

# INHERITED/STRETCH IRA INFORMATION FORM

(MUST ACCOMPANY THE ANNUITY APPLICATION  
OR ANNUITY CLAIM FORM)

## EquiTrust Life Insurance Company®

7100 Westown Parkway, Suite 200  
West Des Moines, Iowa 50266-2521  
(866) 598-3692 Fax: (515) 226-5103

[www.EquiTrust.com](http://www.EquiTrust.com)

Mailing Address: PO Box 14500  
Des Moines, Iowa 50306-3500

### DISCLOSURE AND INSTRUCTIONS FOR COMPLETING THE INDIVIDUAL ANNUITY APPLICATION

This document is intended only to provide general information. EquiTrust 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 (Annuity Application Section B) 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 (Annuity Application Section A) must be the current individual Beneficiary's name.

- Example - Annuitant of EquiTrust 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 EQUITRUST CONTRACT

Current Annuitant Name	Social Security Number	State(s) in Which Taxes are Filed (REQUIRED)
Date of Birth	Telephone Number	Relationship to Deceased
Full Address		
Email Address		

### 2. DECEASED IRA OWNER'S INFORMATION

Deceased Owner	
Deceased Owner Date of Birth	Deceased Owner Date of Death

### 3. ELECTION

A. ☐ Deceased Owner Date of Death prior to 1/1/2020 (Proceed to Section 4)

B. ☐ Deceased Owner Date of Death 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. Your election is dependent upon Beneficiary eligibility as determined under the Internal Revenue Code. Please carefully review the definitions and requirements below prior to making an election.

i. **ELIGIBLE BENEFICIARY - STRETCH IRA**

To be considered an Eligible Beneficiary, you must meet one of the criteria listed below. If you do, you must take annual Required Minimum Distributions (RMDs) as defined by current income tax regulations.

I **do** meet the criteria for Eligible Beneficiary as stated below and am electing a **STRETCH IRA**. (Choose one)

- ☐ Spouse of the deceased IRA Owner
- ☐ Disabled person
- ☐ Chronically Ill person
- ☐ Individual not more than 10 years younger than the original IRA Owner

ii. **INELIGIBLE BENEFICIARY - INHERITED IRA**

If you do not meet the criteria above, you are an Ineligible Beneficiary.

- ☐ I **do not** meet the criteria for Eligible Beneficiary as stated and am electing an **INHERITED IRA**. 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 31<sup>st</sup> 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

Percentage of original Contract Inherited \_\_\_\_\_ %

B. ☐ I am the Beneficiary of a Beneficiary:

Percentage of original Contract Inherited \_\_\_\_\_

Deceased Beneficiary's Name \_\_\_\_\_

Deceased Beneficiary's Date of Birth \_\_\_\_\_

Deceased Beneficiary's Date of Death \_\_\_\_\_

Deceased Beneficiary's Social Security Number \_\_\_\_\_

Relationship of first Beneficiary to Deceased Owner ☐ Spouse ☐ Other \_\_\_\_\_

\*If you are the Beneficiary of a Beneficiary and the Date of Death is on or after 1/1/2020, Stretch IRA is not available, and your Contract will be issued as an Inherited IRA.

Previous Contract IRA Plan Type ☐ Traditional/SEP/SIMPLE ☐ Roth – Original Roth Effective Year \_\_\_\_\_

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. ☐ (Inherited IRA/Ineligible Beneficiaries only) – The deceased had not reached their Required Beginning Date and an RMD is not required. – **Proceed to Section 7**

## 5. RMD START DATE AND FREQUENCY (SYSTEMATIC PAYMENTS)

**Note:**

- To ensure prompt and accurate processing, we strongly recommend using Electronic Funds Transfer (EFT) for all payment frequencies. For frequency options other than Annual, EFT is required. An Automatic Deposit Authorization Form (ET-2513) is attached for your convenience.
- The electronic transfer of funds may take 2-3 business days to reach your account once funds are released from our office. This processing time is dependent on your bank.
- The minimum EFT amount is \$25.00

Please specify the month, day (1st-28th), and the year of the First Payment: \_\_\_\_/\_\_\_\_/\_\_\_\_ (please allow at least 15 days from the Contract issue date)

**Select payment frequency:** ☐ Monthly ☐ Quarterly ☐ Semi-Annual ☐ Annual

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 Stretch/Inherited IRA. If any such direct transfers occurred, then Stretch/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. TAX WITHHOLDING ELECTION (REQUIRED)

### Federal Income Tax Withholding Information:

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.

#### **(select one option only):**

- ☐ Do not withhold federal income tax from my payment.
- ☐ Withhold federal income tax at the applicable default rate of 10% or 20% as defined above.
- ☐ Withhold federal income tax based upon the submitted **Form W-4R**.
- ☐ Withhold at the rate of \_\_\_\_\_% or withhold the flat amount of \$\_\_\_\_\_.
- You can access **Form W-4R** (*Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions*) [here](#) and on the IRS website at **IRS.gov**.

**NOTE: If you do not make a proper withholding election with your request, we will withhold for federal income tax at the mandatory rate required under law. You may be able to claim a credit for any amounts withheld when you file your tax return with the IRS.**

### State Income Tax Withholding Information:

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.

#### **(select one option only):**

- ☐ Do not withhold state income tax from my payment (if allowed).
- ☐ Withhold state income tax at the default rate applicable for my state.
- ☐ Withhold state income tax at \_\_\_\_\_% (if allowed).
- ☐ Withhold state income tax for the flat dollar amount of \$\_\_\_\_\_ (if allowed)

### 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 number shown on this form is my correct Taxpayer Identification Number (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 U.S. resident for tax purposes.

**NOTE: The IRS does not require your consent to any provision of this document other than the certification above.**

## 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 Stretch/Inherited IRA Terms and Conditions. I **AUTHORIZE** EquiTrust 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 EquiTrust 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.

Owner Signature

Date

**AUTOMATIC DEPOSIT  
AUTHORIZATION AGREEMENT**

**EquiTrust Life Insurance Company®**

7100 Westown Parkway, Suite 200  
West Des Moines, Iowa 50266-2521  
(866) 598-3692 Fax: (515) 226-5101  
[www.EquiTrust.com](http://www.EquiTrust.com)

Mailing Address: PO Box 14500  
Des Moines, Iowa 50306-3500

**NOTE: Only one bank account may be on file per client. If automatic deposit is already established, use this form only to revise or update bank account information.**

**1. OWNER INFORMATION – Please print**

Contract/Policy Number	
Owner	Joint Owner (if any)
Owner Social Security Number	Joint Owner Social Security Number
Owner Telephone No. (REQUIRED)	Joint Owner Telephone No. (REQUIRED)
Email Address	State(s) in Which Taxes are Filed (REQUIRED)

**AGREEMENT**

I hereby authorize EquiTrust to make direct deposits to my account and for the bank named below to accept these deposits. I also authorize EquiTrust to make withdrawals from this account if a credit entry is made in error.

This authority is to remain in force until EquiTrust has written notification from me of its termination in such time and in such manner as to afford EquiTrust a reasonable opportunity to act on it.

**2. BANK ACCOUNT INFORMATION**

Name of Bank Account Owner (as it appears on the account)		Name of Joint Bank Account Owner (as it appears on the account)	
Account Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings <b><u>Must be a checking or savings account. Money Market or Brokerage accounts are not accepted.</u></b>			
Bank Name			
Street Address		City	State
			Zip
Bank Routing Number (9 digits)		Bank Account Number	
<b>SIGNATURE(S) (REQUIRED)</b>			
Bank Account Owner Signature	Date	Joint Bank Account Owner Signature	Date
EquiTrust Owner Signature		EquiTrust Joint Owner Signature	

**IMPORTANT NOTES**

- Distributions greater than \$50,000 will be distributed via check.
- The electronic transfer of funds may take 2-3 business days to reach your account once funds are released from our office and is subject to your bank processing time.
- Lump Sum death claim elections are not eligible for automatic deposits.