

## Distribution Due to Divorce - Privileged Assets



- For questions regarding the completion of this form, call our office at 1-800-633-3565.
- Ex-spouse refers to the ex-spouse of the contract owner of record.
- If you need to change the ownership or taxpayer on the existing contract, use the Change of Ownership form (Form 51555) located on [riversource.com/forms](http://riversource.com/forms).

RiverSource Contract Number



**A certified copy of the divorce decree must be included that specifically references the RiverSource Life Insurance Co. of New York (RiverSource Life) contract number and clearly states the dollar amount or percentage of the contract to be transferred to the ex-spouse.**

### Part 1 Owner Information

Owner Name

Co-Owner Name

### Part 2 Withdrawal Instructions

- Contractual surrender charges will apply to all withdrawals.
- Full withdrawals: The ex-spouse will receive the full contract value, minus the surrender charges, if any.
- Partial withdrawals: If an option below is not selected, surrender charges will default to the ex-spouse (non-contract owner's) share.
- Verify the withdrawal provisions and conditions of your contract prior to making selection.

**Percentage or dollar amount to be withdrawn or transferred:**  % or \$

Values shall be determined based on date of processing. Any past date values or interest must be calculated by you.

**Select whose share the surrender charges should be taken from, if applicable.**

**Ex-spouse's share**

Partial withdrawal based on a dollar amount or percentage as indicated above. Surrender charges are taken out of the ex-spouse's share: Requested amount will be withdrawn and any surrender charges will be taken out of that requested amount. The ex-spouse will receive the dollar amount requested minus any surrender charges.

**Current contract holder's share**

Partial withdrawal based on a dollar amount or percentage as indicated above. Surrender charges are taken out of the current contract holder's share: Requested amount will be withdrawn and any surrender charges will be added to the requested dollar amount. The ex-spouse will receive the dollar amount requested. The total amount withdrawn will be higher than the requested dollar amount to account for any surrender charges.

**Split surrender charges**

The surrender charges will be split proportionally to how the contract is divided.

**Part 3 Settlement Instructions (Select one)**

- **If the distribution is being applied to a new annuity**, an application must be attached. In addition, the ex-spouse will receive a new contract which means that the surrender charge schedule will start over for the ex-spouse. A free-look option is not available when a new contract is activated due to a divorce. If the account is an existing annuity, the proceeds will be applied as a premium or add-on payment and any applicable surrender charge schedule for that payment will begin.
- **If the distribution is being applied to an account at another financial institution**, a transfer form from the other financial institution must be provided to us that identifies the type of account to which the funds will be moved as well as a letter of acceptance from the other financial institution acknowledging that they will assume custodial responsibilities for the account.

**Non-Qualified Annuities Only**

- Check to ex-spouse (Complete Part 4)
- Full or Partial 1035 Exchange
  - A new non-qualified annuity application must be submitted in the ownership of the final intended owner.
  - A partial 1035 Exchange will require a Change of Ownership form.
  - A 1035 exchange is not a taxable event but will be reported on IRS Form 1099-R.

**Select one:**

- Full 1035 Exchange to a New Annuity Contract - Ex-Spouse Taking Ownership of New Annuity**  
Note: This selection will result in the full surrender of your existing annuity contract. The redemption of an annuity may result in surrender charges, rider charges, and contract fees. In addition, establishing a new annuity may result in new surrender charge schedule. If you wish to request a change of ownership of the existing annuity instead, use the Change of Ownership form.

By signing this form, the owner of the existing annuity contract is authorizing the following:

- Once the application has been completed, a new annuity contract will be established in your name.
- A full 1035 exchange will be processed from your existing annuity into the new annuity, closing your existing contract.
- The ownership of the new annuity will then be changed to that of your ex-spouse.

By signing this form, the ex-spouse is authorizing the following:

- Once the application has been completed, the contract has been established, and the 1035 exchange has funded it, you will become sole owner of a new annuity contract.

- Partial 1035 Exchange to a New Annuity Contract - Ex-Spouse Taking Ownership of New Annuity**

By signing, the owner of the existing annuity contract is authorizing the following:

- Once the application has been completed, a new annuity contract will be established in your name.
- A partial 1035 exchange will be processed from your existing annuity into the new annuity.
- The ownership of the new annuity will then be changed to that of your ex-spouse.
- You will retain ownership of your existing annuity.

By signing, the ex-spouse is authorizing the following:

- Once the application has been completed, the contract has been established, and the 1035 exchange has funded it, you will become sole owner of a new annuity contract.

By signing, both the owner of the existing annuity and the ex-spouse acknowledge that:

- A withdrawal from either the new or the existing annuity during the 180-day period following the partial 1035 exchange may result in adverse tax consequences for one or both annuity owners, as described in IRS Revenue Procedure 2011-38. In this situation, the IRS tax treatment may be different than what is reported on Form 1099-R.
- A tax advisor and the other annuity owner should be contacted before any withdrawals are taken from either annuity contract during the 180-day period.

*Settlement Instructions continued on next page...*

Settlement Instructions continued

**Partial 1035 Exchange to a New Annuity Contract - Ex-Spouse Taking Ownership of Existing Annuity**

By signing, the owner of the existing annuity contract is authorizing the following:

- Once the application has been completed, a new annuity contract will be established in your name.
- A partial 1035 exchange will be processed from your existing annuity into the new annuity.
- The ownership of the remaining balance of your existing annuity will then be changed to that of your ex-spouse.
- You will retain ownership of the new annuity contract.

By signing this form, the ex-spouse is authorizing the following:

- After the 1035 exchange is processed, you will become sole owner of the existing annuity contract.

By signing this form, both the owner of the existing annuity and the ex-spouse acknowledge that:

- A withdrawal from either the new or the existing annuity during the 180-day period following the partial 1035 exchange may result in adverse tax consequences for one or both annuity owners, as described in IRS Revenue Procedure 2011-38. In this situation, the IRS tax treatment may be different than what is reported on Form 1099-R.
- A tax advisor and the other annuity owner should be contacted before any withdrawals are taken from either annuity contract during the 180-day period.

**IRA Annuities Only**

Transfer to an IRA is not a tax-reportable event, if done pursuant to a divorce decree.

- Check to ex-spouse (Complete Part 4)
- Transfer to a new or existing IRA *RiverSource*<sup>®</sup> annuity in the name of the ex-spouse

**Account Number**

- Transfer to ex-spouse's IRA at another financial institution

**Part 4 Delivery Instructions (Check to ex-spouse only)**

- **Direct deposit is not an option.**
- The contract assets are partially or fully withdrawn and distributed directly to the ex-spouse via check.
- Complete the Tax Withholding Instructions below.

Name of ex-spouse

Mailing Address

City

State

ZIP Code

**Tax Withholding Instructions**

RiverSource Life will report this as a taxable event to the current assigned taxpayer, even if both parties request otherwise. To change the assigned taxpayer on a joint annuity, you must complete the Change of Ownership form prior to submitting this request. The tax reporting cannot be split between joint owners.

- **Federal Withholding:** You are liable for federal income tax on the taxable portion of your distribution. If total withholding is not adequate, you may be subject to estimated tax payments and/or penalties.
- **State Withholding:** Withholding rules vary by state. Clients may have the option to: (1) opt-out of withholding, (2) elect default state tax withholding, or (3) increase the rate of withholding. Depending on the state, state tax withholding could be mandatory, optional, unavailable, or the client may need to complete a state-specific form. For state tax withholding rules, go to [riversource.com/statetax](http://riversource.com/statetax).
- Please note that taxes withheld per your elections or in accordance with state rules will not be refunded.

*Delivery Instructions continued on next page...*

## Withholding Instructions continued

- Withholding choices are not generally available if your distribution is an eligible rollover distribution from certain employer sponsored plans. For eligible rollover distributions, 20% federal withholding will apply even if you indicate otherwise.
- Different withholding rules apply in certain situations: If we do not have a valid Taxpayer Identification Number on the account, if the payment is delivered outside the United States or if you are a non-resident.
- For all tax-qualified annuities: Withholding is taken from the total amount distributed.
- For non-qualified annuities: Withholding is taken from the taxable amount distributed.
- Please consult your tax professional for additional information regarding federal and/or state withholding.

### Federal Withholding

- If you are under 59 ½ and your withdrawal includes taxable income, an IRS early withdrawal penalty may apply.
- 10% federal tax will be withheld from the conversion amount unless you make a different withholding election below.

### Important IRS Federal Withholding changes

- Effective January 1, 2023, regulations require use of a Form W-4R, signed by the taxpayer or authorized signer, to choose a federal withholding standing election at a rate other than the default rate of 10%.
- If 10% withholding is not preferred, you may request 0% federal withholding without a Form W-4R by indicating your choice below.

For federal withholding rates other than 0% or the 10% default federal rate:

- The account's taxpayer may establish a federal withholding percentage using the W-4R Federal Withholding Instruction for RiverSource form (Form 117574). This form may be obtained at: [riversource.com/forms](https://riversource.com/forms).
- **Do not attach a Form W-4R form to this distribution request.** The Form W-4R must be on file with RiverSource before it can be used during a distribution.
- Current federal standing elections can be confirmed by contacting us.

### Federal Tax withholding

- Withhold 0% federal tax
- Withhold 10% federal tax (If you check this box but already have a Form W-4R on file at RiverSource, the percent on your current Form W-4R will be used for processing the distribution.)
- Withhold at the rate on the Form W-4R already on file with RiverSource (If this box is checked and no Form W-4R is on file for this percentage, RiverSource must withhold the 10% default federal tax.)

NOTE: If you would like to withhold at a different rate than what is already on file with RiverSource, you must submit a new Form W-4R prior to submitting this distribution; do not attach a Form W-4R to this distribution request.

### State Withholding

- If you don't indicate an election, we'll generally follow your choice for federal election unless your state does not allow.
  - No state tax withholding will be taken for states where withholding is not available.
  - The taxpayer's resident state on file is the state we use for state tax withholding.
- Do not withhold state tax     Withhold default state tax     Withhold  % state tax

**Part 5 Acknowledgements and Signatures**

**!** Definitions used in this section: "We" and "us" refers to the contract owner and ex-spouse.

- In the event of an IRS finding that we are liable for taxes and/or penalties and/or interest or if any other detriment is incurred by us as a result of this transaction, we will not hold RiverSource Life liable. We further agree to indemnify RiverSource Life for any tax penalty that may be incurred as a result of this transaction.
- By signing this form, all parties agree that the information provided complies with their understanding of the terms of their divorce decree, property settlement agreement and/or qualified domestic relations order (QDRO), and that RiverSource Life and their personal financial advisor, will not be responsible for settling any disputes that may arise after the account indicated on this form has been distributed according to the information provided on this form.
- We request, authorize and direct RiverSource Life to accomplish the surrender based on the information contained in the other parts of this form. We understand that RiverSource Life will take no action if the divorce decree/QDRO in any way conflicts with the information provided on this form or is not clear regarding how the divorce affects the annuity named on this form.

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

Note: Owner(s) and Ex-Spouse signatures are required.

Owner Name  Owner Social Security Number

Owner Signature  Date (MMDDYYYY)

Co-Owner Name  Co-Owner Social Security Number

Co-Owner Signature  Date (MMDDYYYY)

Ex-Spouse Name  Ex-Spouse Social Security Number

Ex-Spouse Signature  Date (MMDDYYYY)