

Request for 1035 Exchange

Henderson Hall 29 Carpenter Road Arlington, VA 22204
 Phone: 800-628-6011 Fax: 703-945-1441 E-mail: counselor@navymutual.org Website: www.navymutual.org

Instructions

Use this form to accomplish a transfer/exchange of a life insurance policy or annuity contract (pursuant to IRC section 1035) to Navy Mutual Aid Association.

The application for the new contract must have the same contractual designation (i.e. owner(s) and annuitant(s)) as the current contract.

This form must be completed in its entirety, signed, dated and witnessed.

Send completed form(s) to Navy Mutual Aid Association.

1. Information About You

Owner's Name: _____ SSN/TIN: _____

Co-owner's name (if any): _____ SSN/TIN: _____

Annuitant's/Insured's: _____ SSN/TIN: _____

Co-annuitant's/Insured's Name (if any): _____ SSN/TIN: _____

Address: _____

Telephone: _____ Email: _____

2. Contract Exchange Information

Surrendering Financial Institution: _____

Address of Institution: _____

Current Contract/Policy Number: _____ Annuity Life Insurance

3. Authorization to Transfer and Signatures

I am the Owner of the above policy/contract, and I hereby make a complete and absolute assignment and transfer to the Navy Mutual Aid Association in an exchange intended to qualify under Section 1035(a) of the Internal Revenue Code. As such, I understand that the Certificate to be issued by Navy Mutual Aid Association must have the same Owner and/or Annuitant as the above policy/contract. I certify that the policy/contract is currently in force and that it has not been assigned or pledged as collateral. I further certify that no bankruptcy proceedings are pending against me.

I understand that there may be a surrender charge and/or early withdrawal fee on the policy/contract I am liquidating. I understand that Navy Mutual Aid Association assumes no responsibility or liability for my tax treatment under Section 1035(a) of the Internal Revenue Code.

In the event that you are unable for any reason, to carry out the directions above, I direct you to send any forms and instructions necessary to effectuate my intended exchange directly to Navy Mutual Aid Association, who I hereby appoint to act on my behalf as my attorney-in-fact to affect this exchange. You are hereby advised that time is of the essence with respect to your duties under this form. Transfer the proceeds immediately. I am aware of all penalties that may apply.

I request that my name not appear as a joint payee on the check, nor shall any endorsement be necessary for the transfer or deposit.

I agree that if Navy Mutual Aid Association does not receive timely payment of the full cash surrender value, the policy may be assigned back to me.

Loans and Tax Consequences: I acknowledge that the new policy will not accept any existing loans. Any right to establish loans on the new policy will be governed by the terms and conditions contained in the benefit plan provisions, application, and any notes or amendments made to such documents. I acknowledge that the satisfaction of any loan on the existing policy which is considered part of the overall 1035 exchange may create taxable income and be reported to the IRS by the insurer of the existing policy.

Modified Endowment Contract: I acknowledge that to the extent the existing policy is classified as a Modified Endowment Contract (MEC) under Section 7702A the new policy for which it is exchanged will also be classified as a MEC. I acknowledge that any new policy which is exchanged for an existing policy that was grandfathered from Section 7702A will now be subject to the MEC rules under Section 7702A.

Return of Life Insurance Policy or Annuity Contract: 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.

_____	_____
(Signature of Witness)	(Signature of Owner)
_____	_____
(Date)	(Social Security Number of Owner)

Spousal Consent for Community Property States

If the Owner is a resident of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington or Wisconsin, spousal consent is required unless the Owner has no legal spouse.

_____	_____	_____
(Spouse Name)	(Spouse Signature)	(Social Security Number)
_____	_____	
(Date)	(Signature of Witness)	

4. Acceptance of Assignment

The Navy Mutual Aid Association accepts the assignment of the above contract as tax-free exchange under Section 1035 of the Internal Revenue Code and herewith directs that the above contract be surrendered for its cash value, accumulated dividends or other money due.

Brian Luther, Chief Strategy Officer - Authorized Officer Navy Mutual Aid Association

5. CHECK INFORMATION

Please FedEx check and cost basis information in the enclosed PrePaid FedEx package directly to:

Navy Mutual Aid Association, Henderson Hall, 29 Carpenter Road, Arlington, VA 22204
Please make check payable to: Navy Mutual Aid Association

Important Statement & Notice Regarding Replacement of Life Insurance or Annuities

Henderson Hall 29 Carpenter Road Arlington, VA 22204
 Phone: 800-628-6011 Fax: 703-945-1441 E-mail: counselor@navymutual.org Website: www.navymutual.org

This document must be signed by the applicant and the Association Membership representative.

When Does a Replacement Occur?

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on an existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, otherwise terminated or used in a 1035 exchange.

Things to Consider When Replacing:

You should carefully consider whether a replacement is in your best interests. You may pay acquisition costs and there may be surrender costs deducted from your old policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost.

The decision to replace your policy may be an excellent choice or it may not be in your best interest. 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 representative 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 may want to consider discussing with your representative and tax advisor, as appropriate, the premiums, policy values, surrender charges, interest rate guarantees and tax consequences of this replacement to determine whether the replacement makes sense.

We will be notifying your existing company that you may be replacing their policy.

 (Owner's Name) (Owner's Signature)

 (Date) (Representative's Signature)

Spousal Consent for Community Property States: If the Owner is a resident of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington or Wisconsin, spousal consent is required unless the Owner has no legal spouse.

 (Spouse Name) (Spouse Signature) (Social Security Number)

 (Date) (Signature of Witness)

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