

This form is used to request Annual Income payments under the Rising Income Rider of your Contract.

Refer to the Guide to Understanding the Income Election Form for additional details.

Note the following:

- The Covered Person and Joint Covered Person (if applicable) must be at least 55 years old.
- Withdrawals in excess of your Annual Income amount may reduce future Annual Income payments.

Section 1: Contract Owner Information - *Select only one*

Contract Number _____

☐ **Natural Owner (e.g. an individual)**

If the Contract is owned by a Natural Owner, the Owner is the Covered Person.

Owner Name _____ ☐ **Male** ☐ **Female**
First MI Last

Social Security Number/Tax I.D. Number _____ **Date of Birth** _____
(mm/dd/yyyy)

Primary Phone Number _____ **Secondary Phone Number** _____

OR

☐ **Non-Natural Owner (e.g. a trust)**

If the Contract is owned by a Non-Natural Owner, the Annuitant is the Covered Person.

Owner Name _____
Entity Name

Tax I.D. Number/EIN _____ **Date Entity was Established** _____
(mm/dd/yyyy)

Covered Person Name _____ ☐ **Male** ☐ **Female**
First MI Last

Social Security Number/Tax I.D. Number _____ **Date of Birth** _____
(mm/dd/yyyy)

Primary Phone Number _____ **Secondary Phone Number** _____

Section 2: Payout Information - *Select only one*

☐ **Single Life Payout**

OR

☐ **Joint Life Payout** (Joint Covered Person must be the spouse of the Covered Person)

Joint Covered Person Name _____ ☐ **Male** ☐ **Female**
First MI Last

Social Security Number/Tax I.D. Number _____ **Date of Birth** _____
(mm/dd/yyyy)

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Section 3: Rising Income Rider Options

Income Start Date (must be between the 1st and 28th of the month) _____
(mm/dd/yyyy)

The Income Start Date cannot be more than thirty (30) days after the date on which you submit your Income Election Form.

If the Income Start Date is not specified, Annual Income payments will begin on the date this form is processed.

The Income Start Date is the date the payment will be processed. Allow at least three business days after processing to receive the payment.

Frequency of income payment (select one) ☐ Monthly ☐ Quarterly ☐ Semiannually ☐ Annually

Select one income payment option below:

☐ **Maximum Annual Income with the Income Power Election (available only on Non-qualified contracts)**

- Each Annual Income payment is comprised of a return of a portion of your Cost Basis and a portion of any earnings in your Contract.
- Annual Income payments cannot be stopped and must remain the maximum amount.
- Annual Income payment frequency cannot be changed.
- Advisory fees taken once you've elected income from the Rising Income Rider may reduce future Lifetime Income. Advisory fees should not be taken once you've elected income from the Rising Income Rider with the Income Power option.

OR

☐ **Maximum Annual Income without the Income Power Election**

- Each Annual Income payment is taken first from any earnings in your Contract.
- You may elect to receive less than the maximum Annual Income at a later date.
- You may change the Annual Income payment frequency at a later date.
- Advisory fees taken once you've elected income from the Rising Income Rider may reduce future Lifetime Income.

OR

☐ **Partial Annual Income** – Indicate _____% of the maximum Annual Income

- Each Annual Income payment is taken first from any earnings in your Contract.
- You may change the percentage of the maximum Annual Income at a later date.
- You may change the Annual Income payment frequency at a later date.

Section 4: Tax Selection *(complete for all withdrawal requests)*

Withdrawals taken from your Contract prior to attaining age 59½ may be subject to a 10% premature distribution tax penalty and, if taken from a qualified contract, may be subject to additional restrictions and penalties. Please indicate if any of the following are applicable:

☐ I am at least age 59½

☐ I am disabled (as defined in Section 72(m)(7) of the Internal Revenue Code (IRC))

☐ 403(b) only – I separated from my employment after attaining age 55 on _____
(includes retirement, termination and change of employment) (mm/dd/yyyy)

If you effect or have effected a partial exchange from a previously existing annuity contract with another carrier to an annuity contract with Security Benefit Life Insurance Company (SBL) under IRC Section 1035, any withdrawals from your SBL contract done within 180 days of such partial exchange may have adverse tax consequences. Please consult your tax advisor.

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Tax Withholding

For 403(b), SBL may be required to withhold Federal income tax at the rate of 20% from the taxable portion of your payments. If mandatory 20% withholding does not apply, or if you have a Non-qualified or IRA contract, SBL will withhold Federal income tax at the rate of 10% from the taxable portion of your payments, unless you direct us not to withhold any Federal income tax or to withhold at a different rate. If you direct SBL to withhold Federal income tax at a different rate, the rate you provide must be at least 10% or the amount you provide must equal at least 10% of the taxable portion of your payments; otherwise, SBL will withhold at the default rate of 10%.

- ☐ I DO NOT want Federal income tax withheld from my payments
- ☐ I DO want Federal income tax withheld at the rate of _____% or in the amount of \$_____ per payment

You can direct SBL not to withhold State income tax from the taxable portion of your payments, or to withhold at a specific rate. However, if your state requires mandatory withholding, SBL will withhold at the mandatory rate regardless of your direction.

- ☐ I DO NOT want State income tax withheld from my payments
- ☐ I DO want State income tax withheld at the rate of _____% or in the amount of \$_____ per payment
- ☐ I am a resident of the State of Iowa and I certify that I qualify for the retirement income exclusion under I.C.A. 422.7 (effective January 1, 2023). I request that no state taxes be withheld from my withdrawal.

You are liable for all applicable Federal and State income taxes on the taxable portion of your payments and may be subject to penalties under the estimated tax rules if your withholding and estimated tax payments are not adequate. Once funds have been distributed to you, SBL will NOT reverse Federal or State withholding. You should consult a tax advisor if you have questions about your Federal or State withholding.

Section 5: Certification of Taxpayer Identification Number

If you are requesting payments as U.S. Person, the IRS requires you to agree to the following statements.

Under penalties of perjury, I certify that:

1. The Taxpayer Identification Number/Social Security Number/EIN shown on this form is correct or I am waiting for a number to be issued to me.
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 IRS that I am subject to backup withholding as a result of failure to report all interest or dividends, or
 - c. The IRS has notified me that I am no longer subject to backup withholding.
3. I am a U.S. citizen or other U.S. person; and
4. The Foreign Account Tax Compliance Act (FATCA) code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct (enter exemption from FATCA reporting code, if applicable: _____).

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

If the IRS has notified you that you are currently subject to backup withholding because you failed to report interest and dividends on your tax return, you must cross out item 2 above.

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Section 6: Payee Information- *Select only one*

- ☐ Mail checks to the address of record on my Contract
- OR
- ☐ Mail checks to a third party accepting carrier (complete section 7 if this option is selected)
- OR
- ☐ Electronic Funds Transfer (EFT) to my financial institution (allow at least three business days after processing)

Please complete the following information to set up EFT transactions:

Bank Name _____

Name on Bank Account _____

Bank Routing Number _____

Bank Account Number _____
(do not include check number)

Attach a voided check below if you submit a paper form. Upload a copy of the voided check with the form if you submit the form electronically.

ABC BUSINESS
1234 Park Avenue
Anytown, CA 12345

PAY TO THE ORDER OF _____

Anywhere Bank
U.S.A.
MEMO _____

I: 1 3 3 4 0 4 5 6 7 I: 1 2 3 4 5 6 1 3 0 4 III * 1 0 4 4

1044

20

\$ _____

DOLLARS

1

2

3

1. Routing Number
(requires 9 digits)

2. Bank Account Number
(not to exceed 17 digits)

3. Check Number

Section 7: Transfer of Income Payments

Only complete section 7 if in section 5 you selected ‘Send checks to a third party accepting carrier’.

Only complete this section if you selected income payments to a third party accepting carrier.

Please indicate the new account type at the accepting carrier (check one).

- ☐ 401(a)
- ☐ 403(b) TSA
- ☐ Roth 403(b)(7)
- ☐ 457(b) Tax Exempt*
- ☐ Roth IRA
- ☐ 401(k)
- ☐ Roth 403(b) TSA
- ☐ 457(b) Governmental
- ☐ Non-qualified
- ☐ SEP-IRA
- ☐ Roth 401(k)
- ☐ 403(b)(7)
- ☐ Roth 457(b)
- ☐ Traditional IRA
- ☐ SIMPLE IRA

Please indicate the investment type at the accepting carrier (check one).

- ☐ New Annuity
- ☐ Existing Annuity
- ☐ Life Insurance
- ☐ Brokerage Account**
- ☐ Mutual Fund
- ☐ Other _____

*Can only transfer to another 457(b) Tax Exempt.

****Do not use this form if transferring Non-qualified funds to a Brokerage Account or Mutual Fund.**

If the proceeds are going to a brokerage account or another company as a transfer, this should be a transfer with no adverse tax consequences for qualified accounts.

Company Name _____

Mailing Address _____

Street Address _____ City _____ State _____ Zip Code _____

Account Number _____

Phone Number _____



Section 8: Signatures (Signature section must be completed. All owners' signatures are required.)

I understand, acknowledge and certify that:

- Security Benefit, its subsidiaries, or affiliates will initiate electronic deposits to my bank account as indicated on this form. Security Benefit may make additional attempts to deposit if the initial attempt fails. I will be liable for any costs associated with these additional attempts. This service is established solely for my convenience and will remain in effect until Security Benefit receives cancellation, which will be effective within 30 days of receipt. This service may be suspended, terminated or modified at any time.
- I am solely responsible for all tax obligations, or possible penalties, arising from this distribution, and for compliance with the laws, regulations and restrictions governing such withdrawals.
- Failure to follow the rules on a tax-qualified account can jeopardize the tax protected status of the account and result in the imposition of penalties, additional taxes and interest for which I will be solely responsible.
- I waive any applicable waiting period required by law before distribution can be made to me.
- All terms of this agreement are binding to my heirs, representatives and assigns.
- The information provided within this form is accurate and true, including my Social Security number/Tax I.D. number/EIN.

X

Signature of Owner

Date (mm/dd/yyyy)

(You must include your designation if signing as a trustee, executor, custodian, guardian, or attorney-in-fact.)

X

Signature of Joint Owner (if applicable)

Date (mm/dd/yyyy)

(You must include your designation if signing as a trustee, executor, custodian, guardian, or attorney-in-fact.)

Notice for persons residing in a community property state: (1) the contract or proceeds thereof may be considered community property; (2) Security Benefit will administer the contract according to its terms, i.e., the owner can exercise all rights and privileges under the contract; (3) you are encouraged to consult with your legal counsel regarding any community property questions or concerns prior to effecting this transaction. The owner is solely responsible for determining the rights of the owner's spouse with respect to the contract and any transactions involving the contract. Security Benefit makes no representation regarding the characterization of the contract or the benefits thereunder as community property.

Section 9: Provide Employer/TPA Authorization (403(b) only)

This section must be completed by your employer or Third Party Administrator before your request is processed. Please consult your financial advisor or employer.

If a separate Third Party Administrator authorization is required and accompanies this request, that authorization will serve as completion of this section. If no such separate authorization is applicable this section must be completed before your request is processed. Check the following box if applicable.

☐ Third Party Administrator authorization attached.

If a separate authorization is not provided please complete the following information.

I acknowledge that the employer and accepting carrier have entered into an Information Sharing Agreement.

My signature below provides approval for the requested withdrawal transaction.

X

Signature of (Select One)

Date (mm/dd/yyyy)

Title

☐ Employer

☐ Third Party Administrator

OR

☐ A copy of the current Information Sharing Agreement is attached.

Mail to:

Security Benefit Life Insurance Company

P.O. Box 750497

Topeka, Kansas 66675-0497

Fax to: 785.368.1772

For expedited or overnight delivery:

Security Benefit

Mail Zone 497

One Security Benefit Place

Topeka, Kansas 66636-0001

Visit us online at SecurityBenefit.com



Guide to Understanding the Income Election Form

Key Terms	
Capitalized terms not defined herein have the meanings given to them in your contract or Rising Income Rider.	
Annual Income	While the Rider is in effect, the Annual Income amount is the most you can receive each Income Year without reducing the potential Annual Income for future Income Years.
Base Annual Income	The Base Annual Income is used to compute the Annual Income on the Income Calculation Date, on each Income Anniversary, and after an Excess Withdrawal.
Covered Person	The person whose life measures the length of time that Annual Income may be paid under the Rising Income Rider. On the Income Calculation Date, the Covered Person must be at least 55 years old. If the contract is owned by a Natural Owner, the Covered Person is the Owner. If the contract is owned by a Non-Natural Owner, the Covered Person is the Annuitant.
Income Calculation Date	The Income Calculation Date is the date the Owner's Annual Income Election Form is Received by Security Benefit Life (SBL), and the date as of which the Annual Income for the first Income Year is calculated.
Income Start Date	The date as of which Annual Income starts as elected by the Owner.
Joint Covered Person	The second person whose life measures the length of time that Annual Income may be paid under the Rising Income Rider if joint lives payout is selected. On the Income Calculation Date, the Joint Covered Person must be the spouse of the Covered Person, the spouses must be the sole Primary Beneficiaries, and the Joint Covered Person must be at least 55 years old.

Contract Owner Information	
Contract Number	If you are submitting the Income Election Form with your contract application, you do not need to provide a contract number.
Non-Natural Owner	A Non-Natural Owner is a partnership, trust, or other non-natural person (collectively, "Entity") that owns the contract. If the contract is owned by a Non-Natural Owner, an individual authorized to conduct transactions on behalf of the Entity (an "Authorized Person") must complete and sign the Income Election Form.

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Payout Information	
Single Life Payout	Annual Income payments are made until the death of the Covered Person, unless the Rising Income Rider is terminated earlier.
Joint Life Payout	Annual Income payments are made until the death of the Covered Person or the death of the Joint Covered Person, whichever is later, unless the Rising Income Rider is terminated earlier.

Annual Income	
Annual Income	Annual Income is based on the sex and age of the Covered Person if single life payout is selected, or the age of the younger of the Covered Person and Joint Covered Person if joint life payout is selected. Applicable Base Annual Income Rates can be found in your contract. Any portion of your Annual Income not withdrawn during an Income Year will not be carried over to a future Income Year. Withdrawals (including withdrawals to pay advisory fees) in excess of your Annual Income amount may reduce future Annual Income payments.
Prorated Annual Income	Annual income for the first Income Year will be prorated based on the period of time from the Income Calculation Date to the end of the first Income Year (unless your Income Calculation Date is January 1). For example, if SBL receives your Income Election Form on July 1, 2022 (and you do not provide an Income Start Date) and calculates your Annual Income as \$4,950, your prorated Annual Income would be \$2,475 based on the period of time remaining in the first Income Year.
Required Minimum Distributions (RMDs)	If you have a qualified contract with RMDs, your Annual Income (or Prorated Annual Income) will be the greater of the Base Annual Income (or Pro Rata Base Annual Income) and the RMD amount calculated by SBL.
Base Annual Income Increase Rate	The Base Annual Income Increase Rate shown in your contract is applied to compute the Base Annual Income on each Income Anniversary. If you have a qualified contract with RMDs, the Base Annual Income Increase Rate is not applied to your RMD amount; rather, it is applied to the Annual Income amount calculated the previous Income Year.
Annual Income Estimate	To receive an estimate of your Annual Income, visit SecurityBenefit.com or call our Service Center at 800.888.2461.

Rising Income Rider Options	
Single Life Payout	<p>You may select an Income Start Date that is not more than thirty (30) days after the date on which you submit your Income Election Form. SBL calculates your Annual Income when it receives your Income Election Form (Income Calculation Date) and does not recalculate your Annual Income if your Income Start Date is a later date, even if your Account Value changes between the Income Calculation Date and the Income Start Date. For example, if SBL receives your Income Election Form on April 1, 2022 (Income Calculation Date), and you elect to begin receiving Annual Income on April 15, 2022 (Income Start Date), SBL will use the Account Value on April 1, 2022 to determine your Annual Income for the first Income Year.</p> <p>If you choose the Income Power election and SBL receives your Income Election Form but does not have an accurate record of the Cost Basis in your contract, a representative from SBL will contact you and/or your financial professional to determine an accurate Cost Basis. This may result in a delay of your Income Start Date and may also result in you having to resubmit your Income Election Form.</p>



Income Payment Options

You may choose from one of three income payment options explained below: (1) Maximum Annual Income with Income Power, (2) Maximum Annual Income without Income Power, and (3) Partial Annual Income.

1. Maximum Annual Income with Income Power (Non-qualified)

If you have a Non-qualified contract, you may choose the Income Power election. Based on SBL's understanding of the current federal tax laws, Income Power allows you to treat a portion of each Annual Income payment as a non-taxable return of the Cost Basis in your contract. Income Power may provide tax advantages in some cases but may not be appropriate for every person. Depending on your circumstances, including the length of time you receive Annual Income, Income Power may not result in any beneficial tax treatment. Consult your tax advisor to determine the tax treatment of Annual Income payments under Income Power and whether the Income Power election is right for you.

Income Power is available only for Non-qualified contracts, and the following restrictions apply:

- Once Annual Income payments begin, they cannot be stopped and the frequency of payments cannot be changed;
- You must take the maximum Annual Income payment each Income Year;
- If a death benefit applies, it must be paid in a lump sum;
- Transfer or change in ownership is not permitted;
- Assignment of the contract or any benefits under the contract are not permitted; and
- A change of Annuitant is not permitted.

2. Maximum Annual Income without Income Power (qualified and Non-qualified)

- You may choose to receive your maximum Annual Income each year.
- At any time, you may change the payment frequency by submitting a letter of instruction to SBL or, if you previously authorized electronic privileges, by contacting SBL at 800.888.2461.
- At any time, you may elect to receive less than your maximum Annual Income each Income Year by submitting a new Income Election Form.

3. Partial Annual Income (qualified and Non-qualified)

You may choose to receive a percentage of your Annual Income each Income Year. When the Base Annual Income Increase Rate is applied to increase your Annual Income each Income Anniversary, the percentage of Annual Income you elect to receive will increase proportionally. For example, assume the Base Annual Income Increase Rate is 2%. If your first Income Year Annual Income is \$5,000 and you elect to receive 75% of your Annual Income, you would receive \$3,750 in your first Income Year (prorated if necessary). When your Annual Income is calculated on your first Income Anniversary, your Annual Income would increase by 2% to \$5,100, and the amount you receive for the Income Year would be \$3,825.

- At any time, you may change the payment frequency by submitting a letter of instruction to SBL or, if you previously authorized electronic privileges, by contacting SBL at 800.888.2461.
- At any time, you may change the percentage of Annual Income you receive each Income Year by submitting a new Income Election Form.

