

Request for Roth IRA Conversion Tipsheet

This form is used to convert all or part of your current Allianz Life Insurance Company of North America (Allianz) Traditional IRA, SEP IRA, or SIMPLE IRA to a Roth IRA.

The conversion will result in a taxable event for you. Please contact your tax professional or refer to IRS Publication 590-A for a discussion of these rules.

Please read this important information to understand the impacts of a Roth IRA conversion request:

- If you currently have a 403(b) you first need to complete a rollover to a Traditional IRA using the *Internal Rollover Form* before requesting a Roth IRA conversion.
- If you have elected to begin lifetime income payments or have elected annuitization, your contract is not eligible for Roth IRA conversions.
- A year-end processing deadline is established annually to ensure processing can be completed prior to December 31. Requests received after that deadline will not be processed in the current tax year and will need to be re-submitted for processing in the next year. Please speak with your financial professional about year-end deadlines.
- **A conversion of an annuity contract will result in a taxable event up to the amount of the contract's Fair Market Value (FMV) under the annuity contract.** The FMV is calculated by taking the Contract Accumulation Value/Contract Value as of a specified date plus the actuarial present value (APV) of any additional benefits. This calculation may result in the taxable amount being greater than the Contract Accumulation Value/Contract Value, or the portion of the Contract Accumulation Value/Contract Value being converted, at the time of the conversion. For additional information, a *Fair Market Value Q&A Sheet* can be found on the Allianz website at www.allianzlife.com.
- A partial Roth IRA conversion will result in a new contract number being created for the Roth IRA and may result in a new contract number for the remaining non-Roth IRA. Both contracts continue to have the same contract effective date. The Roth IRA is established in the year the conversion was processed. The conversion year will be used to determine when the tracking for the 5-year holding period begins. Contract documents and a confirmation letter with this information will be mailed directly to you unless otherwise requested.
- For a full Roth IRA conversion, the Roth IRA is established in the year the conversion was processed. The conversion year will be used to determine when the tracking for the 5-year holding period begins.
- The Contract Values of your non-Roth contract after the conversion will be reduced. This reduction will include amounts considered to be purchase payments or premiums, death benefit values, amounts available to determine any income benefit, and other guaranteed values associated with the contract. Purchase payments or premiums will impact the amount available for the free withdrawal amount or the penalty-free partial surrender amount.
- **For contract numbers starting with F or P:** If a partial Roth IRA conversion is processed within the 21-day period after your Contract Anniversary, your window to reallocate your allocation options or change your Bonus Control Option (on applicable products) for the contract year will close (on either contract). Therefore, if you are planning to make an allocation change or change your Bonus Control Option (on applicable products) for the current contract year and are within the 21-day period, please visit www.allianzlife.com to process your request prior to submitting this partial Roth IRA conversion request.

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Request for Roth IRA Conversion

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Section 1: Contract Information

Contract number

Contract owner's name

M.I

Contract owner's last name

Tax ID/SSN

Daytime phone number

Section 2: Full or Partial Conversion

Select **one** option to convert your current Allianz annuity contract:

☐ **Full Conversion**

☐ **Partial Conversion**

- The actual value in the Roth IRA may be less than the taxable amount.
- The values in both the non-Roth IRA and Roth IRA contracts need to meet minimum purchase payment or premium requirements.

Select **one**

- ☐ **Specified Amount:** \$_____ of the existing contract to be converted
- We will make every effort to ensure the taxable amount of the transaction remains close to the specified amount entered. For administrative purposes, this amount will be converted into a percent of the Fair Market Value (FMV) calculated under the annuity contract (the Contract Accumulation Value/Contract Value as of a specified date plus the Actuarial Present Value (APV) of any additional benefits). The actual taxable amount may be slightly higher/lower due to using the FMV.

☐ **Specified Percent:** _____% of the existing contract to be converted

Section 3: Existing Tax Plan Type

Select **one** existing plan type below that you would like to convert.

☐ **Traditional IRA/SEP IRA**

☐ **SIMPLE IRA** - Fixed annuity contracts only

- If you wish to convert a SIMPLE IRA into a Roth IRA, you cannot perform a conversion within the first two years of participating in the SIMPLE IRA plan.

Date you began participation in your SIMPLE IRA plan: _____ / _____ / _____ (date of first deposit by employer into your SIMPLE IRA)

Section 4: Required Minimum Distribution (RMD) - If Applicable

- **NOTE:** If the year this request will be processed is prior to the year you attain RMD age please skip this section and proceed to **Section 5**.
- The amount of any RMD due to you is not eligible for conversion. Any amount of RMD (which might include an RMD due from a source other than this contract) converted is treated as a contribution to the newly established Roth IRA. This may result in an excess contribution to the Roth IRA and require corrected tax reporting.
- **For a partial Roth IRA conversion, if you are currently set up to receive RMD payments from this contract, those payments will be terminated with this conversion request. A new election will need to be made to schedule future RMD payments.**
- **If an election is not made and an RMD is due this year, your RMD will be processed prior to the conversion.**

Select one:

☐ **I have already satisfied my RMD for the year from another source.**

- I understand that no RMD will be sent prior to the processing of the conversion.

☐ **I authorize a distribution of any remaining RMD from this contract to be paid prior to the processing of the conversion.**

- If you are currently set up to receive RMD payments from this contract, this will result in the full amount of the RMD due to you for the year being paid prior to the processing of the conversion. Withholding will be based on current elections under the recurring RMD.
- If you are not currently set up to receive RMD payments from this contract, withholding of this distribution will be based on the election made under **Section 5** of this form.

If you do not provide your spouse's date of birth below: Your RMD amount will be calculated based on the Uniform Lifetime Table, which could result in a distribution that is higher than your actual RMD.

Spouse's Date of Birth _____ / _____ / _____

If your contract is less than a year old and you do not provide the December 31 value below: Your RMD amount will be calculated based on the total purchase payment or premium received into the Allianz contract.

Prior Year's December 31 Value: \$_____

Section 5: Tax and Withholding Section

Since conversions result in additional taxable income, it is generally better to have funds available outside of the IRA to pay for the additional income taxes. The taxable portion of the distribution is subject to federal (and potentially state) income tax withholding. Allianz will not reverse any federal or state withholding that is made from your payment. Federal or state tax withholding will not be processed from contracts held by a custodian or qualified plan. You may wish to contact your tax professional regarding any questions you may have about taxation or withholding.

If income tax is withheld, you understand the amount of income tax withheld from the taxable portion of the conversion:

- Is processed as a partial withdrawal/surrender and subject to penalties/withdrawal charges.
- Will reduce all or a portion of any free available amount.
- May be subject to the 10% federal additional tax if you are under age 59 ½.
- Will reduce the amount that is converted to the Roth IRA.

Withholding Instructions

Federal Income Tax Withholding

Check one of the three boxes below. If none of the boxes are checked or a valid current year IRS Form W-4R is not attached, I acknowledge that Allianz will withhold 10% from the taxable portion of the distribution.

- ☐ **I DO NOT** want to withhold federal income tax.
- ☐ **I WANT TO** have federal income tax withheld at the default rate of 10%.
- ☐ **I HAVE** attached a valid current year IRS Form W-4R indicating a different withholding election than the above boxes.
The current year version of Form W-4R can be obtained by visiting the IRS website (www.irs.gov/forms-instructions).

State Income Tax Withholding

I acknowledge that:

Allianz is required to withhold at the minimum rate required (which may be 0%) by my state of residence. I must complete and submit separate instructions that meet the requirements of my state's tax authority with this request to make a state withholding election at a rate other than my state's required minimum.

A State Tax Withholding Guide can be found on the Allianz website at <https://www.allianzlife.com/Customer-Service-Frequently-Asked-Questions#forms> or you may also consult your state's tax authority website for more information.

Section 6: Certification of Taxpayer Identification Number

If you are requesting a conversion as a U.S. person, the IRS requires you to agree to the following statements. If you are not a U.S. Person, please complete Form W-8BEN.

Under penalties of perjury, I certify that:

1. The Taxpayer Identification Number shown on this form is correct or I am waiting for a number to be issued to me.
 2. I am not subject to backup withholding because:
 - a. I am exempt from backup withholding, or
 - b. I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or
 - c. The IRS has notified me that I am no longer subject to backup withholding.
 3. I am a U.S. person, and
 4. The Foreign Account Tax Compliance Act (FATCA) code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
- ☐ Check the box if the IRS has notified you that you are currently subject to backup withholding because you failed to report interest and dividends on your tax return.

Section 7: Client Signatures and Authorization

- I authorize Allianz to make the requested distributions for RMD and withholding and to convert the funds specified in **Section 2**, to a Roth IRA.
- I acknowledge that I have read the important information on the **Request for Roth IRA Conversion Tipsheet** and understand the implications of this request.
- I am aware that any withholding requested is processed as a partial surrender prior to the Roth IRA conversion so that the conversion amount will be reduced, surrender penalties may apply, any or all of the free available amount will be reduced, and the IRS 10% additional tax may apply to the amount withheld.

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Contract owner's signature _____ Date _____

Annuitant's signature¹ _____ Date _____

Alternate signatures, if applicable

Power of attorney:² _____ by: _____
Contract owner's name (printed) Attorney-in-fact's signature(s) Date _____

Attorney-in-fact's email _____ Cell phone number _____

¹ Annuitant signature required only if a custodial agreement is in place.

² Submit a current copy of power-of-attorney document if not already on file.

Please submit your form through one of the options below:

If your contract number is all numbers or begins with the letter F or P, it is a fixed annuity.

If your contract number begins with any letter other than F or P, it is a variable annuity.

Email completed forms to the appropriate product area:

fixedannuity@send.allianzlife.com

variableannuity@send.allianzlife.com

OR

Web Upload:

You can scan and upload your signed and completed form by logging in to your account at www.allianzlife.com

OR

Mail

Allianz Life Insurance Company of North America

PO Box 59060

Minneapolis, MN 55459-0060

OR

Fax: 763.582.6006 for Fixed Annuities

763.765.7912 for Variable Annuities

Any questions? Call us at 800.950.5872 for Fixed Annuities

Call us at 800.624.0197 for Variable Annuities

Have you moved? Please log in at www.allianzlife.com or call us to update your address.

Overnight mail

Allianz Life Insurance Company of North America

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Minneapolis, MN 55416-1297