MIDLAND NATIONAL®
Life Insurance Company

Partial Surrender Request

CLEAR FORM

To be completed for partial surrenders. For questions, please contact the Midland National Life Insurance Company Customer Service Department
Phone: 877-586-0244 Fax: 877-586-0249 Mail to: P.O. Box 79907, Des Moines, IA 50325
Overnight to: 4350 Westown Parkway, West Des Moines, IA 50266.

The completion of this form is necessary to satisfy the Written Notice Requirements as defined in Section 1 of your contract. Altered forms, including but not limited to correction fluid, or photocopies will not be accepted. Please ensure all pages of this form are submitted and all sections are completed accurately to ensure prompt processing of your request. Failure to do so may result in a delay of the withdrawal.

I. Account Information

Annuity Contract Number ______________________________

Owner Name ______________________________

Owner Social Security Number ______________________________ Phone Number ______________________________

Joint Owner Name ______________________________

Joint Owner Social Security Number ______________________________ Phone Number ______________________________

Owner's Mailing Address ☐ This is a new address

Street Address ______________________________

City/State/Zip ______________________________

II. Partial Surrender Information

Withdrawals taken prior to age 59½ may be subject to IRS penalties. Taking a withdrawal from a contract that has a Guaranteed Lifetime Withdrawal Benefit (GLWB) or Guaranteed Minimum Withdrawal Benefit (GMWB) may adversely affect the benefits associated with this feature. Please refer to the GLWB or GMWB section in your contract for more details. If your contract is a fixed index annuity, this withdrawal will remove funds from the fixed and index accounts on a pro-rata basis, based on the value in each account on the effective date of the withdrawal.

Select either Penalty-Free Withdrawal or indicate an amount of your choice. When selecting an amount please indicate net or gross.

☐ **Penalty-Free Withdrawal/Remaining Penalty-Free Withdrawal**

By checking this box you are requesting the penalty free amount available to you per your contract provisions, including interest only contracts. Your penalty free provisions can be found on the Specification Page of your contract.

OR

☐ **Amount $** ______________________

☐ Gross Amount *(Total amount of withdrawal)*

☐ Net Amount *(Amount of check)*

If no election is made you will receive a net distribution.

III. Election of Withholding *(Must be completed)*

You must indicate if Federal/State income taxes should be withheld from your payment by signing and dating this election form and returning it to Midland National. State taxes will be withheld only if required by your state. Even if you elect not to have Federal/State income taxes withheld, you are liable for Federal/State income taxes on the taxable portion of your benefits. You may also be subject to tax penalties under the Estimated Tax Payment rules if your payments of estimated tax and withholding, if any, are not adequate. **If no election is made, 10% Federal Income Tax will be withheld. If your Contract is a TSA 403(b) we are required to withhold 20% of your distribution for Federal Income Taxes, unless the distribution is for your Required Minimum Distribution or is being taken under Hardship. If no election is made, we will automatically withhold 20% for Federal Income Taxes.**

Withhold Federal Taxes – (*Select one)*

☐ No ☐ Yes _____ % (minimum 10%)

Withhold State Taxes – (*Select one)*

☐ No ☐ Yes _____ %

Annuity Contract Number____________________________

IV. Method of Payment

You may elect to have your funds sent by regular mail or Electronic Funds Transfer. If no election is indicated, a check will be mailed to you.

Important Information Regarding EFT *(Please read)*

- Once your withdrawal has been processed, funds will generally be available after three business days.
- EFT may not be available for all products.
- Should an inappropriate deposit be made, the financial institution is authorized to make a debit entry to your account and return the corrected amount to Midland National.

☐ Send funds EFT – I authorize Midland National to automatically deposit this withdrawal into the account chosen below.

- ☐ **Checking Account** – A voided check is required to send funds EFT to your checking account. If one is not provided at the time of this request, a check will be issued and sent to your address of record.
- ☐ **Savings Account** – To send funds to a savings account, a letter is required. Please provide a letter on your bank's letterhead, signed by a bank official, with your name, account number and routing number. If this is not provided at the time of this request, a check will be issued and sent to your address of record.
- ☐ Please use EFT information currently on file. If no information is on file, a check will be issued and sent to your address of record.

☐ Send Check out regular mail.

V. Certification - Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and;
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 Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and;
3. I am a U.S. citizen, and;
4. I am exempt from Foreign Account Tax Compliance Act (FATCA) reporting.

VI. Acknowledgement

I/We hereby acknowledge that the information provided herein is to the best of my/our knowledge true and accurate. I/We also acknowledge that this form must be fully completed, and failure to complete any portion of this form may delay the processing of the request.

If this transaction is subject to a community property interest, we strongly recommend that You obtain your spouse's signature on the line below to document his/her consent to this transaction. States that recognize community property interests in property held by married persons include Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin.

You understand and agree that the Company may presume that no community property interest exists if You have not obtained your spouse's signature below. Further, You understand and agree that the Company has no duty to inquire further about any such community property interest. As a result, You agree to indemnify and hold the Company harmless from any consequences relating to community property interests and this transaction.

Please note the term "spouse" includes domestic partner or other partner as permitted by civil union, domestic partnership or similar law.

Contract Owner Signature/Assignee: ______________________________ Date: ____________________

Joint Owner Signature/Assignee: ______________________________ Date: ____________________

Spousal Signature: ______________________________ Date: ____________________

Notary Signature:______________________________ Date: ____________________

(A notary signature is needed for all surrender charges greater than $10,000)

If your request is not in good order, how would you like us to notify you?

Call me at:________________________

☐ Contact My Agent ☐ Mail a letter to my address of record

Annuity Contract Number___________________________

TSA 403(b) Plans Only

Qualifying Event *(One of the conditions below must be met)*

☐ Attained age 59½

☐ Disability
(INITIAL HERE) ________ Disability is defined under Internal Revenue Code Section 72(m). A copy of IRS Schedule R form or Social Security Disability Income Award is **REQUIRED**. You may contact the Social Security Administration at 1-800-772-1213 in order to obtain a benefit verification letter.

☐ Separated from Service: The end of your employment with the organization who sponsored the 403(b) TSA plan. Written documentation from your previous employer verifying separation is **REQUIRED**.

☐ Financial Hardship (financial hardship affidavit **MUST** be completed.) I understand that I can receive only my contributions, minus any withdrawals, and not the interest earned on my contributions. I further understand that I may not make a contribution to my plan within six months of receiving a financial hardship distribution.
_______ Initial here after reviewing financial hardship affidavit below.

☐ **TSA HARDSHIP WITHDRAWAL AFFIDAVIT (If applicable, initials required above)** "Hardship" is defined as an immediate financial need of the Owner which cannot be met by other resources reasonably available to satisfy the need.

The following events are considered to meet the hardship criteria: (Please check one)

☐ Medical expenses in excess of those reimbursed by an employer plan or through insurance;
☐ Purchase of a principal residence for the Owner;
☐ College tuition for the Owner, spouse and children; and
☐ Amounts necessary to prevent the eviction from, or the foreclosure of the mortgage on, the Owner's principal residence
☐ Other ____

CERTIFICATION I certify that this need cannot be met:

- Through reimbursement or compensation by insurance; or
- By reasonable liquidation of my assets (or those of my spouse or minor children); or
- By stopping my contribution to my TSA policy; or
- By loans under my TSA policy or under other plans maintained by my employer; or
- By borrowing from commercial sources, such as banks or credit unions

Contract Owner Signature: ____ Date:__________________

Employer/Administrator Authorization

I hereby approve the above referenced request.

Employer/Authorized Administrator's Signature: ______________________________ Date:__________________

☐ Approval form/certificate is attached.

Special Tax Notice Regarding Plan Payments

This notice contains important information you will need before you decide how to receive your benefits from your policy (the "plan").

SUMMARY

A payment from the Plan that is eligible for "rollover" can be taken in two ways. You can have all or any portion of your payment either 1) PAID IN A "DIRECT ROLLOVER" or 2) PAID TO YOU. A rollover is a payment of your Plan benefits to your individual retirement arrangement (IRA) or to another employer plan. This choice will affect the tax you owe.

If you choose a DIRECT ROLLOVER:

- Your payment will not be taxed in the current year and no income will be withheld.
- Your payment will be made directly to your IRA or, if you choose, to another employer plan that accepts your rollover.
- Your payment will be taxed later when you take it out of the IRA or the employer plan.

If you choose to have your Plan benefits PAID TO YOU:

- You will receive only 80% of the payment, because the Plan administrator is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.
- Your payment will be taxed in the current year unless you roll it over. You may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59½, you also may have to pay an additional 10% tax.
- You can roll over the payment by paying it to your IRA or to another employer plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be taxed until you take it out of the IRA or employer plan.
- If you want to roll over 100% of the payment to an IRA or an employer plan, you must find other money to replace the 20% that was withheld. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to an IRA or to another employer plan that accepts rollovers. Your Plan administrator should be able to tell you what portion of your payment is an eligible rollover distribution. The following types of payments cannot be rolled over.

1) Non-taxable Payments. In general, only the "taxable portion" of your payment is an eligible rollover distribution. If you have made "after-tax" employee contributions to the Plan, these contributions will be non-taxable when they are paid to you, and they cannot be rolled over. (After-tax employee contributions generally are contributions you made from your own pay that were already taxed.)
2) Payments Spread Over Long Periods. You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for your lifetime (or your life expectancy), or your lifetime and your beneficiary's lifetime (or life expectancies), or a period of ten years or more.
3) Required Minimum Payments. Beginning in the year you reach age 70½, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you.

II. DIRECT ROLLOVER

You can choose a direct rollover of all or any portion of your payment that is an "eligible rollover distribution," as described above. In a direct rollover, the eligible rollover distribution is paid directly from the Plan to an IRA or another employer plan that accepts rollovers. If you choose a direct rollover, you are not taxed on a payment until you later take it out of the IRA or the employer plan.

1) Direct Rollover to an IRA. You can open an IRA to receive the direct rollover. (The term "IRA," as used in this notice, includes individual retirement institution) To find out how to have your payment made in a direct rollover to an IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to an IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish an IRA to receive the payment. However, in choosing an IRA, you may wish to consider whether the IRA you choose will allow you to move all or part of your payment to another IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on IRAs (including limits on how often you can roll over between IRAs).
2) Direct Rollover to a Plan. If you are employed by a new employer that has a plan, and you want to direct rollover to that plan, ask the administrator of that plan whether it will accept your rollover. An employer plan is not legally required to accept a rollover. If your new employer's plan does not accept a rollover, you can choose a direct rollover to an IRA.
3) Direct Rollover of a Series of Payments. If you receive eligible rollover distributions that are paid in a series for less than ten years, your choice to make or not make a direct rollover for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

III. PAYMENT PAID TO YOU

If you have the payment made payable to you, it is subject to 20% income tax withholding. The payment is taxed in the year you receive it unless, within 60 days, you roll it over to an IRA or another plan that accepts rollovers. If you do not roll it over, special tax rules apply.

Income Tax Withholding:

Mandatory Withholding - If any portion of the payment to you is an eligible rollover distribution, the Plan is required by law to withhold 20% of that amount. This amount is sent to the IRS as income tax withholding. For example, if your eligible rollover distribution is $10,000, only $8,000 will be paid to you because the Plan must withhold $2,000 as income tax. However, when you prepare your income tax return for the year, you will report the full $10,000 as a payment from the Plan. You will report the $2,000 as tax withheld, and it will be credited against any income tax you owe for the year.

Voluntary Withholding - If any portion of your payment is not an eligible rollover distribution but is taxable, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. To elect out of withholding, ask the Plan administrator for the election form and related information.

Sixty Day Rollover Option: If you have an eligible rollover distribution paid to you, you can still decide to roll over all or part of it to an IRA or another employer plan that accepts rollovers. If you decide to roll over, you must make the rollover within 60 days after you receive the payment. The portion of your payment that is rolled will not be taxed until you take it out of the IRA or the employer plan.

You can roll over up to 100% of the eligible rollover distribution, including the amount equal to the 20% that was withheld. If you choose to roll over 100% you must find other money within the 60-day period to contribute to the IRA or the employer plan to replace the 20% that was withheld. On the other hand, if you roll over only the 80% that received, you will be taxed on the 20% that was withheld.

> Example: Your eligible rollover distribution is $10,000, and you choose to have it paid to you. You will receive $8,000, and $2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the $8,000, you may roll over the entire $10,000 to an IRA or employer plan. To do this, you roll over the $8,000 you received from the Plan, and you will have to find $2,000 from other sources (your savings, a loan, etc.). In this case, the entire $10,000 is not taxed until you take it out of the IRA or employer plan. If you roll over the entire $10,000, when you file your income tax return you may get a refund of the $2,000 withheld. If, on the other hand, you rolled over only $8,000, the $2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return you may get a refund of part of the $2,000 withheld. (However, any refund is likely to be larger if you roll over the entire $10,000.)

Additional 10% Tax If You Are Under 59½. If you receive a payment before you reach age 59½ and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. The additional 10% tax does not apply to your payment if it is (1) paid to you because you separated from service with your employer during or after the year you reach age 55, (2) paid because you retire due to disability, (3) paid to you as equal (or almost equal) payments over your life or life expectancy (or you and your beneficiary's lives or life expectancies), or (4) used to pay certain medical expenses. See IRS Form 5329 for more information on the additional 10% tax.

Special Tax Treatment. If your eligible rollover distribution is not rolled over, it will be taxed in the year you receive it. However, if it qualifies as a "lump sum distribution," it may be eligible for special tax treatment. A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you because you have reached age 59½ or have separated from service with your employer (or, in the case of a self-employed individual, because you have reached age 59½ or have become disabled). For a payment to qualify as a lump sum distribution, you must have been a participant in the Plan for at least 5 years. The special tax treatment for lump sum distributions is described below.

1) Five-Year Averaging. If you receive a lump sum distribution after you are age 59½, you may be able to make a one-time election to figure the tax on the payment by using "5-year averaging." Five-year averaging often reduces the tax you owe because it treats the payment much as if it were paid over 5 years.
2) Ten-Year Averaging If You Were Born Before January 1, 1936. If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates) instead of 5-year averaging (using current tax rates). Like the 5-year averaging rules, 10-year averaging often reduces the tax you owe.
3) Capital Gain Treatment If You Were Born Before January 1, 1936. In addition, if you receive a lump sum distribution and you were born before January 1, 1936, you may elect to have the part of the payment that is attributable to your pre-1974 participation in the Plan (if any) taxed as long-term capital gain at a rate of 20%.

There are no other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. If you have previously rolled over a payment from the Plan (or certain other similar plans of the employer), you cannot use this special tax treatment for later payments from the Plan. If you roll over your payment to an IRA, you will not be able to use this special tax treatment for later payments from the IRA. Also, if you roll over only a portion of your payment to an IRA, this special tax treatment is not available for the rest of the payment. Additional restrictions are described in IRS Form 4972, which has more information on lump sum distributions and how you elect the special tax treatment.

IV. SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order," which is an order issued by a court, usually in connection with a divorce or legal separation. Some of the rules summarized above also apply to deceased employee's beneficiary who is not a spouse. However, there are some exceptions for payments to surviving spouses, alternate payees, and other beneficiaries that should be mentioned.

If you are a surviving spouse, you may choose to have an eligible rollover distribution paid in a direct rollover to an IRA or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to an IRA but you cannot roll it over to an employer plan. If you are an alternate payee, you have the same choices as an employee. Thus, you can have the payment paid as a direct rollover or paid to you. If you have it paid to you, you can keep it or roll it over yourself to an IRA or to another employer plan that accepts rollovers. If you are a beneficiary other than the surviving spouse, you cannot choose a direct rollover, and you cannot roll over the payment yourself.

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is not subject to the additional 10% tax described in Section III above, even if you are younger than age 59½.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions and the special rule for payments, as described in Section III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

HOW TO OBTAIN ADDITIONAL INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with a professional tax advisor before you take a payment of your benefits from the Plan. Also, you can find more specific information on the tax treatment of payments from qualified retirement plans in IRS publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office or by calling 800-TAX-FORMS.