prepare an outline for your statement. After completing this information, create a statement in narrative form and forward both to New York Life.

Producer Name: _____ Code #: _____

Insured Name: _____ Policy #: _____

Policyowner: _____

Date complaint received: _____

Respond to each allegation. If more than one, please provide full details for each allegation.

Allegation 1:

Response 1:

Allegation 2:

Response 2:

Allegation 3:

Response 3:

Specifically Address the Following

Are you the original (writing) or servicing BGA?

If you shared this case with any other Producer(s), please name:

How did this person become your client? (Referral, cold call, direct mail response, existing client)?

Describe the Sale

Upon which need was the sale based?

What sales system(s) or needs analysis was used in this sale?

Describe the funding methods you discussed.

What sales materials, illustrations, and or spreadsheets were used?

Were there any changes to the policy after issuance? Please describe:

Other comments:

Include photocopies of any related documentation that will be helpful in resolving the complaint.

- Fact finder
- Original illustrations
- Client correspondence
- Policy delivery receipt
- Telephone or contact logs
- Any other pertinent information