



300 S.W. Adams Street Peoria, IL 61634  
Phone 309.674.8255

# 1035 EXCHANGE AUTHORIZATION

## 1. Instructions for the Agent

This form is used for 1035 Exchanges of a policy/contract ("contract").

- (a) Call the current contract issuer for their correct address, replacement requirements, and exchange requirement **(including use of their withdrawal forms)**.
- (b) Do not use for tax-qualified contracts. Use Form 5368 for tax-qualified contracts.
- (c) We do not accept tax-deferred annuities with joint owners or joint annuitants.
- (d) Read and complete Sections 2-5.
- (e) Mail this form to Illinois Mutual (see Section 7b) with the new application, replacement forms (if required), the original contract, and any other applicable forms.

## 2. IRC Section 1035 Exchange Information

The exchange of a life policy, endowment or non-qualified annuity contract for a new contract is non-taxable under Internal Revenue Code ("IRC") Section 1035(a), where the insured(s) and owner(s) are the same on the new and replaced life policy or where the annuitant and owner are the same on the new and replaced contract, and where funds are transferred directly between insurers.

Taxable income may arise if any part of the cash surrender value is taken as cash. In addition, if there is an outstanding loan, the new loan will not be recreated under the new contract and you will experience a taxable event equal to the lesser of the outstanding loan amount or the gain on the contract.

## 3. Current Insurer and Contract Information

Insuring Institution Name	
Mailing Address (Street, City, State & ZIP Code)	
Contract Owner's Name	Owner's Social Security # or Tax I.D. # (TIN)
Contract Joint Owner's Name (if applicable - do not use for deferred annuities)	Joint Owner's Social Security # or Tax I.D. # (TIN)
Annuitant/Insured Name(s)	Contract # (See note.)

Contract Type:  Non-qualified annuity  Endowment  Whole/Universal Life  Other \_\_\_\_\_

Total Number of Contracts Being Transferred: \_\_\_\_\_ Total Amount Being Transferred: \$ \_\_\_\_\_

(Note: If other contracts are being transferred, then attach a separate transfer form for each contract to ensure that your exchange is credited appropriately.)

## 4. Exchange Instructions

**(a) Exchange Timing** (Choose one. Early withdrawal penalties may apply.)

- Immediately
- Future date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

(Note: Allow 15 business days between the date the form is submitted and the requested exchange date.)

**(b) Payment Method** (Choose one.)

- Check
- Wire Transfer (Transfer fees are the responsibility of the contract Owner.)

**5. Absolute Assignment and Authorization**

I absolutely assign all right, title and interest in my policy/contract ("contract") to Illinois Mutual for the purpose of effecting a tax-free exchange under IRC Section 1035. I understand that Illinois Mutual intends to surrender the contract for its cash value, and upon receipt will apply that amount as a purchase payment for a new contract. If, for any reason, I receive a check for the cash value of this contract, I will endorse the check over to Illinois Mutual pursuant to this agreement. No other person or entity has any interest in my contract, and no proceedings in insolvency or bankruptcy have been instituted against me.

(Check one of the following boxes.)

- My contract is enclosed.
- My contract is either lost or has been destroyed. Should my contract be found, I agree to return it without claim.

\_\_\_\_\_  
Owner's Signature Date

\_\_\_\_\_  
Joint Owner's Signature (if applicable) Date

**6. Acceptance (To be completed by Illinois Mutual)**

Illinois Mutual accepts the assignment of the above-referenced contract in order to effect a 1035 exchange and the owner(s) and annuitant(s)/insured(s) are the same as on the above referenced contract. Please send a check for the cash surrender value as indicated below. Since this transaction is intended to qualify as a tax-free exchange under IRC Section 1035, do not withhold any amount for taxes. Please provide us with cost-basis information by completing the sections below and returning a copy with the payment check.

\_\_\_\_\_  
Authorized Signature of Illinois Mutual Life Insurance Company Officer Date

\_\_\_\_\_  
Printed Name of Officer Title

**7. Request for Surrender (To be completed by the current issuer)**

**(a) Cost Basis Information**

Information provided by: \_\_\_\_\_ (Current Contract Issuer Representative)

	<u>Cost Basis</u>	<u>Gain</u>	<u>Total</u>
Pre-TEFRA amount	\$ _____	\$ _____	\$ _____
Post-TEFRA amount	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

**(b) Beneficiary Account Information**

Check if this is a Beneficiary Account. \_\_\_\_\_  
Original Owner's Name Original Owner's Date of Death

**(c) Payment Instructions** (Please see Section 4b for client's payment preference.)

(1) Make checks payable to: Illinois Mutual FBO \_\_\_\_\_ (Contract Owner's Name)  
 Illinois Mutual Contract # \_\_\_\_\_

(2) Send payment to: Illinois Mutual  
 Attn: Annuity Underwriting  
 300 S.W. Adams Street  
 Peoria, IL 61634

(3) Wire To: JPMorgan Chase Bank, N.A.  
 ABA Routing & Transit No. 021000021  
 To credit account of: Illinois Mutual Life Insurance Company  
 Wire Receipt Account No. 744944430