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## Section 1. Introduction

More information on IRAs is available in Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) and Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs) from the IRS. Obtain your copy from any IRS district office by calling 800.829.3676 or by going to [irs.gov](http://irs.gov).

IRS approval

### Entities

In this disclosure statement, "we," "us," and "our" refer to RiverSource Life Insurance Company (RiverSource Life), RiverSource Life Insurance Co. of New York (RiverSource Life of New York), and/or its subsidiaries. "You" and

### ANNUITIES:

ARE NOT A DEPOSIT OF ANY BANK OR ANY BANK AFFILIATE	OR ARE NOT FDIC INSURED	ARE NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	ARE NOT BANK GUARANTEED
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## Section 2. Right to revoke your IRA

### Revocation

You have the right to cancel (revoke) your IRA. Your cancellation is on or before the earlier of seven days after you receive this disclosure statement or seven days after the date you establish your IRA (the date you sign the IRA Application). The cancellation (or free look period) for your annuity contract may be longer. See the terms of your contract.

If you cancel your IRA within this period, we will refund your full contribution, including any sales charges and fees. However, you will not receive any market value gain on your contribution nor will a market loss reduce your refund.

To cancel your IRA, write to us by first-class, certified or registered mail at:

RiverSource Life Insurance Company  
70100 Ameriprise Financial Center  
Minneapolis, MN 55474

Or

Service address:

RiverSource Life Insurance Co. of New York  
70500 Ameriprise Financial Center  
Minneapolis, MN 55474

When writing, be certain that your letter is properly addressed and stamped, and that the postmark and certification or registration dates are within the cancellation period described above.

## Section 3. Contributions

This section outlines the rules for funding and making contributions to your IRA. Contributions to your IRA must be made in cash (e.g. bank checks, electronic fund transfers) unless they are transferred or rolled over from another IRA or a Qualified Plan.

### Funding your IRA with new contributions

#### Traditional and Roth IRA

Traditional and Roth contributions for a given tax year must be made by the due date for filing your Federal tax return for that year, not including extensions. If you make a contribution between Jan. 1 and the IRS announced tax filing deadline, you must indicate in writing the tax year to which you would like the contribution applied. In any year, you may make contributions to your traditional or Roth IRA, up to statutory limits, as long as either you or your spouse has earned income equal to or greater than the total you are contributing. You are also eligible to make catch-up contributions beginning in the tax year you turn age 50. Contribution limits apply to the total of all contributions made in all traditional and Roth IRAs owned by each individual. The contribution limit for both traditional and Roth IRAs is \$6,500 in 2023 and \$7,000 in 2024. An additional \$1,000 may be contributed if you are age 50 or older.

#### Traditional IRA

If you are single or if you are married and file a joint income tax return with your spouse and neither you nor your spouse participate in a work place retirement plan, you may make a fully deductible IRA contribution.

If either you or your spouse participate in a workplace retirement plan, your ability to make a deductible IRA contribution is limited by your adjusted gross income (AGI) or your joint adjusted gross income if filing jointly with your spouse. To determine the amount of your deductible

contribution, you may refer to IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

You may make both deductible and nondeductible contributions to your traditional IRA, up to the overall dollar limit for that tax year. You must maintain records of nondeductible contributions to your traditional IRA and file this information with your federal income tax return on IRS Form 8606, Nondeductible IRAs. You must file this form each year you make non-deductible contributions or if you receive a distribution that includes an after-tax portion.

#### MAGI limits for deductible traditional IRA

Not Covered by Employer Retirement Plan	2023	2024
Married filing jointly - spouse covered by employer plan	\$218,000-\$228,000	\$230,000-\$240,000
Covered by Employer Retirement Plan	2023	2024
Single	\$73,000-\$83,000	\$77,000-\$87,000
Married - Filing Jointly	\$116,000-\$136,000	\$123,000-\$143,000
Married - Filing Separately	\$0-\$10,000	\$0-\$10,000

#### Roth IRA

Your ability to make a Roth IRA contribution is limited by your Modified Adjusted Gross Income (MAGI) or joint MAGI if filing jointly. To determine the amount of your Roth IRA contribution you may refer to IRS Publication 590-A.

## MAGI limits for deductible Roth IRA contributions

	2023	2024
Single	\$138,000- \$153,000	\$146,000- \$161,000
Married - Filing Jointly	\$218,000- \$228,000	\$230,000- \$240,000
Married - Filing Separately	\$0-\$10,000	\$0-\$10,000

### Simplified Employee Pension (SEP) IRA

Your employer may make a contribution to your SEP IRA according to the plan rules and maximum contribution limits under current law. In addition, you may make traditional IRA contributions to your SEP IRA based on the same rules noted above for a traditional IRA. If you participate in a SAR-SEP IRA plan, you may also be able to make elective salary deferral contributions through payroll deduction (according to plan rules).

### SIMPLE IRA

Your employer may make contributions to your SIMPLE IRA according to the plan rules and maximum contribution limits under current law. In addition, you may make elective salary deferral contributions through payroll deduction. You may not place traditional IRA contributions in your SIMPLE IRA.

### Funding your traditional IRA through a rollover from another IRA or eligible retirement plan

Generally, you may fund your traditional IRA from another IRA or eligible retirement plan (such as your 401(k), 457 governmental or 403(b) plan). A direct rollover or trustee-to-trustee transfer will not result in a taxable distribution. An indirect rollover, where you first receive the assets from the current IRA or retirement plan, must be applied to the new IRA within 60 days of receipt of the assets. Indirect rollovers between IRAs are limited to once every 12 months.

### Funding your Roth IRA through a conversion from another IRA or eligible retirement plan

Generally, you may fund your Roth IRA by directly or indirectly rolling your traditional, SEP or SIMPLE IRA, or other eligible retirement plan into the Roth IRA. When you do that, pre-tax assets rolled from an eligible retirement plan are generally subject to regular income taxes, though early withdrawal penalty taxes do not apply for a rollover to a Roth IRA. Indirect rollovers from non-IRA eligible retirement plans (such as your 401(k), 457 governmental or 403(b) plan) may be subject to mandatory 20% federal income tax withholding. The amount withheld will not be converted to your Roth IRA (unless you separately apply the equivalent amount to your Roth IRA) and may be subject to the IRS 10% early withdrawal penalty if you are

under age 59½. Indirect rollovers from your IRA or other eligible retirement plan to your Roth IRA must be made within 60 days of receipt of the assets.

### Distributions not eligible to be rolled over

Distributions that are not eligible to be rolled to an IRA from another IRA or eligible retirement plan include but are not limited to:

- Required minimum distributions (RMDs)
- Substantially equal periodic payments (SEPP)
- Distributions from an inherited IRA owned by a non-spouse Designated Beneficiary, or owned by the recipient of an IRA that had no Designated Beneficiary.
- Returns of excess contributions and excess deferrals
- Loans (exceptions may apply)
- Hardship withdrawals
- Distributions made to an alternate payee other than a spouse or former spouse under a qualified domestic relations order (QDRO)

### Excess contributions - traditional and Roth IRA

#### Traditional, SEP and Roth IRAs

Generally, contribution amounts that exceed the allowable tax limits are considered excess contributions. If you have excess contributions, they must be corrected by your tax filing deadline, including extensions, or they will be subject to a 6% IRS excise (penalty) tax each year the excess remains in your IRA. There are two ways to correct excess contributions:

- Timely correction. You can make a timely correction if you withdraw the excess contributions (and any earnings attributable to the excess), before the due date, including extensions, of your federal income tax return for the year excess contributions were made. For that year, if you do not claim a deduction for your excess contribution, you can make a tax-free withdrawal of the excess contributions. Any earnings withdrawn will be subject to income tax and, generally, the IRS 10% early withdrawal penalty tax if you are under age 59½.
- Late correction. If you do not correct the excess by your tax filing deadline, including extensions, you can correct the excess in a later year by either withdrawing the excess contribution, excluding any earnings, or by contributing less than the maximum in future years to offset the current year excess. If the excess is in a traditional IRA, and is over the contribution limit any distributions resulting from a late correction are subject to regular income taxes and a 10% early withdrawal penalty if you are under age 59½. This means that you may be taxed twice on the contribution amount and be subject to a penalty.

## Recharacterization of Roth or Traditional IRA Contributions

You can recharacterize all or a portion of your contributions or conversions, including any attributable earnings to a Roth or Traditional IRA, by your tax filing deadline, including extensions. Contributions to a Roth IRA may be recharacterized as traditional IRA contributions, or vice versa, treating the contribution to the original IRA as though it had been made to the subsequent IRA. The recharacterization of a conversion from an eligible retirement plan to Roth IRA, to a traditional IRA, is no longer permitted.

## Annuity premiums

- Your annuity premiums are not fixed.
- Annual premiums on behalf of any individual cannot exceed the annual IRA contribution limit.
- Any refund of premiums will be applied toward the payment of future premiums or the purchase of additional benefits before the close of the calendar year following the year of the refund.

## Section 4. Distributions

### Distributions from your traditional, SEP and SIMPLE IRA

In general, distributions from these types of IRAs are taxable as regular income for the year in which the distribution occurs unless they are rolled into another IRA or Qualified Plan. See the "Rolling your IRA distribution to a Qualified Plan" section below for more information. The rules and exceptions stated in that section apply to all distributions (including required minimum distributions) except as noted.

Distributions from IRAs do not qualify for capital gains treatment or income averaging under current federal income tax law.

### Federal tax withholding

Distributions from your IRA that are non-periodic (e.g. scheduled monthly) may be subject to a 10% federal income withholding tax, which will be withheld from the distribution paid to you unless you make a different election. If you elect no withholding, this may result in underpayment of taxes, and you may be responsible for payment of estimated taxes during the year. You are also permitted to elect to have amounts withheld in excess of 10%.

### Early withdrawal penalty tax

Your traditional, SEP, SIMPLE or nonqualified Roth IRA distribution is generally subject to a 10% (25% for a SIMPLE IRA within the first two years of ownership) early withdrawal penalty tax, unless the distribution was:

- Made after you reach age 59½
- Made to a beneficiary due to your death
- Made due to disability (As defined under Section 72(m) of the Internal Revenue Code.)
- Part of a scheduled series of substantially equal periodic payments (SEPP) made to you based on your life expectancy or based on the joint life expectancy of you and your beneficiary

- A timely withdrawal of an excess contribution within guidelines discussed under the "Excess contributions" section (above). (Note: Any earnings on excess contributions are not exempt from the 10% early withdrawal penalty)
- Made to pay medical expenses in excess of the deductible amount of your adjusted gross income
- A distribution that qualifies for special disaster relief by the IRS
- A qualified reservist distribution (to a military reservist called up for active duty that meets certain IRS requirements)
- Made to pay an IRS levy
- Made to pay medical insurance premiums while you are unemployed
- Made to pay for qualified higher education
- Made to pay for a qualified first-time home purchase
- Made to pay for the birth or adoption of a child

### Rolling your IRA distribution to a Qualified Plan

In general, if the plan accepts rollover contributions, only the taxable portion (the portion that has yet to be taxed) of your IRA (traditional, SEP, SIMPLE) distribution may be rolled to an eligible retirement plan (such as your 401(k), 457 governmental or 403(b) plan). Any amount rolled to such a plan will be considered as coming first from the taxable portion of your IRA. In the event of your death, your spouse may also roll your IRA into his or her eligible retirement plan.

### Distributions from your Roth IRA

You may choose to take distributions from your Roth IRA. However, distributions are not required unless you inherited the Roth IRA.

(1) The distribution is made after the five-year holding period is satisfied.

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Required minimum distributions (RMDs) for traditional, SEP and SIMPLE IRA owners

- (2) The interval you choose for your RMD income payments (for example, monthly, quarterly, or annually) cannot exceed one year, and must remain uniform over the entire distributions period, and,
- (3) Once payments have commenced over a period, the period may only be changed if certain requirements are met; and,
- (4) The minimum distribution incidental benefit (MDIB) requirements must be met; and,
- (5) All payments must be non-increasing, except for permitted increases as defined by the IRS.

Only inherited Roth IRAs are subject to the RMD rules. An inherited Roth IRA is a Roth IRA that is generally in your name as a beneficiary of a Roth IRA or as a beneficiary of a Qualified Plan. For post 2019 deaths, the inherited Roth IRA must generally be distributed by the end of the year that contains the 10th anniversary of the owner or beneficiary's death. Different rules apply if you are a spouse beneficiary, disabled or chronically ill as defined by the Internal Revenue Code, the Roth IRA owner's minor child up to age 21 or not more than 10 years younger than the owner.

The description under "Distributions from your Roth IRA" earlier in this section also applies to distributions from your inherited Roth IRA. However, there are some additional rules to be aware of, such as how to determine the five-year holding period. Consult your tax adviser.

Please refer to IRS Publication 590-B, Individual Retirement Arrangements (IRAs) for more information regarding RMDs for beneficiaries.

**Additional tax information**  
 You must file IRS Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts, each year in which you receive a premature distribution, engage in a prohibited transaction, are subject to an excess accumulation penalty for not taking your full RMD for the year or exceed your IRA contribution limit.

## Section 5. Investments

- Furnishing of goods, services or facilities between a disqualified person and the IRA;
  - Transfer to or use by or for the benefit of the disqualified person, the income or assets of the IRA;
  - Dealing by the disqualified person, who is a fiduciary, with the assets of the IRA in his or her own interest or for his or her own account;
  - Receipt of any consideration for his or her own personal account by any disqualified person, who is a fiduciary, from any party dealing with the IRA in connection with a transaction involving the income or assets of the IRA
- Borrowing from your IRA will result in a taxable distribution of the fair market value of your IRA in the year in which you borrow money from your contract.
- Pledging IRA assets as security for a loan**  
 The portion pledged will be considered a taxable distribution and is subject to the early withdrawal penalty, if applicable.
- Forfeiture and commingling**  
 Your account and any assets clearly identified as yours are not forfeitable nor can they be commingled with any other client's property except in a common investment fund. Your IRA annuity contract is not transferable to another owner.
- Any direct or indirect sale, exchange or lease of any property between the disqualified person and the IRA;
  - Lending of money or other extension of credit between a disqualified person and the IRA;

