

**Roth Individual Retirement Annuity Endorsement**  
(Under section 408A of the Internal Revenue Code)

**DO NOT File  
with the Internal  
Revenue Service**

Name of issuer

Check if this endorsement supersedes a prior Roth IRA endorsement

This endorsement is made a part of the annuity contract to which it is attached, and the following provisions apply in lieu of any provisions in the contract to the contrary.

The annuitant is establishing a Roth individual retirement annuity (Roth IRA) under section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death.

**Article I**

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the issuer will accept only cash contributions and only up to a maximum amount of \$2,000 for any tax year of the annuitant.

**Article II**

1. The \$2,000 limit described in Article I is gradually reduced to \$0 between certain levels of adjusted gross income (AGI). For a single annuitant, the \$2,000 annual contribution is phased out between AGI of \$95,000 and \$110,000; for a married annuitant who files jointly, between AGI of \$150,000 and \$160,000; and for a married annuitant who files separately, between \$0 and \$10,000. In the case of a conversion, the issuer will not accept IRA Conversion Contributions in a tax year if the annuitant's AGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the annuitant is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.

2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the annuitant and his or her spouse.

**Article III**

The annuitant's interest in the contract is nonforfeitable and nontransferable.

**Article IV**

1. The contract does not require fixed contributions.

2. Any dividends (refund of contributions other than those attributable to excess contributions) arising under the contract will be applied before the close of the calendar year following the year of the dividend as contributions toward the contract.

**Article V**

1. If the annuitant dies before his or her entire interest in the contract is distributed to him or her and the annuitant's surviving spouse is not the sole beneficiary, the entire remaining interest will, at the election of the annuitant or, if the annuitant has not so elected, at the election of the beneficiary, either:

(a) Be distributed by December 31 of the calendar year containing the fifth anniversary of the annuitant's death, or

(b) Be distributed over the life, or a period not longer than the life expectancy, of the designated beneficiary starting no later than December 31 of the calendar year following the calendar year of the annuitant's death. Life expectancy is computed using the expected return multiples in Table V of section 1.72-9 of the Income Tax Regulations.

If distributions do not begin by the date described in (b), distribution method (a) will apply.

2. If the annuitant's spouse is the sole beneficiary on the annuitant's date of death, such spouse will then be treated as the annuitant.

**Article VI**

1. The annuitant agrees to provide the issuer with information necessary for the issuer to prepare any reports required under sections 408(i) and 408A(d)(3)(E), and Regulations section 1.408-5 and 1.408-6, and under guidance published by the Internal Revenue Service.

2. The issuer agrees to submit reports to the Internal Revenue Service and the annuitant as prescribed by the Internal Revenue Service.

**Article VII**

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles that are not consistent with section 408A, the related regulations, and other published guidance will be invalid.

**Article VIII**

This endorsement will be amended from time to time to comply with the provisions of the Code, related regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear on the contract.

**Note:** The following space (Article IX) may be used for any other provisions the annuitant and the issuer want to add. If no other provisions will be added, draw a line through this space. If provisions are added, they must comply with applicable requirements of state law and the Internal Revenue Code.

## Article IX

### General Instructions

(Section references are to the Internal Revenue Code unless otherwise noted.)

#### Purpose of Form

**Note:** Users of the May 1998 version of Form 5305-RB are not required to use the January 2000 revision of the form.

Form 5305-RB is a model annuity endorsement that meets the requirements of section 408A and has been automatically approved by the IRS. A Roth individual retirement annuity (Roth IRA) is established after the contract, which includes this endorsement, is fully executed by both the individual (annuitant) and the issuer. The contract must be for the exclusive benefit of the annuitant or his or her beneficiaries.

**Do not** file Form 5305-RB with the IRS. Instead, keep it for record purposes.

Unlike contributions to traditional individual retirement arrangements, contributions to a Roth IRA are not deductible from the annuitant's gross income; and distributions after 5 years that are made when the annuitant is 59½ years of age or older or on account of death, disability, or the purchase of a home by a first-time homebuyer (limited to \$10,000), are not includible in gross income. For more information on Roth IRAs, including the required disclosures the issuer must give the annuitant, see **Pub. 590**, Individual Retirement Arrangements (IRAs) (including Roth IRAs and Education IRAs).

### Definitions

**IRA Conversion Contributions.** IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a nonRoth IRA to a Roth IRA. A nonRoth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA.

**Issuer.** The issuer is the insurance company providing the annuity contract. The insurance company may use other terms besides "issuer" to refer to itself, such as, "company," "insurer," or "us."

**Annuitant.** The annuitant is the person who establishes the annuity contract. The insurance company may use other terms besides "annuitant" to refer to the person who establishes the annuity contract, such as, "owner," "applicant," "insured," or "you."

### Specific Instructions

**Article I.** The annuitant may be subject to a 6% tax on excess contributions if

- (1) contributions to other individual retirement arrangements of the annuitant have been made for the same tax year,
- (2) the annuitant's adjusted gross income exceeds the applicable limits in Article II for the tax year, or
- (3) the annuitant's and spouse's compensation does not exceed the amount contributed for them for the tax year. The annuitant should see the disclosure statement or Pub. 590 for more information.

**Article V.** This article describes how distributions will be made from the Roth IRA after the annuitant's death. Elections made pursuant to this article should be reviewed periodically to ensure they correspond to the annuitant's intent. Under paragraph 3 of Article V, the annuitant's spouse is treated as the owner of the Roth IRA upon the death of the annuitant, rather than as the beneficiary. If the spouse is to be treated as the beneficiary, and not the owner, an overriding provision should be added to Article IX.

**Article IX.** Article IX and any that follow it may incorporate additional provisions that are agreed to by the annuitant and issuer to complete the contract. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the issuer, issuer's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the annuitant, etc. Use additional pages if necessary and attach them to this form.

**Note:** Form 5305-RB may be reproduced and reduced in size for adaptation to passbook purposes.

