



Church Life Insurance Corporation

19 East 34th Street
New York, NY 10016
(212) 592-1800
(800) 223-6602
www.cpg.org

[Date]

[Title and Name]

[Address line 1]

[Address line 2]

[City, State Zip]

Dear [Salutation and Last Name]:

Notice Regarding Federal and State Income Tax Withholding Requirement on Annuity Income

Distributions received from an annuity contract may be subject to federal and state income tax withholding. With the commencement of your annuity payments from Church Life Insurance Corporation ("Church Life"), you are **required** to complete a Federal Form W-4P (and possibly a state Form W-4P equivalent depending on your state of residency). You can choose not to have income tax withheld, but if you do so, you may need to make estimated income tax payments, depending on your overall federal and state income tax liabilities.

If you do not complete a Federal Form W-4P and if a portion of your distribution is subject to federal income tax withholding, we will be required to withhold federal income taxes as if you were a married person claiming three (3) withholding exemptions.

The withholding tax applies to the taxable portion of your distribution and not to any nontaxable part, such as the portion that represents a return of your cost or investment in the plan or contract.

In addition, enclosed with this letter is a state income tax withholding election form that provides you with the opportunity to elect state income tax withholding. Please note, if you legally reside in one of the following states, you are **required** to complete the enclosed Church Life State Tax Withholding Form W-4P income tax withholding election form; otherwise, Church Life will be required to automatically apply your state's default income tax withholding rate for your annuity payments:

Arkansas, California, Delaware, Georgia, Iowa, Kansas, Maine, Massachusetts, Nebraska, North Carolina, Oklahoma, Oregon, Vermont, Virginia

It is important to note that if you legally reside in Iowa, Massachusetts, Nebraska, Oklahoma, Oregon, or Virginia, you may only opt out of income tax withholding if you have also opted out of federal income tax withholding on your Federal Form W-4P.

Residents of the District of Columbia are subject to mandatory withholding solely for lump-sum distributions of a resident payee's entire account balance regardless of whether the payee has elected federal income tax withholding.

Regardless of whether you elect income tax withholding or opt out of income tax withholding, we would appreciate if you could indicate for our records your current state of residence.

Please return the enclosed federal and, if applicable, Church Life State Tax Withholding Form W-4P income tax withholding election form within 30 days from the date of this letter. It is important to note

that you may change your federal and/or Church Life State Tax Withholding Form W-4P income tax withholding election form at any time by contacting Church Life.

We recommend that you consult your tax advisor, the instructions to Federal Form W-4P or the District of Columbia or state income tax withholding instructions prior to making your income tax withholding election. Church Life cannot provide any investment or tax advice.

If you have any questions, please contact Client Services at (866)-802-6333, Monday – Friday, 8:30AM – 8:00PM ET (excluding holidays) or at benefits@cpg.org.

Sincerely,

Church Life Insurance Corporation
Enclosures