



# IRA CONVERSION/ RECHARACTERIZATION REQUEST

## GENERAL INSTRUCTIONS

This form is to be completed by an IRA Account Owner who wishes to do a conversion of Traditional IRA funds to a Roth IRA account, recharacterize a contribution type or recharacterize a Roth conversion. The requested transaction must result in funds being credited to a PENSCO Trust Company (PENSCO) account. This form is not to be used if funds are being sent to another custodian.

### 1. ACCOUNT OWNER INFORMATION *Please type or print all information requested below. Required fields are denoted by an \* (asterisk).*

\*First Name: \_\_\_\_\_ \*MI: \_\_\_\_\_ \*Last Name: \_\_\_\_\_

\*Social Security Number: \_\_\_\_\_ \*Birth Date: \_\_\_\_\_

#### I understand that my account will be updated to reflect the following mailing address and phone number:

\*Mailing Address: \_\_\_\_\_

\*City: \_\_\_\_\_ \*State/Province: \_\_\_\_\_

\*Country: \_\_\_\_\_ \*Postal Code: \_\_\_\_\_

\*Daytime Phone: \_\_\_\_\_

\*Email Address: \_\_\_\_\_

### 2. ACCOUNT INFORMATION *(please choose one option below)*

**Internal Transfer** *(please include a completed Traditional IRA or Roth IRA Application if you have not already done so)*

**From** PENSCO Account Number: \_\_\_\_\_

*(select account type)*  Traditional IRA  Roth IRA  Qualified Plan  457(b)  403(b)

**To** PENSCO Account Number: \_\_\_\_\_

*(select account type)*  Traditional IRA  Roth IRA

**External Transfer** *(please provide a copy of the most recent Account Statement from your current custodian)*

**From** Current Trustee/Custodian Name: \_\_\_\_\_

*(select account type)*  Traditional IRA  Roth IRA  Qualified Plan  457(b)  403(b)

Current Trustee/Custodian Account Number: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_

Country: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Contact Name: \_\_\_\_\_

**To** PENSCO Account Number: \_\_\_\_\_

*(select account type)*  Traditional IRA  Roth IRA

### 3. PAYMENT OPTIONS

*Please choose one option below. If no option is chosen, this form may be returned to you for completion. You must provide amount and/or asset instructions in section 5. Please note: See your fee schedule to determine if there is a processing fee for conversion/recharacterization.*

Roth Conversion *(please provide a tax withholding election in section 4)*

Recharacterization of a Roth Conversion done \_\_\_\_/\_\_\_\_/\_\_\_\_

Recharacterization of a contribution made \_\_\_\_/\_\_\_\_/\_\_\_\_

**4. TAX WITHHOLDING** (applicable to Roth Conversions only;)

**Federal Tax Withholding**

Please refer to the "Notice of Withholding on Distributions or Withdrawals from IRAs" in section 4 of the instructions. If no option is checked, or a physical U.S. address is not provided, we will withhold 10% from the entire distribution.

- Withhold \_\_\_\_\_% from my requested distribution (must be at least 10%).
- I elect NOT to have federal income tax withheld. If you choose this option you **MUST** provide PENSCO with your physical U.S. address below or in section 1. (cannot be a P.O. Box)

Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State/Province: \_\_\_\_\_  
 Country: \_\_\_\_\_ Postal Code: \_\_\_\_\_

**State Tax Withholding**

My state of residence for income tax purposes is \_\_\_\_\_ (if no state is provided, PENSCO will default to your state listed on your account).

- I elect NOT to have state income tax withheld from my distribution. Note: Not permitted in all states. Your state may require withholding (see the attached IRA State Tax Withholding Notice)
- Withhold state income tax from my distribution in accordance with the minimum percentage, if any, as noted on the attached IRA State Tax Withholding Notice. Note: If your state does not require a minimum amount or percentage for withholding and you do not provide a percentage below, PENSCO will not withhold state income taxes from the distribution. Keep in mind, state income tax withholding is not available in certain states (see the attached IRA State Tax Withholding Notice). If your state of residence for tax reporting purposes is one of those states, PENSCO will not withhold state taxes even if you choose this option.
- Withhold \_\_\_\_\_% from my distribution. Note: Your state withholding election will be compared to the withholding requirements of the state which you have indicated is your state of residence for income tax purposes. Depending on those requirements, your state withholding amount may be adjusted, either to round up to the next whole dollar or to ensure that a minimum amount is withheld. Keep in mind, state income tax withholding is not available in certain states (see the attached IRA State Tax Withholding notice). If your state of residence for tax reporting purposes is one of those states, PENSCO will not withhold state taxes even if you choose this option.

**5. ASSET INSTRUCTIONS**

- Full Transfer OR  Partial Transfer

A. Cash/Money Market Funds	Specify "All" or \$ Amount	Wire Funds to PENSCO
		<input type="checkbox"/>

B. Mutual Funds	# of shares or "ALL"	Sell	or	Transfer In-Kind	Fund Account Number
		<input type="checkbox"/>	or	<input type="checkbox"/>	
		<input type="checkbox"/>	or	<input type="checkbox"/>	

C. Annuities	Value	Surrender	or	Change of Ownership	Contract (Policy Number)
		<input type="checkbox"/>	or	<input type="checkbox"/>	
		<input type="checkbox"/>	or	<input type="checkbox"/>	

D. Stocks or Bonds	# of shares or "ALL"	Sell	or	Transfer In-Kind	CUSIP or TICKER
		<input type="checkbox"/>	or	<input type="checkbox"/>	
		<input type="checkbox"/>	or	<input type="checkbox"/>	

**\*\*\* Please Note: Complete an Alternative Equity Investment Authorization form for each Alternative Asset that will be converted to a Roth IRA.**

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**6. ACCOUNT OWNER ACKNOWLEDGMENTS WITH REGARD TO INVESTMENTS TO BE TRANSFERRED OR ROLLED OVER**

- i. I understand that I am responsible, and PENSICO and its related entities are not responsible, for selecting and reviewing the above investment(s) and for determining the suitability, nature, value, risk, safety and merits of the investment(s) that I authorize PENSICO to hold in my Account.
- ii. I understand that PENSICO and its related entities are not related to or affiliated with the management or selling agent(s) of the investment(s) that I have directed PENSICO to hold for my account. I acknowledge that PENSICO has not reviewed, recommended or commented on the investment merits, risks, suitability or management of the asset(s) I have selected and I authorize PENSICO to process this transfer or rollover request. I therefore agree to release, indemnify, defend, and hold PENSICO and its related entities harmless from any claims arising out of such investment(s) or otherwise. I also understand and agree that PENSICO and its related entities will not be responsible to take any action should the investment noted herein become subject to default, including fraud, insolvency, bankruptcy, or other court order or legal process.
- iii. I agree that any dispute regarding my investment(s) shall be submitted to binding arbitration pursuant to the Commercial Rules of the American Arbitration Association and the terms of the Custodial Agreement. I understand that the prevailing party shall be entitled to recover all legal fees, reasonable costs and expenses and that these shall be in addition to any award of damage or any other relief to which the prevailing party is entitled.
- iv. I have consulted my own attorney and hereby represent that PENSICO may hold title to any Note and/or its collateral, where applicable. I hereby represent to PENSICO that I understand the risks involved with my deed of trust/mortgage/secured note investments, specifically that there may be liability above and beyond the amount of the investment in the collateral property (e.g., ad valorem property taxes on the property or liability arising under Environment Laws). The losses will include any losses caused by, or arising out of, the presence, on or about the Property, of any Hazardous Substances, or any person or entity complying or failing to comply with any Environment Law. The term "Environmental Law" means any law, rule, regulation, or ordinance relating to protection of the environment or human health. The term "Hazardous Substance" means any substance defined as hazardous or toxic, or otherwise regulated by any Environmental Law.
- v. I represent that my purchase of any investment(s) I am transferring to PENSICO was not a prohibited transaction as defined in the Internal Revenue Code and Department of Labor regulations.
- vi. I acknowledge that my investment(s) are not insured by the FDIC, are not an obligation of or guaranteed by PENSICO, and are subject to risk, including the possible loss of principal.
- vii. I understand all the routine real estate expenses (e.g., tax bills, insurance premiums, homeowner's association payments and utility bills) will automatically be paid from my account. I understand that sufficient funds must be held in my uninvested cash account to make the required payment at least 14 days prior to the payment's due date. If the funds are not available, I will be responsible for any interest or penalties incurred. Invoices for non-routine expenses (e.g., repairs and improvements) require specific Account Owner authorization

prior to payment from the account.

- viii. For real estate, I have made arrangements with the property manager designated on the Property Management Agreement. PENSICO will not be responsible for errors and omissions in the management agreement or for any actions taken by the property manager. For real estate, I understand that I must provide a real estate appraisal for any real estate transaction request I submit that will result in a taxable event (e.g., distribution.) I also acknowledge that on an annual basis, I will be asked to provide an updated valuation for each real estate investment within my account(s). Such annual valuation may be in the form of a comparative market analysis or other source deemed to be acceptable by the Custodian.

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**7. AGE 70½ NOTICE** If you are subject to required minimum distributions (generally if you have attained age 70½ during the transfer year) and have not taken a minimum distribution from your prior Trustee/Custodian, please contact us for assistance regarding the calculation of your required amount. Please have the previous year-end value available.

I certify that I have read the applicable section for the transaction I have chosen, and I understand and agree to all terms.

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**8. ACCOUNT OWNER'S SIGNATURE REQUIRED**

I certify that I have read the applicable section for the transaction I have chosen, understand and agree to all the terms.

In the case of an external transfer, the current Trustee/Custodian is authorized to send cash and/or assets to PENSICO as specified.

I hereby agree to indemnify and hold harmless PENSICO and its officers, directors, shareholders, agents and employees, for any and all costs, obligations, losses, claims, damages and expenses (including reasonable attorneys' fees) related to or associated with this agreement.

\_\_\_\_\_

Account Owner Signature

\_\_\_\_\_

Date

*Note: Your current custodian may require that your signature be Medallion Signature Guaranteed. Please contact your current custodian for details of their requirements. A Medallion Signature Guarantee may generally be obtained from your brokerage firm, bank or other financial institution.*

**9. DELIVERY INSTRUCTIONS**

Please select how your current custodian should send funds to PENSICO.

**Check**

**Make checks payable to:**

PENSICO Trust Company  
FBO (client's name), PENSICO Account Number  
P.O. Box 173859  
Denver, CO 80217-3859

**ACH**

**Incoming ACH Instructions:**

**Citibank**

ABA# 321171184  
To: PENSICO Trust Company  
Acct# 204869978  
For Further Credit to: PENSICO Account Number

**Wire**

**Wiring Instructions for Cash:**

Citibank  
ABA# 321171184  
For Credit to: PENSICO  
A/C # 204869978  
For Further Credit to:  
Client's Full Name  
A/C # (Client's PENSICO Account Number)

**Overnight Delivery Address:**

PENSICO Trust Company  
FBO (client name)  
1560 Broadway, Suite 400  
Denver, CO 80202-3331

**Register Physical Securities,**

**Non-Networked Eligible Mutual Funds and Limited Partnerships:**

PENSICO Trust Company Custodian FBO (client name), IRA  
P.O. Box 173859  
Denver, CO 80217-3859  
TaxID Number 02-0526633

**DTC Eligible Securities:**

DTC #5998  
Agent ID #94099  
Institutional ID #94099  
FBO: Client Name and PENSICO Account Number

**Book-entry Government Securities** (including GNMA pool deliveries)

**VIA Federal wire as follows:**

FIFTH THIRD BANK  
ABA #042000314/Fifth Cin/1050  
FFC A/C#: 010034438545  
A/C Name: PENSICO Trust Company  
FBO: Client's name and PENSICO Account Number

**Register Networked Eligible**

**Mutual Funds to:**

NTC & Co.  
FBO (client name), PENSICO Account Number  
P.O. Box 173859  
Denver, CO 80217-3859

**Matrix Settlement and  
Clearance Services NSCC # 5954**

**TaxID Number 26-1356253**

**10. ACCEPTANCE BY PENSICO Trust Company** (To be completed by PENSICO Trust Company)

PENSICO Trust Company hereby accepts the appointment as Custodian of the assets listed. This acceptance is not to be construed as validation of any rollover or direct rollover contribution, if any. PENSICO Trust Company is exempt from backup withholding described in Section 3406(a) (1) (c) of the Internal Revenue Code.



\_\_\_\_\_  
PENSICO Trust Company Acceptance Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE**

**Upload forms to:**  
[www.pensico.com/upload](http://www.pensico.com/upload)

**Send mail to:**  
PENSICO  
P.O. Box 173859  
Denver, CO 80217-3859

**For express deliveries:**  
PENSICO  
1560 Broadway, Suite 400  
Denver, CO 80202-3331

**Questions?**  
Call 1-800-962-4238

**Fax to:** 303-614-7096



**INSTRUCTIONS**

**1. ACCOUNT OWNER INFORMATION**

If information does not match PENSICO's records or is left blank, the form may be returned to you with an explanation regarding the discrepancy or for completion.

**2. ACCOUNT INFORMATION**

Indicate the type of account and account number to be converted or recharacterized. Only IRA contributions are eligible for recharacterization.

**Conversion:** Describes the movement of funds from a Traditional IRA, Qualified Plan, 403(b) or 457(b) account to a Roth IRA. Choosing this option, the Account Owner certifies that the conversion meets the requirements under law for a qualifying conversion contribution, and that he/she understands the tax consequences of the transaction. As of January 1, 2008, direct conversions from a Qualified Plan, 403(b) or 457(b) account may be made to a Roth IRA.

**Recharacterization:** Describes the movement of funds that occurs when an individual makes a contribution to a Roth or Traditional IRA (the PENSICO IRA), and later elects to transfer either all or a portion of the original contribution, plus net income attributable, to another IRA (the Second IRA), on or before the individual's tax return due date, plus extensions, for the year for which the PENSICO IRA contribution was made. The recharacterization allows the individual to treat the original contribution as having been made to the Second IRA and report it as such. This also includes the recharacterization of a Roth IRA conversion transaction described above back to a traditional IRA.

**3. PAYMENT OPTIONS**

An election in this section is required. Please provide the date of the original conversion/contribution as requested. There will be a \$50 processing fee for conversion/recharacterizations.

**4. TAX WITHHOLDING (Applies to Roth Conversions only.)**

**Federal Tax Withholding**

Even if you elect "NOT" to have withholding, federal income tax must be withheld from this distribution if you HAVE NOT provided a U.S. residence/street address (not a P.O. Box) in section 1, section 4 or if payment is being sent to an address outside the U.S. If you elect withholding, the IRS requires a minimum of 10% of the gross distribution be withheld.

A withholding election is not required for recharacterizations. Contact your current custodian if you wish to have withholding on an external transfer into PENSICO.

**Notice of Withholding on Distributions or Withdrawals from IRAs**

The distribution you have requested from your retirement plan is subject to federal income tax withholding, unless you elect not to have withholding apply. If you elect not to have withholding apply to your distribution payments, or if you do not have enough Federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur tax penalties, under the estimated tax rules, if your withholding and estimated tax payments are not sufficient.

**State Tax Withholding**

Some states require state withholding if federal withholding is elected or required when making a distribution from your retirement plan. Please refer to the attached IRA State Withholding notice to determine if your state of residence requires withholding, if withholding is voluntary, or if withholding is not an option. If you elect state withholding, or if state withholding is required in your state, we will withhold based on the requirements of your state of residence unless you choose a greater amount.

**5. ASSET INSTRUCTIONS**

In the applicable section indicate the number of shares or dollar amount, and the name of the asset. Liquidations will be initiated immediately.

**Traditional Assets**

It is your responsibility to contact your Financial Representative to request liquidation of any publicly traded or broker-held assets (such as stocks, bonds, etc.).

**Alternative Assets**

It is your responsibility to arrange the terms of the sale of any alternative asset(s) (such as limited partnerships, private stock, deeds of trust, etc.). The sale of an alternative asset(s) may require the completion of a PENSICO Secondary Market Investment Authorization form. Please contact your Financial Representative or PENSICO's Client Relations Department if you have questions about how to liquidate or sell an asset. Please ensure these assets are liquidated prior to the submission of your distribution request.

**6. ACCOUNT OWNER SIGNATURE**

Your signature certifies that you have read the applicable section for the transaction you have chosen and understand and agree to all the terms thereunder. In the case of an external transfer, the resigning Trustee/Custodian is authorized to send cash and/or assets to PENSICO as specified. In addition, you certify that the assets requested to be converted or recharacterized into your IRA qualify as a valid conversion/recharacterization contribution as defined in the Plan documents, including the requirement that deposit of such contribution is being made within 60 days after receipt by you of the eligible distribution. You understand the tax consequences of your plan and/or your contribution and the implications that this conversion/recharacterization contribution has on the five-taxable-year period for taking distributions from a Roth IRA. You further understand that the resigning Trustee/Custodian may issue a tax form to you representing the distributed value of these assets and that you must treat the transaction as a conversion/ recharacterization contribution on your income tax return. You also agree to hold PENSICO and its related entities harmless in any way should the conversion/recharacterization be ineligible or invalid, or if it creates any tax implication to you.

You certify that you are aware of any and all penalties incurred by your request (if applicable) including, but not limited to, premature liquidation of any certificate of deposit or insurance product involved in this IRA conversion/recharacterization.

**Please make a copy of the completed form for your records.**



## IRA STATE WITHHOLDING NOTICE

Some states require state withholding if federal withholding is elected or required when making a distribution from your retirement plan. Please refer to the chart to determine if your state of residence requires withholding, if withholding is voluntary or if withholding is not an option. If you elect state withholding, or if state withholding is required in your state, we will withhold based on the requirements of your state of residence unless you choose a greater amount.

While PENSICO makes every effort to obtain information about state tax withholding laws, we do not guarantee the accuracy or the timeliness of state tax withholding information we provide, because state tax laws are subject to constant change and interpretation. The information we provide is not intended to serve as tax or legal advice, and we strongly recommend that you contact your tax advisor regarding your tax withholding elections and to obtain the most current information about your state's withholding laws.

WITHHOLDING REQUIREMENT	STATE OF RESIDENCE
Required at 2.7% when federal tax is withheld	VT
Required at 5% when federal tax is withheld	NE, ME
Required at 5.3% when federal tax is withheld	MA
When federal tax is withheld, state tax will be withheld at 4%, unless client elects out of state withholding	NC, VA
When federal tax is withheld, state tax will be withheld at 5% unless client elects out of state withholding	DE, IA, KS, OK
When federal tax is withheld, state tax will be withheld at 7.75% unless client elects out of state withholding	MD
When federal tax is withheld, state tax will be withheld at 8% unless client elects out of state withholding	OR
When federal tax is withheld, state tax will be withheld at 10% of federal withholding amount, unless client elects out of state withholding	CA
When federal tax is withheld, state tax will be withheld at 6% unless client elects out of state withholding or elects a lower amount	GA
Voluntary withholding (Some states have guidelines that must be followed, see below)	AL, AR, AZ, CO, CT, DC, ID, IL, IN, KY, LA, MI, MN, MO, MS, MT, ND, NJ, NM, NY, OH, PA, RI, SC, UT, WI, WV
State tax withholding is not an option (PENSICO will not withhold state income tax even if you request it)	AK, FL, HI, NH, NV, SD, TN, TX, WA, WY

### GUIDANCE FOR VOLUNTARY WITHHOLDING

AL: Maximum of 5%

AR: Minimum of 5%

CT: Must be in whole dollars, with a minimum of 5%

IL: Minimum of 3%

IN: Minimum of \$10

KY: Minimum of 2%

MI: Minimum of 4.25%

MO: Must be in whole dollars

MT: Minimum of 6%

ND: Minimum of 4%

NJ: Must be in whole dollars only, with a minimum of \$10

OH: Minimum of 3.5%

RI: Minimum of 7%

SC: Minimum of 7%

WV: Minimum of 4%

No Guidance: AZ, CO, DC, ID, LA, MN, MS, NM, NY, PA, UT, WI

*(California state withholding is calculated as a percentage of the federal withholding amount. All other state withholding will be calculated as a percentage of the gross distribution amount.)*

**INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE**