

Oak Elite ADVSM Lifetime Payment Amount (LPA) Frequently Asked Questions (FAQ)



What is an LPA?

LPA stands for "Lifetime Payment Amount", which is the maximum amount of money You will receive each year based on the details of Your Rider. Your LPA is guaranteed for the lifetime of the Covered Person(s) as long as all conditions of Your Rider are met. Any additional withdrawals made from Your Annuity Contract can and will adversely affect your income payments.

What is the difference between single and joint life?

The single life option is guaranteed only for the life of one person, the Annuitant of the Contract, and will be a higher maximum LPA than the joint life option.

When available, the joint life option is guaranteed for the lives of two people. The LPA will be based on the age of the youngest Covered Person and will result in a lower maximum LPA. If the Contract has two Annuitants they will be the Covered Persons and joint life is the only option available. If the Contract has only a single Annuitant, a spouse may be listed as the Joint Covered Person. The spouse must also be listed as the sole Primary Beneficiary of the Contract.

Why would someone specify a gross amount rather than defaulting to the maximum LPA amount?

You would specify a gross amount if You wanted less than the maximum LPA. For example, if Your LPA is \$10,000 per year but You only want to receive \$5,100 per year, You could tell us to only send \$5,100 instead of the maximum amount available. **If You want \$5,100 total, split monthly, You would list \$425.00 as the gross amount in Section 3.**

What if I want more than my max LPA?

Asking for more than the max LPA will have an adverse effect on the Rider and potential future payments. We recommend speaking with Your agent/insurance producer before making this selection.

After speaking to Your agent, You will need to fill out a Partial surrender request which can be downloaded from Our website.

How does the start date or payment frequency impact my payments?

If You elect the full maximum amount of Your LPA; that's the Annual amount You will receive. If You elected a frequency other than annual, Your first year payments will be divided by the remaining months from Your start date to Your next anniversary, resulting in a higher first year payment.

- Subsequent years are divided by the frequency that You elected spread out over the full Contract year and may result in a lower payment.
- If the start date chosen is the Contract anniversary date or any date after the 28th of the month; the payments will be set for the next day available. If the start date chosen is a date before the Contract anniversary date; the payments will be set for the day indicated, in the following month.

Example: If Your LPA is \$12,000 annually, this will result in a \$1,000 monthly disbursement.

$$\$12,000 / 12 \text{ Months} = \$1,000 \text{ per month}$$

However, in year one of payments We will divide the \$12,000 by the number of months between the date You elect to start your LPA and Your next contact anniversary. This often results in a higher monthly disbursement in year one. First year distributions will be higher anytime You elect a start date in the middle of the Contact year.

Example: If Your Contract anniversary is August 1st and You elect Your \$12,000 LPA to start monthly on June 15. You will receive two payments of \$6,000 as there are only two months left in the year to pay out the full LPA. Then starting in August the payment will be \$1,000 per month.

$$\$12,000 / 2 \text{ Months} = \$6,000 \text{ per month (June - July)}$$

$$\$12,000 / 12 \text{ Months} = \$1,000 \text{ per month (August - July)}$$

Why would I set my LPA instead of starting payments? You would do this if You were planning to submit transfer paperwork each year to have some or all of Your LPA transferred to a different contract or to make a charitable contribution. The charitable contribution request must be at least \$500.00 and the form can be downloaded on Our website.

How can I return the completed form(s)?

There are three ways. Return it to Our office by:

- **Use secure upload.** Want a quick and easy way to submit Your election request? Log in to My.MidlandNational.com and under My Annuities, use the document upload prompt to upload Your form as a PDF:
- Mailing the form to either address listed on the form; or
- Faxing both sides of the form to the fax number listed on the form.

Once the request is processed, how long will it take to get my deposit/Electronic Fund Transfer (EFT)?

If we already have Your bank account on file, please allow one to two (1-2) business days after the date specified in Section 4 for the money to be available in Your account. If that date falls on a weekend, holiday, or non-business day, the disbursement will be processed on the following business day. If this is the first time You are sending us Your bank information, or if your bank information has changed, the first disbursement may be mailed to you.

NOT FDIC/NCUA INSURED, MAY LOSE VALUE
INCLUDING LOSS OF PRINCIPAL, NO BANK/
CU GUARANTEE, NOT A DEPOSIT, NOT INSURED
BY ANY FEDERAL GOVERNMENT AGENCY.

Oak Elite ADVSM Lifetime income payment election form



Mail to: P.O. Box 9261, Des Moines, IA 50306-9261

Overnight: 8300 Mills Civic Pkwy, West Des Moines, IA 50266-3833

Phone: 1-833-492-0022, Option 1 | Fax: 1-833-492-0023

Instructions

The completion of this form is necessary to begin lifetime income payments provided by the Guaranteed Lifetime Withdrawal Benefit Rider with a Contract Value (GLWB-CV) or Guaranteed Lifetime Withdrawal Benefit Rider with a Return of Premium (GLWB-ROP) in Your Annuity Contract. Please fill out all Sections completely and accurately to ensure prompt processing of your request without delay.

1. Account information

Annuity Policy/Contract number

Contract Owner's name (first, middle initial, last)	Social Security number
Joint Contract Owner's name (if applicable) (first, middle initial, last)	Social Security number
Non-natural Contract Owner (if applicable)	Tax Identification number/Employer Identification number

2. Withdrawal/election information (select only one)

Withdrawals taken prior to age 59 1/2 may be subject to IRS penalties. Under current law, annuities grow tax deferred. An annuity is not required for tax deferral in qualified plans. **Disbursements from your Annuity Contract are final and cannot be returned. Disbursements will be reported as income in the tax year they are disbursed.**

☐ **Single life**

This option is not available for Contracts with joint Annuitants

or

☐ **Joint life**

Except in the case of non-naturally owned Contracts, Contracts with a single annuitant may elect a joint payout if the spouse is listed as the sole primary Beneficiary. **By choosing this option, the LPA will be based on the age of the youngest Covered Person and will result in a lower maximum LPA.** Please include Your spouse's information below.

Spouse name

Social Security number

Birth date (mm/dd/yyyy)

Sammons Financial Network®, LLC., member FINRA, and Midland National® Life Insurance Company do not give tax, legal, or investment advice. Please consult with and rely on your own tax, legal, or investment professional(s). Taxes are payable upon withdrawal of funds, and a 10% IRS penalty may apply to withdrawals prior to age 59½.

3. Specified amount

Optional: Only specify an amount if You would like to receive less than Your max LPA. **Requesting an amount greater than the max LPA allowed will reduce future LPA payments.** If You need more than the max LPA, see the FAQ's above for details of how to request a greater amount.

Gross amount \$ _____. This amount will be paid out in the frequency chosen in Section 4.

4. Payment frequency (select only one)

☐ Withdraw in the following frequency¹: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

To be processed on _____ / _____ / _____ Date² (mm/dd/yyyy)

1) Your LPA is an annual amount. If You elected a frequency other than annual, Your first year payments will be divided by the remaining months from Your start date to Your next anniversary, resulting in a higher first year payment. Subsequent years are divided by the frequency that You elected spread out over the full Contract year and may result in a lower payment. If more than one frequency is indicated, or no frequency is indicated at all, Your payment will default to an annual frequency.

2) Delivery of the funds may take between two and seven (2 and 7) business days after Your requested processing date, depending on the delivery method you choose. **If the start date chosen is the Contract anniversary date or any date after the 28th of the month; the payments will be set for the next business day available, subject to any market conditions or closures. If the start date chosen is a date before the Contract anniversary date; the payments will be set for the day indicated, in the following month.**

LPA withdrawals are taken pro rata across all Investment Options: Separate Account, Investment Options (including the default account), and from all Cycle Investment Options in the same proportion as each Investment Option bears to the total Accumulation Value.

5. Federal election of withholding

See the instructions on pages 5-6 and the Marginal Rate Tables for additional information.

Your withholding rate is determined by the type of payment You will receive.

- For nonperiodic payments, the default withholding rate is 10%. You can choose to have a different rate by entering a rate between 0% and 100%. Generally, You can't choose less than 10% for payments to be delivered outside the United States and its territories.
- For an eligible rollover distribution from an employer retirement plan, the default withholding rate is 20%. You can choose a rate greater than 20% but not less than 20%.

☐ I would like the default withholding rate.

☐ I would like a rate of withholding that is different from the default withholding rate.

_____ % Enter the rate (percent) as a whole number (enter a rate between 0% and 100%, no decimals)

6. State election of withholding

Important state tax withholding information: If you reside in a state that requires tax withholding, We will withhold state income tax in accordance with the respective state's rules.

Withhold state taxes - (select yes or no)

☐ No ☐ Yes _____ %

7. Method of payment - If no election is indicated, funds will be sent EFT to the banking information on file for a disbursement. If no banking information is on file a check will be mailed to You at the address of record.

Please check one of the following options. If no election is indicated, a check will be mailed to You at your address on record. .

☐ I would like this withdrawal to be paid to me by check and sent to the mailing address listed in section 1 of this form.

To send the withdrawal to a third party brokerage cash management or "sweep" account, complete the Verification of Brokerage Cash Management Account form.

☐ I would like this withdrawal to be sent via Automated Clearing House (ACH) to the financial institution account indicated below. I understand the proceeds will arrive at my financial institution account in approximately three to five business days. I authorize Midland National and the financial institution listed below to automatically deposit distributions into my account. Please see the attached voided check confirming the information listed below.

Type of account: ☐ Checking ☐ Savings

Name(s)* on account (first, middle initial, last)

Financial Institution name

Financial Institution phone number

Financial Institution routing number (ABA #)

Financial Institution account number

Include a preprinted, voided check or letter from the bank on their letterhead for the Automated Clearing House (ACH) debit to ensure accurate account information.

Note: Checks must be preprinted with Your name and address. We cannot accept starter or counter checks.

8. Acknowledgement and signature(s)

CA Residents only: 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 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.

All Residents: I/We hereby acknowledge and understand that:

- By signing this form indicates that each Contract Owner has read, understands and agrees to the information provided throughout the form.

Taxpayer certification under penalty of perjury, my signature certifies that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me);
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding;
3. I am a U.S. citizen or U.S. resident alien; and
4. I am exempt from Foreign Account Tax Compliance Act (FATCA) reporting.

Contract Owner signature/assignee	Date (mm/dd/yyyy)
Joint Owner signature/assignee (if applicable)	Date (mm/dd/yyyy)
Spousal signature*	Date (mm/dd/yyyy)

*If this transaction is subject to a community property interest, we strongly recommend that you obtain your spouse’s signature on the spousal signature line in the acknowledgment section of the form to document his/her consent to this transaction. States that recognize community property interests in property held by married persons include Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. You understand and agree that Midland National may presume that no community property interest exists if you have not obtained your spouse’s signature. Further, you understand and agree that Midland National has no duty to inquire further about any such community property interest. As a result, you agree to indemnify and hold Midland National harmless from any consequences relating to community property interests and this transaction. NOTE: The term “spouse” includes domestic partner or other partner as permitted by civil union, domestic partnership or similar law.

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General Instructions and Marginal Rate Tables for withholding for nonperiodic payments and eligible rollover distributions.

Use the information provided on pages 5–6 to guide you in completing withholding section 5, page 3.

General Instructions

Section references are to the Internal Revenue Code.

Future developments - For the latest information about any future developments related to Form W-4R, such as legislation enacted after it was published, go to www.irs.gov/FormW4R.

Purpose of form - Complete section 5, page 3 to have payers withhold the correct amount of federal income tax from your nonperiodic payment or eligible rollover distribution from an employer retirement plan, annuity (including a commercial annuity), or individual retirement arrangement (IRA). See pages 5-6 for the rules and options that are available for each type of payment.

Caution - If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. Your withholding choice (or an election not to have withholding on a nonperiodic payment) will generally apply to any future payment from the same plan or IRA. Submit a new Form W-4R if you want to change your election.

2025 Marginal Rate Tables					
You may use these tables to help you select the appropriate withholding rate for this payment or distribution. Add your income from all sources and use the column that matches your filing status to find the corresponding rate of withholding. See the following page for more information on how to use this table.					
Single or married filing separately		Married filing jointly or Qualifying surviving spouse		Head of household	
Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more	Total income over—	Tax rate for every dollar more
\$0	0%	\$0	0%	\$0	0%
15,000	10%	30,000	10%	22,500	10%
26,925	12%	53,850	12%	39,500	12%
63,475	22%	126,950	22%	87,350	22%
118,350	24%	236,700	24%	125,850	24%
212,300	32%	424,600	32%	219,800	32%
265,525	35%	531,050	35%	273,000	35%
641,350*	37%	781,600	37%	648,850	37%

* If married filing separately, use \$390,800 instead for this 37% rate.

For Privacy Act and Paperwork Reduction Act Notice, see page 5.

Non-periodic payments—10% withholding - Your payer must withhold at a default 10% rate from the taxable amount of nonperiodic payments **unless** you enter a different rate in section 4, page 2. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. Note that the default rate of withholding may not be appropriate for your tax situation. You may choose to have no federal income tax withheld by entering “-0-”. See the specific instructions below for more information. Generally, you are not permitted to elect to have federal income tax withheld at a rate of less than 10% (including “-0-”) on any payments to be delivered outside the United States and its territories.

Note: If you don't give Form W-4R to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer must withhold 10% of the payment for federal income tax and can't honor requests to have a lower (or no) amount withheld. Generally, for payments that began before 2025, your current withholding election (or your default rate) remains in effect unless you submit a Form W-4R.

Eligible rollover distributions—20% withholding - Distributions you receive from qualified retirement plans (for example, 401(k) plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over to an IRA or qualified plan are subject to a 20% default rate of withholding on the taxable amount of the distribution. You can't choose withholding at a rate of less than 20% (including “-0-”). Note that the default rate of withholding may be too low for your tax situation. You may choose to enter a rate higher than 20% in section 4, page 2. Don't give Form W-4R to your payer unless you want more than 20% withheld.

Note that the following payments are **not** eligible rollover distributions: (a) qualifying “hardship” distributions, (b) distributions required by federal law, such as required minimum distributions, (c) Eligible distributions to a domestic abuse victim, (d) Qualified disaster recovery distributions, (e) Qualified birth or adoption distributions, and (f) Emergency personal expense distributions See Pub. 505 for details. See also *Non-periodic payments—10% withholding above*.

Payments to nonresident aliens and foreign estates. Do not use Form W-4R. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, enter “-0-” in section 4, page 2. See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

For an estate, enter the estate's employer identification number (EIN) in the area reserved for "Social security number."

More withholding - If you want more than the default rate withheld from your payment, you may enter a higher rate in section 4, page 2.

Less withholding (non-periodic payments only) - If permitted, you may enter a lower rate in section 4, page 2 (including "-0-") if you want less than the 10% default rate withheld from your payment. If you have already paid, or plan to pay, your tax on this payment through other withholding or estimated tax payments, you may want to enter "-0-".

Suggestion for determining withholding - Consider using the Marginal Rate Tables on page 4 to help you select the appropriate withholding rate for this payment or distribution. The tables are most accurate if the appropriate amount of tax on all other sources of income, deductions, and credits has been paid through other withholding or estimated tax payments. If the appropriate amount of tax on those sources of income has not been paid through other withholding or estimated tax payments, you can pay that tax through withholding on this payment by entering a rate that is greater than the rate in the Marginal Rate Tables.

The marginal tax rate is the rate of tax on each additional dollar of income you receive above a particular amount of income. You can use the table for your filing status as a guide to find a rate of withholding for amounts above the total income level in the table.

To determine the appropriate rate of withholding from the table, do the following. Step 1: Find the rate that corresponds with your total income not including the payment. Step 2: Add your total income and the taxable amount of the payment and find the corresponding rate.

If these two rates are the same, enter that rate in section 4, page 2. (*See Example 1 below.*)

If the two rates differ, multiply (a) the amount in the lower rate bracket by the rate for that bracket, and (b) the amount in the higher rate bracket by the rate for that bracket. Add these two numbers; this is the expected tax for this payment. To get the rate to have withheld, divide this amount by the taxable amount of the payment. Round up to the next whole number and enter that rate in section 4, page 2. (*See Example 2 below.*)

If you prefer a simpler approach (but one that may lead to over withholding), find the rate that corresponds to your total income including the payment and enter that rate in section 4, page 2.

Examples - Assume the following facts for Examples 1 and 2. Your filing status is single. You expect the taxable amount of your payment to be \$20,000. Appropriate amounts have been withheld for all other sources of income and any deductions or credits.

Example 1 - You expect your total income to be \$65,000 without the payment. Step 1: Because your total income without the payment, \$65,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Step 2: Because your total income with the payment, \$85,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. Because these two rates are the same, enter "22" in section 4, page 2.

Example 2 - You expect your total income to be \$61,000 without the payment. Step 1: Because your total income without the payment, \$61,000, is greater than \$26,925 but less than \$63,475, the corresponding rate is 12%. Step 2: Because your total income with the payment, \$81,000, is greater than \$63,475 but less than \$118,350, the corresponding rate is 22%. The two rates differ. \$2,475 of the \$20,000 payment is in the lower bracket (\$63,475 less your total income of \$61,000 without the payment), and \$17,525 is in the higher bracket (\$20,000 less the \$2,475 that is in the lower bracket). Multiply \$2,475 by 12% to get \$297. Multiply \$17,525 by 22% to get \$3,856. The sum of these two amounts is \$4,153. This is the estimated tax on your payment. This amount corresponds to 21% of the \$20,000 payment (\$4,153 divided by \$20,000). Enter "21" in section 4, page 2.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request additional federal income tax withholding from your non-periodic payment(s) or eligible rollover distribution(s); (b) choose not to have federal income tax withheld from your non-periodic payment(s), when permitted; or (c) change a previous Form W-4R (or a previous Form W-4P that you completed with respect to your non-periodic payments or eligible rollover distributions). To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding of your payment(s). Failure to provide a properly completed form will result in your payment(s) being subject to the default rate; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

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.