National Life Group®

National Life Insurance Company®
Life Insurance Company of the Southwest®

Agent Guidelines* for Navigating Advertising Compliance on Fixed Life Insurance & Annuities

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It is no secret that financial services are one of the most highly regulated industries in the world. Creating engaging and effective advertisements while following the rules may seem daunting, but it does not have to be. At National Life Group ("NLG" or the "Company") we have an Advertising Guidance team ("AGT") that is here to help you navigate the complexities and help you protect yourself, consumers, and NLG. Contact the AGT with questions at AGT@nationallife.com or call (802) 229-3129.

The purpose of these Guidelines is to provide advertising and social media guidelines to life insurance agents appointed with NLG and its issuing companies, Life Insurance Company of the Southwest ("LSW") and National Life Insurance Company ("NLIC"). These guidelines are specific to fixed life insurance and annuity materials and are not intended to be exhaustive. **Note:** NLG does not currently promote variable life insurance or variable annuity products.

*Additional guidelines for Equity Services, Inc. ("ESI") Registered Representatives ("RRs") and Investment Adviser Representatives ("IARs") can be found in ESI's Written Supervisory Procedures ("WSPs") on the Agent Portal. Registered Representatives of another broker/dealer should refer to their broker/dealer's compliance area for more information on how to comply with advertising obligations.

Overview of Advertising at NLG

Advertising Definition

Advertisements (also known as 'sales material') are important tools to help clients learn about NLG. To aid in the sales process, NLG has pre-approved advertisements available on the Agent Portal of its website. On the home page in the Tools section, click on the Marketing Resources tile to access these materials.

Advertisements are simply defined as materials designed to:

- Create interest in:
  - Life insurance or annuities;
  - NLG, LSW, or NLIC; and/or
  - An agent or agency.
- Induce the public[1] to purchase, change, reinstate, take a loan or withdrawal, surrender, replace, or retain a policy.

Types of materials that are considered advertisements include:

- Printed material (mailings, brochures, booklets, form letters);
- Published material (billboards, newspaper or magazine ads);
- Electronic material (emails, websites, webpages, microsites, podcasts, social media sites);
- Audiovisual material (radio or television scripts, recorded interviews, podcasts);
- Descriptive literature and sales aids **of all kinds**;
- Training materials for the education of agents or agencies; and/or
- Prepared sales talks, presentations, illustrations.

AGT Compliance Prior Review & Approval Requirements

Not all advertising is subject to NLG compliance review and approval before you use it. Advertisements including the following content **requires** prior review and approval by AGT:

- References to NLG, LSW, or NLIC: this includes ratings, features, history, images, logos, etc.;
- Mentions of LSW or NLIC products (directly or by implication), or other information specific to us, such as:
  - Product features and riders unique to the LSW or NLIC
    - Our critical injury accelerated benefit rider ("ABR");
    - Our Alzheimer's rider;
    - Our fertility rider; and/or
    - Any rider referred to by the Company's 'unique' name, such as:
      - The Lifetime Income Benefit Rider ("LIBR")
      - The Guaranteed Lifetime Income Rider ("GLIR")
- Illustrations
- Advertising used to sell retirement products in one of the Company's K-12 403(b)/457(b) school plans, even if the Company or the Company's products are not mentioned.
- Advertising in which the **intent** is to specifically create interest in LSW or NLIC products and features, even if the Company is not mentioned.

[1] The term "public" is used to reference individuals or entities that do not hold a state insurance license. The public may include prospective or existing insureds or policy owners.

As always, if you have questions on whether your material meets the definition of advertising or if it requires prior review and approval, contact the AGT at AGT@nationallife.com or call (802) 229-3129.

Advertising Submissions

For all advertising materials that require prior review and approval, submissions are made to the AGT through the **AdTrax** system available on the Agent Portal of NLG's website. AdTrax training and resource materials are also available on the home page of the Agent Portal – from the Tools section, click the Compliance tile and then the Advertising/Social Media link where the advertising resources are listed.

Regulatory Requirements Impacting Advertising

Advertising requirements are set by state insurance regulators to protect consumers. Per regulations, NLG is responsible for **all** advertisements, including advertisements created by its agents, when certain parameters apply. At NLG, our goal is to provide you with the information you need to help you understand these requirements as you communicate with the public. Specific advertising requirements are embedded within multiple regulations and laws including, but not limited to:

- Agent Licensing
- Advertisements of Life Insurance & Annuities
- Fair Competition
- Unfair Trade Practices
- Suitability & Best Interest
- Life Insurance Disclosure
- Annuity Disclosure
- Illustrations
- Accelerated Benefits
- U.S. Copyright

State regulators also require insurers, such as NLG, to maintain a system of control over the content, form, and method of dissemination of its advertisements. The AGT will maintain this system of control by maintaining files of all advertisements submitted to NLG for approval by Company employees or its agents. These files may be subject to regulatory review and a copy of all approvals received must be retained in those files for a minimum of the current date plus six (6) years[2].

Non-compliance with NLG advertising procedures or any applicable laws or regulations may result in agent disciplinary action up to, and including:

- Training or re-training;
- Additional monitoring of sales, websites, social media sites;
- Adjustment of commissions or other compensation;
- Issuance of a verbal or written disciplinary warning;
- Assessment of a monetary fine; and/or
- Termination of NLG contract and appointment(s), up to and including, termination for cause.

[2] Advertising record retention requirements are applicable to insurance companies only and vary by state. If an agent has submitted advertising material to the Company for review and approval, they do not need to maintain a copy. If the advertising material has not been submitted because it is unrelated to NLG, the Company recommends the agent determine an internal record retention standard that fits with their business model.

Three Things to Consider When Creating Advertisements

When creating content, three things to consider are:

1. **Who is your audience?** Identifying your target audience is arguably the most important step when creating a single advertising piece or a whole campaign. Knowing your audience will help in the development of your content. If your advertisement requires the Company's prior review and approval (as defined above), a more detailed footnote on audience identification may also need to be added. Be clear on who your intended audience is by selecting the correct option:

    a. Internal Use Only (only applicable to NLG Home Office employees, agents should not use) – The piece/content may only be shared with other NLG Home Office employees.
    b. Recruiting Use Only – The piece/content may only be shared with individuals who are being recruited.
    c. Agent Use Only – The piece/content may only be shared with individuals who are appointed agents with LSW or NLIC.
    d. Registered Representative Use Only – The piece/content may only be shared with RRs registered with ESI.
    e. Registered Representative/Investment Adviser Representative Use Only – The piece/content may only be shared with RRs and IARs with ESI.
    f. Investment Adviser Representative Use Only – The piece/content may only be shared with IARs with ESI.
    g. Financial Professional Use Only – The piece/content may only be shared with financial professionals such as Certified Public Accountants ("CPAs", attorneys, or others in the financial services field – even if they are not agents or RRs).
    h. Broker-Dealer Use Only – The piece/content may only be shared with individuals registered with ESI.
    i. Not For Use with the Public – The piece/content may not be shared with anyone that is a customer or a potential customer. The word "Public" means any individuals or entities that do not hold a state insurance license (including customers and potential customers) and individuals who are not an appointed agent with LSW or NLIC, or a RR/IAR with ESI.

2. **How are you going to share your content and how often?** Before you dive into creating the actual advertisement, you will also want to determine how you are going to share it and how often. For instance, will the advertisement be in print, online, or will it be a video? Is the piece meant to be used one time only, or do you want to be able to use it multiple times? These facts are also important information to provide in the AdTrax submission.

3. **What are you trying to say?** This is the intent/purpose behind the message you want to convey to the audience you have identified. For instance, do you want to educate, recruit, or provide information on the products and services you offer? The following are some basic guidelines to apply to your content as you develop it:

    a. Be truthful;
    b. Be creative, unique, and memorable;
    c. Be clear, concise, and consistent – simple is better as it is more easily remembered;
    d. Word choice matters – one word could change the perceived intent of the entire piece; and
    e. Make it professional – do not underestimate the use of good grammar and spelling as they can enhance the power of graphics and art.

General Advertising Guidelines

The following guidelines are general and apply to all forms of advertising and are required by regulations. Product-specific and specific types of advertising are provided in separate sections below.

- Always be truthful, accurate, complete, and not misleading in your facts, or implications. Even omissions may be considered misleading.
    - Advertising content should not lead a person of 'reasonable' intelligence to any false conclusions.
- Be fair and balanced with statements. Include the risks, as well as the benefits of a product or strategy.
    - Avoid exaggeration or over-promising on future results – this includes 'guaranteeing' or implying future results are guaranteed.
    - Past performance is not a guarantee of future results and should be identified as such.
        - Avoid predictions or projections on topics such as the market, interest rates, or where prices are heading – stick to the facts as found in history.
    - Refrain from "absolute" terminology. Refer to the General Advertising Words/Phrases to Avoid section below for examples.
- Keep content professional.
    - Avoid making disparaging comments about other insurance companies, agents, products, services, or methods of marketing.
        - This includes statements or materials that defame, abuse, stalk, threaten, or infringe on the rights of another or are bigoted, hateful, or offensive.
        - Refrain from making statements or using materials that contain vulgar, obscene, profane, or otherwise objectionable language or images.
        - Do not make statements or use materials that encourage criminal conduct or that would give rise to civil liability or otherwise violate the law in any jurisdiction, including securities laws or regulations, or revealing non-public information.
- Use current statistics and properly source them (do not source by using a URL as they quickly become outdated), include the name of the article and/or the entity providing the source, and the date. "Current" is defined as published within three (3) years.
- Be aware of using material that may be copyrighted.
    - Do not use unauthorized copyrighted material or any other material that infringes on the intellectual property rights, rights of privacy, or publicity of another, including logos of competitors.
- If you are not securities-registered with ESI or another broker/dealer, you may not mention, discuss, or recommend products or transactions (including replacements) in investments, advisory services, securities*, or the markets.
    - If you are only authorized as a life insurance agent (i.e., you may only sell fixed life insurance and annuity products and **<u>are not</u>** securities registered) certain descriptors/professional designations for yourself may be prohibited. Refer to the General Advertising Words/Phrases to Avoid section below for examples.

*As a reminder, variable life insurance and variable annuity products are considered securities. If the client has an existing variable product and you are not registered, you are prohibited from recommending products and transactions involving that product by securities regulations. This includes recommending the replacement of a variable product to a fixed life insurance policy or annuity contract.

Creating Advertising Using Artificial Intelligence

In the past few years, Generative Artificial Intelligence ("AI") has gained in popularity for automating tasks and solving problems more efficiently. Generative AI solutions are designed to generate human-like responses to questions or statements. One of the ways AI is being applied is to create advertising materials for fixed insurance products. For agents who struggle with creating advertisements from scratch, AI may be a useful tool to save time and deliver a better product.

However, caution should be applied when working with AI solutions as the technology is still relatively new and the integrity within the solution is only as good as the data that was fed into it. The following guidelines should be applied to any advertising content created using Generative AI. Before you upload content or input data elements into AI, consider the following and ask questions:

- Data Privacy & Security
  - Does what I am uploading contain any proprietary or confidential information?
  - Does what I am uploading expose me to any security risks?
- Review All Output & Practice Due Diligence
  - Is the output relevant?
  - Is the output current & accurate?
    - Statistics
    - Facts
    - Dates (current within three years)
    - Etc.
  - Does the output contain any bias?
  - Is the content ethical?
  - Are there any legal or compliance concerns with the content?
    - Copyright infringement
    - Misleading, incomplete, or deceptive content
    - Must not contain disparaging comments about other companies or individuals
    - Etc.

All advertising materials using AI must comply with applicable laws and regulations, and the Company's policies and procedures.

General Advertising Words/Phrases to Avoid

The following words and phrases are prohibited by regulations:

Advertising Guideline	Words/Phrases to Avoid	Say This Instead
Be fair and balanced with statements.	All, Never, Will, Best, Always, Guarantee, Just, Only, Merely, Necessary, Minimum, or similar words	Few, Many, Possibly, Potentially, May
Professional Designations and Titles	Adviser, Advisor, Financial Planner, Investment Advisor, Investment Adviser, Consultant, Financial Consultant, Financial Counselor	Producer, Independent Agent
Professional Services	Financial Planning, Financial Counseling	Financial Strategies, Financial Services

Please refer to the "Navigating Compliance – Say This…Don't Say That" resource for additional information. This document is located on the Agent Portal. From the Home page Tools section, click the Compliance tile and then the Advertising/Social Media link.

Fixed Insurance Product-Specific Advertising Guidelines

In addition to the General Advertising Guidelines provided above, if you create an advertisement on specific product types, additional regulations apply. Requirements include:

- Prominently describe the type of product advertised by including the words "life insurance" or "annuity". Certain words and phrases used in connection with fixed life and annuity insurance products are prohibited. Refer to the Fixed Insurance Product-Specific Advertising Words/Phrases to Avoid section below for examples.
- Do not state or imply the ownership of a policy or contract will solve financial problems, or similar terms/comparisons. This includes sales concepts like "key person" or "tax-free retirement".

Fixed Life Insurance Product-Specific Advertising Words/Phrases to Avoid

The following words and phrases are prohibited for fixed life and annuity products by regulations:

Advertising Guideline	Words/Phrases to Avoid	Say This Instead
All Fixed Insurance Product Descriptors	Investment, Investment Plan, Founder's Plan, Charter Plan, Deposit, Certificate of Deposit ("CD"), Expansion Plan, Profit(s), Profit-Sharing, Interest Plan, Private Pension Plan, Retirement Plan, College Plan, College Fund, Savings, Savings Plan, Savings Account, Bank Account, Banking, Introductory, Initial Offer, Special Offer, or similar words	Prominently describe the type of policy advertised by the words "life insurance" or "annuity
Premium/Payments/Cash Values/Contract Values/Fees	Deposit(s), Savings, Investment, Vanishing Premium, Free, No Cost, Without Cost, No Additional Cost, At No Extra Cost, Without Additional Cost, Guaranteed, Guaranteed Cost, Guaranteed Renewable, Noncancellable, Instant, or similar words	Material may specify the charge for a benefit or a service, or may state that a charge is included in the premium, or other appropriate language

Fixed Life Insurance Advertisements

If you are creating an advertisement on fixed life insurance products such as indexed universal life ("IUL") insurance, whole life insurance, or term life insurance, additional regulations apply, including the General Advertising and Fixed Insurance Product-Specific Advertising Guidelines previously provided. Requirements include:

- Prominently describe the type of product advertised by including the words "life insurance" and do not represent the policy as anything other than a "life insurance policy". Certain words and phrases used in connection with fixed life insurance products are prohibited. Refer to the Fixed Life Insurance Advertising Words/Phrases to Avoid section below for examples.
    - Do not minimize or omit the insurance features (i.e. death benefit).
- In addition to benefits or features a life insurance policy may offer, an individual must demonstrate the need for a death benefit.
    - When mentioning other features of the product (i.e. including ABRs or potential tax benefits), the death benefit must also be prominently displayed.
    - Permanent fixed life insurance (i.e. IUL or whole life) does not provide income as a policy feature. Income may be taken if there is sufficient cash value, using loans, withdrawals, or the LIBR.

- Loans and withdrawals will reduce the cash value and death benefit. If too much is taken out, the client risks lapsing the policy.
- Do not advertise life insurance solely as an accumulation vehicle.

Fixed Life Insurance Riders

- **ABRs**: Do not compare to Long-Term Care ("LTC") insurance or describe as an alternative to LTC.
- **LIBR**: The actual amount available when the LIBR is exercised will depend on how the policy has performed up to that time and whether certain conditions have been met. Any changes to the original illustration may impact the benefit. Conditions that may limit the rider from being exercised include:

    - The insured's age;
    - Number of years the policy has been in force;
    - Insufficient funding of the policy;
    - Outstanding policy loans;
    - Receipt of other policy benefits or riders that deplete the policy values; and/or
    - Suspension of income benefit, etc.

Sales Strategies Using Permanent Fixed Life Insurance Products

The Company believes the best interest of our mutual customers and clients must always be given the first and highest priority, and we conduct business according to high standards of honesty and integrity. Any sales strategies you develop or utilize should not be applied to all clients and prospective clients – everyone is unique. Always act in the client's best interest by focusing on their individual needs by putting their interests above your own and emphasizing that the sales strategy recommended is using a life insurance policy, if this is the case. Additionally, do not provide tax, legal, or estate planning advice to the client. If the prospect or client has questions on these topics, refer them to a separate Certified Public Accountant ("CPA") or an attorney.

One such sales strategy is a concept focused on maximizing and accessing policy cash value through immediate or repeated loans. As previously highlighted, the purpose of permanent fixed life insurance products is to provide a death benefit. However, one of the additional features available to IUL policyholders is the ability to take a loan against the cash value and use the money for a specific need. Soliciting and recommending a life insurance product solely based on leveraging loans is prohibited by state insurance regulations. Additionally, encouraging policyholders to use the loan and interest crediting features of life insurance by funding and then withdrawing all, or part, of the accumulated cash value shortly after making premium payments is highly risky and may be harmful and/or misleading to the client.

For awareness, the following list of risks are what a client might experience if they are systematically taking loans from their life insurance policy:

- Excessive loans and/or policy underperformance may cause the policy to lapse or be surrendered by the client.
    - This leads to loss of coverage, loss of cash value because of surrender charges, and potentially significant adverse tax consequences if there was a gain in the policy.
- Separate spreadsheets, or other documents, are sometimes created by the agent to reflect values and benefits of the proposed policy. These documents are considered 'Supplemental Illustrations' and are required to have prior review and approval by the Company before they can be used with the client.
- Clients' economic or personal situations can change, and they may not be able to continue to fund the policy to the level designed. Additionally, the client may not pay back the loan or may default on interest payments, which is **not** how life insurance is designed.

- Large deposits and early or immediate policy loans are a red flag for money laundering. These scenarios are monitored by the Company and will result in investigation and, in some cases, filing of a suspicious activity report with the Financial Crimes Enforcement Network ("FinCEN").
- A premium load is generally charged on all premium payments. The load is assessed on the total premium paid and is not reduced because of a subsequent loan.

This type of strategy may be appropriate for certain clients if they purchase the life insurance policy for the death benefit and they are aware of the potential risks, such as:

- Distributions needed during the surrender charge period;
- The requirements for ongoing funding, and
- What may happen if they do not adhere to the planned funding and withdrawal plan.

Even if this type of strategy is appropriate for a client, NLG **strictly prohibits** the use of loans from a life insurance policy to put back into the same policy as a source of premium payment.

Additional Fixed Life Insurance Advertising Words/Phrases to Avoid

In addition to the Fixed Insurance Product-Specific Advertising Words/Phrases to Avoid listed above, the following are words/phrases to avoid for fixed life insurance:

Advertising Guideline	Words/Phrases to Avoid	Say This Instead
Life Insurance Descriptors	Tax Free Retirement Plan	Prominently describe the type of policy advertised by the words "life insurance" & discuss in terms of the death benefit
ABRs	Long-Term Care, LTC, Alternative to LTC, Superior to LTC	For example: Living benefits or ABRs

Fixed Annuity Advertisements

If you are creating an advertisement for fixed annuity products, additional regulations apply, including the General Advertising and Fixed Insurance Product-Specific Advertising Guidelines previously provided. Requirements include:

- Prominently describe the type of product advertised by including the word "annuity" and do not represent the policy as anything other than an "annuity". Certain words and phrases used in connection with fixed annuity products are prohibited. Refer to the Fixed Annuity Advertising Words/Phrases to Avoid section below for examples.
- Annuities should be described as long-term products designed for retirement purposes.
    - Early withdrawals may be subject to a deferred sales charge, and it taken prior to age 59 ½ a 10% federal tax penalty may apply.
    - Money distributed from the annuity will be taxed as ordinary income in the year the money is received.
    - Account values fluctuate with market conditions and when surrendered, the principal may be worth more or less than the original amount applied.
    - The guarantees of annuity contracts are contingent on the claims-paying ability of the issuing insurance company.
    - The index strategies of fixed indexed annuities credit interest are based in part on the change in a market index.

- Indexed annuities do not directly participate in any stock or equity investments.
- Indexed annuities have withdrawal charges that are assessed during the early years of the contract if the annuity is surrendered.

Additional Fixed Annuity Advertising Words/Phrases to Avoid

In addition to the Fixed Insurance Product-Specific Advertising Words/Phrases to Avoid listed above, the following are words/phrases to avoid for fixed annuities:

Advertising Guideline	Words/Phrases to Avoid	Say This Instead
Annuity Descriptors	Mutual Fund, Funding or Accumulation Vehicle for "Investment"	Prominently describe the type of policy advertised by the words "annuity" and as a long-term product designed for retirement purposes

403(b)/457(b) Annuity Advertisements

If you are approved to sell 403(b)/457(b) products in K-12 school districts, etc., additional rules apply, including the guidance previously provided in the sections above. Do not use words, or a combination of words, symbols, physical materials etc. that reflect/suggest a connection with a governmental program or agency.

Specific Types of Advertising

The specific types of advertising covered in this section are not an exhaustive list. Other types of advertising relating to the following may have additional disclosure requirements not covered in these guidelines:

- Illustrations
- Premiums
- Non-guaranteed Elements
- Introductory, Initial or Special Offers, and Enrollment Periods

If you have questions on general, product-specific, or specific types of advertising, contact the AGT at AGT@nationallife.com or call (802) 229-3129.

Personalized Materials

Co-Branding

Agents may co-brand certain NLG-created materials available in the CoBrand OnDemand marketing system, located on the Agent Portal of the NLG website. These materials have already been approved and are a quick way to create personalized professional-looking marketing. Examples of materials that can be personalized include brochures, flyers, ads, postcards, and business cards for delivery in either print or email. The pieces go straight to the AGT for prior review and written approval – there is no need to create a separate submission. To access this system from the home page, click on the CoBrand OnDemand tile.

If you are creating your own materials and not personalizing materials available in the CoBrand OnDemand system, the agency's name may be used to co-brand these materials with NLG. However, the agency's logo may not be used

as it could create confusion about who the insurance company is. The exception to this is co-branded stationery materials (i.e., business cards) which may include both the agency logo and agency name along with NLG's logo.

NLG Approved Agent Designations & Titles

When personalizing an advertisement, agents may wish to review NLG's approved designations and titles lists to ensure the designation/title they want to use has been approved by NLG. State insurance regulators are concerned about the use of titles and designations that imply expertise without requiring extensive independent study, a proctored exam, a code of conduct, and a process for revocation. Designations that are obtained through a weekend study course or only require the agent to hold another existing designation are generally not good candidates for approval.

To access the approved designations and titles lists from the Tools section on the home page, click the Compliance tile and then the Advertising/Social Media link where the advertising resources are listed. There are two separate documents, **Agent Designations** and **Agent Titles**.

Doing Business As ("DBA") on Advertisements

A DBA is another name used for a financial services business. As a reminder, a DBA name for life insurance agents cannot imply the offer of investments, financial planning, or other products and services they do not offer.

Agents who anticipate using their DBA name of marketing that references NLG companies, products, or unique product features, or that will be used in NLG 403(b)/457(b) programs, must receive the AGT's prior review and approval of the name. If the AGT determines an agent/agency DBA name is promissory, misleading, or otherwise unsuitable, it may not be used on any NLG-related marketing.

Some state and local governments have specific rules and reporting requirements. For example, be aware that an agent whose life insurance business is going to be advertised in the State of California must obtain the Department of Insurance's ("DOI") approval of the DBA name first. Generally, California requires "Insurance Services" in the name of the DBA.

NLG may not provide legal advice on the creation of entities or interpretation of state law regarding business entities. Agents should consider consulting an attorney for questions regarding business structure, reporting, and individual state/local regulatory obligations.

Pre-Approved Marketing Materials

NLG Marketing has pre-approved materials available on the Agent Portal, such as brochures, seminars, flyers, etc. Some of these materials may be customized to include an agent's name and title (see Co-Branding section above) while others may be used without customization. Any changes to pre-approved materials, including compiling content from various pre-approved materials into a separate piece, will require AGT approval prior to use. To access these materials, find the Marketing Resources tile in the Tools section on the home page.

Electronic Advertisements

Digital Tools/Sales Systems

Agents can use certain digital programs or tools approved for use by the Company.

Sales systems that mention NLG companies or products require prior review and approval by various NLG business areas. Before signing agreements and spending money on a marketing and sales system, please review the **Marketing and Sales Systems, Tools, and Software** document on the Agent Portal to see if the system, or a similar one, is already approved. To access this document, go to the Tools section on the home page, click the Compliance tile and then the Advertising/Social Media link where the advertising resources are listed.

If a system is not listed under either the list of approved or unapproved systems, an NLG field leader should bring the system to the attention of Distribution leadership to see if it is a system they want to make available to all agents/representatives.

Email Marketing

Emails that are sent to more than one person and meet the definition of an advertisement must be reviewed and approved by the AGT prior to use. A mocked-up version of the email, along with information on the intended recipients and the agent's email signature must be included.

If the email is being sent to existing or prospective clients, the AGT will also review the email marketing to ensure it complies with the Controlling the Assault of Non-Solicited Pornography and Marketing Act ("CAN-SPAM") requirements.

Once reviewed and approved by the AGT, all intended recipient emails will need to be checked against the list of consumers who have opted out of receiving emails that reference the Company. This will help ensure compliance with CAN-SPAM regulations. The Company has a tool available for agents to use to check the list of individuals who have opted out. This tool is called **UnsubCentral** and is available on the Agent Portal. To access UnsubCentral go to the Tools section on the home page, click the Compliance tile, then the Advertising/Social Media link, then the Telemarketing and Email Solicitation link. Under the Email Marketing section you will see the UnsubCentral Email Scrubbing Tool listed.

Social Media

Advertising on social media platforms is under constant scrutiny from regulatory authorities, because of state advertising regulations, and from the public, who are on alert for potential social issues they can expose and make viral. NLG recognizes that having an active social media presence can help build valuable relationships. These guidelines have been prepared to help agents/agencies stay compliant as they use social media to forge and strengthen relationships with prospective and existing clients.

If your posts and activity on social media meet the Advertising Definition provided at the beginning of these guidelines, or you plan on sharing any NLG pre-approved content, the only social media sites approved by the Company are:

- LinkedIn Profile & Company Pages
- Facebook Business Pages
- Instagram Business
- X (non-registered agents only)
- YouTube
- WhatsApp (non-registered agents only)

There is one limited exception to the above. All non-registered agents may post/share **agency meeting notices only** (such as events hosted by the Company's field leaders) on WeChat **in English only**.

Social Media Websites

For purposes of these guidelines, social media is defined as interactive sites or postings where postings are considered real-time. Depending on the content of your post, regulators may consider it advertising. These guidelines are for life insurance agents who wish to use social media for business purposes.

*Additional guidelines for Equity Services, Inc. ("ESI") Registered Representatives and Investment Adviser Representatives can be found in ESI's Written Supervisory Procedures ("WSPs") on the Agent Portal. Registered Representatives of another broker/dealer should refer to their broker/dealer's compliance are for more information on how to comply with advertising obligations.

References to NLG (Profiles/Landing Pages)

Agents/Agencies that wish to reference NLG on their business-related social media profile or landing page may only do so by referencing their role as an independent contractor of NLG and including the name of the agency they are with.

The disclosure required for these references is:

National Life Group® (NLG) is a trade name of National Life Insurance Company (NLIC), Montpelier VT, Life Insurance Company of the Southwest (LSW), Addison TX and its affiliates. Each company is solely responsible for its own financial condition and contractual obligations. LSW is not an authorized insurer in NY and does not conduct insurance business in NY. [AGENCY NAME]'s agents are independent contractors and are not employees of any National Life Group entity.

Agents **may not** refer or infer they are an employee of NLG.

Note: If the above is the only reference to NLG on the business-related social media profile or page, it does **not** require prior review or approval. However, if the agent wishes to add anything else regarding NLG, its companies, products, or unique features/riders, it remains the agent's responsibility to submit their business-related social media profile or page **and** the content to the AGT for approval before posting.

Sharing NLG-Created Content

Agents/Agencies may share NLG-created content from NLG corporate social media websites as long as no changes are made to the content, and it is shared directly through the site's functionality. Any lead-in or introduction to the shared content must be simple and generic; it may not reference NLG companies.

Social media sites with NLG-branded content specifically for agents can be linked to the Company's corporate social sites on NLG's public website – click on X, LinkedIn, Facebook, and other social icons found at www.nationallife.com. NLG has also created Do Good versions of our social media sites that have NLG-branded content that can be shared.

Engagement Reminders When Using Social Media

Agents' engagement with content on social media can help build a strong online community as well as demonstrate support and loyalty. However, as with all conduct, agents must be aware of any impressions made because of their engagement. These guidelines serve as a baseline for consideration – additional discretion may also be needed given a particular agent's business model.

Like/Love/Share

Agents may like/love/share content posted on social media regardless of the originator, if it complies with the General Advertising Guidelines previously mentioned. Content may only be shared from the platform where it was originally posted. The "copy and paste" of a post is not considered a "share" and would be against guidelines.

Comment

If an agent chooses to comment on content posted on a social media site, the comment must be generic in nature and not reference NLG in any way (regardless of originator).

Messaging

Agents may use direct (personal) messaging/InMail messaging via social media sites. As with any electronic correspondence, messaging should be targeted to the individual and comply with all regulatory requirements for fixed life insurance and annuity products.

Endorsement/Recommendations

Agents may choose to provide or receive an endorsement for or a recommendation from individuals or businesses with whom they have a relationship or have done business. Endorsements and recommendations should be used with caution and may only reflect the true opinion of the authoring agent. Additional disclosures may be needed.

Posting of Content

Agents may post the following on their business-related social media websites:

- Non-product specific content that promotes fixed life insurance, fixed annuities, or financial services, in general (specific products and/or services **may not** be posted); and/or
- Generic posts pertaining to travel, food, holidays, etc.

NOTE: Agents/Agencies **may not** create NLG content to be posted on their social media sites.

While NLG prior review and approval is not required for the two bullet points listed above, there are additional guidelines to keep in mind:

- Postings **may not** reference or include content as specified in the AGT Compliance Prior Review & Approval Requirements section at the beginning of this document.
- Photos or videos of life insurance policy or annuity contract deliveries may be posted, as long as:
    - The client has signed a Release allowing the agent to take a photo/video and share it on social media. If a signed release exists, the client may also be tagged in the photo/video.
    - Policy numbers, bank account numbers, and/or other private client information must be obscured and not visible.
- Photos or videos of Do Good events may be posted, as long as:
    - Permission has been received to post it on social media by everyone who is in the photo/video.
- Posts must be simple and generic, such as:
    - "Another life protected with National Life Group";
    - "Another retirement enhanced with National Life Group"; or
    - "Doing Good with National Life Group".

Podcasts/Videos

Are you looking for an additional way to connect with people and promote your business? Podcasts and videos are an additional way to connect with people and promote your business. As part of their advertising toolkit, agents/agencies may want to consider creating and promoting their own podcast program or appearing on one hosted by a third-party as part of your advertising toolkit.

Business-Related Podcast Defined

A podcast is a form of social media that takes the form of digital audio/video episodes shared on the internet. Once shared on the internet, other people can download or stream your podcast. These podcasts can be used to help educate, promote, or entertain. At NLG, the AGT is here to help you with "business-related" podcasts. These are the podcasts that meet the definition of fixed life insurance and annuity advertising as defined at the beginning of these guidelines.

Whether you are hosting a podcast or appearing on one, consider the answers to these questions as your guide:

1. **What is the purpose of the podcast?** If you are appearing on a podcast program, gather as much information as you can from the host about the intent of the episode.
2. **Is the content of the podcast considered business-related?** Once you have identified the purpose/intent of the podcast, review it against the definition of "business-related".
3. **Does the podcast, or your appearance on a podcast, require prior review and approval from NLG?** Not all podcasts or podcast appearances will require prior review and approval from the AGT. Refer to the AGT Compliance Prior Review & Approval Requirements at the beginning of these guidelines to determine if your podcast needs pre-approval.

Does My Podcast Require Prior Review & Approval by NLG?

As indicated above, not all podcasts are subject to NLG prior review and approval before it is shared on the internet or before you make an appearance on one. To determine if your podcast needs pre-approval from the Company, please refer to the AGT Compliance Prior Review & Approval Requirements at the beginning of these guidelines.

If the podcast **requires** prior review and approval by the AGT, follow these steps:

1. If there is a script or an outline provided, submit it to the AGT through AdTrax. In the submission indicate all the sites you would like to use it or post it. If a script or outline is not available, provide the name of the podcast and the potential topics that will be discussed. NLG reserves the right to request edits and add disclosures that must be included in the podcast.
2. Once approval is received of the script or topics, the podcast may be recorded. A copy of the recording must then be provided to the AGT via the original AdTrax submission **prior** to use or posting to social media or a website, including a third-party site. An electronic file (.mp3, .mp4, or similar) must be provided (not a link).
    a. If the recording is posted prior to NLG's approval and the AGT is unable to approve the content, NLG reserves the right to request edits. If edits cannot be made, NLG further reserves the right to request that the podcast is removed from the sites it appears on (i.e. social media, website, etc.).
3. If you appear on a podcast where the discussion is spontaneous and you want to use that podcast afterward, submit an electronic file of the recording to the AGT through AdTrax for review and prior approval.

The following podcasts **do not require** prior review and approval by the AGT:

1. Generic (not product or company specific) Content/Topics:

a. The importance of having fixed life insurance or annuity products;
b. The benefits a permanent life insurance policy can provide – assuming there is a need for life insurance;
c. Riders that may be attached to fixed life insurance or annuity products;
    i. *Generic* references to NLG proprietary riders may be mentioned if the discussion does not detail how the riders' work; and/or
d. That annuities are long-term products designed for retirement purposes and that any guarantees made by annuities are contingent on the claims-paying ability of the issuing insurance company.

General Guidelines for Podcast Appearances

In addition to the Guidelines listed above, the following are to help navigate podcast appearances and stay compliant with fixed life insurance and annuity regulations.

Overall Guidelines for All Podcast Appearances

1. If the interviewer asks a question or makes a statement about life insurance, annuities, or riders that you are not sure is factual, say you will have to check into it. Do not agree with something you do not know is current or accurate.
2. If doing a video podcast, do not use misleading or promissory images. Examples of misleading or promissory images include, but are not limited to, stacks of money, pot of gold, golden eggs in a nest, stock market graph showing upward trending, etc.

NLG & Insurance Guidelines for Podcast Appearances

1. NLG is not licensed to issue products. Only LSW and NLIC issue products ensure this is clear.
2. If discussing how long the Company has been in business, ensure appropriate context is provided (i.e., NLIC is over 175 years old, NLG is not).
3. Avoid disparaging competitors.
4. Avoid promissory references (i.e., promising any future performance/results).
5. Statements made should be fair and balanced, avoid exaggeration or implied guarantees.
6. In addition to benefits or features a life insurance policy may offer, an individual must demonstrate the need for a death benefit. It is unsuitable and against insurance regulations to sell life insurance solely as an accumulation vehicle or for the ABRs alone.
7. "Financial Planning" is an advisory service offered by IARs of ESI, not by NLG, LSW, NLIC or insurance agents who are not registered with ESI.
8. Fixed life insurance products do not provide income as a policy feature. Income may be taken if there is sufficient cash value, using loans, withdrawals, or the LIBR. Loans and withdrawals will reduce the cash value and death benefit, and if too much is taken out, the client risks lapsing the policy.
9. ABRs, or living benefit riders, cannot be compared in any way to LTC insurance, or as an alternative to LTC insurance. Additional disclosures are also required for ABRs – please indicate on the AdTrax submission if ABRs are expected to be a topic of discussion.
10. Fixed life insurance and annuities should never be referred to, or compared with, an investment, directly or indirectly.

Disclosures for Third-Party or Agent Created Podcasts

The Company's general rule is that disclosures are visually displayed on the podcast for a minimum of 3-5 seconds at the beginning or end, on the website where the podcast appears, or are verbally read at the end of the podcast. For

podcasts that meet the requirements for prior review and approval and in addition to any required insurance, risk and agent-specific identification and disclosures, some of the following disclosures may also need to appear:

1. This podcast is presented by [INSERT NAME], the opinions and views expressed are those of the host and participants and do not necessarily reflect National Life Group's views on the topics discussed. This podcast is for informational purposes only and is not to be construed as an offer to sell, or the solicitation of an offer to buy, a fixed life insurance or annuity product in any state where such offer or solicitation would be illegal. Any unauthorized use is prohibited.
2. National Life Group® is not responsible for, and does not endorse the content, advertising, products, advice, opinions, recommendations, or other materials on or available from this podcast. National Life Group® is not responsible for the terms of use, privacy, or security policies at this or other third-party sites that may be linked to by this appearance. Use any third-party sites or materials at your own risk.
3. Images, trademarks, service marks, logos, and icons displayed on this podcast or website, and on National Life Group's® pages on any third-party website, and these sites' contents are the property of National Life Group® and may not be used without their prior written consent. Any unauthorized use may violate copyright laws, trademark laws, privacy, and/or publicity laws, regulations, or statutes.
4. National Life Group® is a trade name of National Life Insurance Company ("NLIC"), Montpelier VT, Life Insurance Company of the Southwest ("LSW"), Addison TX, and its affiliates. Each company is solely responsible for its own financial condition and contractual obligations. LSW is not an authorized insurer in NY and does not conduct insurance business in NY. NLIC and LSW are product providers only and do not give advice or make recommendations regarding investments, insurance, or annuity products. The companies of National Life Group® and their representatives do not offer tax or legal advice.
5. This podcast was recorded on MM/DD/YYYY. TCXXXXXXX(MMYY)X

Foreign Language Advertising

While NLG's applications, illustrations, and product contracts are only available in English, certain generic insurance advertisements may be translated. Product-specific insurance advertisements may not be translated.

If the material created meets the definition of an advertisement and the intent is to translate it into another language, the English version must receive prior review and approval by the AGT. Upon approval of the English version, the translated version must then be submitted for prior review and approval, along with a certificate of translation from an independent party (outside of NLG).

Advertising to Senior Citizens

Target marketing (crafting a message so it speaks directly to a specific market segment) may be an effective way of building a business. But when a target market includes senior citizens or retirees (defined as an individual 65 years of age or older in most jurisdictions), a high degree of caution and consideration for the audience will need to be exercised. This is because state and federal regulators continue to increase oversight in this market.

Regulators have noted that seminars aimed at retirees present unique challenges. Many states have adopted senior protection regulations. While the directives included in such regulations typically apply to solicitations aimed at customers of any age, it is important to be particularly vigilant about providing fair and balanced sales information to seniors. It is important to be familiar with the requirements in the state(s) where business is conducted.

Resources

The Compliance page of the Agent Portal has multiple resources available to all agents. To access, go to the Tools section on the home page, click the Compliance tile. From there you can navigate through the various resources to find the guidance you are looking for. Check back often for new resources!

If there are additional questions on these Agent Guidelines for Navigating Advertising Compliance on Fixed Life Insurance and Annuities, the AGT is here to help. Contact the team at AGT@nationallife.com or call (802) 229-3129.