

# ROTH CONVERSION GUIDE

A new application is not required for a Roth conversion. Please follow the steps below.

**Only for conversion of in-force Investors Heritage Annuities.**

**For in-flight conversion, see Form 1035/TRANS/RO and submit with your Firelight application.**

## IN-FORCE CONVERSION REQUEST PROCESS

1. Complete the ROTH-IRA CONV form available on the agent portal.
2. Submit the completed and signed application by ONE method listed below:
  - Agent portal upload
  - Fax to 502.791.8374
  - To your FMO
  - Mail to:  
Investors Heritage  
ATTN: Policy Service  
PO Box 717  
Frankfort KY 40602-0717

**Do not email the ROTH-IRA CONV form or any other form containing Personal Protected Information.**

## HOME OFFICE PROCESSING

1. Allow 5-7 business days for processing and issue.
2. Check the Agent Portal or contact our Customer Service team:  
Email: [polycyservice@ihlic.com](mailto:polycyservice@ihlic.com)  
Phone: 800.422.2011, Ext. 5600

## FOR YOUR CLIENTS

For full conversions:

- The new contract will have the same contract number, anniversary date and Surrender Charge Schedule as the original.
- An endorsement, including the Roth IRA disclosures, will be mailed to the client.
- A 1099-R and 5498 will be sent to the client in the calendar year following the conversion.

For partial conversions:

- The new contract will have a variation of the original contract number.
- The new contract will have the same anniversary date and Surrender Charge Schedule.
- A new contract will be sent to the client's portal account, if it exists. A paper copy can be requested on the Roth Conversion form (ROTH-IRA CONV).
- A 1099-R for the parent contract and a 5498 for the child contract will be sent to the client in the calendar year following the conversion.

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The Heritage Growth Advantage FIA, Heritage Income Advantage FIA and Heritage Builder MYGA are issued by Investors Heritage Life Insurance Company, 200 Capital Avenue, Frankfort, Kentucky.

# ROTH CONVERSIONS FAQs

**Only for conversion of in-force Investors Heritage Annuities.**  
**For in-flight conversion, use Form 1035/TRANS/RO and submit with your Firelight application.**

## Which Products are Eligible for Roth IRA Conversions?

Heritage Income Advantage  
 Heritage Growth Advantage Series (HGA/HGA+)  
 Heritage Builder MYGA

## Is a new application required?

No. Use Roth Conversion Form (ROTH-IRA CONV), available on the client and agent portals.

## Will converted contracts be issued new contract numbers?

For partial conversions, the new contract will be a "child" contract of the original "parent" contract. The child contract will have a new number that is a variation of the parent. The last letter will be removed from parent contract number and replaced with 1, 2, 3, etc.

For full conversions, the policy number will remain the same.

PRODUCT	PARENT CONTRACT #	CHILD CONTRACT #
Heritage Growth Advantage	123456 <b>HG</b>	123456 <b>H1</b>
Heritage Growth Advantage+	123456 <b>HP</b>	123456 <b>H1</b>
Heritage Income Advantage	123456 <b>FI</b>	123456 <b>F1</b>
Heritage Builder	123456 <b>IH</b>	123456 <b>I1</b>

## When are Roth conversions allowed?

Roth conversions are allowed after the contract is issued. If the product has an income rider, conversion is only allowed before income is turned on.

## What is the minimum amount allowed for a conversion?

\$25,000.

## Can the conversion request be made in dollar amount and/or percentage?

Requests must be made in dollar amounts only.

## Are multiple conversions allowed?

Yes, multiple partial conversion are allowed.

## Do Withdrawal Charges, Surrender Charges, or MVA apply to conversion?

No, charges do not apply to a conversion.

## **Are Free Withdrawals allowed on both the parent and child contract?**

Yes, Free Withdrawals are allowed on both contracts.

## **What anniversary date will the converted contract have?**

For both full and partial conversions, the anniversary date is the same as the original contract with the same renewal/reallocation schedule, Withdrawal Charges schedule, etc. .

## **How will annual statements and renewal/reallocation correspondence change?**

We will send annual statements and renewal/reallocation letters for each contract. They will also be available on the client portal.

## **Do the same contract riders apply to the child contract?**

Yes, the same contract riders apply.

## **Will a new contract or endorsement including the Roth IRA disclosures required by the IRS be sent to the client or agent?**

For partial conversions, a new contract will be sent to both the agent's portal account and client's portal account, if they exist. A paper copy can be requested on the Roth Conversion form (ROTH-IRA CONV).

For full conversions, an endorsement, including the Roth IRA disclosures, will be sent to the client.

## **Are commissions paid on conversions?**

No, a conversion is not a commissionable event.

## **Can RMDs be converted to a Roth IRA?**

No, RMDs are an IRS requirement and cannot be converted.

## **Can taxes be withheld from conversion?**

No, tax withholding is not allowed.

## **What tax documents will be sent to the client?**

The client will receive a 1099-R for the parent contract and a 5498 for the child contract for the tax year in which they convert the tax status to a Roth IRA.

## **Which contract is income drawn from for contracts with an income rider?**

The client will choose which contract or contracts to draw income from at the time of income request.

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Your Future. Our Life's Work.

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We started Investors Heritage back when deals were sealed with a handshake. We firmly believe that people deserve respect, commitment and follow-through. Some may call that old fashioned, we don't disagree. We're putting old-fashioned values where they belong — in the future. So, we've always been looking ahead, investing in new technologies and new products to bring peace of mind, comfort, and dependability to our customers.

For over a half century, we've backed our commitment to contractholders with a track record of financial strength and exceptional service. Each of our retirement and savings products is supported by a team of professionals working to protect and grow your savings across market cycles and give you peace of mind knowing that your future needs are met.