

## **Free Withdrawal and RMD Policy for Fixed Annuities EquiTrust Life Insurance Company**

### **DURING THE FIRST CONTRACT YEAR**

Interest withdrawals are available without surrender charge or Market Value Adjustment (MVA), and interest must be taken systematically via EFT to qualify. This applies to all EquiTrust products except SmartBoost™ Index.

#### *SmartBoost Index*

Interest withdrawals from the fixed account are not penalty-free in the first contract year.

### **AFTER THE FIRST CONTRACT YEAR**

#### *Fixed index annuities (except SmartBoost Index)*

- Up to 10% of the Accumulation Value on the previous contract anniversary may be withdrawn without surrender charge or MVA.
- Interest withdrawals taken after the first contract year reduce the 10% free amount available.
- Crediting accounts may be specified for all withdrawals, except interest only.
- Free withdrawals may be requested by check (\$250 minimum per request), or taken systematically by EFT (monthly, quarterly, semiannually or annually).

#### *SmartBoost Index*

- After the first contract year, 7% of the initial premium amount may be withdrawn each contract year without surrender charge or MVA, either systematically or as a single withdrawal.
- Surrender charges and MVA apply to withdrawals in excess of the penalty-free amount.
- With the exception of RMDs, withdrawals in excess of the free withdrawal amount will proportionately and permanently reduce future free withdrawals.

#### *Multi-year guarantee annuities*

- Certainty Select® base contract allows free withdrawals of cumulative interest only.

### **REQUIRED MINIMUM DISTRIBUTIONS (RMDs) FROM QUALIFIED CONTRACTS**

- RMD refers to the total annual Required Minimum Distribution for the individual EquiTrust annuity contract.
- By current company practice, RMDs are available without surrender charge or MVA on all products, even if the RMD exceeds the contractual free amount.
- The RMD withdrawn will reduce the free amount available.
- Only one penalty-free RMD is available each contract year, unless the remaining free amount allows for additional RMDs.
- For indexed contracts, crediting accounts may be specified for RMDs.
- RMDs may be requested by check (\$250 minimum per request), or taken systematically by EFT (monthly, quarterly, semiannually or annually).

#### *SmartBoost Index*

- RMDs are considered free withdrawals and are calculated as a percentage of the Vested Enhanced Accumulation Value.

### **SYSTEMATIC WITHDRAWALS**

Only one systematic program may be established for a contract. For example, systematic RMDs cannot be combined with systematic interest withdrawals.