



TARGETED MARKET CONDUCT REPORT ON EXAMINATION

OF THE

JACKSON NATIONAL LIFE INSURANCE COMPANY

OF NEW YORK

AS OF DECEMBER 31, 2020

EXAMINER:

HUGHROY MIGHTY

DATE OF REPORT:

JULY 26, 2022

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KATHY HOCHUL
Governor



ADRIENNE A. HARRIS
Superintendent

August 16, 2022

Honorable Adrienne A. Harris
Superintendent of Financial Services
New York, New York 10004

Dear Adrienne A. Harris:

In accordance with instructions contained in Appointment No. 32357 dated March 3, 2022, and annexed hereto, an examination has been made into the condition and affairs of Jackson National Life Insurance Company of New York, hereinafter referred to as “the Company”. The Company’s home office is located at 2900 Westchester Avenue, Suite 305, Purchase, NY 10577. Due to the COVID-19 pandemic, the examination was conducted remotely.

Wherever “Department” appears in this report, it refers to the New York State Department of Financial Services.

The report indicating the results of this examination is respectfully submitted.

1. SCOPE OF EXAMINATION

This examination covers the period from January 1, 2019, to December 31, 2020.

The examination comprised a review of the Company's electronic application process and related market conduct activities.

This report on examination is confined to comments on matters which involve departure from laws, regulations or rules, or which require explanation or description.

2. DESCRIPTION OF COMPANY

A. History

The Company was incorporated as a stock life insurance company under the laws of the State of New York on July 11, 1995, under the name First Jackson National Life Insurance Company, and commenced business on August 16, 1996.

The Company formally adopted its present name effective September 26, 1997. Initial resources of \$486,961,580 consisting of common capital stock of \$2,000,000 and paid in and contributed surplus of \$484,961,580, were provided through the sale of 2,000 shares of common stock (with a par value of \$1,000 each) for \$243,480.79 per share.

B. Territory and Plan of Operation

The Company is authorized to write life insurance, annuities, and accident and health insurance as defined in paragraphs 1, 2 and 3 of Section 1113(a) of the New York Insurance Law.

The Company is licensed to transact business in three states, namely Delaware, Michigan, and New York. In 2020, 87.8% of life premiums and 97.9% of annuity considerations were received from New York. Policies are written on a non-participating basis.

The following tables show the percentage of direct premiums received, by state, and by major lines of business for the year 2020:

<u>Life Insurance Premiums</u>		<u>Annuity Considerations</u>	
New York	87.8%	New York	97.9%
New Jersey	3.0	Florida	0.6
Florida	2.4	New Jersey	0.5
Georgia	1.5	Delaware	0.1
Pennsylvania	<u>1.2</u>	North Carolina	<u>0.1</u>
Subtotal	96.0%	Subtotal	99.3%
All others	<u>4.0</u>	All others	<u>0.7</u>
Total	<u>100.0%</u>	Total	<u>100.0%</u>

The Company primarily writes individual variable deferred annuities and a modest amount of individual fixed deferred annuities. Effective September 15, 2006, the Company stopped accepting new applications for life insurance.

The Company distributes its products in New York through independent producers. The Company has a general distributor agreement with Jackson National Life Distributors, LLC (“JNLD”) by which it distributes its insurance and variable annuity products through five distribution channels: Banks, JNLD Independent Registered, Wire Houses, Independent Registered Investment Advisor Platform and Insurance Agents, and JNLD Guaranteed.

3. MARKET CONDUCT ACTIVITIES

The examiner reviewed various elements of the Company's electronic application processes for life insurance and annuities to determine compliance with applicable statutes and regulations and the operating rules of the Company.

A. Advertising and Sales Activities

The examiner reviewed a sample of the Company's sales activities of the agency force including trade practices, solicitation and the replacement of insurance policies as part of the Company's electronic application process review.

Based upon the sample reviewed, no significant findings were noted.

B. Underwriting and Policy Forms

The examiner reviewed a sample of new underwriting files, both issued and declined, and the applicable policy forms as part of the Company's electronic application process review.

Based upon the sample reviewed, no significant findings were noted.

C. Option to Opt-Out

The examiner verified that the applicants had an opportunity to opt out of the electronic process as required by Section 309 of the New York State Technology Law.

Respectfully submitted,

Hughroy Mighty

Hughroy Mighty
Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF NEW YORK)

Hughroy Mighty, being duly sworn, deposes and says that the foregoing report, subscribed by him,
is true to the best of his knowledge and belief.

Hughroy Mighty

Hughroy Mighty

Subscribed and sworn to before me
this 8th day of September 2022
Audrey Hall

AUDREY HALL
Notary Public, State of New York
No. 01HA6274900
Qualified in Kings County
Commission Expires January 28, 2025

Respectfully submitted,

_____/s/
Courtney Williams
Principal Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF NEW YORK)

Courtney Williams, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

_____/s/
Courtney Williams

Subscribed and sworn to before me
this _____ day of _____

APPOINTMENT NO. 32357

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

I, ADRIENNE A. HARRIS, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:

HUGHROY MIGHTY

as a proper person to examine the affairs of the
JACKSON NATIONAL LIFE INSURANCE COMPANY OF NEW YORK
and to make a report to me in writing of the condition of said
COMPANY

with such other information as he shall deem requisite.

*In Witness Whereof, I have hereunto subscribed my name
and affixed the official Seal of the Department
at the City of New York*

this 3rd day of March, 2022

*ADRIENNE A. HARRIS
Superintendent of Financial Services*

By:

Mark McLeod

*MARK MCLEOD
DEPUTY CHIEF - LIFE BUREAU*

