



Roth Conversion Request and Certification

Looking for an easier, faster way to submit paperwork? Try the **SERVICENOW** option at www.StrataTrust.com/Forms

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Use this form when you want to complete a Conversion of all or part of your existing Traditional, SEP or SIMPLE IRA to a Roth IRA when both accounts are held with STRATA Trust Company ("STRATA").

- Complete all sections of the form to avoid processing delays.
- If you do not currently have a Roth IRA account with STRATA, please complete a Roth IRA application in addition to your Roth Conversion Request form to avoid processing delays.
- Please see our IRA Fee Schedule for the applicable fee(s) that your account may incur for this Conversion. Our fee schedule is available in the Forms section of our website, www.StrataTrust.com. A Conversion Fee of \$50/asset will apply. You will also be responsible for any additional fees required for the conversion and registration of assets. Fees will be deducted from the account if not paid directly.
- Service fees incurred are not included in the gross distribution amount requested.

Important Information Regarding This Transaction

- When requesting an *in-kind* Conversion of an asset, you may be asked to provide an independent valuation for the asset using our Fair Market Valuation Form.
- Beginning in tax year 2010, modified adjusted gross income (MAGI) limits for conversions no longer apply. In years prior to 2010, to be eligible to convert your MAGI could not exceed \$100,000 (not including the IRA conversion amount) in the year of the conversion. This applied to both single and joint tax filers. Married individuals filing separate returns were not eligible to convert to a Roth IRA unless they lived apart from their spouse for the entire tax year.
- If you are under age 59½, you will be subject to a 10% early withdrawal penalty on any amounts distributed from your IRA and not converted to a Roth IRA within 60 days.
- If you are 72 years of age or older by December 31 of the current year, a Required Minimum Distribution must be satisfied prior to requesting a Roth Conversion.
- Beginning in tax year 2018, partial or full conversions can no longer be recharacterized. Roth conversions are permanent, so please contact your tax professional with any questions regarding possible tax consequences of your Conversion.
- If you have completed a recharacterization of the assets to be converted, you cannot convert and reconvert an amount during the same tax year or, if later, during the 30-day period following a recharacterization.
- You are responsible for maintaining records of your Roth IRA conversions, recharacterizations and annual contributions in order to properly complete your federal tax forms.
- Additional information about Roth Conversions can be obtained through IRS Publication 590-A.
- Please contact your tax professional with any questions regarding the possible tax consequences of your Conversion.

Section 1		Account Information	
Accountholder Name		Account Number To Be Converted	
Social Security Number (Last 4 Digits Only)		Birthdate	
Daytime Phone		Email Address	
Type of IRA Being Converted	<input type="checkbox"/> Traditional <input type="checkbox"/> Inherited Traditional IRA (may only be converted to an Inherited Roth by Inherited Spouse) <input type="checkbox"/> SEP IRA <input type="checkbox"/> SIMPLE IRA (must meet the 2-yr holding requirement)		
Roth IRA Account Number	Leave Roth IRA Account Number blank if a new Roth IRA will be opened. Be sure to complete a Roth IRA Application if you do not already have a STRATA Roth IRA.		

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Section 2 Roth Conversion Instruction

Step 1: Specify: ___ Partial Conversion ___ Complete Conversion

- All available cash
- Cash in the amount of \$ _____ (Gross Amount) + Fees \$ _____
- In-kind Conversion of the asset(s) shown below in Step 2. You may be asked to provide an independent valuation using our Fair Market Valuation Form.

Step 2: If you are Converting an asset(s) in-kind, specify the asset(s) in the space below. Otherwise, leave blank.

Asset Name/Description	# of Shares	Approximate Value

Section 3 Federal Withholding Election and Information

Please read the **Withholding Notice Information** below and make your Federal withholding election. If you do not choose an election, we are required to withhold Federal taxes at a flat 10% rate. We will not reverse any Federal withholding in the event you neglect to make an election. The minimum allowable amount for Federal Withholding is 10%. Federal withholding must be designated as either a percentage or dollar amount. See *IRS Publication 505: Tax Withholding and Estimated Tax* available on the IRS website, www.irs.gov.

Federal Withholding Election (Fee Applies – see IRA Fee Schedule)	
<input type="checkbox"/>	I elect NOT to have Federal Income Tax withheld.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld at a flat 10% rate.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld in the amount of \$ _____, which is more than the 10% rate.
<input type="checkbox"/>	I elect to have Federal Income Tax withheld at a _____% rate.

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Withholding Notice Information:

Basic Information About Withholding from Pensions and Annuities. Generally, Federal income tax withholding applies to payments made from pension, profit sharing, stock bonus, annuity and certain deferred compensation plans, IRAs and commercial annuities.

Purpose of Form W-4P. Unless you elect otherwise, Federal income tax will be withheld from payments from IRAs. You can use IRS Form W-4P or a substitute form, such as that contained on this form, furnished by SDIRA Services, to instruct STRATA Trust Company to withhold no tax from your IRA payments (or to revoke this election). This substitute form should be used only for distributions from IRAs which are payable upon demand.

Nonperiodic Payments. Payments from IRAs that are payable upon demand are treated as nonperiodic payments for Federal income tax purposes. Generally, nonperiodic payments must have income tax withheld at a rate not less than 10%.

You can elect to have no income tax withheld from a nonperiodic payment (IRA payment) by filing IRS Form W-4P or a substitute form with STRATA Trust Company and checking the appropriate box on that form. Your election remains in effect for any subsequent distribution unless you change or revoke it.

A U.S. citizen or resident alien may not waive withholding on any distribution delivered outside of the U.S. or its possessions. Distributions to a nonresident alien are generally subject to a tax withholding rate of 30 percent. A reduced withholding rate, including exemption, may apply if there is a tax treaty between the nonresident alien's country of residence and the United States, and the nonresident alien submits Form W8-BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, or satisfies the documentation requirements as provided under the regulations.

For more information, please see Publication 505, *Tax Withholding and Estimated Tax*, and Publication 515, *Withhold of Tax on Nonresident Aliens and Foreign Entities*, available from most IRS offices.

Caution: Remember that there are penalties for not paying enough tax during the year, through either withholding or estimated tax payments. New retirees should see Publication 505. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using IRS Form W-4P.

Revoking the Exemption from Withholding. If you want to revoke your previously filed exemption from withholding, file another IRS Form W-4P with STRATA Trust Company and check the appropriate box on that form.

Statement of Income Tax Withheld from Your IRA. By January 31 of next year, you will receive a statement from STRATA Trust Company showing the total amount of your IRA payments and the total Federal income tax withheld during the year. Copies of Form W-4P will not be sent to the IRS by STRATA Trust Company.

Section 4

State Tax Withholding Election

Please review the attached **State Income Tax and Withholding Information** page prior to making your selection. Failure to make a selection when a Federal Withholding amount has been chosen will result in the minimum amount being withheld as is applicable for your listed state of residence.

State Withholding Election (Fee Applies – see IRA Fee Schedule)

- | | |
|--------------------------|---|
| <input type="checkbox"/> | I elect NOT to have State Income Tax withheld. |
| <input type="checkbox"/> | I elect to have State Income Tax withheld per the attached State Income Tax and Withholding Information sheet. If you live in a voluntary state you must provide a specific amount or percentage below. |
| <input type="checkbox"/> | I elect to have State Income Tax withheld in the amount of \$ _____, which is more than the listed minimum. |
| <input type="checkbox"/> | I elect to have State Income Tax withheld at a _____% rate, which is more than the listed minimum. |

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Section 5 Processing Fees

If selections made above referred you to STRATA's IRA Fee schedule, please indicate below how you would like these fees to be paid so that there are no processing delays regarding your request. Typical transaction fees include wire fee, overnight fee, withholding fees, and funding processing fees.

- Deduct processing fees from cash in the account. I understand this could result in a lesser amount being remitted if there is not sufficient cash in the account.
- Charge fees to the credit card on file (Fee Payment Authorization form must have previously been submitted for this to be a valid option)
- One-time charge to a credit card (Credit Card Authorization form attached)

If no valid option is chosen, then fees will be deducted from cash in the account prior to processing your request which could result in a lesser amount being remitted.

Section 6 Terms and Conditions

The undersigned hereby authorizes and directs STRATA as custodian of my STRATA IRA referenced above to make the requested distribution from by STRATA IRA and conversion contribution to my STRATA Roth IRA in accordance with the instructions completed on this form. I also understand that Roth Conversions are permanent and cannot be recharacterized.

By signing this form, I acknowledge that I have read and understand the document and that I may be subject to income taxes on the amount converted from my STRATA IRA to a STRATA Roth IRA to the extent the converted amount is includable in my income (i.e., any tax-deductible contributions, pretax contributions, and any earnings). Due to the important tax consequences of converting funds or property to a Roth IRA, STRATA recommends that you consider consulting your tax professional. If I am over age 70½, I attest that I have satisfied (or will satisfy) the IRS minimum distribution requirements for the current year, before the conversion, pursuant to Section 401(a)(9) of the Internal Revenue Code with respect to my STRATA IRA.

I hereby agree to hold harmless STRATA, and its affiliates and assigns, from any problem arising out of or in any way connected with this request for Conversion. I fully understand the tax consequences of the requested recharacterization, and if necessary, I have consulted a tax or legal professional of my choice and agree to be fully responsible for any taxes. I further certify that no tax advice has been given to me by STRATA. All decisions regarding this recharacterization are my own. I expressly assume responsibility of any adverse consequences which may arise from this conversion, and I agree that STRATA shall in no way be held responsible.



Accountholder Signature

Date



Don't forget to include your payment of the Conversion fee. If paying by credit or debit card, please include our Credit Card Authorization form.

Form Submission Options (Please submit using one method below)

- Fax: 512.495.9554
- Email: Operations@StrataTrust.com
- US Mail: PO Box 23149, Waco, TX 76702
- Overnight: 7901 Woodway Drive, Waco TX 76712

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