

Frequently Asked Questions (FAQs)

Novation of Certain Equitable Annuity Contracts & Life Insurance Policies

Answers below are to address questions you may have regarding the novation announcement. If your questions are not addressed here, we encourage you to reach out to your Key Account Representative for additional clarifications.

FAQ	Response
<p>1. What is Novation?</p>	<ul style="list-style-type: none"> ▪ Novation means replacing one of the parties in a two-way agreement (like an annuity contract or life insurance policy) with another party. In our case, Equitable Financial Life Insurance Company (Equitable Financial) will be replaced as the issuer in the contract/policy between Equitable Financial and the contract/policy owner. With the consent of the contract/policy owner where applicable, the replacement company will become the insurer of the contract/policy and will assume all the rights, obligations, and liabilities under the terms of the contract/policy.
<p>2. Which company will replace Equitable Financial as the insurer of a novated contract?</p>	<ul style="list-style-type: none"> ▪ Depending on the block of inforce contracts, Equitable Financial will be replaced by: <ul style="list-style-type: none"> – Equitable Financial Life Insurance Company of America (“Equitable America”): our insurance legal entity domiciled in Arizona and wholly-owned by Equitable Holdings, the parent company of Equitable Financial¹; or – Equitable Financial Life and Annuity Company (“Equitable Colorado”)²: our insurance legal entity domiciled in Colorado and wholly-owned by Equitable Holdings¹; or – Venerable Insurance and Annuity Company (“VIAC”): an insurance legal entity domiciled in Iowa and wholly-owned by Venerable Holdings (“Venerable”), the company with which we engaged in our \$12bn reinsurance transaction in 2021 and in which Equitable Holdings has a 9.9% stake. VIAC specializes in variable annuity inforce management and administration, and in addition to its own annuity block of business, it currently administers policies issued by other insurance entities.
<p>3. How will an FP know which of his/her clients are affected?</p>	<ul style="list-style-type: none"> ▪ Closer to the client mailing in 2024, FPs can log on to www.equitable.com and navigate to the reports section of his/her “book of business” for a detailed list of contracts he/she services that are in scope for novation. The list will be refreshed periodically.
<p>4. How will clients be informed of the novation?</p>	<ul style="list-style-type: none"> ▪ The novation offer will be mailed to clients in each approved jurisdiction starting in 2024. In certain jurisdictions, there will be subsequent follow-up mailings. ▪ The mailing will include: <ol style="list-style-type: none"> 1. Client notice of transfer with details of the offer 2. Opt-in or Opt-out response forms (where applicable) 3. Summary Prospectus and a Prospectus Supplement for the variable annuity products issued by Equitable Financial 4. Exchange Offer Prospectus Supplement for the variable annuity products issued by VIAC 5. Financial information on the replacement company ▪ For contracts and policies that will be novated, the contract/policy holder will receive a “Certificate of Assumption” that will append his or her annuity contract or life insurance policy as applicable. ▪ For contracts being novated to VIAC, the contract owners will also receive a “Welcome

¹ The obligations of Equitable Financial, Equitable America and Equitable Colorado are backed solely by their respective claims-paying abilities.

² “Equitable Colorado” is used here to refer specifically and exclusively to Equitable Financial Life and Annuity Company, domiciled in Colorado with administrative offices in Charlotte, NC.

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EQUITABLE

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	<p>Package” from VIAC upon acceptance of the offer.</p> <ul style="list-style-type: none"> ▪ Samples of the client mailing package will be shared with you closer to the client mailing date in 2024.
<p>5. Does novation require consent of the contract/policy owner?</p>	<ul style="list-style-type: none"> ▪ Depending on the jurisdiction and the replacement insurance entity, there will be different client consent requirements: <ul style="list-style-type: none"> – <i>Opt-in</i>: clients in certain states will receive a novation offer letter and need to mail back via the enclosed response form an acceptance of the offer to be novated. If the client does not respond, the contract/policy will not be novated. – <i>Opt-out</i>: in other states, the client will receive a novation offer letter indicating that the contract/policy will be novated by default, unless the client mails back via the enclosed response form a rejection of the offer. – <i>Automatic</i>: for contracts being novated to Equitable America in certain jurisdictions, the client will receive a notification letter indicating that the contract/policy will be novated. There is no action the client may take. ▪ The consent requirements applicable to each jurisdiction and replacement company is as follows: State Consent Requirements
<p>6. When will the novation become effective?</p>	<ul style="list-style-type: none"> ▪ The novation will be implemented in 3 waves estimated to occur in 2025, 2026 and 2027.
<p>7. Are there product changes in connection with the novation?</p>	<ul style="list-style-type: none"> ▪ No. All features and benefits applicable to the respective contracts will operate as stated in the contracts.
<p>8. Will there be any changes to Contract/Policy Forms?</p>	<ul style="list-style-type: none"> ▪ Equitable America & Equitable Colorado: There will be no changes to the contract/policy forms as of the novation date. When a contract is novated, the contract/policy owner will receive a “Certificate of Assumption” that will append their annuity contract or life insurance policy as applicable. Contracts will not be re-issued. ▪ VIAC: When contracts are novated to VIAC, VIAC will issue a Certificate of Assumption with a new contract number and VIAC will be the insurer without any changes to the features and benefits as of the novation date.
<p>9. Will there be prospectus changes?</p>	<ul style="list-style-type: none"> ▪ Yes. A prospectus supplement and a summary prospectus will accompany the offer. ▪ After a contract is novated to Equitable America or Equitable Colorado, contract/policy owners will begin to receive co-branded inforce prospectuses. ▪ After a contract is novated to VIAC, contract owners will begin to receive inforce prospectus from VIAC.
<p>10. Will there be changes to service forms?</p>	<ul style="list-style-type: none"> ▪ For contracts novated to Equitable America and Equitable Colorado, service forms will be co-branded and will be updated to reflect the appropriate service centers. ▪ For contracts novated to VIAC, new service forms from VIAC will be made available.



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<p>11. How will Service Support be maintained on novated contracts?</p>	<ul style="list-style-type: none"> ▪ Equitable America and Equitable Colorado: <ul style="list-style-type: none"> – Contracts/policies novated to Equitable America and Equitable Colorado will continue to be administered by Equitable Service Centers. – The Equitable Distributors Sales Desk will continue to support financial professionals (FPs) regardless of novation. ▪ VIAC: <ul style="list-style-type: none"> – Contracts novated to VIAC will be administered and supported by the Venerable Customer Experience Center at www.venerable.com or by calling 800-366-0066.³ Prior to novation, the Venerable Customer Experience Center will not be able to assist with contracts. – Note that if you service this block, you may be required to either update your current selling and service agreements with VIAC or enter into a new agreement if you do not currently have one. Prior to novation, VIAC will send you information on how to establish or renew your agreement with them. ▪ All Novations: <ul style="list-style-type: none"> – When we begin to mail client communications, we will increase the number of customer service representatives available to address client inquiries regarding the novation transaction and ensure a seamless transition.
<p>12. What are the licensing & appointment requirements?</p>	<ul style="list-style-type: none"> ▪ Equitable America: All FPs who have sold at least one variable annuity since January 1, 2019, are already appointed with Equitable America and nothing further is required after a contract serviced by the FP is novated to Equitable America. For FPs servicing novated contracts who do not fall into the above category, appointments will be on an “as needed” basis. ▪ Equitable Colorado & VIAC: All contracts in scope for novation to Equitable Colorado or VIAC no longer accept additional contributions in most jurisdictions and do not require an appointment for the FP servicing such contracts. For FPs in jurisdictions where contributions are permitted into the contract, appointments will be on an “as needed” basis.
<p>13. Will CUSIP updates be required for the novated products?</p>	<ul style="list-style-type: none"> ▪ New CUSIPs will be required for each product being novated and will be different for VIAC, Equitable Colorado and Equitable America. ▪ For contracts being novated to Equitable America and Equitable Colorado, new CUSIP numbers will be provided by the end of the third quarter in 2023. We will work with you in the testing process to ensure a smooth implementation. ▪ For contracts being novated to VIAC, they will work with you on the implementation of CUSIPs and DTCC feeds.
<p>14. Will FPs continue to receive trail commissions?</p>	<ul style="list-style-type: none"> ▪ Any trail commission payments will remain unchanged for the corresponding products regardless of whether contracts are novated to VIAC, Equitable America or Equitable Colorado. ▪ Note that for contracts novated to VIAC, the payor will change from Equitable Advisors or Equitable Distributors to Directed Services LLC. If you service this block, you may be required to either update your current selling and service agreements with VIAC or enter into a new

³Digital solutions are at the cornerstone of Venerable’s service strategy, allowing for an enriched experience and prompt service response times for distributors and customers. An easy-to-use web-portal allows for book of business and account management, including use of pre-populated forms and a variety of other financial and non-financial transactions. This dynamic portal is coupled with a robust notification process that can be customized to individual needs. Venerable’s service teams are also equipped with knowledge management tools that provide quick access to customer and distributor account details, allowing for more effective interactions.

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	agreement if you do not currently have one.
15. Will the firm continue to receive any applicable Marketing Allowance?	<ul style="list-style-type: none"> ▪ Any applicable Marketing Allowance will remain unchanged. Note that for contracts novated to VIAC, the payor will change from Equitable Advisors or Equitable Distributors to Directed Services LLC. ▪ For contracts novated to VIAC, in the event of the discontinuance of any applicable Marketing Allowance by VIAC, Equitable will make such payments on behalf of VIAC.
16. Are there filings with any regulatory agencies?	<ul style="list-style-type: none"> ▪ Yes; The transaction will be filed for approval with the New York State Department of Financial Services and the insurance departments of Arizona, Colorado, and Iowa (the domiciliary states of Equitable America, Equitable Colorado and VIAC, respectively). ▪ After approval in the domiciliary states, it will be filed for approval in all other states. ▪ The transaction will also be filed with the Securities and Exchange Commission (SEC) for the variable annuity products.
17. What is the impact on clients who are currently taking recurring distributions from their contracts?	<ul style="list-style-type: none"> ▪ There will be no impact to recurring distributions that are being taken out of contracts. ▪ For contracts novated to Equitable America and Equitable Colorado, distributions will be made according to the existing cadence and paid in the manner as requested by the contract owner. ▪ For contracts novated to VIAC, distributions will continue to be made according to the existing cadence and paid in the manner as originally requested by the contract owner. However, the payor of the distributed amount will now be VIAC instead of Equitable Financial.
18. How will the client's tax forms be impacted for distributions taken during the year of novation?	<ul style="list-style-type: none"> ▪ Equitable America & Equitable Colorado: Contracts novated to Equitable America or Equitable Colorado may receive 2 of each of the required tax forms: one from Equitable Financial for any distributions taken while the contract was insured by Equitable Financial, and one from either Equitable America or Equitable Colorado (as applicable) for any distributions taken after the novation. ▪ VIAC: Contracts novated to VIAC may receive 2 of each of the required tax forms: one from Equitable Financial for any distributions taken while the contract was insured by Equitable Financial, and one from VIAC for any distributions taken after the novation.
19. How will novated contracts be shown in an FP's book of business?	<ul style="list-style-type: none"> ▪ Equitable America & Equitable Colorado: Contracts novated to Equitable America or Equitable Colorado will continue to be accessible in the "book of business" platform for FPs. There will be no change in the contract details shown in the "book of business". ▪ VIAC: Details of contracts novated to VIAC will no longer be accessible in the FPs "book of business" at www.equitable.com. Instead, for 90 days after the novation, there will be a notice in the FP's book of business indicating that the contract has been novated to VIAC.
20. How will VIAC novated contracts be accessible on the Venerable platform?	<ul style="list-style-type: none"> ▪ FPs with an existing book of business under VIAC will continue to have web portal access and novated contracts will be accessible through that portal. ▪ FPs that are new to VIAC will be provided detailed instructions for gaining web portal access to manage novated accounts at the time of the novation. ▪ The VIAC portal will continue to offer dynamic solutions to users, including pre-populated forms and a variety of self-service options for financial and non-financial transactions.

