



## EXPLANATION OF DISTRIBUTION REASONS

You are required to give the reason for taking the withdrawal from the IRA. If more than one reason applies, you must complete a separate Distribution Form for each reason.

If you are under age 59½ and take a distribution from your IRA, it will generally constitute an early distribution. Unless an exception to the penalty applies, you must report the early distribution on Form 5329 and pay the appropriate penalty tax. Accountholders who roll an early distribution over into another IRA need not file Form 5329.

If you are under age 59½ and take “substantially equal periodic payments” (as defined in Internal Revenue Code Section 72(I)(2)(A)(iv) from your IRA, you may qualify for an exception to the early distribution penalty. You may take a distribution due to disability only if the disability renders you unable to engage in any substantial gainful activity and it is medically determined that the condition is permanent and total. You must furnish Reliance with a Social Security Award letter.

If you are requesting a distribution as a beneficiary, you must furnish Reliance with a certified copy of the death certificate of the accountholder.

You are responsible for taking the annual required minimum distribution upon your attainment of age 70½. You will have to pay the IRS a 50% penalty on the amount not withdrawn if you fail to take the required minimum distribution on time.

If you have made an excess contribution to your IRA, you must take the appropriate steps to remove or redesignate the contribution. Depending upon when you take the necessary corrective action and the amount of the excess contribution, you may have to pay the IRS either an excess contribution or premature distribution penalty tax, or both.