

## Instructions for Requesting Your Policy be Placed on Reduced Paid Up Insurance

To request a guaranteed Reduced Paid Up policy please complete section one of the Policy Service Request form. Please complete and sign where shaded at the bottom of the form. Your signature must be witnessed by a disinterested party.

For the protection of both parties, if you live in a community property state we request that the owner's spouse join in signing and dating the enclosed Acknowledgement form. The Acknowledgement Form must be completed and signed by the spouse , if applicable. If you are divorced and your property settlement agreement addresses incidents of ownership of this policy, we require a copy of the divorce decree or property settlement that shows to whom the policy was awarded.

If you have questions regarding the amount of Reduced Paid Up Insurance available under your policy, please contact our Administrative Office at 1-833-508-0404.

We cannot accept faxed forms.



**POLICY SERVICE REQUEST**

|            |         |       |                                                                                                                                              |
|------------|---------|-------|----------------------------------------------------------------------------------------------------------------------------------------------|
| POLICY NO. | INSURED | OWNER | CHOOSE ONE:                                                                                                                                  |
|            |         |       | <input type="checkbox"/> Single <input type="checkbox"/> Divorced<br><input type="checkbox"/> Married <input type="checkbox"/> Widow/Widower |

The undersigned hereby requests and directs the Company to make the following changes or take the action requested below.

(Check the section you want changed and complete the required information.)

**Section 1. REQUEST FOR NON-FORFEITURE OPTION OR AUTOMATIC PREMIUM LOAN PROVISION**

TO:  REDUCED PAID UP                       EXTENDED TERM                       ADD AUTOMATIC PREMIUM LOAN

**Section 2. CHANGE DIVIDEND OPTION**

TO:  CASH                       REDUCE (Available with annual PREMIUMS premium payments only)                       ACCUMULATE                       PAID UP ADDITIONS

**Section 3. CASH LOAN REQUEST**

MAXIMUM AVAILABLE                       \_\_\_\_\_ CASH (UP TO MAXIMUM AVAILABLE)  
 INCLUDE CASH VALUE OF PAID UP ADDITIONS. (Cancels Self Support Dividend Option If Requested)

In consideration of the advance by State Mutual Insurance Company of this requested loan, all rights, title, and interest in this policy is assigned to the Company as sole security for the repayment of the loan with interest, subject to the loan provisions of the policy. The loan provisions are made a part of this agreement. The undersigned declares that no bankruptcy proceedings are now pending.

**Section 4. WITHDRAWAL / SURRENDER OF FUNDS**

|          |                                     |          |                      |
|----------|-------------------------------------|----------|----------------------|
| \$ _____ | DIVIDEND ACCUMULATIONS              | \$ _____ | PREPAID PREMIUMS*    |
| \$ _____ | CASH SURRENDER OF PAID UP ADDITIONS | \$ _____ | ANNUAL PREMIUM LIFE* |
| \$ _____ | FLEXIBLE PREMIUM ANNUITY*           | \$ _____ | OTHER                |

\*Have Withdrawal Penalty

**Section 5. SURRENDER OF POLICY**

For the Cash Surrender Value, the undersigned surrenders this policy, and all claims thereunder, and directs that a check be forwarded for the proceeds after deduction of indebtedness, if any. The undersigned declares that no bankruptcy proceedings are now pending.

**Section 6. WITHHOLDING NOTICE**

The federal tax law provides that any nonperiodic distribution to you from a policy or rider by State Mutual Insurance Company will be subject to Federal Income Tax. There will be no withholding on the portion of distribution, which represents the return of your own premium contributions. You may elect not to have withholding apply to your distribution by completing the section below and returning it to us. If your election is not returned, we will process your distribution request with the withholding of Federal Income Tax at the rate of 20% from the taxable portion of the withdrawal. If you elect not to have withholding apply to your distribution, you may be responsible for payment of estimated tax. You may also incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

Please check the appropriate box.     I elect to have no income tax withheld from any distribution made from my policy.     I elect to have withholding from any distribution made from my policy.

**Section 7. SPECIAL INSTRUCTIONS**

**SIGNATURES OF POLICY OWNER AND/OR ASSIGNEE REQUIRED**

OWNER SIGNATURE \_\_\_\_\_ TAX ID#/SS# \_\_\_\_\_  
SHOW TITLE IF SIGNED ON BEHALF OF CORPORATION

ADDITIONAL SIGNATURE (if Required) \_\_\_\_\_  
SHOW TITLE IF SIGNED ON BEHALF OF CORPORATION

OWNER'S MAILING ADDRESS \_\_\_\_\_  
NUMBER                      STREET                      CITY                      STATE                      ZIP

WITNESS SIGNATURE\* \_\_\_\_\_ DATE \_\_\_\_\_  
\*WITNESS MUST BE AN UNRELATED ADULT PERSON WITH NO INTEREST IN THE POLICY                      PRINTED NAME

**IMPORTANT: DO NOT USE CORRECTION FLUID ON THIS FORM. IF YOU HAVE MADE AN ERROR, MARK THROUGH IT AND INITIAL YOUR CHANGE.**

**STATE MUTUAL INSURANCE COMPANY**  
**PO BOX 11864**  
**WINSTON SALEM, NORTH CAROLINA 27116**  
**OFFICE: 1-833-508-0404**  
**FAX: 1-336-759-3141**

**ACKNOWLEDGEMENT**

Policy Number: \_\_\_\_\_ Insured: \_\_\_\_\_

I have an interest in the policy numbered above as indicated below:

Please check one:

- Irrevocable beneficiary
- Assignee under an assignment
- Spouse living in a community property state (AZ, CA, GU, ID, LA, NV, NM, TX, WA, WI)

Hereby acknowledge the owner of the above referenced policy has made:

- A request for **Partial Withdrawal** from an annuity reducing the value of the annuity.
- A request for withdrawal of dividends.
- A request for **Partial Surrender** of a Universal Life policy; reducing the face amount of the policy
- A request for **Reduced Paid Up Insurance** – the face amount is reduced to the amount that can be bought by the Net Single Premium equal to Net Cash Value of the policy.
- A request for **Policy Loan** – if not repaid, the face amount is reduced by the outstanding loan when a claim is made.
- A request for **Cash Surrender** – the policy has no further value and does not provide a death benefit.
- A request for **Change of Beneficiary** – the beneficiary previously named is being changed.
- A request for **Change of Owner** – the owner previously named is being changed.
- A request to **Add a Contingent Owner** other than the current spouse.
- A request for **Assignment** – the entire policy or a portion thereof, is being given to another.
- A request for **Accelerated Death Benefit** – the face amount is reduced by the amount of the benefit. As one of the persons checked above, you will receive a disclosure of the final cash value, loan value and face amount once the Accelerated Benefit has been paid.
- A request for **Reduction in Death Benefit**.

By signing this Acknowledgement, I agree that the policyowner may make, and the Company may act on, the above request.

\_\_\_\_\_  
Signature of Person with Interest as indicated above

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Person with interest as indicated above

Acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

by \_\_\_\_\_.

Such person is known to me or has produced \_\_\_\_\_ as identification.

Notary Signature \_\_\_\_\_

(Seal)

Notary Printed Name \_\_\_\_\_

Notary Public Commission No. \_\_\_\_\_

Once completed, return the form to the address at the top of this document.