

# Roth Conversion/Recharacterization Request Instructions

This form is used to request a reportable conversion of assets from Traditional IRAs, SEP IRAs, and SIMPLE IRAs to Roth IRAs, or for a recharacterization of a contribution between a Roth IRA and a Traditional IRA, SEP IRA, or SIMPLE IRA.

## Please be aware of the following when completing this form:

- **Use of this form will result in a reportable event to the Internal Revenue Service (IRS) and, if applicable, the tax authorities in your state.**
- The term "Traditional IRA," as used in this request and its instructions, will include Traditional IRAs, SEP IRAs, and SIMPLE IRAs, unless otherwise indicated.
- Read the attached instructions prior to completing the form. If you need assistance, please contact your investment professional.
- If you wish to convert or recharacterize cash, you are responsible for ensuring that the funds you request to be converted or recharacterized are available; this may require asking your investment professional to sell securities in order to make the cash you are converting or recharacterizing available.
- You may convert your SIMPLE IRA to a Roth IRA only after you have participated in the SIMPLE IRA for two years.
- You can't recharacterize employer contributions (including elective deferrals) under a SEP or SIMPLE plan as contributions to another IRA.
- Please separate the instructions from the Roth Conversion/Recharacterization Request prior to returning the form, and return the completed form to your investment professional or financial organization.

## Step 1. Account Owner Information

Please print your name (First, Middle Initial, Last) and fill in the boxes for account number, and state of residence. Provide the two-letter state abbreviation for state of residence.

## Step 2. Conversion Instructions

To convert your Traditional IRA to your Roth IRA, please provide the account numbers for the Traditional IRA (delivering account) and the Roth IRA (receiving account).

**Tax Consequences of a Roth Conversion:** Converting assets from your Traditional IRA to a Roth IRA generally has income tax consequences, including potential tax penalties that you should carefully consider. Pershing is required by law to report to the Internal Revenue Service (IRS) the Roth conversion from your Traditional IRA to your Roth IRA. Consult with a tax professional to determine if you are eligible for a Roth conversion and your personal income tax liability that may result from this transaction.

## Step 3. Recharacterization Instructions

A recharacterization allows you to treat a regular contribution made to a Roth IRA or to a traditional IRA as having been made to the other type of IRA. A regular contribution is the annual contribution you're allowed to make to a traditional or Roth IRA.

- To recharacterize your Traditional IRA contribution to your Roth IRA, please provide the account numbers for the Traditional IRA (delivering account) and the Roth IRA (receiving account).
- To recharacterize your Roth IRA contribution to your Traditional IRA, please provide the account numbers for the Roth IRA (delivering account) and the Traditional IRA (receiving account).
- Provide the date on which the contribution was made.
- State the earnings or loss attributable to the contribution while it was being held in the delivering account.

Effective January 1, 2018, pursuant to the Tax Cuts and Jobs Act (Pub. L. No. 115-97), a conversion from a traditional IRA, SEP or SIMPLE to a Roth IRA cannot be recharacterized. The new law also prohibits recharacterizing amounts rolled over to a Roth IRA from other retirement plans, such as 401(k) or 403(b) plans.

## Step 4. Conversion or Recharacterization Amount

**Conversion.** For partial conversions, indicate the dollar amount, description, and quantity of securities that you wish to convert to your Roth IRA in the space provided. Please use the security descriptions

as they appear on your brokerage account statement. If more space is needed, attach a separate sheet. An Election of Full Conversion will close your Traditional IRA.

NOTE: Conversions may include residual income attributable to these assets paid subsequent to the conversion upon notification from your financial organization.

**Recharacterization.** For partial recharacterizations, indicate the dollar amount, description, and quantity of securities that you wish to recharacterize to your Roth or Traditional IRA. Please use the security descriptions as they appear on your brokerage account statement. If more space is needed, attach a separate sheet. An Election of Full Recharacterization will close the delivering account.

**Step 5. Tax Withholding Election** (Note: Tax Withholding Election does not apply to recharacterization requests.)

Unless instructed otherwise, we are required to withhold federal income tax (and state income tax, depending on your residency) from Roth conversions. You may elect not to have federal income tax withheld by completing this section. If no election is made, 10% federal income tax will be withheld. For requests to have federal income tax withholding in a dollar amount, ensure that the amount is equal to or greater than 10% of the gross conversion amount. We may be required to withhold state income tax from your Roth conversion depending on your residency. Withholding rates are subject to change without notice. If no election is made, applicable state income tax may be withheld unless you indicate otherwise. For states with voluntary withholding, no withholding will apply if a percentage or dollar amount is not specified. You may waive state income tax withholding to the extent permitted by law. In some cases, you may elect not to have state income tax withheld. Penalties may be incurred under the estimated tax rules if your withholding and/or tax payments are not sufficient for the tax year.

Taxes withheld from your Roth conversion in accordance with your instructions will not be reversed. Your withholding election will remain effective until modified or revoked. Once a conversion has been processed in accordance with your instructions, you may not retroactively change your withholding election. Contact your advisor for a copy of Pershing's IRA Federal and State Income Tax Withholding Instructions. For additional information regarding Federal and state tax withholding, contact your tax professional.

## Step 6. Account Owner Signature And Certification

This form cannot be processed without your signature. In the case of a minor, we must receive a guardian's signature.

# Roth Conversion/Recharacterization Request

Please read the attached instructions. Use of this form will result in a reportable transaction to the Internal Revenue Service and state tax authorities, as required.

## STEP 1. ACCOUNT OWNER INFORMATION

Name	State of Residence (for tax purposes)
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## STEP 2. CONVERSION INSTRUCTIONS

Move the assets as instructed below.

From Traditional IRA Account Number	To Roth IRA Account Number
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CONVERTING ASSETS FROM YOUR IRA TO A ROTH IRA GENERALLY HAS INCOME TAX CONSEQUENCES. SEE THE INSTRUCTIONS FOR FURTHER DETAILS.

## STEP 3. RECHARACTERIZATION INSTRUCTIONS

### Recharacterize my Contribution

From Account Number	To Account Number
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### Recharacterize my:

- Traditional IRA contribution for tax year \_\_\_\_\_
- Roth IRA contribution for tax year \_\_\_\_\_

Date of Contribution
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## STEP 4. CONVERSION OR RECHARACTERIZATION AMOUNT

Select one. The selection of a full conversion or full recharacterization will result in the delivering account being closed.

### Conversion

- Full conversion — move all cash and securities
- Partial conversion\*

### Recharacterization

The total amount requested below must equal the recharacterized contribution amount adjusted for the earnings or loss attributable to the recharacterized contribution.

- Full recharacterization — move all cash and securities
- Partial recharacterization\*

Net income/loss attributable to the recharacterized contribution

### \*For partial conversion or recharacterization move only those assets listed below

- Move cash and/or money market funds in the amount of \$ \_\_\_\_\_
- Move the following securities:

Description	Quantity
Description	Quantity
Description	Quantity

IF MORE SPACE IS NEEDED, ATTACH A SEPARATE SHEET.



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Account Number -

## STEP 5. TAX WITHHOLDING ELECTION

This section is only applicable for Roth Conversion requests.

### Federal Income Tax Withholding

If an election is not made below, 10% will be automatically withheld.

- Do NOT withhold federal income tax from the Roth conversion amount.
- Withhold federal income tax from the gross distribution amount at the rate of 10%.
- Withhold \_\_\_\_\_ % OR \$ \_\_\_\_\_ of federal income tax from the Roth conversion amount.  
(Specific dollar or percentage must equal a minimum of 10%.)

PLEASE READ THE  
TAX WITHHOLDING  
INSTRUCTIONS.

TAX WITHHOLDING  
DOES NOT APPLY TO  
RECHARACTERIZATIONS.

RATES ARE SUBJECT  
TO CHANGE WITHOUT  
NOTICE.

### State Income Tax Withholding

If an election is not made, we will withhold from your conversion according to your state of residence requirement.

- Do NOT withhold state income tax from the Roth conversion amount.
- Withhold state income tax from the Roth conversion amount according to my state of residency.
- Withhold \_\_\_\_\_ % OR \$ \_\_\_\_\_ state income tax based on the Roth conversion amount.

## STEP 6. SIGNATURE

I certify that the information provided by me is correct and may be relied upon by Pershing. I understand that I am responsible for determining my eligibility to convert my Traditional IRA to a Roth IRA or recharacterize within the limits set forth by tax laws, related regulations, and plan agreements.

I understand this conversion or recharacterization election is irrevocable and effective January 1, 2018, a conversion from a traditional IRA, SEP or SIMPLE to a Roth IRA cannot be recharacterized. **If I am over age 70½, I also attest that I have taken my Required Minimum Distribution prior to a conversion.** I understand that Pershing does not provide tax or legal advice, and that Pershing strongly recommends that I consult my tax or legal advisor prior to completing this request. I hereby indemnify and hold harmless Pershing LLC and its affiliates for any tax consequences of this request and the elections made above.

I understand that the beneficiary information for the account receiving the assets will be in effect as designated in writing by me. If I elect to change beneficiaries, I will submit a change of beneficiary notification acceptable to Pershing.

Power of Attorney If you are signing this form as an Attorney-In-Fact for the account owner and you have a Power of Attorney on file with Pershing, you are hereby attesting that you have no actual knowledge or actual notice of the revocation or termination of said Power of Attorney by death, disability, or otherwise, or notice of any facts indicating same. You are also representing that the owner is now alive and has not at any time revoked or repudiated the Power of Attorney and that the Power of Attorney is still in full force and effect. You agree that you will notify the introducing financial institution of the owner's death, of any termination or revocation of the Power of Attorney, and/or modification of the Power of Attorney; you also agree that, if the Power of Attorney is not durable, then you will notify the introducing financial institution of any incapacity of the owner that would render the Power of Attorney void. The Power of Attorney is in full force and effect and this authority is to remain in full force and effect until Pershing has received written notification of its termination in such time and in such manner as to afford Pershing and the financial institution a reasonable opportunity to act on it.

IRA Owner Print Name	Date
Signature	<input type="text"/>

X

Upon completion, please return the completed distribution form to your advisor or financial institution. This request must be processed within 30 days of your signature and date. You may keep a copy of the instructions for your reference.