National Life Group®

☐ **National Life Insurance Company®**
☐ **Life Insurance Company of the Southwest®**

Life Insurance Withdrawal/Surrender Request Non-Pension

Owner Information

Name/Address: *(Required)*

Policy/Certificate Number
642431

Social Security / Tax I.D. No

E-Mail Address

Telephone Number

Type of Disbursement

☐ Partial Withdrawal amount: $ ____________________ *(Write dollar amount or* ***"maximum"*** *or, if applicable,* ***"max keeping rider"****)*

May be subject to a $500 minimum withdrawal. A withdrawal will reduce cash value and death benefit. A partial withdrawal may violate IRS Guidelines. If this occurs you will be notified.

For variable contracts only, the amount will be deducted proportionately from the accumulated value in the sub accounts if sufficient, otherwise from the General/Fixed Account. If you prefer, you may indicate a specific dollar amount and sub-account.

For Traditional Whole Life policies (if the current dividend option is purchasing One Year Term Insurance, Flex Term Insurance or Deferred Additions, removing dividends from your policy will automatically cancel this option and once cancelled cannot be reinstated and will result in a reduction in death benefit).

Important Tax Information: If the disbursement causes the policy to become a **Modified Endowment Contract** the request will **not** be processed unless the box is checked:

☐ I understand the consequences of this request and wish to make the requested withdrawal.

☒ Complete Surrender and Termination

Reason for Surrender: ☐ Cannot afford ☐ Need Cash ☐ Replacing w/another company ☐ Asset Re-location
☒ Coverage Not Needed ☐ Servicing Issues ☐ Other

Please Explain: Insurance was taken out by parents when I was a child. I'm 66 years old now and per requ

Distribution of Value

☐ Bank Information (*Payout method will be direct deposit. If banking information is not provided, a check will be sent to the address of record.)*

Bank Name: ______________________ Name on Account: ______________________

Account Type: ☐ Checking ☐ Savings

Routing No: ______________________ Account No: ______________________

I hereby authorize the Company to credit my account payments arising under the above contracts at the banking institution designated above.

☐ Apply payment to Application/Contract No: ______________________

Additional Information: ______________________

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Request for Disbursement of Funds Non-Pension - Continued

Withholding Instructions

Even if you elect not to have Federal Income Tax withheld, you are liable for payment of Federal Income Tax on the taxable portion of your distribution. You also may be subject to tax penalties under the estimated tax payment rules if your payment of estimated tax and withholding, if any, are not adequate.

If the distribution causes a taxable event, 10% of the taxable amount will be withheld for Federal Income Tax, plus any applicable state income tax withholding. To request additional Federal Income Tax withholding, you may submit a signed IRS Form W-4P indicating the additional dollar amount to be withheld. Form W-4P can be obtained at any local office where IRS forms are available or from www.IRS.gov. You may opt out of Federal Income Tax withholding by checking the box below (not applicable for amounts eligible for rollover treatment).

- [x] I do **not** want taxes withheld.

Disclosures

Complete Surrender of the contract for its net cash value as defined in the contract. If the contract is not returned with this form: The undersigned contract owner(s) and/or undersigned assignee(s) agree to fully indemnify and reimburse the Company for any and all loss, expense or damage it may sustain from any claim resulting from the Company having paid the contract(s) without securing surrender of the original contract(s) or any previously issued duplicate/certification.

Term Policies Only: National Life shall provide to the Policy Owner a refund of premium representing unearned premium, if any.

W9: Under penalties of perjury, I hereby certify that: (1) the number shown on this application is my correct taxpayer identification number; (2) the IRS has never notified me that I am subject to backup withholding, or has notified me that I am no longer subject to such withholding or I am exempt from such withholding; (3) I am a U.S. person (including a U.S. resident alien); and (4) I am exempt from FATCA reporting. *You must cross out item 2 if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.*

Tax Equity and Fiscal Responsibility Act (TEFRA)

Important Tax Information on Policy Surrender

What are the federal income tax consequences of surrendering my insurance policy?
If there is a gain at the time of surrender, it is included as ordinary income for federal tax purposes and you are responsible for reporting the gain on your federal income tax return.

What is a gain and when is it considered taxable?
The gain at the time of surrender is the amount, if any, by which the surrender proceeds plus any outstanding loan amount exceeds your investment in the contract.

What effect does TEFRA have on me?
The law has little effect on you since it has always been the policyowner's responsibility to report a taxable gain. However, we are now required to calculate and report to the IRS gains on surrendered insurance policies at the end of each calendar year.

Will I receive notification of a gain to assist me in my tax preparation?
Yes. If there is a reportable gain, we will send you a copy of the Form 1099R which we are required to send to the IRS.

Will we calculate a gain on all policies?
No. The regulations state we must notify a policyowner that all or part of the surrender value may be includable in the policyowner's income.
However, under IRS rules, we will assume there is no taxable gain on any policy issued prior to August 13, 1982 with gross cash surrender value less than $5,000.00.

If my policy is subject to a taxable gain, what happens?
If our records indicate there is any gain in your policy, the amount must be reported to the IRS. If the gain is $200 or more, we must withhold 10% and report both withholding and the gain to the IRS.

May I elect not to have any withholding for federal tax purposes?
Yes. Simply mark the no withholding box on the surrender request form and be sure to furnish us with your social security number when you sign the form.

If there is a gain and I choose not to have withholding, will you report the amount of the gain to the IRS?
Yes. We will send you a Form 1099R in the month of January following our payment of the surrender proceeds to you.

Signatures/Date

3/2025

Owner | Date | Collateral Assignee - if any *(Must be notarized)* | Date

Spouse, if any ***(Required in , & ERISA plans)*** Date

06/14/25

Date

06/14/2025