

IRC - SECTION 72(Q) SUBSTANTIALLY EQUAL PERIODIC PAYMENTS – ENROLLMENT FORM FOR NON-QUALIFIED ANNUITY CONTRACTS ONLY

To establish a series of Substantially Equal Periodic Payments (soSEPP), on your non-qualified annuity contract, please complete this form and return Pages 1-4 to Reliance Standard Life Insurance Company (“RSL”) using one of the methods below. **If you do not provide pages 1-4 to RSL, your request will not be processed until pages 1-4 are received.**



EMAIL TO:
inforceannuities@rsl.com



FAX TO:
267.256.4713



MAIL TO:
Reliance Standard – Retirement Services
1700 Market Street, Suite 1200
Philadelphia, PA 19103

QUESTIONS? Call Customer Care at 1.800.435.7775

Most withdrawals from non-qualified annuities are subject to a 10% penalty tax on any withdrawal made prior to age 59 ½, unless an exception applies. Reliance Standard Life does not give tax advice and recommends that you consult with your own personal tax advisor regarding any tax questions concerning the effect of any withdrawal from your non-qualified annuity.

One exception to the 10% penalty tax is when withdrawals are made pursuant to a plan of “Substantially Equal Periodic Payments” also referred to as “SEPP”. SEPP withdrawals made prior to age 59 ½ may be excepted from the 10% penalty tax under certain conditions:

1. The periodic payment is calculated in accordance with IRS guidelines, and
2. Payments continue until the later of 5 years or the date the Owner attains age 59 1/2, and
3. The payment amount is not changed or modified during the SEPP payment period, and
4. No other withdrawals or other distributions can be taken from the account at any time during the SEPP distribution period

Provided these conditions are met, the Owner will not be subject to the 10% penalty tax on distributions prior to age 59 ½. If the conditions are not met, the 10% penalty tax will apply. If a change is made or payments are discontinued before IRS regulations permit, an additional 10% penalty tax will retroactively be imposed on all prior SEPP withdrawals and interest penalties will be incurred on the retroactive penalty tax.

The information provided should not be solely relied upon as it is based on currently available information that is subject to change. Reliance Standard Life does not give tax advice and recommends that you consult with your own personal tax advisor regarding any tax questions concerning the effect of any withdrawal from your non-qualified plans.

Reliance Standard Life calculates the 72(q) withdrawal amounts in accordance with IRS regulations. There are three methods used to calculate SEPP withdrawal amounts:

1. **Minimum Required Distribution Method** – Payments are calculated by dividing the previous year-end account value by the life expectancy factor from the IRS table. Payments are recalculated every January 1st
2. **The Amortization Method** – Payments are calculated using an interest rate of no more than 120% of the Federal Mid-Term Rate for either of the two months immediately preceding the month of the first SEPP withdrawal and IRS single or joint life expectancy tables. Payments remain the same under this method and are not recalculated.
3. **The Annuitization Method** – Payments are calculated from an annuitization factor that is calculated by using no more than 120% of the Federal Mid-Term Rate for either of the two months immediately preceding the month of the first SEPP withdrawal and IRS single or joint life expectancy tables. Payments remain the same under this method and are not recalculated.

SEPP amounts that Reliance Standard Life believes exceed the amounts allowed by IRS guidelines will be coded as “premature distributions” on the Owner’s 1099R form.

Contract Number _____

If additional security has been requested, you must indicate the PIN here in order for the transaction to be processed. _____

SECTION 1 | Contract Owner Information

First Name _____ MI _____ Last Name _____

Entity/Trust Name _____

SSN/TIN _____ Email Address _____ Phone Number _____

Mailing Address* _____

City _____ State _____ Zip _____

*Required if mailing address is a PO Box:

Street Address _____

City _____ State _____ Zip _____

SECTION 2 | SEPP Payment Election

This SEPP payment was calculated using the (select one method, provide the payment amount for the method selected and select the appropriate life expectancy table):

- Minimum Required Distribution Method – Payment Amount: \$ _____
- Single Life Expectancy Table
 - Uniform (Joint) Life Expectancy Table
- Amortization Method – Payment Amount: \$ _____
- Single Life Expectancy Table
 - Uniform (Joint) Life Expectancy Table
- Annuitization Method – Payment Amount: \$ _____
- Single Life Expectancy Table
 - Uniform (Joint) Life Expectancy Table

SECTION 3 | Tax Withholding

For Federal Income Tax Withholding (Only select one option):

Withdrawals received from an annuity contract are subject to federal tax withholding at a rate of 10%. Withholding only applies to the portion of the disbursement that is taxable. You may elect not to have taxes withheld by completing IRS form W-4P for reoccurring payments. Federal income tax of 10% will be withheld from the taxable portion of each payment if no election is made.

- I do not want federal income tax withheld from my payment.
- Please withhold the default rate of 10% for federal income tax.
- Please use the enclosed W-4P for federal income tax withholding.
- This form is accessible through the IRS.gov website.

Not withholding federal taxes or not withholding sufficient federal taxes may impact the need for you to pay estimated taxes. You are responsible for the payment of estimated taxes as indicated by the IRS on forms W-4P. Please consult a tax advisor regarding tax withholding as it pertains to your individual situation.

For State Income Tax Withholding (Only select one option):

Please refer to the "Withholding Election & Important Tax Notification" in the instructions section of this form regarding specific state withholding information.

- I do not want state income tax withheld from my payment.
- Please withhold _____% or \$ _____ state income tax from my payment.

SECTION 4 | Incoming 72(q) Program with Other Financial Institution

You may transfer your non-qualified annuity that is in SEPP distribution mode to RSL. Please complete the following section if you are transferring an listing SEPP distribution program to RSL

Original SEPP Distribution Start Date (MM/DD/YYYY) _____ SEPP Distribution Mode: _____

SEPP Calculation Method _____ SEPP Distribution Amount _____

SECTION 5 | One Time Switch From Amortization/Annuitization to Minimum Distribution Method

IRS regulations (Revenue Ruling 2002-62) allow any Owner who began taking out SEPP from their non-qualified annuity contract under the Amortization or Annuitization methods to make a one-time switch to the Minimum Required Distribution Method. By checking the box below, you are requesting that RSL switch the calculation of your SEPP amount from the Amortization or Annuitization method to the Minimum Required Distribution method:

Switch from Amortization/ Annuitization method to Minimum Required Distribution method effective: _____

SECTION 6 | Payment Method (Only select one option)

Please send my payment

Monthly Quarterly Semi-annually Annually

Select how you would like your withdrawal sent to you from the options below. If no option is selected, a check payable to you will be sent to your address of record by regular mail.

- Address of Record
- EFT – To provide faster access to your money, we will deposit your money directly in your bank account using Electronic Funds Transfer (EFT).
- Use existing instructions already on file with RSL.
- Use the bank information provided below. Any existing bank information on file with RSL will be updated using the information provided below.

Account Name (as it appears on the account)	Bank Name
Routing Number (Bottom left of check):	Account Number (Bottom center of check):

Type of account: (Your name must appear on the account in order to process your request.)

- Checking - Please attach a voided check for the listed account.
- Savings - Please include a bank statement for the listed account.

Name of Account → Joe Smith 1234
123 Any Street
Any City, US 12345 Date _____

Pay to the order of _____ \$ _____ Dollars

Bank Name → ABC Bank
PO Box 111
Any City, US 11111

Memo _____

:107198557: 11111111 1234

↑ ↑ ↑
Transit /ABA No. Checking Account Number Check Number

Please note when selecting EFT:

- RSL will use third party software to assist in validating the bank account information provided. If RSL is unable to authenticate your account information, your payments will be sent to your address of record via regular mail.
- A copy of a voided check, account statement, or signed letter by a bank officer is required to verify the information provided.
- Funds can only be deposited into a bank account with the same owner information as the RSL annuity contract. Jointly owned contracts must have both owners listed on the bank account.
- Payments cannot be made to third parties, a power of attorney, or to the trustee of a trust.
- These instructions will apply to all Reliance Standard annuity contracts owned by the same person and will remain in effect until RSL is instructed to replace this information.

SECTION 7 | You must complete this Section. Read this section IN ITS ENTIRETY before signing.

- I certify that the contract number shown on this form is my contract number. I further certify that this contract is neither assigned nor pledged as collateral to any other person or corporation and that no proceedings in bankruptcy or insolvency, voluntary or involuntary have been instituted by or against the owner(s) and that the owner(s) is (are) not under guardianship or any legal disability.
- If direct deposit applies, by completing the direct deposit section of this form, and by my signature, below, I hereby authorize RSL to deposit withdrawals from the annuity contract listed in the owner information section of this form to the bank account specified. In the event an overpayment(s) should be credited to my account, I hereby authorize RSL to initiate, if necessary, debit entries and adjustments for any credit entries.
- I am personally responsible for any income tax implications of my election. I understand that if I make an unscheduled withdrawal from this contract or surrender this contract prior to completing five full years of payments or attaining age 59 ½, whichever is later, payments will lose their exemption under IRC Section 72(q) or Section 72(t), as applicable, and I will be liable for the 10% Federal tax penalty, as well as interest and penalties, on all past distributions I have received under this election. Payments under this program will also cease.
- Any withdrawal that exceeds the penalty free amount in any calendar year will cause all amounts withdrawn in that calendar year to be subject to any applicable Market Value Adjustment and Surrender Charges.

If you are a U.S. Citizen, complete the information below. Under penalties of perjury, I certify that as a U.S. Citizen or U.S. Resident Contract Owner:

- The social security number shown on this form is my correct social security number or taxpayer identification number; and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding because of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or U.S. resident for tax purposes.

Check this box if the IRS has advised you are subject to backup withholding.

Check this box if you are a Non-U.S. Citizen and include a signed IRS Form W-8 BEN instead of agreeing to this certification.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Contract Owner Signature I am not married Signature Date (MM/DD/YYYY)
_____ / ____ / _____

Signature of Spouse when owner and/or any joint owner reside in a community property state (AZ, CA, ID, LA, NM, NV, TX, WA, WI).

Contract Owner Spouse Signature Signature Date (MM/DD/YYYY)
_____ / ____ / _____

In order to sign on behalf of the owner, proper legal documentation must be on file with RSL. Please include the documentation if it has not already been provided to RSL. If we do not have the correct documentation, we will be unable to process our request until it is received. Please select the capacity in which you are signing on behalf of the owner below.

Power of Attorney Guardian Conservator

Signature (If applicable) Signature Date (MM/DD/YYYY)
_____ / ____ / _____