

Required Minimum Distribution Election Form for IRA's, 403(b)/TSA and other Qualified Plans

Overnight deliveries can be sent to:
2006 Wade Hampton Blvd.
Greenville, SC 29615-1064
USA

For Policyholders who have not annuitized their deferred annuity contracts

First Name	M	Last	Contract Number	
<input type="text"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	
Residence, Street Address	City		State	Zip
<input type="text"/>	<input type="text"/>		<input type="text"/>	<input type="text"/>
Is this a change of address?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	:	
Social Security Number:	<input type="text"/>			
Date of Birth	<input type="text"/>	Cell Phone Number	<input type="text"/>	
Home Phone Number	<input type="text"/>	Work Phone Number	<input type="text"/>	
Email Address	<input type="text"/>			
*Are you a U.S. Citizen?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Country of residence	<input type="text"/>

*(If the answer is "NO" you will need to fill out a W8-BEN form and send the form to Zurich, Administrative Offices, PO BOX 19097, Greenville, SC 29602-9097)

Note: If you live outside of the United States of America, you must complete Section 4 of this form.

Required Minimum Distributions ("RMD") are minimum annual withdrawals that the IRS requires you to begin generally after reaching the age of 70 ½.

These distributions are based upon the Uniform Lifetime Table, unless your beneficiary is your spouse who is more than ten (10) years younger than you. If your spouse is more than 10 years younger and is the sole primary beneficiary, then your distribution is based upon a joint life expectancy table as specified by the IRS. **If you need assistance, call our Annuity Contact Center at (800) - 449-0523.**

Section 1. Distribution Options

There are two options available for you to choose. The first option is to take this year's required minimum distribution. The second option is to participate in ZALICO's automated annual required minimum distribution program. Under the second option your annual RMD payment will be sent to you automatically based on the month elected and will cease upon the annuitization of your policy or your death. **Please choose either A or B**

A. **I only want to take this year's required distribution. (Your RMD request will be processed upon receipt)**

OR

B. **Please automatically send my annual distribution each year in _____ (month)
(The RMD payment will be processed prior to the end of the month selected)**

Important notes for participants electing the Automated Required Minimum Distribution program:

- For 403(b)/TSA contracts and 401(k) contracts, the required minimum distribution rules begin to apply the later of age 70 1/2 or retirement. For IRAs, the required minimum distribution rules begin to apply when you reach age 70 1/2.
- In general, all required minimum distributions must be made by December 31st of the year in which the distribution obligation arises. A special timing rule applies, however, for your first required minimum distribution.
- You generally can delay your first required minimum distribution until April 1st of the year following the year you attain age 70 1/2 or retire (as applicable). In other words, you do not need to take your first required minimum distribution by December 31st of the year in which you reach age 70 1/2 or retire (as applicable), and instead can wait until April 1st of the following year.
- If you delay your first required minimum distribution as just described, the company generally will need to send you two required minimum distributions in the same calendar year – one for the year you reached age 70 1/2 or retired (as applicable) and one for the following year.
- **Your required minimum distribution will be withdrawn from your investment option/funds on a pro-rata basis.**
- Automated required minimum distribution requests must be received at least 10 business days prior to the month in which you wish to have your first annual distribution.
- Any distribution made in a year that a Required Minimum Distribution applies is deemed a Required Minimum Distribution until the full amount of the Required Minimum Distribution is satisfied.
- ZALICO will only calculate the required minimum distribution amount for the annuity contract designated above. Therefore, you are responsible for required minimum distributions from your other retirement plans.

Section 2. Federal and State Income Tax Withholding

Federal Income Tax Withholding Rules

Lump Sum Payments:

- Required minimum distribution from a tax qualified contract. If the ZALICO contract is for federal income tax purposes any type of tax qualified contract, part or all of a lump sum distribution from the contract may be a required minimum distribution (RMD) for tax purposes. ZALICO generally is required to withhold 10% of the taxable amount of your RMD payment. However, you generally can elect out of this federal income tax withholding.

Insufficient Withholding: Please note that if you elect not to have withholding apply, or if you do not have enough federal income tax withheld from your lump sum or periodic payments, you are liable for payment of federal income tax on the taxable portion of the payment, and you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

Federal Income Tax Elections – please check one or more boxes depending on your circumstances.

- Required minimum distribution from a tax qualified contract. Since the ZALICO contract is a tax qualified contract, I understand that ZALICO will withhold 10% of the taxable amount of my RMD payment, unless I instruct ZALICO otherwise by checking one of the following boxes:
 - Not to have any amounts withheld from my RMD payments, or
 - To have an amount withheld equal to _____% of the taxable amount of the RMD payments paid.

State Income Tax Withholding Rules

State Income Tax Withholding is based on your legal state of residence as shown in our records.

The amount of state income tax withheld (if any) maybe based on whether your payment is a periodic or a non-periodic payment and then depending on the classification of the tax status of your contract, e.g. IRA, 403(b)/TSA and a 401(k).

Please refer to the attached document – State Income Tax Withholding Information Document for guidance in checking the box or boxes that applies to you.

State Income Tax Elections

A. No State Income Tax Withholding

My legal state of residence is one of the states classified in the attached document as – No State Income Tax Withholding. I confirm

- There will be no amounts withheld for state income taxes.

B. Voluntary State Income Tax Withholding

My legal state of residence is one of the states classified in the attached document as a – Voluntary State Income Tax Withholding. I elect

- Not to have any amounts withheld.
- To have an amount withheld of _____% of the taxable amount of the RMD payments paid.

C. Required State Income Tax Withholding – Elections Permitted in Certain Circumstances

My legal state of residence is one of the states classified in the attached document as a – Required State Income Tax Withholding – Elections Permitted in Certain Circumstances. I elect

Please note this section is not for residents of California and Vermont

- Not to have any amounts withheld – (my transaction allows me to elect out of withholding)
- To have an amount withheld of _____% of the taxable amount of the RMD payments paid.

Please note that if you do not make any elections above, ZALICO will use as a default the State Income Tax Withholding percentage as outlined in the attachment – State Income Tax Withholding Information Document – pursuant to your legal State of residence, multiplied by the taxable amount of your RMD payments paid.

Please note this section is for residents of California and Vermont only

- Not to have any amounts withheld – (my transaction allows me to elect out of withholding)
- To have an amount withheld of _____% of the taxable amount of the RMD payments paid.

Please note that if you do not make any elections above, ZALICO will use as a default the State Income Tax Withholding percentage (10% CA; 27% VT) as outlined in the attachment – State Income Tax Withholding Information Document – pursuant to your legal State of residence, multiplied by the Federal income tax amount withheld of your RMD payments paid.

D. Mandatory State Income Tax Withholding When Federal Income Tax is Withheld

My legal state of residence is one of the states classified in the attached document as a – Mandatory State Income Tax Withholding When Federal Income Tax is Withheld. I elect

- Not to have any amounts withheld - (applicable if federal income taxes have not been withheld except for Michigan)
- To have an amount withheld of _____% of the taxable amount of the RMD payments paid.

Please note that if you do not make any elections above, ZALICO will use as a default the State Income Tax Withholding percentages as outlined in the attachment – State Income Tax Withholding Information Document - pursuant to your legal state residence, multiplied by the taxable amount of your RMD payments paid.

E. Mandatory State Income Tax Withholding on all taxable distribution

My legal state of residence is one of the states classified in the attached document as a – Mandatory State Income Tax Withholding on all taxable distribution. I elect

- To have an amount withheld equal to the default state income tax withholding percentage of my legal state of residence, multiplied by the taxable amount of the RMD payments paid.

Section 3. Mailing Instructions and Electing Direct Deposit (for payee who lives in the USA)

Your automated required minimum distribution must be sent to the address on record or checking account. We will not send the payment to a third party.

- Address of record (**This option is not available for payee who lives outside of the USA. Please go to section 9**)
- I wish to use Electronic Funds Transfers (Direct Deposit). I authorize ZALICO to correct electronically any overpayments of erroneous credits made to my checking account. **Please attach a blank voided check.**
(**This option is not available for payee who lives outside of the USA. Please go to section 9**)

Section 4. Foreign Wire Instruction (required for payees who live outside the USA)

- I (we) live outside of the United States of America. I have completed the form **ZA-2001 International Wire Transfer Authorization** and enclosed it with this form.

Note: Please go to the website <https://www.zurichamericanlifeinsurance.com/> and click on the menu link of Customer Service/ Download Forms to download ZA-2001 form. You can also use Customer Service Phone number 1-800-499-0523 or Fax number 1-866-605-3962 to request the form.

Section 5: Signatures of Owner, Participant and Plan Administrator

By signing below, the Owner, Participant, and Plan Administrator hereby certify that the information provided in this request is complete and accurate, and understand that this request will be processed according to the information provided.

If there is any inconsistency between the language in this form and the language in the contract, the language in the contract will take precedent.

Name of Contract Owner: _____

Contract Owner's Signature: _____

Date: _____

Name of Participant (if other than owner): _____
(If applicable)

Participant's Signature: _____

Date: _____

Name of Plan Administrator (if applicable): _____

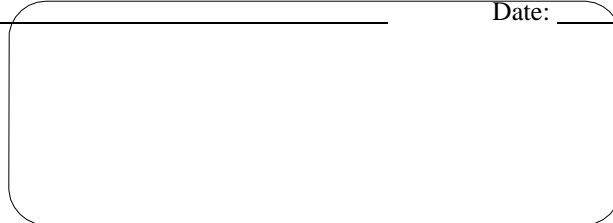
Plan Administrator's Signature: _____

Date: _____

Note: All Signatures above are to be guaranteed.

Signature Guarantee with Medallion Stamp:

(Bank Officer Medallion or Broker Dealer Medallion)





**Zurich American Life
Insurance Company (ZALICO)**

Administrative Offices:
PO BOX 19097
Greenville, SC 29602-9097
1.800.449.0523

ATTACHMENT B

STATE INCOME TAX WITHHOLDING INFORMATION DOCUMENT

This document is intended to provide you with information regarding state income tax withholding rules applicable to retirement-type distributions by an insurance company, such as ZALICO, in effect as of December, 2017. State laws are subject to change from time to time. The information below is based on ZALICO's understanding of the relevant laws; ZALICO does not warrant that the information is correct, nor does it undertake to update the information to reflect changes in state laws. This document is not intended or written as specific legal or tax advice and may not be relied on for purposes of avoiding any state tax penalties. Neither ZALICO nor any of its employees or representatives is authorized to give legal or tax advice.

State Income Tax Withholding—General Information

State income tax withholding is based on your legal state of residence as shown in our records. Please notify us if you maintain a different legal residence.

The amount of tax withheld (if any) may be based on whether your payment is a periodic distribution or a non-periodic distribution. A series of payments made at regular intervals over a person's life or over a period of greater than one year is considered a series of periodic distributions, for example, annuities or installment payments. Any payment as a single-sum or at irregular intervals is a non-periodic distribution.

Please note that regardless of your election with respect to withholding, you may be liable for state income taxes with respect to the taxable portion of payments from ZALICO. In addition, you may be subject to interest or penalties on underpayments of tax. We suggest that you consult with a tax advisor in order to ensure that you make timely tax payments.

The information provided is intended to supplement the information ZALICO has provided to you with respect to federal income tax withholding requirements.

No State Income Tax Withholding

ZALICO will not withhold for state income taxes in the following states. Please elect "no state withholding":

Alaska - AK	Nevada - NV	Tennessee - TN	Wyoming - WY
Florida - FL	New Hampshire - NH	Texas - TX	
Mississippi - MS	South Dakota - SD	Washington - WA	

Voluntary State Income Tax Withholding

The following states do not require ZALICO to withhold state income taxes on periodic and non-periodic distributions, even though federal income taxes are being withheld. If you wish to have state income tax withheld, you must elect state income tax withholding and indicate on the election form the percentage of the distribution that you wish ZALICO to withhold.

Alabama - AL	Illinois - IL	New York - NY	Utah - UT
Arizona - AZ	Indiana - IN	Montana - MT	Pennsylvania - PA
Colorado - CO	Kentucky - KY	New Jersey - NJ	Rhode Island - RI
Idaho - ID	Louisiana - LA	New Mexico - NM	South Carolina - SC
Hawaii - HI	Minnesota - MN	North Dakota - ND	West Virginia - WV
	Missouri - MO	Ohio - OH	Wisconsin - WI

Required State Income Tax Withholding—Elections Permitted In Certain Circumstances:

The following states generally require ZALICO to withhold state income tax on certain distributions, but permit certain state income tax withholding elections to be made in writing by you. Your distribution form allows you to make this election “in writing.” The requirements and available withholding elections are described below.

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Arkansas – AR	5% of Taxable Amount Distributed as an eligible rollover distribution. 3% of Other Non-Periodic Taxable Amount Distributed. For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will use the [3%] non-periodic percentage, unless you elect out of withholding.	<u>IRA</u> : State income tax will be withheld, except you may elect out of withholding. <u>403(b)</u> : If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, you may elect out of withholding. <u>Nonqualified</u> : State income tax will be withheld, except you may elect out of withholding.	<u>IRA/403(b)/Nonqualified</u> : State income tax will be withheld, except you may elect out of withholding.
California – CA	For Non-Periodic and Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 10% of Federal Tax Withholding Applicable, unless you elect out of withholding.	<u>IRA/403(b)/Nonqualified</u> : State income tax will be withheld, except you may elect out of withholding.	<u>IRA/403(b)/Nonqualified</u> : State income tax will be withheld, except you may elect out of withholding.

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Delaware – DE	<p>5% of Taxable Amount Distributed.</p> <p>For Non-Periodic and Periodic Distributions, other than eligible rollover distributions, ZALICO will not withhold any amounts unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage of at least 5%.</p>	<p><u>IRA</u>: Voluntary withholding (minimum 5%).</p> <p><u>403(b)</u>: If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, voluntary withholding (minimum 5%).</p> <p><u>Nonqualified</u>: Voluntary withholding (minimum 5%).</p>	<p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding (minimum 5%).</p>
District of Columbia – DC	<p>8.95% of Taxable Amount of a Lump Sum Distribution.</p> <p>For other Non-Periodic and Periodic Distributions, ZALICO will not withhold any amounts unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)</u>: State income tax withholding is required for a lump-sum distribution of the entire balance.</p> <p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding for non-periodic distributions not described immediately above.</p>	<p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding.</p>
Georgia – GA	<p>1% to 6% of Taxable Amount Distributed Applicable to Non-Periodic and Periodic Distributions.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 6% of Taxable Amount Distributed, unless you elect out of withholding.</p>	<p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding,.</p>	<p><u>IRA/403(b)/Nonqualified</u>: State income tax will be withheld, except you may elect out of withholding.</p>

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Kansas – KS	<p>5% of Taxable Amount Distributed as an eligible rollover distribution.</p> <p>For Non-Periodic and Periodic Distributions, other than eligible rollover distributions, ZALICO will not withhold any amounts unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA</u>: Voluntary withholding. <u>403(b)</u>: If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, voluntary withholding. <u>Nonqualified</u>: Voluntary withholding.</p>	<p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding.</p>
Maryland – MD	<p>7.75% of Taxable Amount Distributed as an eligible rollover distribution.</p> <p>For Non-Periodic and Periodic Distributions, other than eligible rollover distributions, ZALICO will not withhold any amounts unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA</u>: Voluntary withholding. <u>403(b)</u>: If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, voluntary withholding. <u>Nonqualified</u>: Voluntary withholding.</p>	<p><u>IRA/403(b)/Nonqualified</u>: Voluntary withholding.</p>
North Carolina – NC	<p>4% of Taxable Amount Distributed as a Non-Periodic Distribution.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 4% of Taxable Amount Distributed, unless you elect out of withholding.</p>	<p><u>IRA</u>: State income tax will be withheld, except you may elect out of withholding. <u>403(b)</u>: If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, you may elect out of withholding. <u>Nonqualified</u>: State income tax will be withheld, except you may elect out of withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax will be withheld unless you elect out of state income tax withholding.</p>	<p><u>IRA/403(b)/Nonqualified</u>: State income tax will be withheld, except you may elect out of withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax will be withheld unless you elect out of state income tax withholding.</p>

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Oklahoma – OK	<p>5% of Taxable Amount Distributed as a Non-Periodic Distribution.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 5% of Taxable Amount Distributed, unless you elect out of withholding.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld, except you may elect out of state income tax withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld, except you may elect out of state income tax withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>
Oregon – OR	<p>9% of Taxable Amount Distributed as a Non-Periodic Distribution.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 9% of Taxable Amount Distributed, unless you elect out of withholding.</p>	<p><u>IRA:</u> State income tax withholding is required whenever federal income tax is withheld, except you may elect out of state income tax withholding.</p> <p><u>403(b):</u> If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, you may elect out of withholding.</p> <p><u>Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld, except you may elect out of state income tax withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld, except you may elect out of state income tax withholding.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>
Vermont – VT	<p>24% of Federal Tax Amount Withheld from a Non-Periodic Distribution.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 24% of Federal Tax Amount Withheld, unless you elect out of withholding.</p>	<p><u>IRA:</u> State income tax will be withheld, except you may elect out of withholding.</p> <p><u>403(b):</u> If an eligible rollover distribution, you may not elect out of withholding. If not an eligible rollover distribution, you may elect out of withholding.</p> <p><u>Nonqualified:</u> State income tax will be withheld, except you may elect out of withholding.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax will be withheld, except you may elect out of withholding.</p>

Mandatory State Income Tax Withholding When Federal Income Tax is Withheld

The following states require ZALICO to withhold state income taxes from distributions when federal income tax is withheld from a distribution and permit you to elect to withhold state income taxes even if you elect to have federal income taxes not withheld. Included in the table are the amounts generally withheld for state income taxes.

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Iowa - IA	5% of Taxable Amount of Non-Periodic and Periodic Distributions.	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>
Maine - ME	<p>5% of Taxable Amount Distributed as a Non-Periodic Distribution.</p> <p>For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 5% of Taxable Amount Distributed.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>
Massachusetts - MA	5.10% of Taxable Amount of Non-Periodic and Periodic Distributions .	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>	<p><u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld.</p> <p>If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.</p>

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Nebraska - NE	5% of Taxable Amount Distributed as a Non-Periodic Distribution. For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 5% of Taxable Amount Distributed.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld. If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld. If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.
Virginia - VA	4% of Taxable Amount Distributed as a Non-Periodic Distribution. For Periodic Distributions, please provide ZALICO with a state income tax withholding percentage, otherwise ZALICO will withhold 4% of Taxable Amount Distributed.	<u>IRA:</u> ZALICO will not withhold state income taxes. <u>403(b)/ Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld. If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.	<u>IRA:</u> ZALICO will not withhold state income taxes. <u>403(b)/ Nonqualified:</u> State income tax withholding is required whenever federal income tax is withheld. If you elect not to have federal income taxes withheld, state income tax also will not be withheld unless you elect state income tax withholding, in which case please provide ZALICO with a state income tax withholding percentage.

Mandatory State Income Tax Withholding on all taxable distribution

The following states require ZALICO to withhold state income taxes on all taxable distributions with or without federal income tax withheld. Included in the table are the amounts generally withheld for state income taxes.

State	State Tax W/H Calculation	Non-Periodic Distributions	Periodic Distributions
Michigan - MI	4.25% of Taxable Amount Non-Periodic and Periodic Distributions.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required on all taxable distributions.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required on all taxable distributions.
Connecticut - CT	6.99% of Taxable Amount Non-Periodic and Periodic Distribution.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required on all taxable distributions.	<u>IRA/403(b)/Nonqualified:</u> State income tax withholding is required on all taxable distributions.