



FARMERS LIFE INSURANCE COMPANY

Procedures for Completing a Traditional IRA to Roth IRA Conversion

External (utilizing a policy from another company)

- 1) Complete the application as you normally would, with a note on the signature page that the Letter of Instruction is attached.
- 2) If completing a rollover, transfer or exchange, complete the Rollover, Transfer or Exchange Request form.
- 3) Complete the Letter of Instruction and send with the application.
- 4) Please note that if the funds are to be split, we will create two policies: one for the traditional IRA and one for the Roth IRA. This ensures proper tax reporting.
- 5) A W-4R needs to be completed regarding tax withholding.
- 6) If funds are to be split and taxes need to be withheld, please indicate if withholding of taxes should be taken from the traditional IRA or Roth IRA and indicate the amount on the Letter of Instruction.
- 7) For the agents using the Firelight/Hexure app, these forms will be available in the dropdown box indicating other forms.
- 8) Commissions will be paid at normal rates on both policies.

Internal (utilizing an existing Farmers Life Insurance Company policy)

- 1) Complete the Rollover, Transfer or Exchange Request form.
- 2) Complete the Letter of Instruction.
- 3) Please note that if funds are to be split, we will create an additional policy for the Roth IRA to ensure proper tax reporting.
 - a. The new policy will be set up identical to the existing policy, including owner, annuitant and beneficiary(s).
 - b. The new policy should be sent to the owner along with a copy of the original application AND Letter of Instruction. We further suggest that a different/separate cover letter accompany this new application, stating that this policy has been issued per the Letter of Instruction to transfer a portion of the traditional IRA to a Roth IRA.
- 4) A W-4R needs to be completed regarding tax withholding.
- 5) If funds are to be split and taxes need to be withheld, please indicate if withholding of taxes should be taken from the traditional IRA or Roth IRA and indicate the amount on the Letter of Instruction.
- 6) Commissions will not be paid; use home office account 99999.