

Non-qualified stretch availability and requirements

For new business

Non-qualified stretch is available on the following fixed index annuities:

Performance Choice®	Not available on premium bonus version, 8 Plus
NAC VersaChoice SM 10	Available with or without optional enhanced liquidity benefit (ELB) rider; not available if a guaranteed lifetime withdrawal benefit (GLWB) is elected

For current inforce contracts

Non-qualified stretch is available at the time of death claim on most inforce annuities including traditional fixed, fixed index, and multi-year guarantee annuities. If the inforce contract had a GLWB, and has any remaining accumulation value, the GLWB will terminate and the remaining accumulation value (death benefit) is eligible for non-qualified stretch.

Non-qualified stretch requirements:

- Beneficiary must begin payments within the first year of the date of death of the original owner/decedent
- Payments are based on the life expectancy of the beneficiary (use IRS Single Life Expectancy Table to calculate stretch payments)
- Each subsequent payment must be taken by Dec. 31 of the following tax year
- If the first payment is not taken within the first year, then the entire balance must be paid out by the fifth anniversary of the original owner/decedent's death
- No surrender charges or market value adjustments will apply up to the required minimum amount for a contract year
- Owners may take distributions greater than the required minimum amount for a given contract year, however, any portion in excess of the penalty-free allowance and required minimum amount may be subject to surrender charges and market value adjustments
- Non-qualified stretch is only available for natural owners; not on trusts, estates, corporations, etc.

Questions? Call Sales Support at 866-322-7066

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Performance Choice[®] is issued on base certificate/contract form LC/LSI60A/ICCI6-NAI007A.MVA/NAI007A; and NAC VersaChoiceSM 10 is issued on base contract form NAI012A/ICCI7-NAI012A.MVA or appropriate state variation including all applicable endorsements and riders.

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