5400 Tuscarawas Road
Beaver, PA 15009
Phone: (855) 306-0607
Email: forms@GCUusa.com

INDIVIDUAL DEFERRED INDEXED ANNUITY APPLICATION

(Please print)

Aquila X ☐ **Aquila V** ☐

Section 1 - Annuitant

Annuitant's Name *(First/Middle/Last)* | Social Security Number | Date of Birth | ☐M ☐F Gender

Permanent Address *(No P.O. Box)* | City | State | Zip | ☐Y ☐N U.S. Citizen

Mailing Address | City | State | Zip

Phone Number: ☐Home ☐Cell | e-Mail Address | Marital Status | Green Card #

Government Issued Photo ID Type and ID No. *(Provide State for Driver's License)*

Is the Proposed Annuitant a member of the GCU? ☐Yes ☐No **Lodge Number** _____

Joint Annuitant's Name *(First/Middle/Last)* | Social Security Number | Date of Birth | ☐M ☐F Gender

Permanent Address *(No P.O. Box)* | City | State | Zip | ☐Y ☐N U.S. Citizen

Mailing Address | City | State | Zip

Phone Number: ☐Home ☐Cell | e-Mail Address | Marital Status | Green Card #

Government Issued Photo ID Type and ID No. *(Provide State for Driver's License)*

Section 2 - Owner *(if other than Annuitant)*

Owner's Name *(First/Middle/Last)* | Social Security Number | Date of Birth | ☐M ☐F Gender

Permanent Address *(No P.O. Box)* | City | State | Zip | ☐Y ☐N U.S. Citizen

Mailing Address | City | State | Zip

Phone Number: ☐Home ☐Cell | e-Mail Address | Marital Status | Green Card #

Government Issued Photo ID Type and ID No. *(Provide State for Driver's License)*

Joint Owner's Name *(First/Middle/Last)* | Social Security Number | Date of Birth | ☐M ☐F Gender

Permanent Address *(No P.O. Box)* | City | State | Zip | ☐Y ☐N U.S. Citizen

Mailing Address | City | State | Zip

Phone Number: ☐Home ☐Cell | Mail Address | Marital Status | Green Card #

Government Issued Photo ID Type and ID No. *(Provide State for Driver's License)*

Section 3 - Beneficiary *(Provide additional beneficiaries on a separate page with Annuitant/Owner's Signature and date)*

(Primary beneficiaries must equal 100%) (Contingent beneficiaries must equal 100%)

Primary Beneficiary's Name | Date of Birth | Relationship to Owner | SSN/TIN | Share %

Mailing Address | City | State | Zip

Phone Number: ☐ Home ☐ Cell | e-Mail Address

Primary Beneficiary's Name | Date of Birth | Relationship to Owner | SSN/TIN | Share %

Mailing Address | City | State | Zip

Phone Number: ☐ Home ☐ Cell | e-Mail Address

Contingent Beneficiary's Name | Date of Birth | Relationship to Owner | SSN/TIN | Share %

Mailing Address | City | State | Zip

Phone Number: ☐ Home ☐ Cell | e-Mail Address

Contingent Beneficiary's Name | Date of Birth | Relationship to Owner | SSN/TIN | Share %

Mailing Address | City | State | Zip

Phone Number: ☐ Home ☐ Cell | e-Mail Address

Section 4 - Plan Qualification

☐ **Non-Qualified:** ☐ **Qualified:** ☐ IRA ☐ SEP IRA ☐ Roth ☐ Other _____

☐ 1035 Exchange/Transfer ☐ Transfer ☐ Rollover

Please note, the appropriate Disclosure Statements must be included with the application.

Section 5 - Premium *Payment (Checks should be payable to GCU, c/o New Business, 5400 Tuscarawas Road, Beaver, PA 15009)*

$_____ Check *(Client or Company)*

$_____ Rollover (*Check from Tax Qualified Retirement Account)*

$_____ Bank Transfer

$_____ 1035 Non-Qualified Replacement

$_____ Total Estimated Premium

Section 6 - Replacement Questions

1. **Do you currently have any existing life insurance or annuity contracts in force and/or pending with this or any other company?**
   ☐ Yes ☐ No *If yes, specify total amount (including amount pending with other companies)*: $_____
2. **Will this replace or change any life insurance or annuity contract in force with this company or any other company?**
   ☐ Yes ☐ No

Section 7-Initial Premium, Strategy Allocation - $2,000 minimum per allocation option *(Must be whole numbers in 1% increments totaling 100%)*

Fixed Interest	____ %
One-Year Point-to-Point Index with Participation Rate Endorsement (Barclays Zorya 5% Index)	____ %
Two-Year Point-to-Point Index with Participation Rate Endorsement (Barclays Zorya 5% Index)**	____ %
One-Year Point-to-Point Index with Participation Rate Endorsement (Barclays US Tech 12% Index)	____ %
Two-Year Point-to-Point Index with Participation Rate Endorsement (Barclays US Tech 12% Index)**	____ %
One-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (Barclays Zorya 5% Index)	____ %
Two-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (Barclays Zorya 5% Index)**	____ %
One-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (Barclays US Tech 12% Index)	____ %
Two-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (Barclays US Tech 12% Index)**	____ %
One-Year Point-to-Point Index with Participation Rate Endorsement (S&P 500 Dynamic Intraday Index)	____ %
Two-Year Point-to-Point Index with Participation Rate Endorsement (S&P 500 Dynamic Intraday Index)**	____ %
One-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (S&P 500 Dynamic Intraday Index)	_____ %
Two-Year Point-to-Point Index with Participation Rate & Min. Crediting Rate Endorsement (S&P 500 Dynamic Intraday Index)**	_____ %
** *Not Eligible for Aquila V*	=100%

Section 8 - Rider(s) *(Only one option can be selected)*

**** Fee Based***
***** Not Eligible for Aquila V***

Option 1 _____
Cumulative Withdrawal Benefit Rider **
Terminal Illness Rider
Nursing Home Rider
Wellness Enhancement Rider
Income Elevate: Guaranteed Lifetime Withdrawal Benefit

Option 2 _____
Cumulative Withdrawal Benefit Rider**
Terminal Illness Rider
Nursing Home Rider
Wellness Enhancement Rider
* **Income Pro**: Enhanced Guaranteed Lifetime Withdrawal Benefit

Option 3 _____
Cumulative Withdrawal Benefit Rider **
Terminal Illness Rider
Nursing Home Rider
Wellness Enhancement Rider
***Income Elite**: Enhanced Guaranteed Lifetime Withdrawal Benefit
* Premium Bonus Rider

Option 4 _____ ***(Aquila X Only)***
Cumulative Withdrawal Benefit Rider
Terminal Illness Rider
Nursing Home Rider
Wellness Enhancement Rider
Elevate Plus: Guaranteed Lifetime Withdrawal Benefit
Premium Bonus Rider

FRAUD WARNING

WARNING: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Section 9 - Tax Identification Certification (*in lieu of W-9*)

Under penalties of perjury, I certify that:

- The number shown on this application is my correct taxpayer identification number; and
- I am not subject to backup withholding due to failure to report interest and dividend income; and
- I am a U.S. Citizen or other U.S. Persons (as defined in the W-9 instructions).

Certification Instructions: You must strike out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding.

Section 10 - Owner's/Annuitant's Section

- I/We declare that all statements in this Application are true to the best of my/our knowledge and belief and agree that this Application shall be a part of the Annuity Contract issued by the Company.
- I/We understand that my contract has a free-look period if I am dissatisfied for any reason
- I/We believe this product is suitable for my/our financial goals
- I understand that the annuity contract will not be issued until all money has been received and total dollar amount meets the minimum premium requirement of the product

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

GCU FINANCIAL LIFE IS LICENSED TO DO BUSINESS AS A FRATERNAL BENEFIT SOCIETY. AS SUCH, IT IS NOT INCLUDED IN ANY STATE'S LIFE AND HEALTH GUARANTY ASSOCIATION (OTHERWISE KNOWN AS THE GUARANTY ASSOCIATION). THIS MEANS THAT FRATERNAL BENEFIT SOCIETIES CANNOT BE ASSESSED FOR THE INSOLVENCY OF OTHER LIFE INSURERS OR OTHER FRATERNAL BENEFIT SOCIETIES. BY LAW, A FRATERNAL BENEFIT SOCIETY IS RESPONSIBLE FOR ITS OWN SOLVENCY. IF THERE IS AN IMPAIRMENT OF RESERVES, A CERTIFICATE HOLDER MAY BE ASSESSED A PROPORTIONATE SHARE OF THE IMPAIRMENT. THIS PROCESS IS DESCRIBED IN THE CERTIFICATE ISSUED BY THE SOCIETY.

I agree that this Application shall be the basis for, and a party of any contract issued. I understand that only an officer of GCU may, in writing: (1) make or modify contracts: or (2) waive any of GCU's rights or requirements.

Dated at: (*City, State*)_____**this** (*Date*)_____**Day of** (*Month*)_____**,** (*Year*) _____

Annuitant Signature

Owner Signature **(*If different from Annuitant*)**

Joint Annuitant

Joint Owner Signature

Section 11 - Agent's Report

By signing below, I certify that I have truly and accurately recorded on this application the information provided by the applicant. I certify that only company approved sales materials were used and that copies of such materials were: (1) left with the client and (2) retained in my files. I certify that any required disclosure material has been presented to the applicant. I have not made any statements which differ from this material nor have I made any promises about the future expected values of this Contract.

Primary Agent Name (*print*) | Phone Number | Agent Number | Percent

Signature of Primary Agent | Agent e-Mail

Other Agent Name (*print*) | Phone Number | Agent Number | Percent

Agency Name

GCU 5400 Tuscarawas Road, Beaver, PA 15009
P 855.306.0607 E forms@GCUusa.com

Annuity Suitability Questionnaire

These questions are designed to help determine if purchasing an annuity product is suitable for your needs. **All questions must be completed (*with the possible exception of #s 8, 9 & 10*) and your signature is required.**

ANNUITY TYPE: (check one) ❑ Qualified ❑ Non-Qualified

Owner/Applicant Information: ❑ Married ❑ Single ❑ Divorced ❑ Widowed

Owner/Applicant: _____ Age: _____ DOB: _____
Joint Owner Name: _____ Age: _____ DOB: _____

1. Work Status: Owner: ❑ Employed ❑ Unemployed ❑ Retired ❑ Disability
   Joint Owner: ❑ Employed ❑ Unemployed ❑ Retired ❑ Disability

2. Residence: Owner: ❑ Living at Home ❑ Assisted Living ❑ Nursing Home
   Joint Owner: ❑ Living at Home ❑ Assisted Living ❑ Nursing Home

Financial Objectives:

3. Federal Tax Rate: ❑ 0% ❑ 10% ❑ 12% ❑ 22% ❑ 24% ❑ 32% ❑ 35% ❑ 37%

4. Do you own any of the financial products listed:

- ❑ Stocks
- ❑ Mutual Funds
- ❑ Brokerage Account
- ❑ Bonds
- ❑ Checking/Savings Account
- ❑ Certificates of Deposit
- ❑ Annuities
- ❑ Life insurance
- ❑ 401K/Pension
- ❑ I do not own any of the above products

5. What percentage of your liquid assets would you feel comfortable allocating to the categories below?

Low Risk ____% Moderate Risk ____% High Risk ____%

(100% of Total Assets)

6. Investment Objectives (*check all that apply*)

- ❑ Income
- ❑ Potential for better rate
- ❑ Protection from Market Risk
- ❑ Wealth Accumulation
- ❑ Potential for Growth
- ❑ Tax Deferral *(non-qualified only)*
- ❑ Retirement/Estate Planning
- ❑ Inheritance/Death Benefit
- ❑ Other _____

Financial Information:

7. Source(s) of Income (*check all that apply*)

- ❑ Salary/Wages
- ❑ Social Security
- ❑ Interest Income
- ❑ Dividends
- ❑ Pension/IRA Payments
- ❑ Other Annuities
- ❑ Trust Income
- ❑ Other _____

Annuity Suitability Questionnaire

Financial Information *(Continued):*

8. Monthly Income & Expenses

Approximate Monthly Household Income *(net after taxes)*: $ _____(a)

Approximate Monthly Household Expenses: $ _____(b)

Monthly Disposable Household Income: $ _____(c)
(a) – (b) = (c)

---

9. Liquid Assets

Cash $ _____
Short Term CDs $ _____
Qualified Plans $ _____
(Over 59-1/2 and no surrender penalties)

Mutual Funds/Brokerage Accounts readily convertible to cash **without penalty** $ _____
Annuities/Insurance cash values not subject to surrender penalty $ _____
Other _____ $ _____

Total Liquid Assets: $ _____

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10. Non-Liquid Assets

Value of Home $ _____
Business Interests $ _____
Qualified Plans $ _____
(If under 59-1/2)

Mutual Funds/Brokerage Accounts not readily convertible to cash **without penalty** $_____
Annuities/Insurance cash values subject to surrender penalties $ _____
Other _____ $ _____

Total Non-Liquid Assets: $ _____

---

11. After purchase of this annuity, do you believe you have enough remaining liquid assets and other sources of income to cover any emergencies or contingencies such as sudden health care needs or increased living expenses?

❑ Yes ❑ No

---

12. Do you anticipate any adverse change in assets, living expenses, medical expenses, and/or income during the surrender period of this contract?

❑ Yes ❑ No

---

13. Will there be any surrender charges or penalties to withdraw funds from your current financial product (i.e., the source of funds for this annuity purchase)?

❑ Yes ❑ No

If yes, please provide the name of the transfer company, source of funds, premium amount, dollar amount of surrender charge or penalty, and percentage of surrender charge or penalty on the next page.

Annuity Suitability Questionnaire

Transfer Company	Source of Funds	Premium Amount $	Penalty Amount $ (If any)	Add'l. Fees (If any)

Owner acknowledges any Penalty/Fee amounts by initialing: _____ ***Joint Owner initials (if applicable)***:_____
(To be addressed in writing by the Agent in completing the first section under Agent Report and Acknowledgement below.)

Applicant/Owner's Acknowledgement

I confirm that I provided the information above and that it is true and complete to the best of my knowledge. I discussed my current financial situation, anticipated financial needs and risk tolerance with my agent. The agent discussed with me the surrender charges, if applicable, and other costs relating to this annuity contract. Furthermore, I reviewed the product-specific Disclosure Statement and understand the product features, interest crediting elements, and, if applicable, the indexes upon which the interest calculation will be based. I understand the risks associated with this product and the advantages and disadvantages of this annuity contract**. I further understand that should I decline to provide the requested information, or should I provide inaccurate information, I am limiting the protection afforded me by the state statutes regarding the suitability of this purchase.**

- ❑ I **REFUSE** to provide this information at this time.
- ❑ I have chosen to provide **LIMITED** information at this time.
- ❑ My annuity purchase **is NOT based** on the recommendations of this agent or the insurer.
- ❑ My annuity purchase **is based** on the recommendations of this agent or the insurer.

State Requirements: **CA** and **MN** Customers over age 65 cannot elect to opt out of providing suitability information.
FL Customers must complete the State Approved Suitability Form.

PLEASE REVIEW THE FORM AND SIGN ATTESTING THAT THE INFORMATION IS TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE. THIS FORM SHOULD NOT BE SIGNED IF ANY REQUIRED ITEM IS LEFT BLANK.

_____ _____
Applicant/Owner's Signature Date

_____ _____
Joint Owner's Signature Date

Agent Report and Acknowledgement

Select One (*The application will not be processed unless one of the boxes below is checked AND if the first box is checked, the basis of the agent's recommendation is explained in the space provided.*)

❑ The basis of my recommendation to purchase the proposed annuity or replace/exchange the existing annuity is: _____

_____

_____

_____

❑ Client selected the "Waiver" of Annuity Suitability.

I believe the purchase of this annuity contract is suitable after reviewing the information provided to me by the applicant/owner. If applicable, I have discussed the advantages and disadvantages of any replacement or exchange of another annuity contract or life policy. I have reasonably informed the applicant/owner of all-important features of the annuity and proposed transaction.
To the best of my knowledge, the questions on this form have been answered truthfully and I have complied with suitability requirements consistent with my contractual obligations.

_____ _____
Producer Signature Date

GCU 5400 Tuscarawas Road, Beaver, PA 15009
P 855.306.0607 E forms@GCUusa.com

Appendix A - Insurance Best Interest Model Reg. #275 Producer Disclosure for Annuities

Do Not Sign Unless You Have Read and Understand the Information in this Form.

Insurance Producer Information = ("Me," "I," "My")	First Name:
	Last Name:
	Business/ Agency Name:
	Website:
	Business Mailing Address:
	Business Telephone Number:
	Email Address:
	National Producer Number in [state]:
Customer Information ("You," "Your")	First Name:
	Last Name:

What Types of Products Can I Sell You?

I am licensed to sell annuities to You in accordance with state law. ***If I recommend that You buy an annuity, it means I believe that it effectively meets Your financial situation, insurance needs and financial objectives. Other financial products, such as life insurance or stocks, bonds and mutual funds, also may meet Your needs.***

I offer the following products: ❑ Fixed or Fixed Indexed Annuities ❑ Variable Annuities ❑ Life Insurance

I need a separate license to provide advice about or to sell non-insurance financial products. I have checked below any non-insurance financial products that I am licensed and authorized to provide advice about or to sell.
❑ Mutual Funds ❑ Stocks/Bonds ❑ Certificates of Deposit

Whose Annuities Can I Sell You?

I am authorized to sell:

❑ Annuities from only one (1) insurer or more insurers

❑ Annuities from two (2) or more insurers

Annuities from two (2) or more insurers although I primarily sell annuities from: _____

How I'm Paid for My Work

It's important for You to understand how I'm paid for My work.Depending on the particular annuity You purchase, I may be paid a commission or a fee. Commissions are generally paid to Me by the insurance company while fees are generally paid to Me by the consumer. If You have questions about how I'm paid, please ask Me. Depending on the particular annuity You buy, I will or may be paid cash compensation as follows:

❑ Commission, which is usually paid by the insurance company or other sources. If other sources, describe: _____ ❑ Incentive Trip ❑ Special One (1) Time Incentive

❑ Fees (such as a fixed amount, an hourly rate or a percentage of Your payment), which are usually paid directly by the customer. ❑ Other (describe): _____

Additional Disclosure for Retirement Accounts

If you are using funds from an IRA or employer-sponsored retirement plan to purchase an annuity, the insurance producer may receive compensation from the insurance company in connection with this transaction and may have a financial interest in the recommendation. The producer is required to act in your best interest under applicable state insurance laws.

If You have questions about the above compensation that I will be paid for this transaction, please ask Me.

By signing below, You acknowledge that You have read and understand the information provided to You in this document, including any applicable disclosure above.

Customer Signature:_____Date:_____

Producer Signature: _____Date:_____

CERTIFICATE OF DISCLOSURE

GCU Aquila Series

Modified Single Premium Fixed Indexed Deferred Annuity

5400 TUSCARAWAS ROAD; BEAVER, PA 15009
855-306-0607 forms@GCUusa.com

Thank you for your interest in GCU's Aquila fixed index annuity series. It is important that you understand the benefits, features and limitations of this annuity before making your purchasing decision. Please read the following information and sign the last page of this document to acknowledge your understanding of the annuity Certificate for which you are applying.

WHAT IS GCU's Aquila annuity series?

GCU's Aquila annuity series is a Modified Single Premium Fixed Indexed Deferred Annuity series. It's intended for a client seeking a long-term retirement savings vehicle. Different Withdrawal Charge Periods are available for you to choose from.

Your fixed indexed annuity is not a security or any type of investment contract. It is not a stock market investment and does not directly participate in any stock or equity investments. External market indices may not include dividends paid on the underlying stocks, and therefore may not reflect the total return of the underlying stocks. Your Premium is never directly invested in the external index that is part of the crediting strategies you choose.

WHAT IF I CHANGE MY MIND AFTER MY ANNUITY CERTIFICATE IS DELIVERED?

After you receive your annuity Certificate, the Certificate may be returned within the right to cancel period for an unconditional refund of the premium paid for the Certificate. The right to cancel period is the amount of time you have to request a refund. The right to cancel period is 30 days after you receive your certificate.

DOES MY CERTIFICATE HAVE A PREMIUM BONUS?

The Aquila series gives you the option to receive a premium bonus on all premiums deposited in the first Certificate year. The initial premium bonus will be allocated to the crediting strategies based on the allocations you elect. Please refer to your Certificate Schedule for the premium bonus credited to your Account Value.

CAN I ADD ADDITIONAL PREMIUMS AFTER MY CERTIFICATE HAS BEEN ISSUED?

Yes, the Aquila series allows you to add additional premium for the first Certificate year. Premium bonuses will also apply to all premiums. All additional premiums will automatically be applied to the fixed interest strategy and can be reallocated at the end of the first year.

HOW WILL INTEREST BE CREDITED TO MY CERTIFICATE?

The Aquila series provides a choice of fixed interest and index crediting strategies. You specify how to allocate the Premium between the crediting strategies you elect.

Each available crediting strategy has company-declared adjustments used in calculating interest earnings for that crediting strategy. Adjustments could be in the form of an interest rate or participation rate. These adjustments are set in advance and are guaranteed not to change during the strategy term. Once per year, you will be sent a report with information about your Account Value. Please note that these adjustments may change at the beginning of each strategy term.[1]

Please keep in mind that we may discontinue the crediting strategy on a future Certificate anniversary. If a crediting strategy is discontinued, any funds allocated to the discontinued crediting strategy will automatically transfer as described in your Certificate. We may offer additional crediting strategies on a future Certificate Anniversary, subject to approval by the appropriate state or domicile.

IF THE INDEX DECLINES, WILL MY ACCOUNT VALUE FALL?

Regardless of market conditions, interest credits for any strategy term can never be less than zero. Any interest credited will be locked in at the end of the strategy term and protected from future market declines.

CAN I TRANSFER THE ACCOUNT VALUE AMONG THE DIFFERENT CREDITING STRATEGIES?

You may transfer your Account Value among the available crediting strategies at the end of each strategy term, for each subsequent strategy term. A written request to reallocate must be received by GCU no later than five business days before the end of the strategy term, to be made effective.

CAN I ACCESS MY ACCOUNT VALUE BEFORE THE INCOME DATE?

The Aquila series provides access to the Account Value of your Certificate in several different ways. However, contract values accessed during the withdrawal charge period may be subject to a withdrawal charge and premium bonus recovery. Pleasenote that withdrawals taken from an indexed crediting strategy during a strategy term will not be credited with any potentialinterest credits for that strategy term.

[1]The fixed account interest rate is set at the effective date of your certificate and is guaranteed for the first contract year.

- **Free Withdrawals**
  After the first Certificate Year, 10% of the Account Value as of the preceding Certificate anniversary is available. If you withdraw less than the free withdrawal amount in any Certificate year, your free withdrawal amount in future Certificate years will not be increased.
- **Cumulative Free Withdrawals**
  If no withdrawals are taken in a given year, fully unused free withdrawals can be carried over to the next year. The maximum cumulative free withdrawal amount is equal to 30% of your account value as of the preceding Certificate anniversary. For example, after the first Certificate year, if no withdrawals were taken for 2 consecutive Certificate years where free withdrawals were available, then up to 30% could be taken the following year.
- **Required Minimum Distribution**
  If you purchase this annuity with "tax-qualified" money, tax law and IRS rules may require you to take required minimum distributions from your Certificate each year. Any required minimum distributions taken from your Certificate will be considered a free withdrawal. These amounts will be considered part of, and not in addition to, the Certificate's free withdrawal amount.
- **Nursing Home Benefit[2]**
  The nursing home rider will allow you, at any time after the first Certificate year plus 90 days of continual confinement, to receive up to 100% of the account value. Written proof is required, and the withdrawal must be made while you are confined.
- **Terminal Illness Benefit[2]**
  After the first Certificate Year, you may request a payment of up to 100% of the Account Value if you are diagnosed with a terminal illness that is expected to result in death within one year. Written proof must be provided.
- **Wellness Benefit Enhancement Rider** (k**nown as the Withdrawal Enhancement Benefit Rider in California**)
  At any time after reaching the Minimum Lifetime Withdrawal Election age (and after the GLWB waiting period and the Wellness/Withdrawal Enhancement Waiting period), the annuitant may elect to receive Wellness/Withdrawal Enhancement Withdrawals by meeting all of the following criteria:
  1. Home Health Care Services begin after the rider's effective date
  2. The current account value is greater than zero
  3. Written proof from a qualified Physician of inability to perform at least 2 of the 6 Activities of Daily Living
  4. The annuitant is also the annuity owner

WHAT IF I DECIDE TO CANCEL MY CERTIFICATE?

If you decide to make a full withdrawal, we will pay you the Cash Surrender Value. The Cash Surrender Value is equal tothe greater of the following values as defined in your Certificate:

- The Account Value less any applicable withdrawal charges and less any applicable premium bonus recovery.
- The Minimum Guaranteed Value.

WHAT IS A WITHDRAWAL CHARGE?

Any distribution that exceeds the free withdrawal amount in any given year will incur a withdrawal charge as indicated below:

Withdrawal Charge Periods

Certificate Year	1	2	3	4	5	6	7	8	9	10
5-Year	9%	8%	7%	6%	5%	0%	0%	0%	0%	0%
10-Year	9%	8%	7%	6%	5%	4%	3%	2%	1%	.5%

In part, withdrawal charges allow us to invest your money on a long-term basis and generally credit higher interest than would be possible with a similar annuity of shorter term.

WHAT IS THE PREMIUM BONUS RECOVERY SCHEDULE?

The Bonus Recovery Amount is the portion of the premium bonus you will lose if any amount withdrawn exceeds the free withdrawal amount during the withdrawal charge period.

Bonus Recovery Schedules

Certificate Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
AQUILA V	100%	90%	80%	70%	60%	0%	0%	0%	0%	0%
AQUILA X - Elite Bonus	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%
AQUILA X - Elevate Bonus	100%	100%	100%	100%	100%	90%	80%	70%	60%	50%

If you are replacing an existing Policy/Certificate, carefully compare the benefits of the proposed Policy/Certificate with your existing one to ensure your decision is in your best interest.

[2]The Terminal Illness & Nursing Home riders are currently not available in California

Guaranteed Lifetime Withdrawal Benefit Riders

Income Elevate is a revocable lifetime income benefit that is calculated by using an income factor times the account value to determine the lifetime annual payment.

Income Elevate PLUS has similar benefits to the Income Elevate but includes a no-fee premium bonus. This income option will have different participation rates when compared to the other income options. The premium bonus is determined by each applicant's age.

Income Pro is an optional revocable lifetime benefit. The income is calculated by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal amount. There is an annual fee for this option.

Income Elite is an optional revocable lifetime benefit. The income is calculated by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal amount. An additional benefit you receive is the Premium Bonus, which is based on the first-year premiums paid into your Aquila contract. There is an annual fee for this option. The premium bonus is determined by each applicant's age.

Aquila X Bonus (Elevate PLUS & Elite income riders only):

10% issue age 75 or lower

7.5% issue age 76-80

5% issue age 81+

Aquila X Fees

Income Pro .50% annual

Income Elite .95% annual

Aquila V Bonus (Elite income rider only):

3% issue age 75 or lower

2% issue age 76-80

1% issue age 80+

Aquila V Fees

Income Pro .35% annual

Income Elite .45% annual

WHAT HAPPENS AT DEATH?

The Death Benefit is equal to the Account Value upon death of the Owner.
If the Owner's spouse is a beneficiary or joint owner, the spouse may continue the Certificate in his or her own name.

TAX TREATMENT

You may be subject to a 10% federal tax penalty if you make withdrawals before age 59 ½. If this annuity is within a qualified plan, all distributions may be taxable. Under current tax laws, annuities grow tax deferred. An annuity is not required for tax deferral in a qualified plan. Any distribution may cause a taxable event. When you take income payments or make a withdrawal, you pay ordinary income taxes on the earned interest. Neither GCU nor our agents offer tax advice. Please consult your own personal advisor for your specific situation.

APPLICANT'S SIGNATURE

My agent has explained that withdrawal charges and premium bonus recovery will be deducted from my Account Value as described above.

By signing below, the Owner acknowledges the statements mentioned above and agree to the following:

1. I understand that I may return my contract within the free-look period if I am dissatisfied for any reason.
2. I believe this product is suitable for my financial goals.
3. I understand that the annuity meets the minimum premium requirement for the product. Interest does not accrue until the Issue Date.

_____ _____

Owner's Signature Date

_____ _____

Joint Owner's Signature Date

AGENT'S STATEMENT

I certify that I have provided a copy of this document to the applicant, and I have made no promises or assurances regarding future value of the contract, nor have I made statements differing from the disclosure.

_____ _____

Agent's Signature Date

ANNUITY CONTRACTS ARE PRODUCTS OF THE INSURANCE INDUSTRY AND ARE NOT GUARANTEED BY ANY BANK OR INSURED BY THE FDIC.

Optional Additional Forms If Required Section

Authorization for Electronic Funds Payment
1035 Exchange Form
Replacement Notice
Trust Certification
GCU Annuity Disbursement Form (Internal Transfers)
Coverdell (IRS Form 5305-EA) Supplemental Form
SEP-IRA (IRS Form 5305-SEP) Supplemental Form

GCU 5400 Tuscarawas Road, Beaver, PA 15009
P 855.306.0607 E forms@GCUusa.com

Authorization for Electronic Payment (Debit) from Checking or Savings Account

(For transferring funds from your Financial Institution to your GCU Policy or Contract)

Section 1. Payment Election *(check one)*

☐ **Initial Premium Only** — Draft my initial premium one time upon approval of my application. No further drafts are authorized.

☐ **Initial Premium Plus Recurring Drafts** — Draft my initial premium upon approval of my application AND continue recurring drafts in the amount and frequency I have selected in Section 4 below.

Section 2. Owner Information

First Name: _____ Last Name: _____ Policy/Contract Number(s): _____

Address: _____ Social Security Number: _____

City/State/ZIP: _____ Date of Birth (MM/DD/YYYY): _____ Phone: _____

Email Address: _____ Is this a new address? ☐ Yes ☐ No

Section 3. Banking Information

Financial Institution's Name: _____ Financial Institution's Phone: _____

Account Type: ☐ Checking ☐ Savings Name(s) on Account (First, Middle, Last): _____

Bank Routing Number (ABA No.): _____ Bank Account Number: _____

Section 4. Payment Amount and Frequency

Initial Premium Amount: $ _____ The initial premium will be debited upon approval of my application.

Recurring Draft Amount: $ _____ *(Complete only if Initial Premium Plus Recurring Drafts is elected in Section 1. This amount must match the selected modal premium.)*

Desired Frequency of Recurring Drafts: ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually

** Recurring draft dates will follow the approval date of the application according to the frequency selected. If a different day of the month is desired, a new form is needed after issue.*

Section 5. Authorization and Signature

I hereby authorize GCU to initiate electronic payment entries and to initiate, if necessary, electronic deposits and adjustments for any entry in error to my (our) account indicated above at the financial institution named above, hereinafter called DEPOSITORY, to credit and/or debit the same to such account. This authority is to remain in full force and effect until GCU has received written notification from me (or either of us) of its termination in such time and in such manner as to afford GCU and DEPOSITORY a reasonable opportunity to act on it.

Owner's Signature Required: _____ Date _____

ACORD 1035 EXCHANGE / ROLLOVER / TRANSFER eFORM

Name of Receiving Company
GCU

Business Address	Mailing Address	Overnight Address
5400 Tuscarawas Road Beaver, PA 15009	5400 Tuscarawas Road Beaver, PA 15009	5400 Tuscarawas Road Beaver, PA 15009
Phone: 855-306-0607	Phone: 855-306-0607	Phone: 855-306-0607
NewBusiness@GCUusa.com	NewBusiness@GCUusa.com	NewBusiness@GCUusa.com

This form can be used to accomplish a **FULL** or a **PARTIAL Exchange** of policies pursuant to Internal Revenue Code (IRC) Section 1035. This form can also be used for **Transfers of Funds and Direct Rollovers**. Complete the requested information concerning the existing policy and contract, check the appropriate boxes, and date and sign this form. Refer to the application, and if applicable, prospectus and any state required forms for additional important disclosures and information. Check with both the receiving and surrendering company for form requirements specific to the transaction that is being initiated.

If you are considering a replacement you have the right to receive information regarding your existing policy or contract values including, if available, an in force illustration, policy summary, premium payment amounts or the product prospectus. If the information is requested your existing company will return the requested information to you within five business days. Contact your existing carrier for additional information.

Complete one form for each surrendering company and contract. Please apply funds to:

New / Existing Contract Number: _____ **Receiving Carrier DTCC #:** N/A
(for Money Settlement)

Without this contract number, the funds will be applied to a new contract.

The receiving company may not accept the exchange / rollover / transfer if the funds do not meet its minimum premium requirements.

1. SURRENDERING COMPANY POLICY / ACCOUNT / CONTRACT INFORMATION

Surrendering Company Name (Complete one form for each surrendering company)	Surrendering Company Account / Policy / Contract Number
Street Address Line 1	Address Line 2
City State Zip	Phone Number Ext Fax Number
Surrendering Plan Type (Non-Qualified, IRA, Roth IRA, etc.)	Surrendering Product Type (Life, Annuity, CD, MF, Other, etc.) / Estimated Amount of Transfer $
Owner (First, Middle, Last) / Entity Name	Social Security Number / Tax ID #
Joint Owner Name (First, Middle, Last) - Please confirm the availability of these options with the Receiving Company	Social Security Number
Insured / Annuitant Name (First, Middle, Last) - if other than owner (applies to Life & Annuity products only)	Social Security Number
Joint Insured / Annuitant Name (First, Middle, Last) - Please confirm the availability of these options with the Receiving Co.	Social Security Number
Contingent Annuitant Name (First, Middle, Last) - Please confirm the availability of these options with the Receiving Co.	Social Security Number

2. TRANSFER / ROLLOVER / 1035 EXCHANGE SURRENDERING INSTRUCTIONS

☐ **Full** ☐ **Partial** $ _____ or _____%
☐ **Penalty Free Amount**

(This amount is subject to change based on the product provisions. Please check with the surrendering company to verify the amount)

By executing this form, I authorize the full or partial liquidation of my existing contract or account in accordance with the sections completed above. I hereby instruct the parties to process that liquidation:

☐ **As soon as possible after receipt of all necessary forms** ☐ **On a specific date:** _____

I / We also understand it is my / our responsibility to confirm with the surrendering company their processing guidelines to selecting a specific transfer date.

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3. DISCLOSURES / ACKNOWLEDGMENTS

I. I fully assign and transfer all claims, options, privileges, rights, title and interest to either all of the life insurance policy, all of the annuity contract or part of the annuity contract value identified in the Contract Information section on page 1 to the receiving company. The sole purpose of this assignment is to effect a tax-free exchange under Section 1035(a) of the Internal Revenue Code. All of the powers, elections, appointments, options and rights I have as owner of the contract, including the right to surrender, are now exercisable by the receiving company. Simultaneous with a full assignment, I also revoke all existing beneficiary designations under the Assigned Policy. Other than the above mentioned owner, no person, firm, or corporation other than myself and the insurer that issued the above numbered policy, has an interest in said policy. No proceedings in insolvency or bankruptcy have been instituted by or against me. I understand that the receiving company intends to surrender the contract for the cash value; or if this is a partial exchange, the portion assigned, subject to its terms and conditions, and to use the proceeds as the purchase payment for the new contract to be issued by the receiving company. I authorize the surrendering company to send the proceeds directly to the receiving company and understand that fees and surrender charges may apply. This exchange is subject to acceptance by the receiving company. Neither the receiving company nor the surrendering company is liable or responsible for changes in market value that may occur after the surrendering company has processed the transaction and before the proceeds are received by the receiving company in good order and allocated to the new contract. Prior to the date of receipt of the proceeds by the receiving company, no value will accrue or be earned on the receiving company contract.

II. If this is a rollover or transfer, I authorize the surrendering company to send the proceeds directly to the receiving company and understand that fees and surrender charges may apply. This rollover/transfer is subject to acceptance by the receiving company. Neither the receiving company nor the surrendering company is liable or responsible for changes in market value that may occur after the surrendering company has processed the transaction and before the proceeds are received by the receiving company in good order and allocated to the new contract. Prior to the date of receipt of the proceeds by the receiving company, no value will accrue or be earned on the receiving company contract. For a direct rollover from a retirement plan, I acknowledge the amount represents all or part of an eligible rollover distribution from the retirement plan as defined under applicable tax law.

III. If this is a partial exchange, I understand that it is subject to Revenue Ruling 2003-76, which dictates how much of the original contract's cost basis must be allocated to the new contract. The cost basis should be allocated ratably between the two contracts based on the percentage of the value retained in the original contract and the percentage of the value transferred to the new contract. For example, if the contract value is $100,000 and basis is $50,000, and I assign 30% for a partial exchange, then $15,000 (30% of $50,000) of the basis would be applied to the new contract. I understand that the IRS has raised concerns about annuity contract owners using partial exchanges to avoid income tax, and I certify that I am not entering into this transaction for the purpose of reducing or avoiding income tax or the 10% penalty tax for early withdrawals.

I expressly represent that the sole purpose is to effect a partial 1035 exchange of an annuity contract. However, I acknowledge that Revenue Procedure 2011-38 states that withdrawals from annuitization, taxable owner or annuitant changes, or surrenders, other than an amount received as an annuity for a period of 10 years or more or during one or more lives, of either the original contract or the new contract during the 180 day period following the partial exchange, may affect the tax free status of the partial exchange.

Note: Other exceptions may apply and a subsequent direct transfer of all or a portion of either contract involved in the exchange could have tax and tax reporting consequences. Please consult your tax advisor. Please confirm with the carrier if they will support partial 1035 exchanges.

I acknowledge that the receiving company has made no representations concerning any tax treatment of this transaction. I understand that the receiving company has neither responsibility nor liability for the validity of this transaction or for my treatment under Section 1035(a) of the Internal Revenue Code or otherwise. Therefore, I agree to release and hold harmless the receiving company and its agents from any and all liability arising from, relating to, or in connection with, the taxation of a partial exchange of the above listed contract. I authorize the receiving company and the surrendering institution to share information necessary to maintain accurate records of the annuity cost basis and to ensure proper withholding and tax reporting. I have been directed to consult my tax or legal advisor before proceeding.

IV. I authorize the receiving company to rely upon the cost basis information provided by the surrendering company, but agree that the receiving company will assume no responsibility for determining or verifying cost basis. If cost basis is not provided, I acknowledge that more restrictive or less beneficial tax rules may apply to the amounts transferred. I acknowledge that the receiving company provides this form and participates in this transaction as an accommodation to me. The receiving company does not give tax or legal advice on the tax consequences for replacing one contract for another, and assumes no responsibility or liability for the validity of this assignment or for the tax treatment of this exchange under IRC Section 1035(a) or other laws or regulations.

V. I agree that if the receiving company, in its sole discretion, determines that it is unlikely to receive timely payment of the full contract cash surrender values, the receiving company may reassign ownership of the policy/contract back to me.

VI. RETURN OF LIFE INSURANCE POLICY OR ANNUITY CONTRACT - Does not apply to partial 1035 exchanges on annuity contracts. Unless the surrendering company's policy or contract is attached, I affirm that the policy or contract has been destroyed or lost and that reasonable effort has been made to locate it. To the best of my knowledge no one else has any right, title or interest in the contract, nor has it been assigned, pledged or encumbered, unless this is a life insurance policy with a loan to carry forward.

VII. MAXIMUM ISSUE AGE DISCLOSURE - An annuity contract may not be issued should the funding requirements be received after reaching maximum issue age for the annuity contract applied for. If the funds are received after the maximum issue age, the contract may be rejected and the funds returned to their original source. The surrendering company may or may not take the funds back, which could result in a taxable event.

VIII. NON-QUALIFIED TRANSFER OF FUNDS (NON 1035 EXCHANGE) - The receiving company will apply all such funds received to an annuity contract issued to me. I understand that the receiving company assumes no responsibility for tax treatment of this matter and I shall be responsible for payment of all federal, state and local taxes incurred with respect to the liquidation of such account. I acknowledge that the earnings credited under the annuity contract will begin to accrue when the receiving company receives these proceeds and all other necessary paperwork in good order. For index annuities, fixed account interest under the annuity contract will begin to accrue on the next Issue Day.

IX. TRANSFER / EXCHANGE OF FUNDS INTO A TSA/403(B) - The TSA/403(b) owner / participant's employer or employer's third-party administrator must authorize and sign this transfer request in Section 5.

Authorization for a TSA/403(b) transfer / exchange to a TSA/403(b): This request is for the direct transfer / exchange of non-ERISA funds from the TSA/403(b) (annuity contract) or 403(b)(7) (custodial account) identified in Section 1 of this form to a TSA/403(b) (annuity contract) established on my behalf by the receiving company. I hereby agree to surrender my interest as indicated above and authorize the receiving company to take whatever action necessary to effect this transfer / exchange. I acknowledge that the transferred / exchanged funds shall be subject to the more stringent restrictions on distributions found in either the predecessor annuity contract or the receiving annuity contract. I intend this transaction to be a 403(b) transfer / exchange of funds pursuant to IRC section 403(b) and the final regulations. The transfer / exchange is to be executed from financial institution to financial institution in such a manner that it will not place me in actual or constructive receipt of all or any part of the transferred / exchanged funds. Because this transaction constitutes a direct rollover / transfer / exchange of funds and not a distribution, withholding does not apply. (Provide the receiving company with any records or documents they may request with respect to this transfer / exchange.)

3. DISCLOSURES/ACKNOWLEDGMENTS CONTINUED

X. The IRS has provided limited guidance on the tax consequences of transferring a life insurance policy with values less than the investment in the contract to a new or existing annuity contract. If the owner surrenders the newly acquired annuity contract, it's not clear whether the annuity losses are fully deductible against ordinary income or deductible as a miscellaneous deduction subject to a limitation of 2% of adjusted gross income (AGI). If the IRS views the two transactions as a single integrated transaction, they could consider it a step transaction and successfully disallow the losses as a tax deduction.

XI. REQUIRED MINIMUM DISTRIBUTIONS - Important note to owner: The existing financial institution has the most accurate information to ensure that you receive the correct RMD from this contract. If you do not receive the full amount of your RMD, you may be subject to an IRS penalty. If necessary, instruct your existing financial institution before effecting this transfer to either (1) pay your RMD to you now or (2) retain that amount for distribution to you later.

4. TAXPAYER IDENTIFICATION NUMBER CERTIFICATION

Under penalties of perjury, I certify that:

1. **The number 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 (IRS) that I am subject to backup withholding as a result of 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. person (including a U.S. resident alien).**

☐ **Check this box if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.**

4. **I am exempt from Foreign Account Tax Compliance Act (FATCA) reporting.**

5. SIGNATURES

This transfer request also authorizes the receiving and surrendering company to request information on the status of this transfer or exchange by phone or in writing. By signing below, I represent that the responses herein are, to the best of my knowledge, accurate and I have read the DISCLOSURES / ACKNOWLEDGMENTS section on page 2 the ACORD 1035 Exchange / Rollover / Transfer Form.

The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid backup withholding.

For your protection California law requires the following to appear on this form:
Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Signature Guarantee (if applicable)		
	Signature of Owner / Plan Administrator / Trustee / Custodian	**Date (mm/dd/yyyy)**
	Signature of Joint Owner / Co-Trustee (if applicable)	**Date (mm/dd/yyyy)**
	Signature of Insured / Annuitant (if applicable)	**Date (mm/dd/yyyy)**
	Signature of Irrevocable Beneficiary (if applicable)	**Date (mm/dd/yyyy)**
	Signature of Spouse (Required in Community Property States: AZ, CA, ID, LA, NV, NM, TX, WA and WI only) (if applicable)	**Date (mm/dd/yyyy)**

FOR TSA/403(b) TO TSA/403(b) TRANSFERS/EXCHANGES ONLY-EMPLOYER/THIRD PARTY ADMINISTRATOR SIGNATURE

By signing below, I am acknowledging that I have reviewed this direct transfer / rollover / exchange request and that it is authorized and approved under the employer's 403(b) plan under IRC section 403(b) and the final regulations.

a) I am authorizing this transfer / rollover request.

b) I am confirming that there is an information sharing agreement in place with the receiving company under the IRC section 403(b) regulations.

c) All information provided on this form is accurate.

Print Name of Employer or Third Party Administrator	Title of Employer or Third Party Administrator
Signature of Employer or Third Party Administrator	Date (mm/dd/yyyy)

(For the receiving company's use only)

6. SIGNATURES

6A. ACCEPTANCE OF 1035 EXCHANGE / TRUSTEE TRANSFER / DIRECT ROLLOVER

By signature of an authorized officer below, the receiving company accepts assignment of all (or a portion of the assets if this is a partial exchange) to the above contract for purposes of complying with the client's intention of effecting a nontaxable exchange under IRC Section 1035. Please issue payment payable to the receiving company, the owner of the contract, for the full cash surrender value of the contract or a portion if it is a partial surrender.

For Trustee Transfers / Direct Rollovers from Tax-Qualified Accounts / Contracts:

The Receiving Company will deposit funds received into the following Plan Type and Product Type:

Receiving Plan Type (Non-Qualified, IRA, Roth IRA, etc.)	Receiving Product Type (Life, Annuity, CD, MF, Other, etc.)

6B. eCONSENT AND ACKNOWLEDGMENT (Applies to eSignature Transactions Only)

To the extent the receiving company has obtained electronic signatures to effectuate the transaction(s) set forth in this form, the receiving company, by the below signature of its authorized officer, hereby represents and warrants to the surrendering company that:

a. This form has been completed using an electronic system that has an integrated e-signature capability;

b. All consumer consents have been obtained under, and this form was signed using an e-signature process that complies with, all applicable federal and state e-signature requirements, including, but not limited to, the federal E-Sign Act, and the applicable states' versions of the Uniform Electronic Transactions Act;

c. It shall indemnify, defend, and hold harmless the surrendering company from and against all losses, costs, liabilities, claims, threatened claims, demands, suits, obligations, expenses, judgments, and damages, including, but not limited to, reasonable attorneys' fees and witness' fees, arising from or related to: (i) the receiving company's breach of the warranties set forth in (a) and/or (b) above; (ii) a liability imposed by any municipal, state or federal governmental body relating to the receiving company's violation of an applicable e-signature law or regulation; and (iii) the receiving company's gross negligence, willful misconduct or illegal acts, including, but not limited to, claims that the e-signatures obtained on this form by the receiving company are invalid or were improperly obtained; provided, however, that (iv) the surrendering company shall provide the receiving company of prompt written notice of any claim that the surrendering company believes falls within this scope of this paragraph, and (v) the surrendering company shall not settle any claim that adversely affects any rights of the receiving company without the receiving company's prior written consent; and

d. It shall promptly provide to the surrendering company and/or its designee(s) any and all information in the receiving company's possession (or within the receiving company's reasonable control) as may be necessary to evidence the validity of the electronic signatures that were obtained to effectuate the transaction(s) set forth in this form.

Print Name of Authorized Officer	Title of Authorized Officer

Signature of Authorized Officer (if applicable - may not be required if LOA is used)	Date (mm/dd/yyyy)

IMPORTANT NOTICE REGARDING REPLACEMENT

GCU | Address: 5400 Tuscarawas Road, Beaver, PA 15009 | Email: Forms@GCUusa.com | Fax: (724) 495-3421

IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

This document must be signed by the applicant and the producer, if there is one, and a copy left with or provided to the applicant.

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? ☐ YES ☐ NO
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? ☐ YES ☐ NO

If you answered "Yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

Insurer Name	Contract or Policy #:	Insured or Annuitant	Replaced	Financed
A.			☐	☐
B.			☐	☐
C.			☐	☐

Make sure you know the facts. Contact your existing company or your agent for information about the old policy or contract. **If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer.** Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

THE EXISTING POLICY OR CONTRACT IS BEING REPLACED BECAUSE:

Provisions to Free Look your policy are found in your contract. For specific questions and additional information, please contact the replacing company.

If you are replacing an existing policy or contract, no later than [Thirty (30)] days after the new policy or annuity contract is delivered to you, you may return it to us or your producer and receive an unconditional full refund of all premiums paid on it, including any policy fees or charges, less the amount of any payment(s) we may have already made. If you are returning a variable policy or annuity contract, you will receive the cash surrender value provided under the policy or contract plus the fees and other charges deducted from the gross premiums or considerations, less the amount of any payment(s) we may have already made.

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PRODUCER'S REPLACEMENT CERTIFICATION

If applicant answered either question 1 or 2 on page one "YES", then complete questions below. If any question below is answered "NO" or left blank, please explain on a separate sheet of paper.

3. Have you discussed the advantages and any disadvantages of replacing / financing with the applicant? ☐ YES ☐ NO
4. Have you determined that replacing / financing is appropriate for the applicant? ☐ YES ☐ NO

PRODUCER CERTIFICATION FOR REPLACEMENT TRANSACTION

I hereby certify that I have used only the insurer's approved sales material in connection with this sale and that copies of all sales materials used were left with the applicant. Any insurer-approved electronically presented sales materials will be provided in printed form to the applicant no later than at the time of the policy or contract delivery. I further certify that this replacement transaction follows the insurer's written replacement guidelines.

I certify that the responses herein are, to the best of my knowledge, accurate.

Producer's Signature	Date (mm/dd/yyyy)

Producer's Name (Please Print)	Producer's Address		
Producer's License #	Line 2		
Producer's Phone Number	City	State	Zip

APPLICANT'S REPLACEMENT ACKNOWLEDGEMENT

If either question 1 or 2 on page one is answered "YES", I have reviewed and understand the potential advantages and disadvatages of replacing my current policy or contract. [I hereby acknowledge that i have received a copy of sales material used in the sale of the new contract.] I do not want this read aloud to me. Applicant's Initials: _____

(The applicant must initial only if they do not want this notice read aloud.)

I certify that the responses herein are, to the best of my knowledge, accurate.

FL Applicants: I would like a comparative information form prepared for me. ☐ YES ☐ NO

Applicant's Signature	Date (mm/dd/yyyy)

Applicant's Name (Please Print)	Applicant's Address		
Applicant's Phone Number	Line 2		
Applicant's Date of Birth (mm/dd/yyyy)	City	State	Zip

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense.

PREMIUMS:

- Are they affordable?
- Could they change?
- You're older - are premiums higher for the proposed new policy?
- How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES:

- New policies usually take longer to build cash values and to pay dividends.
- Acquisition costs for the old policy may have been paid; you will incur costs for the new one.
- What surrender charges do the policies have?
- What expense and sales charges will you pay on the new policy?
- Does the new policy provide more insurance coverage?

INSURABILITY:

- If your health has changed since you bought the old policy, the new one could cost you more, or you could be turned down.
- You may need a medical exam for a new policy.
- Claims on most new policies for up to the first two years can be denied based on inaccurate statements.
- Suicide limitations may begin anew on the new coverage.

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:

- How are the premiums for both policies being paid?
- How will the premiums on your existing policy be affected?
- Will a loan be deducted from death benefits?
- What values from the old policy are being used to pay premiums?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:

- What are the interest rate guarantees for the new contract?
- Will you pay surrender charges on your old contract?
- Have you compared the contract charges or other policy expenses?
- Do you know what the total cost of the annuity replacement or exchange will be ?
- Will there be new surrender charges associated with the new annuity contract?
- Have you considered your needs for liquid cash assets?
- Will the new annuity contract or product features result in an extension of the period for which surrender charges may apply?
- Have you considered whether higher mortality, expense or other charges or fees may apply to the new contract?
- Have you considered any new product features that may be available, whether those features are important to you, and are worth any additional costs, given your particular needs or circumstances?
- Do you know what the tax consequences are if you replace or exchage an existing contract or policy?

OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

- What are the tax consequences of buying a new policy?
- Is this a tax-free exchange? (See your tax advisor)
- Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
- Will the existing insurer be willing to modify the old policy?
- How does the quality and financial stability of the new company compare with your existing company?

5400 Tuscarawas Rd., Beaver, PA 15009
855-306-0607 forms@gcuusa.com

Trust Certification

I. ACCOUNT INFORMATION

Name of Trust: _____

Policy/Certificate Number: _____

The taxpayer identification number of the trust is: _____

The Trust instrument was originally executed on: _____

Last Amendment or Restatement Date: _____

Nature of the Trust:

a. That the Trust is (check one) ☐ irrevocable ☐ revocable by (name): _____

b. The Trust is governed by the laws of the State of: _____

Grantor(s) or Settlor(s) who Established the Trust:

Name: _____

Name: _____

Name: _____

Name: _____

II. TRUSTEE INFORMATION

Please identify below *all* Trustees:

Trustee: Name: _____

Address: _____

Trustee: Name: _____

Address: _____

Trustee: Name: _____

Address: _____

Trustee: Name: _____

Address: _____

Successor Trustee: Name: _____

Address: _____

Successor Trustee: Name: _____

Address: _____

If there is more than one Trustee, please check one of the following:

☐ The Trust Agreement explicitly authorizes each of the undersigned Trustees to ***act individually without the approval of the other Trustees***. GCU has the authority to accept orders and other instructions in connection with the Trust account from ***any one*** of these Trustees, acting alone, and such Trustee may execute any documents on behalf of the Trust that GCU may require.

☐ The Trust Agreement ***does not*** authorize the Trustees to act individually on behalf of the Trust.

III. TRUSTEE REPRESENTATIONS AND POWERS

The undersigned Trustee(s) certifies that, under the Trust Agreement and/or applicable state or local law, such Trustee has the power to enter into transactions for the purchase and sale of insurance and annuities. The trustee also has the power to establish and maintain check writing. The undersigned Trustee(s) certifies that all transactions ordered or any other instructions given for this account by the Trustee(s) will be within the limitations provided by applicable law and the powers of the Trust, and that GCU is not responsible for monitoring, enforcing, interpreting, or directing the actions or conduct of any Trustee, beneficiary, or other person regarding the Trust. The undersigned Trustee(s) understands that GCU will rely on the information provided in the Trust Certification, and will not review or interpret the Trust instrument for any matters regarding the Trust's operation, even if provided with a copy of the Trust instrument. Each undersigned Trustee certifies that the Trust is currently inexistence, has not been revoked, modified or amended in any manner that would cause the certifications herein to be incorrect, and agrees to inform GCU immediately in writing of any amendment to the Trust, any change in the composition of the Trustees, or any other event that could alter the continued validity of this Trust Certification.

IV. INDEMNIFICATION

The undersigned Trustee(s) jointly and severally indemnifies and hold harmless GCU and each of their affiliates, officers, directors, employees, agents, successors or assigns from any liability (including attorney's fees) from and against any claims, judgments, expenses, liabilities or costs of defense or settlement arising out of or related to breach of any representation or warranty made herein, or from effecting any transfers or transactions pursuant to instructions given by any Trustee(s) or Successor Trustee(s), or any other action resulting from instructions given to GCU by such Trustee(s) or Successor Trustee(s). This indemnification is made by each Trustee in his/her capacity as a Trustee and in his/her individual capacity. This certification is in addition to (and in no way limits or restricts) any rights that GCU may have under any other agreement or agreements between the undersigned Trustees and GCU. GCU reserves the right to request a copy of the entire Trust agreement.

V. TRUSTEE SIGNATURES

By signing below, each Trustee certifies that there are no other Trustees of the Trust other than the undersigned.
ALL TRUSTEES MUST SIGN THIS CERTIFICATION

The undersigned declare under penalty of perjury that this Trust Certification is true and correct.

Trustee: _____

Signature: _____

Date: _____

Trustee: _____

Signature: _____

Date: _____

Trustee: _____

Signature: _____

Date: _____

Trustee: _____

Signature: _____

Date: _____

5400 Tuscarawas Road, Beaver, PA 15009
P 855.306.0607 E forms@GCUusa.com

Partial Withdrawal or Full Surrender Form

Reset Form

GCU does not provide tax, legal, or investment advice. Please consult with and rely on your own tax, legal, or investment professional(s) for guidance.

Please note that any altered documents, including but not limited those with correction fluid or photocopied/reused signatures, will NOT be accepted. Once a request has been processed, the transaction is final and cannot be reversed or returned. If your request is related to a taxable distribution, it will be reported as income in the year it was issued.

Member Information:		
Policy/Certificate No.:		
Owners Name:		
SSN/TIN:	Email:	Phone No.:
Address:		
(Is this a new address? Yes ☐ No ☐		
Joint Owners Name *-if applicable:*		
SSN:	Email:	Phone No.:
If there is a good order issue, how would you like us to contact you? Phone: ☐ Email: ☐ Mail: ☐ Contact my Agent: ☐		

Distribution Information (Select One):		
Partial Withdrawal:	Fixed Amount [1] : $	Gross: ☐ or Net [2]: ☐
	Maximum Available Surrender Charge-Free: ☐	All Accumulated Interest: ☐
Systematic Withdrawal:	Gross Fixed Amount [1] : $	Interest Only [3]: ☐
	Frequency: ☐ Monthly | ☐ Quarterly | ☐ Semi Annual | ☐ Annual	Start Date [3]:
Full Surrender:	☐ I/We request immediate closure of this policy and full payment of its surrender value, if any. This payment settles all claims. No bankruptcy or liens exist against this policy. If the certificate is not enclosed, it has been lost, destroyed, or misplaced.	

Withdrawals from policies with benefit riders may reduce rider benefits. Taking more than the penalty-free amount may lower the proceeds available upon full surrender, death, or annuitization. Surrender charges or other fees may apply. Refer to your policy certificate for details.

[1] If your policy number starts with 000, the minimum withdrawal is $25 (account must remain over $300). If it starts with 5, the minimum is $500 (account must remain over $2,000).

[2] Net amount after applicable charges and/or taxes. If no box is checked, a gross withdrawal will be processed by default.

[3] For fixed dollar systematic disbursements, select a day between the 1st and 28th. If no date is provided, the date is greater than the 28th day of the month, or the request is for interest only, the earlier of your policy anniversary date or the last date of that month will be used. Disbursements scheduled on non-business days will process the next business day.

Disbursement Type (Select One): *For further guidance, please consult a qualified tax professional.*
☐ Normal: I am age 59½ or older.
☐ Early: I am under age 59½ and understand a 10% IRS penalty may apply unless an exception exists or the funds are rolled over within 60 days.
☐ Inherited IRA: I am the beneficiary of this inherited IRA.
☐ Disability*: Please provide the date the disability began:

*To qualify for a disability exemption, your condition must meet the IRS definition under IRC §72(m)(7). A physician's statement confirming this is required.

Election to Withhold Federal Taxes:
(For non-periodic payments, the default withholding rate is 10%, or 20% for eligible rollovers. See Pages 3-4)

☐I elect the default withholding rate.
☐I elect to withhold at a different rate:_____(0%-100% or whole dollars only).

Election to Withhold State Taxes:
(If you make no selection, we'll assume no state tax withholding unless your your state has a mandated withholding rate)

☐I decline to withhold taxes
☐I elect to withhold at the following rate:_____(1%-100% or whole dollars only)

Method of Distribution:

☐Check mail to the address of record *(Systematic withdrawals are not eligible-they must be sent via direct deposit)*	
☐Place into existing GCU Account No.:	
☐Direct Deposit Into My Bank Account	Bank Account Type: ☐Checking ☐ Savings
Name(s) on account (First, Middle initial, Last)	
Name Of Bank	Bank Phone Number
Bank Routing Number (ABA No.)	Bank Account Number

To ensure the accuracy of your account information for Automated Clearing House (ACH) deposits, we encourage you to provide either a preprinted voided check or a letter from your financial institution on their official letterhead.
By submitting this information, I authorize GCU to initiate deposits to the account listed above. In the event that an incorrect deposit is made, I also authorize my financial institution to make a corresponding debit entry to correct the error and return the appropriate amount to GCU.

Signature:
Residents (Excluding California): By signing this form, I/we acknowledge and understand the following:
- Each Owner has read, understands and agrees to the information provided throughout this form.
- This form must be fully completed, and failure to complete any portion may result in delays in processing the request

California Residents: For your protection, California law requires the following statement: Any person who knowingly presents false or fraudulent information to obtain or amend insurance or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and imprisonment in state prison.

Certification and Agreement: By completing and submitting this form, I certify under penalties of perjury that
1. The number shown on this form is my correct Taxpayer Identification Number (TIN) (or I am waiting for a number to be issued to me).
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 IRS 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.
3. I am a U.S. citizen or other U.S. person (defined in IRS Form W-9 instructions).
4. The FATCA code entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Owner/Assignee Signature	Signature Date
Joint Owner/Assignee Signature *(if applicable)*	Signature Date
Spousal Signature *(if applicable)**	Signature Date

*If this transaction is subject to community property interests, we strongly recommend that you obtain your spouse's signature in the acknowledgment section of the form to document their consent to this transaction. Community property states include Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin.

By not obtaining your spouse's signature, you acknowledge and agree that GCU may assume no community property interest exists. Additionally, GCU has no obligation to investigate further into any potential community property interests. You agree to indemnify and hold GCU harmless from any consequences arising from community property interests related to this transaction.

Note: The term "spouse" includes domestic partners or other partners as permitted by civil union, domestic partnership, or similar law.

Form **5305-EA**
(Rev. October 2016)
Department of the Treasury
Internal Revenue Service

Coverdell Education Savings Custodial Account

(Under section 530 of the Internal Revenue Code)

Do not file with the Internal Revenue Service

Name of depositor

Check if amendment . . . ▶ ☐

Name of designated beneficiary

Address of designated beneficiary | Date of birth of designated beneficiary

Name of responsible individual (generally the parent or guardian of the designated beneficiary)

Address of responsible individual

Name of custodian | Address or principal place of business of custodian

The depositor named above is establishing a Coverdell education savings account under section 530 for the benefit of the designated beneficiary exclusively to pay for the qualified elementary, secondary, and higher education expenses, within the meaning of section 530(b)(2), of such designated beneficiary.

The depositor assigned the custodial account _____ dollars ($ _____) in cash.

The depositor and the custodian make the following agreement:

Article I

The custodian may accept additional cash contributions provided the designated beneficiary has not attained the age of 18 as of the date such contributions are made. Contributions by an individual contributor may be made for the tax year of the designated beneficiary by the due date of the beneficiary's tax return for that year (excluding extensions). Total contributions that are not rollover contributions described in section 530(d)(5) are limited to $2,000 for the tax year. In the case of an individual contributor, the $2,000 limitation for any year is phased out between modified adjusted gross income (AGI) of $95,000 and $110,000. For married individuals filing jointly, the phase-out occurs between modified AGI of $190,000 and $220,000. Modified AGI is defined in section 530(c)(2).

Article II

No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or a common investment fund (within the meaning of section 530(b)(1)(D)).

Article III

1. Any balance to the credit of the designated beneficiary on the date on which he or she attains age 30 shall be distributed to him or her within 30 days of such date.

2. Any balance to the credit of the designated beneficiary shall be distributed within 30 days of his or her death **unless** the designated death beneficiary is a family member of the designated beneficiary and is under the age of 30 on the date of death. In such case, that family member shall become the designated beneficiary as of the date of death.

Article IV

The depositor shall have the power to direct the custodian regarding the investment of the above-listed amount assigned to the custodial account (including earnings thereon) in the investment choices offered by the custodian. The responsible individual, however, shall have the power to redirect the custodian regarding the investment of such amounts, as well as the power to direct the custodian regarding the investment of all additional contributions (including earnings thereon) to the custodial account. In the event that the responsible individual does not direct the custodian regarding the investment of additional contributions (including earnings thereon), the initial investment direction of the depositor also will govern all additional contributions made to the custodial account until such time as the responsible individual otherwise directs the custodian. Unless otherwise provided in this agreement, the responsible individual also shall have the power to direct the custodian regarding the administration, management, and distribution of the account.

Article V

The "responsible individual" named by the depositor shall be a parent or guardian of the designated beneficiary. The custodial account shall have only one responsible individual at any time. If the responsible individual becomes incapacitated or dies while the designated beneficiary is a minor under state law, the successor responsible individual shall be the person named to succeed in that capacity by the preceding responsible individual in a witnessed writing or, if no successor is so named, the successor responsible individual shall be the designated beneficiary's other parent or successor guardian. Unless otherwise directed by checking the option below, at the time that the designated beneficiary attains the age of majority under state law, the designated beneficiary becomes the responsible individual. If a family member under the age of majority under state law becomes the designated beneficiary by reason of being a named death beneficiary, the responsible individual shall be such designated beneficiary's parent or guardian.

☐ **Option** *(This provision is effective only if checked):* The responsible individual shall continue to serve as the responsible individual for the custodial account after the designated beneficiary attains the age of majority under state law and until such time as all assets have been distributed from the custodial account and the custodial account terminates. If the responsible individual becomes incapacitated or dies after the designated beneficiary reaches the age of majority under state law, the responsible individual shall be the designated beneficiary.

Article VI

The responsible individual ☐ may or ☐ **may not** change the beneficiary designated under this agreement to another member of the designated beneficiary's family described in section 529(e)(2) in accordance with the custodian's procedures.

Article VII

1. The depositor agrees to provide the custodian with all information necessary to prepare any reports required by section 530(h).
2. The custodian agrees to submit to the Internal Revenue Service (IRS) and responsible individual the reports prescribed by the IRS.

Article VIII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III will be controlling. Any additional articles inconsistent with section 530 and the related regulations will be invalid.

Article IX

This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the depositor and the custodian whose signatures appear below.

Article X

Article X may be used for any additional provisions. If no other provisions will be added, draw a line through this space. If provisions are added, they must comply with applicable requirements of state law and the Internal Revenue Code.

Depositor's signature _____ Date _____

Custodian's signature _____ Date _____

Witness' signature _____ Date _____

(Use only if signature of the depositor or the custodian is required to be witnessed.)

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

Military death gratuity. Families of soldiers who receive military death benefits may contribute, subject to certain limitations, up to 100 percent of such benefits into an educational savings account. Publication 970, Tax Benefits for Education, explains the rules for rolling over the military death gratuity and lists eligible family members.

Purpose of Form

Form 5305-EA is a model custodial account agreement that meets the requirements of section 530(b)(1) and has been pre-approved by the IRS. A Coverdell education savings account (ESA) is established after the form is fully executed by both the depositor and the custodian. This account must be created in the United States for the exclusive purpose of paying the qualified elementary, secondary, and higher education expenses of the designated beneficiary.

If the model account is a trust account, see **Form 5305-E,** Coverdell Education Savings Trust Account.

Do not file Form 5305-EA with the IRS. Instead, the depositor must keep the completed form in its records.

Definitions

Custodian. The custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian. Any person who may serve as a custodian of a traditional IRA may serve as the custodian of a Coverdell ESA.

Depositor. The depositor is the person who establishes the custodial account.

Designated beneficiary. The designated beneficiary is the individual on whose behalf the custodial account has been established.

Family member. Family members of the designated beneficiary include his or her spouse, child, grandchild, sibling, parent, niece or nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law, and the spouse of any such individual. A first cousin, but not his or her spouse, is also a "family member."

Responsible individual. The responsible individual, generally, is a parent or guardian of the designated beneficiary. However, under certain circumstances, the responsible individual may be the designated beneficiary.

Identification Numbers

The depositor's and designated beneficiary's social security numbers will serve as their identification numbers. If the depositor is a nonresident alien and does not have an identification number, write "Foreign" on the return for which is filed to report the depositor's information. The designated beneficiary's social security number is the identification number of his or her Coverdell ESA. If the designated beneficiary is a nonresident alien, the designated beneficiary's individual taxpayer identification number is the identification number of his or her Coverdell ESA. An employer identification number (EIN) is required only for a Coverdell ESA for which a return is filed to report unrelated business income. An EIN is required for a common fund created for Coverdell ESAs.

Specific Instructions

Note: *The age limitation restricting contributions, distributions, rollover contributions, and change of beneficiary are waived for a designated beneficiary with special needs.*

Article X. Article X and any that follow may incorporate additional provisions that are agreed to by the depositor and custodian to complete the agreement. They may include, for example, provisions relating to: definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the custodian, custodian's fees, state law requirements, treatment of excess contributions, and prohibited transactions with the depositor, designated beneficiary, or responsible individual, etc. Attach additional pages as necessary.

Optional provisions in Article V and Article VI. Form 5305-EA may be reproduced in a manner that provides only those optional provisions offered by the custodian.

Form **5305-SEP**
(Rev. December 2004)
Department of the Treasury
Internal Revenue Service

Simplified Employee Pension—Individual Retirement Accounts Contribution Agreement

(Under section 408(k) of the Internal Revenue Code)

OMB No. 1545-0499

Do not file with the Internal Revenue Service

_____ makes the following agreement under section 408(k) of the Internal Revenue Code and the instructions to this form.
(Name of employer)

Article I—Eligibility Requirements (check applicable boxes—see instructions)

The employer agrees to provide discretionary contributions in each calendar year to the individual retirement account or individual retirement annuity (IRA) of all employees who are at least _____ years old (not to exceed 21 years old) and have performed services for the employer in at least _____ years (not to exceed 3 years) of the immediately preceding 5 years. This simplified employee pension (SEP) ☐ includes ☐ **does not** include employees covered under a collective bargaining agreement, ☐ includes ☐ **does not** include certain nonresident aliens, and ☐ includes ☐ **does not** include employees whose total compensation during the year is less than $450*.

Article II—SEP Requirements (see instructions)

The employer agrees that contributions made on behalf of each eligible employee will be:

A. Based only on the first $205,000* of compensation.
B. The same percentage of compensation for every employee.
C. Limited annually to the smaller of $41,000* or 25% of compensation.
D. Paid to the employee's IRA trustee, custodian, or insurance company (for an annuity contract).

Employer's signature and date | Name and title

Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 5305-SEP (Model SEP) is used by an employer to make an agreement to provide benefits to all eligible employees under a simplified employee pension (SEP) described in section 408(k).

Do not file Form 5305-SEP with the IRS. Instead, keep it with your records.

For more information on SEPs and IRAs, see Pub. 560, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and Pub. 590, Individual Retirement Arrangements (IRAs).

Instructions to the Employer

Simplified employee pension. A SEP is a written arrangement (a plan) that provides you with an easy way to make contributions toward your employees' retirement income. Under a SEP, you can contribute to an employee's traditional individual retirement account or annuity (traditional IRA). You make contributions directly to an IRA set up by or for each employee with a bank, insurance company, or other qualified financial institution. When using Form 5305-SEP to establish a SEP, the IRA must be a Model traditional IRA established on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter. You may not make SEP contributions to a Roth IRA or a SIMPLE IRA. Making the agreement on Form 5305-SEP does not establish an employer IRA described in section 408(c).

When not to use Form 5305-SEP. Do not use this form if you:

1. Currently maintain any other qualified retirement plan. This does not prevent you from maintaining another SEP.

2. Have any eligible employees for whom IRAs have not been established.

3. Use the services of leased employees (described in section 414(n)).

4. Are a member of an affiliated service group (described in section 414(m)), a controlled group of corporations (described in section 414(b)), or trades or businesses under common control (described in sections 414(c) and 414(o)), unless all eligible employees of all the members of such groups, trades, or businesses participate in the SEP.

5. Will not pay the cost of the SEP contributions. Do not use Form 5305-SEP for a SEP that provides for elective employee contributions even if the contributions are made under a salary reduction agreement. Use Form 5305A-SEP, or a nonmodel SEP.

Note. *SEPs permitting elective deferrals cannot be established after 1996.*

Eligible employees. All eligible employees must be allowed to participate in the SEP. An eligible employee is any employee who: (1) is at least 21 years old, and (2) has performed "service" for you in at least 3 of the immediately preceding 5 years. You can establish less restrictive eligibility requirements, but not more restrictive ones.

Service is any work performed for you for any period of time, however short. If you are a member of an affiliated service group, a controlled group of corporations, or trades or businesses under common control, service includes any work performed for any period of time for any other member of such group, trades, or businesses.

Excludable employees. The following employees do not have to be covered by the SEP: (1) employees covered by a collective bargaining agreement whose retirement benefits were bargained for in good faith by you and their union, (2) nonresident alien employees who did not earn U.S. source income from you, and (3) employees who received less than $450* in compensation during the year.

Contribution limits. You may make an annual contribution of up to 25% of the employee's compensation or $41,000*, whichever is less. Compensation, for this purpose, does not include employer contributions to the SEP or the employee's compensation in excess of $205,000*. If you also maintain a salary reduction SEP, contributions to the two SEPs together may not exceed the smaller of $41,000* or 25% of compensation for any employee.

You are not required to make contributions every year, but when you do, you must contribute to the SEP-IRAs of all eligible employees who actually performed services during the year of the contribution. This includes eligible employees who die or quit working before the contribution is made.

Contributions cannot discriminate in favor of highly compensated employees. Also, you may not integrate your SEP contributions with, or offset them by, contributions made under the Federal Insurance Contributions Act (FICA).

If this SEP is intended to meet the top-heavy minimum contribution rules of section 416, but it does not cover all your employees who participate in your salary reduction SEP, then you must make minimum contributions to IRAs established on behalf of those employees.

Deducting contributions. You may deduct contributions to a SEP subject to the limits of section 404(h). This SEP is maintained on a calendar year basis and contributions to the

* *For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS website at* www.irs.gov.

SEP are deductible for your tax year with or within which the calendar year ends. Contributions made for a particular tax year must be made by the due date of your income tax return (including extensions) for that tax year.

Completing the agreement. This agreement is considered adopted when:

- IRAs have been established for all your eligible employees;
- You have completed all blanks on the agreement form without modification; and
- You have given all your eligible employees the following information:

1. A copy of Form 5305-SEP.

2. A statement that traditional IRAs other than the traditional IRAs into which employer SEP contributions will be made may provide different rates of return and different terms concerning, among other things, transfers and withdrawals of funds from the IRAs.

3. A statement that, in addition to the information provided to an employee at the time the employee becomes eligible to participate, the administrator of the SEP must furnish each participant within 30 days of the effective date of any amendment to the SEP, a copy of the amendment and a written explanation of its effects.

4. A statement that the administrator will give written notification to each participant of any employer contributions made under the SEP to that participant's IRA by the later of January 31 of the year following the year for which a contribution is made or 30 days after the contribution is made.

Employers who have established a SEP using Form 5305-SEP and have furnished each eligible employee with a copy of the completed Form 5305-SEP and provided the other documents and disclosures described in *Instructions to the Employer* and *Information for the Employee,* are not required to file the annual information returns, Forms 5500 or 5500-EZ for the SEP. However, under Title I of the Employee Retirement Income Security Act of 1974 (ERISA), this relief from the annual reporting requirements may not be available to an employer who selects, recommends, or influences its employees to choose IRAs into which contributions will be made under the SEP, if those IRAs are subject to provisions that impose any limits on a participant's ability to withdraw funds (other than restrictions imposed by the Code that apply to all IRAs). For additional information on Title I requirements, see the Department of Labor regulation at 29 CFR 2520.104-48.

Information for the Employee

The information below explains what a SEP is, how contributions are made, and how to treat your employer's contributions for tax purposes. For more information, see Pub. 590.

Simplified employee pension. A SEP is a written arrangement (a plan) that allows an employer to make contributions toward your retirement. Contributions are made to a traditional individual retirement account/annuity (traditional IRA). Contributions must be made to either a Model traditional IRA executed on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter.

An employer is not required to make SEP contributions. If a contribution is made, however, it must be allocated to all eligible employees according to the SEP agreement. The Model SEP (Form 5305-SEP) specifies that the contribution for each eligible employee will be the same percentage of compensation (excluding compensation greater than $205,000*) for all employees.

Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP and a yearly statement showing any contributions to your IRA.

All amounts contributed to your IRA by your employer belong to you even after you stop working for that employer.

Contribution limits. Your employer will determine the amount to be contributed to your IRA each year. However, the amount for any year is limited to the smaller of $41,000* or 25% of your compensation for that year. Compensation does not include any amount that is contributed by your employer to your IRA under the SEP. Your employer is not required to make contributions every year or to maintain a particular level of contributions.

Tax treatment of contributions. Employer contributions to your SEP-IRA are excluded from your income unless there are contributions in excess of the applicable limit. Employer contributions within these limits will not be included on your Form W-2.

Employee contributions. You may make regular IRA contributions to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan.

SEP participation. If your employer does not require you to participate in a SEP as a condition of employment, and you elect not to participate, all other employees of your employer may be prohibited from participating. If one or more eligible employees do not participate and the employer tries to establish a SEP for the remaining employees, it could cause adverse tax consequences for the participating employees.

An employer may not adopt this IRS Model SEP if the employer maintains another qualified retirement plan. This does not prevent your employer from adopting this IRS Model SEP and also maintaining an IRS Model Salary Reduction SEP or other SEP. However, if you work for several employers, you may be covered by a SEP of one employer and a different SEP or pension or profit-sharing plan of another employer.

SEP-IRA amounts—rollover or transfer to another IRA. You can withdraw or receive funds from your SEP-IRA if, within 60 days of receipt, you place those funds in the same or another IRA. This is called a "rollover" and can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

Withdrawals. You may withdraw your employer's contribution at any time, but any amount withdrawn is includible in your income unless rolled over. Also, if withdrawals occur before you reach age 59½, you may be subject to a tax on early withdrawal.

Excess SEP contributions. Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includible in your gross income. Excess contributions left in your SEP-IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

Financial institution requirements. The financial institution where your IRA is maintained must provide you with a disclosure statement that contains the following information in plain, nontechnical language:

1. The law that relates to your IRA.

2. The tax consequences of various options concerning your IRA.

3. Participation eligibility rules, and rules on the deductibility of retirement savings.

4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. This information must be clearly displayed at the beginning of the disclosure statement.

5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.

6. Financial disclosure that provides the following information:

a. Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.

b. Describes whether, and for when, the growth projections are guaranteed, or a statement of the earnings rate and the terms on which the projections are based.

c. States the sales commission for each year expressed as a percentage of $1,000.

In addition, the financial institution must provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA's investment performance.

Paperwork Reduction Act Notice. You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	1 hr., 40 min.
Learning about the law or the form	1 hr., 35 min.
Preparing the form . . .	1 hr., 41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224. Do not send this form to this address. Instead, keep it with your records.