



## Inherited Non-Qualified Annuity Agreement for Exchange Form

This form along with an application, proper disclosure documents and state replacement forms (if applicable) may be used to process an exchange under Section 1035 of the Internal Revenue Code ("Code"). To institute the transfer of funds to New York Life Insurance and Annuity Corporation (NYLIAC), complete this form, and we will initiate the transfer from your present financial institution. **Before completing this form, you should contact your present financial institution to determine if there are any special requirements/paperwork for liquidation.**

This is a binding agreement between NYLIAC and the beneficial Owner of the policy indicated below (the "Current Policy"). For purposes of this agreement the words "I", "my", "me" and "mine" refer to the beneficial Owner of the Current Policy, the words "we" and "our" refer to NYLIAC and the word "Policy" refers to the NYLIAC policy. The beneficial Owner states that he/she has all rights and benefits under the Current Policy.

Please indicate the type of exchange to be processed: (Check One)

☐ Full ☐ Partial (Indicate amount \$ \_\_\_\_\_)

**In order to exchange the Current Policy, the original Owner of the Current Policy must have died before the annuity commencement date. The death benefit proceeds of the Current Policy must be transferred directly to NYLIAC. Payments under the NYLIAC Policy will be calculated using the RMD method.\* The Annuitant must irrevocably elect and commence payments of his or her required minimum distributions ("RMDs") under the Policy no later than one year after the death of the original Owner of the Current Policy and the Annuitant must receive the entire RMD by December 31<sup>st</sup> of the year in which payments under the Policy commence. Example: if the original Owner's date of death was April 1, 2019 the required minimum distribution begin date for the NYLIAC Policy must be no later than April 1, 2020 and the entire first year RMD must be received by December 31, 2020 in order to meet this requirement. If more than one year has elapsed since the original Owner's death, you are eligible for a NYLIAC Inherited Non-Qualified Annuity only if you started to receive RMDs under Code Section 72(s) from the Current Policy within one year of the original Owner's death and have taken the RMD for the current and, if applicable, all prior years.**

**\* As described in IRS Notice 2022-6. Please note that there may be other IRS-approved calculation methods. NYLIAC uses the RMD method for purposes of calculating RMDs under Inherited Non-Qualified Annuity Policies.**

If more than one year has passed since the original Owner's death, check the box that applies:

- ☐ I, the beneficiary, have not yet taken a distribution from the Current Policy
- ☐ I, the beneficiary, have started taking RMDs from the Current Policy within one year from the original Owner's death and I have taken the RMD for the current and, if applicable, all prior years

A periodic partial withdrawal (PPW) arrangement will be set up to disburse the required distribution amount for each year. The PPW arrangement cannot be cancelled at any time during the lifetime of the policy. Withdrawals in excess of the required distribution amount are permitted.

**NOTE: We must receive all Premium Payments prior to the elected RMD date. If your annuity is being funded by multiple sources, no Premium Payments will be accepted after payment of RMDs begin.**

Choose a start date for the required minimum distributions \_\_\_\_/\_\_\_\_/\_\_\_\_ (generally must be no later than one year from the original Owner's date of death)

Check a box for frequency of the required minimum distributions:

☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually

This is our understanding of the IRS's current interpretation of the rules applicable to Section 1035 exchanges and required distributions under Code Section 72(s), which may change in the future. You should consult your own tax advisor before exchanging your existing contract. Neither NYLIAC, nor its agents or employees, can provide tax or legal advice.

The proceeds for the above transaction will be applied to: (check the appropriate box)

☐ New Annuity Policy Number \_\_\_\_\_ ☐ Existing Annuity Policy Number \_\_\_\_\_

**Method of Payment**

To have your PPW payments sent directly to your bank account, via Electronic Funds Transfer (EFT), please provide the following information.

*Note: Your Financial Institution must be a member of the Automatic Clearing House (ACH).*

Name of Institution and Branch Name (if any): \_\_\_\_\_

Address of Institution: \_\_\_\_\_

Routing Number for Institution: \_\_\_\_\_

Account Number for Deposit of Withdrawals: \_\_\_\_\_

Accountholder's Name: \_\_\_\_\_

Please check one: ☐ Checking Account ☐ Saving Account ☐ Money Market Account

If the payments are to be deposited into a checking account, please attach a voided check.

If the day you have chosen for your PPW payments falls on any day which is not a business day (e.g. a weekend or holiday), your payment shall be processed on the following business day.

**Please Note:** The Accountholder of the bank account must be an Owner of the Annuity or the Payee if other than an Owner. If the Financial Institution is a member of the ACH, your payments will be processed via EFT.

By electing EFT, you agree that all payments so made shall discharge NYLIAC to the extent of the payments. In addition, you understand that because of NYLIAC's annuity payment processing requirements and, if applicable, the Financial Institution's processing requirements, your EFT payment receipt date (the day the payment is available in your account) may be later than the start date you elect (including each subsequent income payment date).

You further agree that any EFT payments made after your death shall not be held for the benefit of your estate, but shall be repaid to the NYLIAC upon request. You authorize and direct the Financial Institution to refund the NYLIAC an amount equal to any payments made after your death, and if such payments shall have been credited to your account, or to the account of your estate, to charge such account accordingly.

**Present Financial Institution Information**

Name of Institution: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Current Policy #: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

By completing and transmitting this form, the existing carrier acknowledges the contract above is an inherited non-qualified annuity. Further, the existing carrier confirms that any distributions made under the Current Policy after the Owner's death have been made in accordance with the distributions rules of Code Section 72(s) and acknowledges that NYLIAC does not have any responsibility for ensuring that the Current Policy complies with Code Section 72(s). This form must be signed by an authorized representative of the existing carrier.

**Required Information about the Decedent's Non-Qualified Annuity**

Decedent's Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Date of Death: \_\_\_\_\_

**Required Information about the Applicant/Annuitant for the Inherited Non-Qualified Annuity**

Name: \_\_\_\_\_

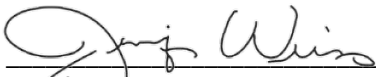
Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

I, the undersigned, hereby assign full/partial ownership rights under the Current Policy absolutely to NYLIAC. I authorize NYLIAC to receive and/or provide information concerning the account/contract/policy identified herein. I understand that NYLIAC will fully/partially surrender the Current Policy and apply the proceeds to pay the premium for a new policy for which I have signed an application. I understand that NYLIAC has no responsibility other than to request proceeds of the Current Policy assigned and that in furnishing this form is participating in this transaction at my specific request.

I intend this assignment to be part of a tax-free exchange under Internal Revenue Code Section 1035. I understand that distributions I receive from my NYLIAC Policy will be subject to ordinary income taxes. I further understand that NYLIAC cannot provide any tax or legal advice and that I must seek and rely on the advice of my professional tax or legal advisor.

I agree that if NYLIAC, in its sole discretion, determines that it is unlikely to receive timely payment of the cash surrender values, NYLIAC may cancel this transaction and attempt to return the funds to the previous financial institution, or directly to the Applicant. I understand that my receipt of any funds may result in a taxable event.

NYLIAC acknowledges receipt of the death benefit proceeds under the Current Policy and agrees that we will exercise no ownership rights under that policy except to request the payment of the death benefit proceeds to NYLIAC. We will deposit the premium if the amount of the proceeds and the proposed beneficial Owner/Annuitant's age meet our policy rules. If not, we will return the proceeds to the issuer of the Current Policy. If the free look provision of the NYLIAC policy is exercised, we will return the proceeds to the issuer of the Current Policy.

Jennifer M. Weiss – Vice President  
Authorized NYLIAC Officer\_\_\_\_\_  
Annuitant's Signature\_\_\_\_\_  
Date**Releasing Financial Institution:**Do not withhold taxes. Make check payable to: **NYLIAC for the benefit of**\_\_\_\_\_,  
**beneficiary of** \_\_\_\_\_.