

# Financial Transaction Form for IRA and Non-Qualified Contracts Only

(Note: See Form ZA-8642 dealing with Financial Transactions for 403(b)/TSA's)

Overnight deliveries can be sent to:  
7805 Hudson Rd, Ste 180  
Woodbury MN 55125  
USA

Please Print All Information Below

## Section 1. Contract Owner's Information

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"/>
Home Phone Number	Social Security Number		
<input type="text"/>	<input type="text"/>		
Date of birth	Cell Phone Number		
<input type="text"/>	<input type="text"/>		
Work Phone Number	Email Address		
<input type="text"/>	<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 64361, St. Paul MN 55164-0361)

*Note: If you live outside of the United States of America, you must complete Section 6 of this form.*

## Section 2. Partial Distributions

Distributions may be subject to Federal and State income tax and if made before age 59½ may be subject to an additional 10% IRS penalty. See Section 9 for more information. ZALICO suggests that you consult an attorney, accountant or tax advisor for information prior to requesting a distribution.

This form is not applicable to a Required Minimum Distribution ("RMD"). If you are older than 70½, refer to form ZA-1043 for information on RMD's.

Partial Distribution Amount: \$

Check one:

- Gross withdrawal: Deduct any withdrawal charges and tax withholding from the amount requested
- Net withdrawal: Issue check for the exact amount requested. Deduct any withdrawal charges and Federal and State tax withholding separately

If your contract value is not sufficient for the withdrawal, would you like ZALICO to issue a check for the maximum amount available?

- Yes  No

Indicate variable subaccounts and general accounts to provide the withdrawal. If not indicated, the withdrawal will be prorated from all available account balances. Withdrawals from Guarantee Period Accounts may incur a market value adjustment.

Variable Subaccount or General	Dollar (\$) Amount	or	Percentage (%) of Amount Requested to be Deducted From Each Subaccount

Your Destinations Variable Annuity contract requires a \$100 minimum withdrawal and requires a \$500 minimum balance to keep the contract active. Refer to your annuity contract for further information and rules on minimum withdrawals and balances after a partial withdrawal from your Destinations Variable Annuity.

### **Section 3. Total Distribution**

If you have purchased the Guaranteed Retirement Income Benefit (“GRIB”) rider, your surrendering your contract will result in your rider also terminating along with any accumulated benefits. You need to leave only a minimal amount in your contract to keep this rider in force. Please consult your financial advisor and the product prospectus and make sure you understand the impact of your surrender on your rider benefits before completing this form. Distributions may be subject to income tax and if made before age 59 1/2, may be subject to an additional 10% IRS penalty. ZALICO suggests that you consult an attorney, accountant or tax advisor for information prior to requesting a distribution.

If you are older than 70 1/2, refer to form ZA-1043, for information on RMD’s.

Check One:

- I hereby SURRENDER my contract/certificate (please enclose)
- My contract/certificate specified above has been LOST, DESTROYED, or MISLAID and I request that the value of said contract/certificate be paid. I hereby agree on my behalf and on behalf of my heirs, assignees, legal representatives, or any other person claiming rights through me, to indemnify and protect ZALICO against any claim which may be asserted against the Company on the basis of this contract/certificate and to reimburse the Company for any payment it may make or expense it may incur, with respect to any such claim.

**Section 4. Reason for Distribution**

Transfer of Assets: Requests to transfer assets to another carrier must be accompanied by an acceptance letter. Replacement forms must be provided when required by State law. A Signature Guarantee form or Corporate Resolution form from the new carrier/financial institution must accompany the paper work sent to ZALICO.

(Check one of the following)

Tax Free Transfer/Exchange

- Section 1035 Exchange (Nonqualified to Nonqualified)
- IRA to IRA

Taxable Transfer/Exchange

- IRA to Roth direct conversion
- Other

**Section 5. Disability**

I certify that I am unable to engage in substantial gainful employment due to an impairment that is of a continuing or permanent nature as defined under Internal Revenue Code Section 72(m) (7).

Contract Owner's Signature

Date

**Section 6. 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 7. Mailing Instructions**

Check One:

- Address of record (This option is for payee who lives in the USA) **(This option is not available for payee who lives outside of the USA. Please go to section 6)**
- 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 voided check.** **(This option is not available for payee who lives outside of the USA. Please go to section 6)**
- Other Carrier Address (Indicate address below – For Transfers/Exchanges Only)

Use below for Transfer and Exchange Payments to a Third Party.

Payee (other carrier’s name)	Account Number (if any)	
Street Address/FBO	Phone Number	
(New Carrier) Street Address		
City	State	Zip

**Overnight Express Mail Option (This option is for payee who lives in the USA)**

Please note—Express Mail will not be delivered to a PO Box.

- Please withdraw \$ 10.00 from my account and express mail the check to the address indicated above. I understand that this constitutes a distribution from my account.

**Section 8. Special Instructions**

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**Section 9. Federal and State Income Tax Withholding**

**Federal Income Tax Withholding Rules**

Distribution Payments

- Distribution payment from an IRA or a non-qualified contract. If the ZALICO contract is for federal income tax purposes a tax qualified IRA contract or a non-qualified contract, ZALICO is required to withhold 10% of the taxable amount of your distribution payment. However, you can elect out of this federal income tax withholding.

- Trustee to Trustee Transfer of a tax qualified IRA contract. If the ZALICO contract is for federal income tax purposes a tax qualified IRA contract and you elect a tax-free trustee-to-trustee transfer with respect to the distribution to another tax qualified IRA by completing the appropriate paperwork with ZALICO, ZALICO will not withhold from the transfer proceeds any amounts for Federal income taxes.
- ROTH IRAs. In general, no federal income tax withholding is required on distributions from Roth IRAs.
- 1035 Exchange of a non-qualified annuity contract. If the ZALICO contract is for Federal income tax purposes a non-qualified annuity contract and you elect to exchange part or all of your contracts for another contract permitted in a tax free 1035 Exchange by completing the appropriate paper work with ZALICO, ZALICO will not withhold from the exchange proceeds any amounts for Federal income taxes.

**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 distribution 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.

**Distribution Payment**

- Distribution payment from an IRA or a non-qualified contract. Since the ZALICO contract is a tax qualified IRA contract or a non-qualified contract, I understand that ZALICO will withhold 10% of the taxable amount of my distribution payment unless I instruct ZALICO otherwise by checking one of the following boxes:
  - Not to have any amounts withheld from my distribution payment, or
  - To have an amount withheld equal to \_\_\_\_\_% of the taxable amount of my distribution payment.
- Trustee to Trustee transfer of a tax qualified IRA contract.
  - The ZALICO contract is a tax qualified IRA contract and I have elected a tax-free trustee-to-trustee transfer of my distribution payment by completing the appropriate paperwork with ZALICO. Therefore, no amounts will be withheld from the transfer proceeds for federal income taxes.
- 1035 Exchange of a non-qualified annuity contract.
  - The ZALICO contract is a non-qualified annuity contract and I have elected a full or partial 1035 Exchange of my contract by completing the appropriate paperwork with ZALICO. Therefore, no amounts will be withheld from the exchange proceeds for federal income taxes.

**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) may be based on whether your payment is a periodic or non-periodic distribution and then depending on the classification of the tax status of your contract, e.g. IRA and non-qualified.

Please refer to the attached document – State Income Tax Withholding Information Document for guidance in checking the box 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 my distribution payment 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 equal to the default State income tax withholding percentage of my legal State of residence, multiplied by the taxable amount of my distribution payment paid.

To have an amount withheld of % of the taxable amount of my distribution payment 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 equal to the default State income tax withholding percentage (10% CA; 27% VT) of my legal State of residence, multiplied by the Federal Income Tax amount withheld pursuant to my distribution payment paid.

To have an amount withheld of \_\_\_\_\_% of the Federal Income Tax amount withheld pursuant to the taxable amount of my distribution payment paid. (To be used if electing a % greater than the default % of 10% for CA, and 27% for VT).

To have an amount withheld of \_\_\_\_\_% of the taxable amount of my distribution payment paid, (To be used when there is no Federal Income Tax amount withheld elected by the policy owner).

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 using the default State income tax withholding percentage of my legal State of residence, multiplied by the taxable amount of my distribution payment paid.

To have an amount withheld of \_\_\_\_\_% of the taxable amount of my distribution payment 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 my distribution payment paid.

**Section 10. Additional 10% Federal Income Tax if You Are Under Age 59 1/2**

If you receive payment before you reach age 59 1/2 and you do not roll the payment over within 60 days as required by federal tax law, then in addition to the regular income tax, you may be liable for an extra tax equal to 10% of the taxable portion of the payment. Certain exceptions may apply depending on your circumstances. For example, the additional 10% tax generally does not apply to your payment if it is (1) paid to you to pay certain medical expenses, (2) paid to an alternate payee pursuant to a qualified domestic relations order, or (3) paid to you because of a disability. Beginning in 1998, the additional 10% tax maybe waived for distributions from IRAs for (1) qualified higher educational expenses (2) health insurance premiums, or (3) qualified first time home buyer distributions. See IRS form 5329 for more information on the additional 10% tax. Other exceptions also may be available. You should consult your tax advisor about the potential applicability of the additional 10% tax.

**Section 11. Signatures of Owners**

By signing below, the Owner(s) hereby certify that the information provided in this request is complete and accurate, and understand that ZALICO will process this request 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 Joint Contract Owner: \_\_\_\_\_ (if any)

Joint Contract Owner's Signature \_\_\_\_\_ (if any) Date: \_\_\_\_\_

Note: All Signatures above are to be guaranteed.

Signature Guarantee with Medallion Stamp:

(Bank Officer Medallion or Broker Dealer Medallion)



**Section 12. Spousal Consent Signatures**

Spousal Consent for Community Property States: If the plan participant is a resident of AZ, CA, ID, LA, NV, NM, TX, WA or WI, spousal consent is required unless the participant has no legal spouse.

Signature of Contract Owner's Spouse: \_\_\_\_\_ Date: \_\_\_\_\_

Check here if Contract Owner has no legal spouse

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 64361  
St. Paul MN 55164-0361  
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.

<b>State</b>	<b>State Tax W/H Calculation</b>	<b>Non-Periodic Distributions</b>	<b>Periodic Distributions</b>
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.

<b>State</b>	<b>State Tax W/H Calculation</b>	<b>Non-Periodic Distributions</b>	<b>Periodic Distributions</b>
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>

<b>State</b>	<b>State Tax W/H Calculation</b>	<b>Non-Periodic Distributions</b>	<b>Periodic Distributions</b>
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.

<b>State</b>	<b>State Tax W/H Calculation</b>	<b>Non-Periodic Distributions</b>	<b>Periodic Distributions</b>
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.