



FARMERS LIFE INSURANCE COMPANY

Non-Spousal Inherited IRA Information Form

Must accompany the annuity application.

DISCLOSURE AND INSTRUCTIONS FOR COMPLETING THE INDIVIDUAL ANNUITY APPLICATION

This document is intended only to provide general information. Farmers Life Insurance Company does not provide tax or legal advice. It is important to consult your tax or legal advisor to determine how your Beneficiary designations affect your financial and estate-planning concerns. Please consult a legal or tax advisor for additional information.

The Owner must identify either the original Beneficiary, or the Beneficiary of the original Beneficiary. The "Complete Name" field must provide the applicant's name, the original Owner's name and Date of Death.

- Example, Original Owner: Jane Doe, Beneficiary - John Doe, Bene of Jane Doe, deceased 5/7/2017. If the applicant is the Beneficiary of the original Beneficiary, the original Beneficiary's name must be provided.
• Example - Deceased Beneficiary of original Owner: John Doe. Current Beneficiary: Jimmy Doe, Bene of John Doe, deceased 2/25/2021*

The Annuitant must be the current individual Beneficiary's name.

- Example - Annuitant of Farmers Life Insurance Company Contract: Jimmy Doe

*If the death of the original Beneficiary occurred on or after 1/1/2020, the original Owner's information is not required, since Required Minimum Distributions (RMDs) will be based on the deceased original Beneficiary's (John's) age.

1. Annuitant of Farmers Life Insurance Company Contract

Form fields for Annuitant information: Name of current annuitant, SSN, Date of birth, Phone number, Relationship to deceased, Street address, City, State, ZIP, Email address, State(s) in which taxes are filed.

2. Deceased IRA Owner's Information

Form fields for Deceased IRA Owner's Information: Name of deceased owner, Deceased owner date of birth, Deceased owner date of death.

3. Verification

To proceed with a Farmers Life Insurance Company Non-Spousal Inherited IRA, the deceased owner date of death must be on or after 1/1/2020.

The terms Stretch IRA and Inherited IRA are used to determine a Beneficiary's eligibility to elect specific payment options as determined under the Internal Revenue Code. Please carefully review the definitions and requirements below to ensure eligibility for a Non-Spousal Inherited IRA, as **Farmers Life Insurance Company does not offer a Stretch IRA option.**

Ineligible Beneficiary – Non-Spousal Inherited IRA

To elect an Inherited IRA, you **must meet the criteria for an Ineligible Beneficiary.** (Choose one)

- Adult child of the deceased IRA owner
- Relative of the deceased IRA owner
- Other

If you are a 1) Spouse of the deceased IRA Owner, 2) Disabled person, 3) Chronically Ill person or 4) Individual not more than 10 years younger than the original IRA Owner, you are an Eligible Beneficiary and **MAY NOT** elect the Non-Spousal Inherited IRA option.

- I UNDERSTAND** that if the deceased had reached their Required Beginning Date (RBD) for Required Minimum Distributions (RMDs), annual required distributions must continue. Furthermore, I understand the entire proceeds must be distributed or taxed by December 31st of the tenth calendar year following the year of the IRA Owner's death and distributions in excess of the RMD may incur Surrender Charges and/or Market Value Adjustment, which will reduce proceeds.

4. Beneficiary Information

A. I am the original Beneficiary

B. I am the Beneficiary of a Beneficiary:

Percentage of original Contract Inherited _____ %.

Name of deceased beneficiary

SSN of deceased beneficiary

Deceased beneficiary date of birth

Deceased beneficiary date of death

Relationship of first Beneficiary to Deceased Owner Spouse Other _____

Previous Contract IRA Plan Type Traditional/SEP/SIMPLE Roth – Original Roth Effective Year _____

Note: ROTH IRAs can be accepted, but separate tax laws apply. Please consult a tax advisor for more information.

December 31 Value of the Previous Contract \$ _____ .

- A. I **have** taken the Required Minimum Distribution (RMD) for the current year.
- B. I **have not** taken the Required Minimum Distribution (RMD) for the current year.
- C. The deceased had not reached their Required Beginning Date and an RMD is not required.



5. RMD Frequency, Distribution Method and Payment Date*

Frequency Annually Semi-Annually Quarterly Monthly (Monthly payments are only available through ACH and require an Electronic Funds Deposit Authorization form.)

Distribution Method Check Direct Deposit (Please complete the Electronic Funds Deposit Authorization form.)

First Payment Date ____/____/____ (MM/DD/YYYY)

Checks and electronic fund transfers (EFTs) are processed from the 1st through the 25th of each month.

Subsequent payments will be generated on the same day, depending on the frequency of the payment. If this day is not a business day, the payment will be generated on the next business day.

*The payment must be at least \$100.00. If distribution is requested by direct deposit, please fill out the Electronic Funds Deposit Authorization Form.

Systematic payments will be reduced by any withdrawals taken from the annuity contract during the same calendar year. Systematic payments are intended to satisfy the RMD for this annuity contract for the current year IF no withdrawals from the annuity contract were direct transferred to another Inherited IRA. If any such direct transfers occurred, then Inherited IRA systematic payments will be insufficient to satisfy the RMD for this annuity contract.

RMD payments are made to the Owner and cannot be rolled over or direct transferred.

6. Income Tax Withholding

Federal Withholding Please check one (If no election is made, federal income tax will be withheld.)

Federal withholding applies to the taxable portion of any payment made from your annuity contract. Your withholding rate is determined by the type of payment you receive.

Nonperiodic Payments

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate apply by submitting IRS Form W-4R (Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions) and entering a rate between 1% and 100%. You may also choose to not have federal withholding apply.
- For an eligible rollover distribution, the default withholding rate is 20%. You can choose a rate greater than 20% by submitting IRS Form W-4R, but you may not choose a rate less than 20%.
- Generally, you can't choose federal withholding less than 10% for payments to be delivered outside the United States and its territories.

Please check one

- Do not withhold federal income tax.
- Withhold at the applicable default rate of 10% or 20% as defined above.
- Withhold another amount \$_____, or _____ %.
- Withhold federal income tax based upon the submitted **Form W-4R**.

You can access **Form W-4R** (Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions) [here](#) and on the IRS website at [IRS.gov](#).



State Withholding

If you reside in the US, your state of residence may require or permit us to withhold state income tax. Some states may require you to use specific state forms. If you do not use the proper form or otherwise fail to properly communicate your withholding choice to us, we may withhold in accordance with state default withholding rules. It is your responsibility to determine any applicable state forms that may be required and to provide them to us.

- If your state allows voluntary withholding, you may be able to choose a state withholding rate that differs from the default rate or you may choose not to have state withholding apply.
- No state tax withholding will be taken for states where withholding is not available.
- If your state requires withholding at an amount greater than that indicated below, we will withhold the amount required by your state.
- State specific tax withholding requirements are subject to change at any time. Please consult a tax preparer or your state Department of Revenue for more information.

Please check one

- Do not withhold. I live in a state that allows me to opt out.
- Withhold the amount required by law.
- Withhold another amount \$ _____, or _____ %.

Additional Withholding Information:

If you elect not to have withholding apply to your distribution, or if you do not have enough tax withheld, you may be responsible for payment of estimated tax. You may also be subject to tax penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

7. Certification of Taxpayer Identification Number

Under penalties of perjury, I certify that:

1. The Social Security Number or Taxpayer Identification Number shown on this form is correct (or I am waiting for a number to be issued to me), and;
2. 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 as a result 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;
3. I am a U.S. citizen or other U.S. person (as defined in the General Instructions of IRS Form W-9).

Certification Instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your return.



8. Owner Acknowledgement and Signature Authorization

I am personally responsible for any income tax implications of my election.

I HAVE READ, UNDERSTOOD AND AGREED to the Inherited IRA Terms and Conditions. I AUTHORIZE Farmers Life Insurance Company to process this election.

By signing below, I acknowledge that I understand the costs and features of the annuity I am purchasing. In addition, I acknowledge the information I provided in this form is complete and accurate to the best of my knowledge. I further acknowledge that Farmers Life Insurance Company and its representatives do not offer legal or tax advice. I have been advised to consult my personal tax advisor or lawyer with any questions or concerns. I believe the annuity I am applying for is suitable based on my insurance needs and financial objectives.

Signature of owner

Date signed

Please mail or fax this completed form to the following:

Regular Mail: P.O. Box 21538, Oklahoma City, OK 73156

Express Mail: 13931 Quail Pointe Dr., Oklahoma City, OK 73134

Fax: 580.255.0951

