

Roth IRA Self-Directed or Trust Distribution Form

Custodian/Trustee (Payer)

Name _____
 Address _____
 City _____ State ____ Zip _____
 Attn: _____

Accountholder (Payee)

Name: _____
 SSN: _____ IRA Acct #: _____

Status of Payee U.S. Citizen Resident Alien

Beneficiary (Other Payee) (Complete only if the distribution is made to the beneficiary. Use separate form for each beneficiary.)

Name _____
 Address _____
 City _____ State ____ Zip _____
 SSN _____ or TIN _____

Status of Payee U.S. Citizen Resident Alien

Financial Information

Date of Distribution: _____
 Type of Distribution:
 Nonperiodic or
 Periodic (I hereby instruct you to pay my Roth IRA account balance to me as follows):

I understand my election may be changed.

Method of Payment:

- Issue check to me.
- Deposit to my checking account # _____
- Deposit to my savings account # _____
- Other _____

		Investment Account #	Investment Account #
Amount Requested	(+)	_____	_____
Earnings Not Yet Reported to DP	(+)	_____	_____
Early Withdrawal	(-)	_____	_____
Fees	(-)	_____	_____
Net Amount Received or Transferred	(=)	_____	_____

Security Name or Investment #			
Unit Price	_____	_____	_____
# Units or Shares	_____	_____	_____
Net Amount Requested	_____	_____	_____
Earnings Not Yet Reported to DP (+)	_____	_____	_____
Interest Penalty (-)	_____	_____	_____
Fees or Loads (-)	_____	_____	_____
Fed. W/H (-)	_____	_____	_____
State W/H (-)	_____	_____	_____
Net Amount Received or Transferred (=)	_____	_____	_____

Classification & Reason for Withdrawal/Distribution Types of Distributions

- I. A Transfer (Check applicable box)**
- A. Transfer to Other Custodian/Trustee (Name): _____
 - B. Transfer to the Roth IRA of the Accountholder's Spouse Due to Divorce/Legal Separation
 - C. Transfer to the Roth IRA of Accountholder's Spouse Due to Election to Treat as Own
 - D. Transfer to Inherited Roth IRA of Beneficiary

II. A Recharacterization (See explanation of Distribution Codes "N" and "R" on page 2 of this form.)

Amount recharacterized: _____
 Interest: _____
 Total Distribution: _____

- N. See description on reverse side.
- R. See description on reverse side.

III. Special Distributions

- 2. IRS Levy
- 5. Prohibited Transaction

IV. Qualified

- Q. I originally established my Roth IRA with your institution; therefore, you know the five-year requirement has been met and the distribution is on account of:
 - my having attained age 59½ or older;
 - my disability; or
 - death of the accountholder

V. Nonqualified or Reason Unknown (Check J only or T only, or J with J8 or JP)

- T. A nonqualified distribution, but an exception applies. Use Code T for a distribution from a Roth IRA if you do not know if the 5-year holding period has been met but:
 - The participant has reached 59½, or
 - The participant died, or
 - The participant is disabled.

Note: *If any other code, such as 8 or P, applies, use Code J.*

- J. A nonqualified distribution before age 59½ and no known exception. Use Code J for a distribution from a Roth IRA when Code Q or Code T does not apply.
 - J8. Withdrawal of a current-year/excess contribution made in the same year as the year of withdrawal.
 - JP. Withdrawal of a current-year/excess contribution in the year after the year it was contributed.
- On _____ I made a contribution of \$ _____. I now elect to withdraw the indicated portion and the earnings attributable are: \$ _____. (To be completed for both J8 and JP)
Note – income is taxable in the year the contribution is made.

Special Notice. The general rule is that the Roth IRA custodian will indicate the amount of the gross distribution(s) from a Roth IRA in box 1 of the Form 1099-R, but will leave box 2a (taxable amount) blank. It is the responsibility of the recipient to explain whether the distribution is nontaxable (return of basis) or is taxable. An exception applies for the withdrawal of an excess contribution. Box 2a will be completed to show the income earned by the excess contribution. An exception also applies for a recharacterized contribution. In such case, box 2a will be completed with a "0.00."

Certification – I certify the classification and reason for my distribution by checking the appropriate box above which best describes the reason for this withdrawal. I expressly assume full responsibility for this distribution as evidenced by my signature below. I acknowledge that I have read the information as set forth on the reverse side discussing Rollover Rules.

Signature of Recipient/Payee _____ Date _____ Custodian/Trustee (Payer) _____ Date _____

Roth IRA Distribution Form

Important Distribution/Rollover Information

I understand this distribution has income tax consequences and I should consult a tax advisor as necessary. I also acknowledge that distributions from a Roth IRA may be more complicated than from a traditional IRA. I understand this information will be used by the custodian/trustee to prepare the IRS information return Form 1099-R, which will be furnished to me on or before January 31 of the next year. I will be required to determine what portion of this distribution, if any, must be included in my income for income tax purposes. See the discussion of "The Withdrawal Rules" as discussed below. You may also wish to refer to IRS Publication 590.

If I am going to roll over this distribution, I understand that I must complete my rollover within 60 days unless the special 120-day limit for failed first-time home purchase applies. I also understand that with respect to any IRA I have, including this Roth IRA, I am permitted only one rollover per twelve-month period. If I am a nonspouse beneficiary or a spouse beneficiary who is not the sole beneficiary of an inherited Roth IRA, I acknowledge that I will never be eligible to roll over any IRA distribution, but a transfer to another inherited Roth IRA would be permissible.

The Withdrawal Rules

When may I start to withdraw money or assets from my Roth IRA?

You may begin withdrawals at any time. However, you will want to understand the income tax consequences of taking distributions at certain times. You will want to discuss this subject with your tax advisor.

Who bears the tax responsibilities? The Roth IRA accountholder is the person who primarily bears the tax duties and will be required to file the Form 8606 to report distributions from the Roth IRA. The Roth IRA custodian is generally not required to determine the taxable amount of a distribution from a Roth IRA. A distribution from a Roth IRA is taxable only if income is distributed and if the distribution is a "nonqualified" distribution. The fact that a distribution is "qualified" for reporting purposes does not mean that the Roth IRA custodian is able to determine if the distribution is taxable, because the person may well have other Roth IRAs with other financial institutions. Consequently, the Roth IRA custodian does not know if "basis" or "income" is being distributed. Basis is comprised of a person's after-tax contributions. In general, no taxes are owing when basis is distributed to a person. The IRS guide for distribution codes indicates the "Q" is to be used if the Roth IRA custodian knows that the recipient has met the five-year holding requirement and the accountholder has reached age 59½, died or is disabled. If this is not known by the Roth IRA custodian, then "T" or "J" is to be used, as applicable.

What distributions from a Roth IRA will not be taxed at all? If your contributions have met a five-year holding requirement and the distribution is made to you (1) after you have attained age 59½, (2) after you have become disabled, (3) because of a first-time home purchase, or (4) to your beneficiary after your death, then there will be no requirement by you or your beneficiary to include any portion of the distribution in income. Distributions which meet the above qualifications are called "qualified distributions." In addition, any distribution which is rolled over in compliance with the rollover rules will not be taxed.

How will nonqualified distributions from a Roth IRA be taxed? A distribution which is not a "qualified distribution" is a nonqualified distribution. To the extent that a nonqualified distribution is the return of your contributions (i.e. your basis), you will not be required to include the distribution amount in income and subject it to tax. It would not be fair to tax this distribution, as you did not receive any deduction with respect to the contribution. To the extent that a nonqualified distribution is the return of the earnings on your contributions, you will need to include this distribution amount in income and pay the related tax.

The law mandates the following order for distributions: (1) from regular/annual contributions; (2) from conversion contributions on a first-in-first-out basis and (3) from earnings. The order is determined as of the end of the taxable year, and each category must be exhausted before the next is used. With respect to a conversion contribution, it is treated as being made first from the portion, if any, that was includable in gross income as a result of the conversion.

Will the 10% excise tax ever be assessed? Yes. If you are not yet age 59½ (and none of the other exceptions apply at the time you withdraw

funds from your Roth IRA), then you will be liable to pay the 10% excise tax on that portion of the distribution which is taxable. You will not pay the 10% excise tax when your contributions or basis is returned to you.

In some situations might a distribution from a Roth IRA be subject to some income tax recapture rules?

Yes. Congress had concerns that an individual might roll over or convert funds from a traditional IRA to a Roth IRA and then withdraw funds before certain time periods are completed. Recapture rules exist that may impose the 10% excise tax for premature distributions and may accelerate income tax in some conversion situations. You should consult with your tax advisor prior to taking any distribution from your Roth IRA.

When will I have met the five-year rule? The five-year period is considered to start on January 1 of the year for which the first contribution to a Roth IRA is made. All Roth IRA contributions, including rollovers, are aggregated for purposes of satisfying the five-year rule. Exception: a distinct five-year period applies to inherited Roth IRAs.

Are there rules which allow me to correct or undo a Roth contribution?

Yes. You may correct a Roth contribution by either withdrawing it according to the withdrawal of excess contribution rules or by recharacterizing your Roth contribution according to special recharacterization rules. Talk with us if you want additional information on these subjects.

Must I commence required minimum distributions from my Roth IRA at age 70½?

No. The required minimum distribution rules for living accountholders (age 70½) do not apply to distributions from a Roth IRA.

What happens to my Roth IRA after I die? The funds or assets in your Roth IRA will be paid to your designated beneficiaries in any way which either you or they select as long as the required minimum distribution rules for inherited Roth IRAs are satisfied. Such beneficiaries will be subject to the 50% excise tax to the extent they fail to take their entire RMD for a given year.

When do I use Distribution Code "N," and when do I use Distribution Code "R"?

Distribution Code "N" is to be used to report the recharacterization of an IRA contribution when the contribution occurs in a calendar year, the contribution is for the same tax year, and the recharacterization occurs during that same calendar year. For example, a contribution is made in 2010 for the 2010 tax year and is also recharacterized in 2010.

An "R" is to be used to report the recharacterization of an IRA contribution when the contribution occurred during one calendar year and the recharacterization occurred in the immediately following calendar year, or the contribution was made for the prior year during the current calendar year and the recharacterization also occurs during that same calendar year. Examples are: (1) a contribution made in 2009 for 2009, but recharacterized in 2010, or (2) a contribution made in 2010 for 2009, but recharacterized in 2010.