

Instructions for Completing Loan Form

All loan forms must be completed in their entirety. This does include having the form notarized. The form must be signed and dated on the same day as it is notarized, or It will not be accepted. If a corporation owns the policy, we require the signatures and titles of two of the officers in order to process this request.

For the protection of both parties, if you live in a community property state (AZ., CA, GU, ID, LA, NV, NM TX, WA or WI), we are required to verify that your spouse has agreed to your request. To do this, we need the Spousal Consent portion of this form to be completed and signed by your spouse. If you are not married, please check the appropriate box at the top of the form.

If you would like to schedule recurring loan payments, or increase your existing loan payments, please complete the "Request for Repayment" form and return It to our office. You may, however, make a loan payment as often as you wish with the minimum payment being \$25.00. Please note, the loan repayment must be the same method and mode as your premium payment. For example if you are paying your premium by monthly bank draft, then your scheduled loan repayment will be drafted at the same time.

A policy loan is a lien against the non-forfeiture value of your policy. Therefore, if a loan is not repaid, the balance will be deducted in any settlement of your contract. The loan will also accrue interest, as stated in your policy, compounded annually. When the loan balance exceeds the cash value of your policy, the policy may be in danger of lapsing.



STATE MUTUAL INSURANCE COMPANY

P.O. BOX 11864

WINSTON SALEM, NC 27116

1-833-508-0404 (TOLL FREE)

POLICY SERVICE REQUEST

POLICY NO. | INSURED | OWNER | CHOOSE ONE:
Single, Divorced, Married, 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 | PRINTED NAME

*WITNESS MUST BE AN UNRELATED ADULT PERSON WITH NO INTEREST IN THE POLICY

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

Request for Repayment of Policy Loan:

I would like to repay my policy loan by making regular payments of \$ _____ through the arrangement I have indicated below. **(Minimum of \$10)**

Please include the repayments in the amount of \$ _____ with my premium notice or monthly bank draft to be drafted on the _____ day of each month. (This date must be between the 1st and the 28th of the month and must be the same date as any existing premium).

Signature of Owner

Date

Printed Name of Owner