



# Inherited IRA Intake Form

1. IRA Account Holder Information					
First Name			Last Name		
Address 1					
Address 2					
City		State		Zip	
Social Security			Home Phone		Bus. Phone
Date of Birth	Email		Marital Status [ ] Married [ ] Single		Account Type For This Account [ ] IRA [ ] Roth
Driver License # & State			Payment Method [ ] From Account [ ] Direct/Personal Funded		
Select account statement reporting method(s): (Note: The default choice will be E-Statement) [ ] Online [ ] Paper [ ] Both			Idle Cash Options (Check one) [ ] Quick Access with Interest (default option) [ ] No Interest Bank Account		

2. Contribution/Rollover Information (Check One)	
<input type="checkbox"/> Rollover from an inherited Traditional IRA <input type="checkbox"/> Rollover from an inherited employer plan	

3. Plan participant or original account holders information			
Name	Social Security	Date of Birth	Date of Death

4. Payment Election
Has there been a payment election made for the assets you inherited from the employer-sponsored retirement plan or Traditional IRA? <input type="checkbox"/> YES <input type="checkbox"/> NO
(If Yes, please provide additional information regarding the election below.)
The previous payment election made (Select one.) <input type="checkbox"/> Five-Year Rule <input type="checkbox"/> Life Expectancy Payments*
*If life expectancy payments are being taken, what is the date of birth of the individual whose life expectancy is being used to calculate the payment? _____
NOTE: If incorrect or incomplete information regarding a previous payment election is provided, the custodian will not be held responsible for any penalties that may be incurred due to removing an insufficient amount.

5. Current Custodian – Please provide the name and contact information for your current custodian				
Name	Address	City	State	Zip
Contact Name	Phone	Account Type [ ] Traditional [ ] Roth [ ] 401k [ ] Simple [ ] SEP	Account Number	
Transfer (check one) [ ] All [ ] Partial	Frequency (check one) [ ] One Time [ ] Other	Transfer Method [ ] Wire [ ] Check		

6. Asset Handling Instructions - Please list the assets to be transferred from your current custodian				
Asset Description	Qty or Amount to be transferred	Liquidate Immediately	Liquidate At Maturity	Transfer In Kind
1.		[ ]	[ ]	[ ]
2.		[ ]	[ ]	[ ]
3.		[ ]	[ ]	[ ]
4.		[ ]	[ ]	[ ]

## I. Instructions for completing this form

Page 1 – Account Application: Sign and date

Page 3 – Account Application: Sign and date application form

Page 17 – Fee Disclosure

- Sign and date

Page 19 – Transfer Request

- Sign and date in the lower left hand box labeled “SIGNATURE OF IRA HOLDER, BENEFICIARY OR FORMER SPOUSE”
- Please note that your current custodian may require a medallion signature guarantee. The signature box provides a space for the medallion stamp. Please inquire with your current custodian as to whether or not they will require a medallion signature. Medallion signatures are usually available from your local bank. You should also be sure to liquidate any investments that you want to transfer.

Page 20 – Proof of identity

- Sign and date:
- Please note that you will need to provide a good, legible copy of your drivers license.

Page 21 – Investment Direction

If you do not know what your investment is at this time, leave this page blank, otherwise then fill in the form as follows:

Section 5: Fill in this section if you are buying or selling and investment.

Section 5.a – Select buy or sell option

Section 5.b – List asset name or identification

Section 5.c – List the dollar amount for this transaction

Section 5.d – List the number of units that may be associated with this asset transaction

Section 7: Special Instruction – This section is used to provide any wiring or check writing instructions or any other relevant transactional instructions.

Wiring Instructions: provide the following:

- Bank Name
- Account Name
- Bank routing ID
- Account Number

Check Writing Instructions:

- Payee
- Mailing address

Section 8: Sign and date

## II. Returning the form

This form can be faxed, emailed or mailed:

Accuplan  
515 E. 4500 S., G-200  
Salt Lake City, UT 84107  
(877) 890-0929  
Email: [info@accuplan.net](mailto:info@accuplan.net)

- Please note, that we require the “IRA Transfer Request” form to have the original mailed to us.



IRA Account Application  
Inherited

Sales Rep

Use for Inherited IRAs

I. Your Information				
First Name	MI	Last Name		
Address 1				
Address 2				
City	State	Zip	Email	
Home Phone	Work/Cell	Date of Birth	Social Security#	
Account Type (check one) <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth				

II. Contribution/Rollover Information (check one)
<input type="checkbox"/> Rollover from an inherited Traditional IRA <input type="checkbox"/> Rollover from an inherited employer plan

III. Plan Participant or Original Account Holder's Information			
Name	SSN	Date Of Bith	Date of Death

III. Payment Election Information
Has there been a payment election made for the assets you inherited from the employer-sponsored retirement plan or Traditional IRA? <input type="checkbox"/> YES <input type="checkbox"/> NO <i>(If Yes, please provide additional information regarding the election below.)</i>
The previous payment election made (Select one.) <input type="checkbox"/> Five-Year Rule <input type="checkbox"/> Life Expectancy Payments*
*If life expectancy payments are being taken, what is the date of birth of the individual whose life expectancy is being used to calculate the payment? _____
<b>NOTE:</b> If incorrect or incomplete information regarding a previous payment election is provided, the Trustee will not be held responsible for any penalties that may be incurred due to removing an insufficient amount.

IV. Signature
<i>Important: Please read before signing.</i> I understand the eligibility requirements for the type of inherited IRA deposit I am making, and I state that I do qualify to make the deposit. I have received a copy of the Application, the 5305 Plan Agreement, the Financial Disclosure and the Disclosure Statement. I understand that the terms and conditions that apply to this inherited IRA are contained in this Application and the Plan Agreement. I agree to be bound by those terms and conditions. Within seven (7) days from the date I open this inherited IRA I may revoke it without penalty by mailing or delivering a written notice to the Trustee.
I assume complete responsibility for: 1. Determining that I am eligible to establish an inherited IRA. 2. Ensuring that all contributions I make are within the limits set forth by the tax laws. 3. The tax consequences of any rollover or transfer contribution and distributions.
I acknowledge receipt of the enclosed Disclosure Statement and Fee Schedule. I declare that I have examined all these documents, including accompanying information, and to the best of my knowledge and belief, they are true, correct, and complete. I agree to abide by the terms of those documents and this Application and Agreement as currently in effect or as they may be amended from time to time.
_____ (Signature of beneficiary)
_____ Date

**V. Appointment of Custodian and Third Party Administrator**

I hereby appoint American Estate & Trust, LC to act as the Custodian of my account (“Custodian”) and Accuplan Benefits Service to act as the Third-Party Administrator of my account (“TPA” or “Administrator”). This IRA Account Application and Individual Retirement Custodial Account Agreement (collectively the “Agreement”) comprise my total agreement, and govern all aspects of my relationship, with the Custodian and the TPA. I acknowledge and agree that the TPA is independent of the Custodian and is not empowered or authorized to obligate or bind the Custodian. Additionally, nothing in this Agreement shall be construed to render the TPA an employee, partner, agent of, or joint venturer with, the Custodian. The Custodian shall not be responsible or liable under any circumstances for any representations or statements made by the TPA.

**VI. Other Provisions**

**Privacy Notice**

The Custodian and TPA value your privacy. Nonpublic information collected from you will be protected. Personal information submitted to the Custodian or TPA for the creation of a retirement plan account is protected by professional ethics and fiduciary rules and by this privacy policy. Client information is not disseminated to anyone outside the Custodian’s or TPA’s home offices or to any party which is not legally related to the Custodian or TPA, and in any case, no unauthorized party will receive your information except as is necessary in the normal course of filling your order. Under federal law we may share information with certain providers that process and/or service your account but only when such providers have agreed to uphold the Custodian’s and TPA’s privacy policy. No client information is online or otherwise available to any party outside of the Custodian or TPA. No client information is sold, rented, or traded. Current and past client information may be obtained from the Custodian or TPA only by: the respective client, a proper court order, or a proper governmental demand. Access to your non-public personal information is restricted to employees on a need-to-know basis. The Custodian and TPA maintain physical, electronic, and procedural guidelines that comply with federal standards to guard your non-public personal information. The Custodian and TPA reserve the right to amend this privacy notice as required. You will be notified in advance of any modifications.

**Legal and Tax Advice**

I expressly acknowledge and agree that federal, state and local laws and regulations with respect to retirement plans may be modified or amended from time to time and thereby affect the legal or tax status of my account and/or the operation of it. By signing this Agreement, I declare that I, with or without assistance from my own independent advisors, will assume sole responsibility for all legal and tax consequences arising from my account transactions, including all contributions, investments, and distributions and that I have sole responsibility for ensuring my actions will comply with all laws, regulations and guidelines. I declare that I am authorized to establish this account and to make investment decisions therein. I also declare that the Custodian and TPA have not, and will not, provide legal or tax advice, representations, guarantees or warranties with respect to the applicability of laws, regulations or guidelines to my particular situation. I further acknowledge and agree that the Custodian and TPA are not responsible for any legal, accounting, financial, tax, investment, actuarial or any other such professional services and/or advice rendered to me by any other persons or entities and that the Custodian and TPA do not provide and have not provided legal, accounting, financial, tax, investment or actuarial advice or opinions on any specific facts or circumstances of mine. Although the Custodian’s and/or TPA’s employees may discuss generically the rules pertaining to retirement plans, and certain publications and materials may be provided on some topics, such is provided for general informational, illustrative and educational purposes only. If professional assistance is required, I am advised to seek the services of a competent professional. It is my sole responsibility to use independent counsel to verify any representations, claims, or discussions made by the Custodian and/or TPA and to determine for me the appropriateness and proper ongoing operation of my retirement plan account.

**Backup Withholding**

The Internal Revenue Service requires your consent to the following certification regarding backup withholding. Under penalties of perjury, by signing this Agreement, I hereby declare and certify:

- (A) that I have provided you with my correct Social Security or Tax I.D. Number; and
- (B) that I am not subject to backup withholding because:
  - 1) I am exempt from backup withholding; or
  - 2) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends; or
  - 3) the IRS has notified me that I am no longer subject to backup withholding.

Note: If you have been notified by the IRS that you are currently subject to backup withholding because of under reporting interest or dividends on your tax return, then you are required to cross through statement (B) above and initial next to it.

**UBIT and UDFI**

I understand that if my IRA funds are invested in certain assets, there could be special tax consequences. UBIT (Unrelated Business Income Tax) applies to IRA investments in active businesses. For example, if I invest my IRA in a limited partnership that incurs taxable active income for its partners, then the allocation of income that passes through to my IRA would be subject to UBIT (which is taxed at trust tax rates – currently less favorable than corporate rates). There are exemptions from UBIT for certain passive investments such as dividends, royalties, interest, and real property rent. Thus, if my IRA invested in a C-corporation that issued dividends to its stockholders, my IRA would not have to pay UBIT on those dividends (because the corporation is already paying its taxes at the entity level). I also understand that my IRA is expected to invest in long-term passive investments for my retirement and cannot run a business itself, so there could be problems if my IRA is too active in its activities (such as flipping houses). Active enterprises need to be run in an entity outside the plan. UDFI (Unrelated Debt-Financed Income) applies to passive investments that utilize debt financing. For example, if my IRA purchases tax lien certificates and borrows 50% of the purchase price, then approximately half of my IRA’s first year’s revenues would be subject to UDFI taxation. As the debt is paid down, the UDFI fraction is reduced. Qualified plans (but not IRAs) may be exempt from UDFI if the debt is used to purchase real property. I understand that it is important to examine potential UBIT and UDFI consequences when engaging in self-directed IRA investments. I understand and declare that neither the Custodian nor the TPA can or will provide tax advice for my particular situation and that I will consult a competent, independent advisor if these issues may apply to my investment choices.

**Pre-Acceptance Liability for Transfers and Rollovers**

When I am transferring or rolling over assets from a prior custodian or plan administrator/trustee, I agree that neither the Custodian nor the TPA shall be liable in any manner for actions or omissions by the prior custodian or plan administrator/trustee and that responsibility for custodial or administration duties shall not apply to the Custodian or TPA until after the Custodian has received and accepted the full transfer or rollover. The Custodian and TPA have no responsibility or duty to inquire into or take action related to acts or omissions by the prior custodian or plan administrator/trustee.

**Investment Directions and Investment Processing Delays**

I understand that I will need to provide the TPA with written investment directions for any investment I wish to make. The TPA will forward the directions to the Custodian which will implement them in the manner detailed in this Agreement. I will contact only the TPA with any questions or concerns I might have regarding my account administration or investments. I further understand that, due to the time necessary for processing this Application and receiving cleared fund deposits and/or receiving rollovers from prior custodians and administrators, there can be a significant reasonable delay between: (a) the date I initiate this Application; and (b) the date when an investment is executed by the Custodian. I agree that the Custodian and TPA are not responsible or liable in any manner for any losses or opportunity costs associated with such delays. Lack of planning on my part does not constitute an emergency on the part of the Custodian or TPA and I understand that the Custodian and TPA are not obligated to rush through any administrative or custodial processes to meet my personal deadlines. The Custodian or TPA may offer expedited services for a fee but neither is ever obligated to do so. In the event an expedited service is requested and paid for, the Custodian and TPA shall make best efforts to expedite the processes involved but cannot guarantee they will be able to meet my requested deadlines. It is solely my responsibility to initiate this Application (including provision of necessary documentation), deposit contributions and/or initiate rollover requests, and provide investment directions, etc. with sufficient lead time so as to meet my desired investment timing.

**Litigation and/or Dispute Resolution Expenses**

If the Custodian and/or TPA is named as a party to a third-party claim relating to my account or investments, I hereby authorize the Custodian and/or TPA, respectively, to: (a) have sole discretion in choosing their own attorneys and other professionals to assist with litigation or other dispute resolution processes and (b) deduct from my account any amount necessary to pay such costs and expenses related to the litigation or dispute resolution processes, including, but not limited to, all attorneys' fees and costs incurred by the Custodian and/or TPA, respectively, in the defense of such claim. If there is insufficient Uninvested Cash in my account, I will promptly reimburse the Custodian and/or TPA, respectively, any remaining costs and expenses in such defense of the claim. If I fail to provide such reimbursement, then the Custodian and/or TPA is authorized to freeze and liquidate my investments and/or initiate legal action so as to obtain full reimbursement for any such costs and expenses. I also agree to hold the Custodian and TPA harmless for any default, surrender charges, or other losses or penalties due to any liquidation of my account assets in execution of this provision. For purposes of this paragraph, the terms Custodian and TPA include American Estate & Trust, LC and Accuplan Benefits Services, respectively, as well as their employees, agents, licensees, franchisees, affiliates, joint ventures, assigns and/or business partners.

**Fraudulent Transfers**

I hereby state and declare that the account being considered under this Agreement will not be used to hinder, delay or defraud any existing creditors or governmental agencies that have a legal claim or interest in my assets, or to hinder, delay or defraud creditors or governmental agencies that I could reasonably expect to have a current or future claim. I further state and declare that I intend to repay all existing creditors and otherwise retain the means to discharge all my debts as they come due.

**Prohibited Transactions**

I understand that: (a) both ERISA and IRS rules prohibit certain transactions between a retirement plan, including my IRA, and "disqualified persons"; (b) as the owner of a self-directed IRA, I am a disqualified person; (c) certain relatives and entities in which I (or such relatives) have a significant ownership interest, are likewise disqualified persons; (d) the purpose of the rules is to prevent self-dealing and to minimize conflicts of interest that could adversely affect my IRA; (e) ERISA §§ 406-408 and Internal Revenue Code § 4975 detail these rules; (f) other regulations and notices issued by the DOL and IRS further refine and explain the rules; and (g) since my plan account is self-directed, it may be possible for me to direct my IRA to purchase nontraditional assets with IRA funds and that some of these transactions could violate the rules. Examples: using my IRA funds to purchase a property that I (or certain related parties) already own; having my IRA purchase an investment property and then renting it to my child (even at fair market rent); receiving compensation from an entity in which my IRA has a significant ownership; allowing myself or a relative to provide sweat equity labor or other services to a business significantly owned by my IRA; personally guaranteeing a loan made by my IRA; etc.. I further understand that it is very important to examine these rules before investing or otherwise interacting with my IRA assets. I understand and declare that the Custodian and/or TPA may provide me with some general guidance in this area but that does not substitute for legal or tax advice. I know I must consult my own independent advisor when deciding how to invest my IRA assets.

**Severability**

If any provision of this Application is found to be illegal, invalid, void or unenforceable, such provision shall be severed and such illegality or invalidity shall not affect the remaining provisions, which shall remain in full force and effect.



**INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT**  
**Articles**

The Depositor and American Estate & Trust, LC hereby make the following IRA custodial account agreement (the "Agreement"):

Form 5305-A under Section 408(a) of the Internal Revenue Code. The Depositor named on the Application is establishing a Traditional individual retirement custodial account with American Estate & Trust, LC (the "Custodian") under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death. American Estate & Trust, LC has given the Depositor the disclosure statement required by Regulations section 1.408-6. The Depositor has assigned the custodial account the sum indicated on the Application. American Estate & Trust, LC has delegated certain Custodial account duties as they relate to record keeping and administrative functions to the TPA designated on the IRA Account Application form.

**ARTICLE I**

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$5,000 per year for tax year 2009 and beyond. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$6,000 per year for tax years 2009 and thereafter as described by subsequent cost of living adjustments.

**ARTICLE II**

The Depositor's interest in the balance in the custodial account is nonforfeitable.

**ARTICLE III**

- 1) No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
- 2) No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

**ARTICLE IV**

- 1) Notwithstanding any provision of this Agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
- 2) The Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in: (a) a single sum or (b) payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.
- 3) If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
  - a) If the Depositor dies on or after the required beginning date and:
    - i) the designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
    - ii) the designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
    - iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.
  - b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
    - i) the remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
    - ii) the remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
- 4) If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the account.
- 5) The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
  - a) the required minimum distribution under paragraph 2(b) for any year, beginning with the year the Depositor reaches age 70½, is the Depositor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving

spouse, the required minimum distribution for a year shall not be more than the Depositor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.

- b) the required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
  - c) the required minimum distribution for the year the Depositor reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
- 6) The owner of two or more Traditional IRAs may satisfy the minimum distribution requirements described above by taking from one Traditional IRA the amount required to satisfy the requirement for another in accordance with the Regulations under section 408(a)(6).

#### ARTICLE V

- 1) The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by section 408(i) and Regulations sections 1.408-5 and 1.408-6.
- 2) The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

#### ARTICLE VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with section 408(a) and the related Regulations will be invalid.

#### ARTICLE VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related Regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

#### ARTICLE VIII

- 1) *Definitions:* In this part of this Agreement (Article VIII), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.
- 2) *Notices and Change of Address:* Any required notice regarding this IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.
- 3) *Representations and Responsibilities:* You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute or is improper, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager); however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein. By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement. To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other form permitted by the Code or applicable regulations.
- 4) *Service Fees:* We reserve the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover or termination fee) for maintaining your IRA. In addition, we reserve the right to be reimbursed for all reasonable expenses, including legal expenses, we incur in connection with the administration of your IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your IRA at our discretion. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Fees such as subtransfer agent fees or commissions may be paid to us by third parties for assistance in performing certain transactions with respect to this IRA. Any brokerage commissions attributable to the assets in your IRA will be charged to your IRA. You cannot reimburse your IRA for those commissions.
  - a) *Idle or Uninvested Cash:* In the case(s) where cash is received into your account and there is no written investment direction for the Uninvested Cash, the Custodian will deposit or invest the Uninvested Cash into interest bearing or non-interest bearing accounts managed by the Custodian or in any other investments managed and administered by the Custodian. The account holder agrees that any income or earnings generated which is in excess of the current interest paid to the account from the Uninvested Cash will be retained by the Custodian as compensation for services provided in managing the account and in managing the investments associated with the Uninvested Cash. The Depositor further understands that excess income or earnings retained by the custodian from the Uninvested Cash also may be used to compensate other, third party account administrators for their fees and expenses associated with account administration.

- 5) **Investment of Amounts in the IRA:** You have exclusive responsibility for and control over the investment of the assets of your IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the investment of your IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement. We shall have no discretion to direct any investment in your IRA beyond placing unvested cash in interest and non-interest bearing accounts or brokerage accounts for the sole purpose of providing interest income on the unvested cash held in your account. We assume no responsibility for rendering investment advice with respect to your IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any unvested amounts in cash or in managed accounts. We will not exercise the voting rights and other shareholder rights with respect to investments in your IRA unless you provide timely written directions acceptable to us. You will select the type of investment for your IRA assets outside of the accounts that have been established by the custodian, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for investment in IRAs. We may, in our sole discretion, make available to you, additional investment offerings that are obtainable by us and that we are capable of holding in the ordinary course of our business.
- a) **Placement and holding of your un-invested cash**
- i) By default, all client account money received at American Estate & Trust, LC (AET) is automatically placed in a *Quick Access Money Account* until or unless the client directs that some or all the Account's funds be invested, paid or moved elsewhere. The Account is an AET managed account invested in a mix of high quality fixed income securities. The Account holds your uninvested cash, held for you by AET, and generally pays above-market interest rates to your account. Principal (cash) withdrawal requests are normally fulfilled within 24 to 48 hours of receipt of a valid, and complete direction letter. When you open a new account, AET immediately sends a notice stating the current interest rate. The rate is also available by phone or email request to AET, and it will be listed on your online and monthly account statements.
  - ii) AET's active management of your Quick Access Money Account (un-invested cash) seeks to maintain and return 100% of your principal. Using the default of a Quick Access Account involves risks. The Account is not FDIC insured. The safety of principal and the return of interest are backed only by the underlying investments and earnings of the account. The underlying assets and earnings could lose value due to market fluctuations. AET assumes no liability for losses in the underlying investments of your Account, if any.
  - iii) AET's fees for managing your Quick Access Money Account do not come out of your principal, or your stated yield. AET's management fees are: Any and all Account earnings which are above the amount needed to pay your stated yields. If there are no earnings above your stated yield, then AET collects no fees.
  - iv) As an option to the Quick Access Money Account, you may wish to leave your un-invested cash in a bank account. If you choose this option, your un-invested cash will be held by AET at a well managed and capitalized bank of our choosing. The account will have FDIC protection up to the normal and current FDIC insurance limits. The account may also be a sweep account whereby the bank will move all funds into an overnight money market account. Any and all interest earned in the account is retained by AET as its management fee. Your account will receive no interest from this bank account. You must advise AET via phone, email, or our self directed investment form as to your wish to have your un-invested cash held in this manner.
- 6) **Beneficiary(ies):** If you die before you receive all of the amounts in your IRA, payments from your IRA will be made to your beneficiary(ies). You may designate one or more persons or entities as beneficiary of your IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary. A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your IRA as his or her own. We may allow, if permitted by state law, an original IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited IRA at the time of your death) to name a successor beneficiary(ies) for the inherited IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original IRA beneficiary's(ies') lifetime. Unless otherwise specified, each beneficiary designation form that the original IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original IRA beneficiary.
- 7) **Required Minimum Distributions:** Your required minimum distribution is calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if your spouse is your sole designated beneficiary and is more than 10 years younger than you, your required minimum distribution is calculated each year using the joint and last survivor table in Regulations section 1.401(a)(9)-9. If you fail to request your required minimum distribution by your required beginning date, we can, at our complete and sole discretion, do any one of the following:
- make no distribution until you give us a proper withdrawal request;
  - distribute your entire IRA to you in a single sum payment; or
  - determine your required minimum distribution from your IRA each year based on your life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.

We will not be liable for any penalties or taxes related to your failure to take a required minimum distribution.

- 8) **Termination of Agreement, Resignation, or Removal of Custodian:** Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your IRA to another financial organization. If you do not complete a transfer of your IRA within 30 days from the date we mail the notice to you, we have the right to transfer your IRA assets to a successor IRA custodian or trustee that we choose in our sole discretion, or we may distribute your IRA to you in a single sum (or in-kind for any non-cash holdings). We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax



consequences you may incur that result from the transfer or distribution of your assets pursuant to this section. If this Agreement is terminated, we may charge to your IRA a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

- any fees, expenses or taxes chargeable against your IRA;
- any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your IRA.

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian. We may establish a policy requiring distribution of the entire balance of your IRA to you in cash or property if the balance of your IRA drops below the minimum balance required under the applicable investment or policy established.

- 9) *Successor Custodian:* If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your IRA, but only if it is the type of organization authorized to serve as an IRA trustee or custodian.
- 10) *Amendments:* We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.
- 11) *Withdrawals or Transfers:* All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements.
- 12) *Transfers from Other Plans:* We can receive amounts transferred to this IRA from the custodian or trustee of another IRA. In addition, we can accept direct rollovers of eligible rollover distributions from employer-sponsored retirement plans as permitted by the Code. We reserve the right not to accept any transfer or direct rollover.
- 13) *Liquidation of Assets:* We have the right to liquidate assets in your IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.
- 14) *Restrictions on the Fund:* Neither you nor any beneficiary may sell, transfer or pledge any interest in your IRA in any manner whatsoever, except as provided by law or this Agreement. The assets in your IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.
- 15) *What Law Applies:* This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the law of our domicile shall govern. If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

## ARTICLE IX

- 1) The Depositor shall be solely responsible for determining the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences and merit of, and to perform any "due diligence" or other investigation with respect to, any particular investment, strategy or transaction involving Custodial Account assets. The Custodian shall have no responsibility for, and shall not undertake, any such determination, performance or investigation. The Custodian shall render no tax, legal investment or other advice (and no statement, communication or other act by the Custodian or any of its employees or agents shall be deemed to constitute or may be relied upon as any such advice) with respect to any investment or transaction involving Custodial Account assets. The Custodian shall be authorized, and shall have the responsibility, only to acquire, hold and dispose of such investments as directed by the Depositor and/or the Depositor's Designated Representative or as expressly provided in this Custodial Agreement.
- 2) The Depositor shall be solely responsible for monitoring Custodial Account investments. The Custodian shall have no responsibility whatsoever for supervising or monitoring investments or transactions of the Custodial Account, ensuring the receipt of Custodial Account disbursements or engaging in any collections or related activities.
- 3) The Depositor shall be solely responsible for the success, failure or other consequences of any investment or transaction directed by the Depositor or the Depositor's Designated Representative. The Custodian shall not be liable or otherwise accountable for taxes, losses or other consequences resulting from investments made or transactions entered into in accordance with the Depositor's and/or the Depositor's Designated Representative's directions or for taking or failing to take any actions in reliance on the instructions or representations of the Depositor or the Depositor's Designated Representative. The Depositor agrees to hold the Custodian and its employees and agents harmless from all liabilities and expenses incurred, including attorney's fees, arising out of their administration of the Custodial Account or in connection with any actions taken or failures to act in reliance upon the Depositor's or Designated Representative's instructions.
- 4) The Depositor acknowledges that certain investments or types of investments or transactions may pose administrative or other burdens to the Custodian and therefore the Custodian reserves the right not to process or accept such investments or transactions. The decision not to act on investment directions that the Custodian deems unacceptable for administrative or other reasons shall in no way be construed as a determination by the Custodian concerning the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences or merit of the investment or transaction. The Depositor further acknowledges that:
  - a) any administrative review performed by the Custodian is solely for its benefit and is not a "due diligence" or other review with regard to the investment or transaction; and
  - b) the conducting or results of such a review shall not constitute, may not be relied upon as, or in any way obligate the Custodian or its employees or agents to provide, an opinion, recommendation, prediction or advice regarding the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences, merit or any other aspect of the investment or transaction.

- 5) The Depositor acknowledges that certain types of investments or transactions directly or indirectly involving or relating to the Custodial Account or its assets or income may:
- constitute prohibited transactions, within the meaning of Code section 4975, resulting in tax consequences to the Depositor and/or other persons;
  - generate "unrelated business taxable income tax," as defined in the Code, for the Custodial Account;
  - constitute "listed transactions or "reportable transactions," as defined in the Code and regulations or other pronouncements issued by the United States Treasury or Internal Revenue Service, resulting in reporting requirements, and adverse consequences for failing to comply with any applicable reporting or other requirements, for the Depositor and/or other persons; and/or
  - otherwise result in adverse tax consequences to the Custodial Account or the Depositor.
- 6) It is the Depositor's responsibility to determine, and to consult his or her own advisor as the Depositor deems necessary or advisable in order to determine, whether any investment or transaction involving the custodial account or its assets or income does, or may, constitute a prohibited transaction, generate unrelated business or other taxable income, constitute a listed or reportable transaction, or results in any other tax or adverse consequence and any consequences, requirements and obligations which may result therefrom. The Custodian, including its employees and agents, shall not be held responsible nor shall be liable for making any such determination, or for not advising the Depositor to make any such determination. The Custodian shall not be held liable for any losses, taxes, penalties or other consequences that may, or does, result from any Custodial Account investment or transaction that constitutes a prohibited transaction, generates unrelated business or other taxable income, constitutes a listed or reportable transaction, or otherwise results in any other tax or adverse consequence to any person or entity.
- 7) **Nonstandard Investments:** Depositor may direct the Custodian to purchase "nonstandard" investments, which include, but are not limited to, investments individually negotiated by the Depositor or his Representative, and investments that are part of a private placement of securities offered in reliance upon exemptions provided by Sections 3(B) and 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder. The Custodian may identify investments or classes of investments which are unacceptable due to their posing an administrative burden on the Custodian or potential for prohibited transactions. For such investments, the Custodian reserves the right to not follow the Depositor's or Representative's direction or to not process such an investment. The Custodian's decision to reject certain assets for reasons of administrative feasibility or potential for constituting a prohibited transaction may not be construed as either investment advice, the exercise of discretion with respect to investments, an evaluation of the investment's prudence or viability, or a determination that such investment is in fact a prohibited transaction and, likewise, the Custodian's decision to accept a direction to purchase certain assets may not be construed as either investment advice, the exercise of discretion with respect to investments, an evaluation of the investment's prudence or viability, or a determination that such investment is not, in fact, a prohibited transaction. If the Depositor or his Representative should direct the Custodian to purchase a nonstandard investment, as defined above, the following special certifications and provisions shall apply:
- Depositor agrees to submit or cause to be submitted all offering documentation related to the nonstandard investment for an administrative review by the Custodian. The Custodian reserves the right to charge a reasonable fee for such administrative review so requested by the Depositor or his Representative;
  - If the nonstandard investment(s) contains a provision for past or future contractual payments or assessments of any manner or type, to include, but not limited to, taxes, fee, liens, margin calls, Depositor acknowledges that such payments shall be borne solely by the IRA account, that authorization to make such payments shall come from Depositor or his Representative, and that making such payments may reduce or exhaust the value of the IRA account. Depositor further agrees to maintain sufficient liquid funds in the IRA account to cover any such payments or assessments, and agrees that the Custodian shall not be responsible for monitoring the balance of the account to verify compliance with this Section. Depositor agrees to indemnify the Custodian and hold it harmless for any and all payments or assessments which may result from holding the nonstandard investment within the IRA account, and further agrees that the Custodian shall be under no obligation whatsoever to extend credit to the account or otherwise disburse payment beyond the cash balance of the account for any payment or assessment related to the nonstandard investment(s);
  - If the nonstandard investment(s) contain administrative and/or maintenance requirements or duties beyond the Custodian's capabilities or expertise to provide, then Depositor agrees to seek out suitable agents or counsel necessary to perform such duties and deliver a written service agreement acceptable to the Custodian for execution on behalf of the Depositor's IRA account;
  - If the Depositor directs the Custodian to enter into an individually-negotiated debt instrument, including a promissory note, deed of trust, real estate contract, mortgage note or debenture, then Depositor agrees to enter into a Note Servicing Agent Agreement with a third party Agent on a form acceptable to the Custodian or, in the alternative, the Depositor may serve as his own Note Servicing Agent. The Note Servicing Agent shall be the agent of the Depositor and not of the Custodian, and shall be responsible for administering the terms of the debt instrument on behalf of the Depositor's Account. Should the third party Note Servicing Agent ever become unwilling or unable to perform the duties outlined in the Note Servicing Agent agreement, then Depositor understands and agrees that all duties of the Note Servicing Agent shall revert to Depositor until a successor third party Agent is named. Likewise, should Depositor fail to appoint a Note Servicing Agent, Depositor understands that he/she becomes responsible for fulfilling the duties of the Note Servicing Agent until Depositor names a successor third party Note Servicing Agent. Depositor understands that the Custodian does not offer or provide any servicing or collection duties with respect to any note or debt instrument, nor will the Custodian monitor the maturity date or take any action with regard to the maturity of any note or debt unless specifically authorized by Depositor in writing. Should Depositor elect to renew or renegotiate the terms of any note or debt instrument, Depositor agrees to notify the Custodian in writing and provide appropriate written instructions for the Custodian to return any original note or debt instrument to debtor;
  - The Custodian shall have no duty to monitor the performance of any investment, the action of any investment sponsor, or the action of the Depositor and/or those of his heirs, successors, agents, or assigns. Further, the Custodian shall not be required to monitor the acts of any paid consultant to whom the Custodian may have contractually delegated any duties or responsibilities pursuant to Depositor's or his Representative's directions;
  - Depositor agrees to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and to bring any other suits or actions which may become necessary to protect the rights of the account as a result of the operation or administration of the investment(s); and
  - Depositor may not direct the purchase of a life insurance contract or a "collectible" as defined in Code Section 408(m).
  - Real Estate Holdings in IRA Account:** Under no circumstances shall the Depositor or any other party transfer real estate, or any other property ("the property"), to the Custodian for benefit of his or her IRA account, which is, or which may, be environmentally contaminated to the extent that such contamination could reasonably be expected to subject the property and the IRA account to

regulatory action, control and/or rules of the Environmental Protection Agency of the United States, or to regulatory action, control or rules of any state or other environmental protection body. If any property which is transferred to this IRA account should indeed become subject to such environmental regulatory action, rules or control, and the Trustee/Custodian had no knowledge of the environmental contamination prior to the transfer of such property to the IRA account, the Custodian/Trustee shall bear no responsibility to act in any manner and shall bear no liability with respect to such property. "Knowledge" as used in the prior sentence requires written documentation of the Trustee/Custodian's knowledge, and the documentation must bear the Trustee/Custodian's signature in direct recognition of such knowledge.

- i) If the Depositor or any other party transfer property to this IRA Account which becomes subject to environmental regulatory action, rules or control, the transferor of such property shall hold Trustee/Custodian harmless from any and all costs, charges, assessments, fines, levies, fees or whatever monetary costs which may be imposed by the environmental regulatory authorities with regard to such property.
- ii) The Depositor will insure that all real estate holdings or other properties will be properly licensed, registered, and insured as required by any prevailing governmental, federal or state laws that have jurisdiction over the property.
- iii) Depositor shall insure that all real estate holdings carry insurance on the property and to name the Custodian as named insured thereon. The insurance must be sufficient to cover all reasonable expenses, fees, legal costs that could be incurred as a result of any disaster or lawsuit or other events. The Depositor agrees to hold the Custodian, and its agents and employees, harmless for any failures by the Depositor to secure proper insurance for the property. The Custodian's review and acceptance of any policy will not be construed as The Custodian's acknowledgment of sufficiency or suitability of the policy. The Depositor bears all responsibility to securing suitable and appropriate insurance.
- iv) Depositor shall be solely responsible for payment of all fees, taxes and expenses related to on going ownership and maintenance of the property. The Depositor will insure that sufficient funds are made available to pay all necessary fees and expenses for property. If the IRA account has insufficient funds to pay any fees or expenses it is the Depositor's responsibility to address and remedy such shortfalls. Depositor understands that the IRA's failure to maintain adequate levels of capital and liquidity may jeopardize the IRA and the property and that the Depositor could be in violation of IRS rules if they use personal monies to address shortfalls.
- v) Depositor will be responsible for all taxes related to the property. The Custodian will not be responsible for insuring tax statements are made available to the Depositor. The Custodian will be held harmless for any late fees or penalties that may arise from the late payments of fees or taxes for the property.
- vi) In the event of any foreclosure or default by the IRA, the Depositor agrees to hold the Custodian harmless. Additionally, the Depositor agrees to reimburse the Custodian for any expenses incurred as custodian of the property.

## General Instructions

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

### Purpose of Form

This Agreement is modeled on IRS Form 5305-A. Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been pre-approved by the IRS. A traditional individual retirement account (Traditional IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date (excluding extensions) of the individual's income tax return for the tax year. This account must be created in the United States for the exclusive benefit of the Depositor and his or her beneficiaries.

**Do not** file Form 5305-A with the IRS. Instead, keep it with your records. For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see **Pub. 590, Individual Retirement Arrangements (IRAs)**.

### Definitions

**Custodian.** The Custodian must be a bank, trust company, or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian.

**Depositor.** The Depositor is the person who establishes the custodial account.

### Identifying Number

The Depositor's social security number will serve as the identification number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs.

### Traditional IRA for Nonworking Spouse

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

## Specific Instructions

**Article IV.** Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

**Article VIII.** Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc. Attach additional pages if necessary.

### [End of Instructions]

**DISCLOSURE STATEMENT****RIGHT TO REVOKE YOUR IRA**

You have the right to revoke your IRA within seven (7) days of the receipt of the Disclosure Statement. If revoked, you are entitled to a full return of the contribution you made to your IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application. If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date. If you have any questions about the procedure for revoking your IRA, please call the Custodian at the telephone number listed on the Application.

**REQUIREMENTS OF AN IRA**

- 1) **CASH CONTRIBUTIONS** – Your contribution must be in cash, unless it is a rollover contribution.
- 2) **MAXIMUM CONTRIBUTION** – The total amount you may contribute to an IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$3,000 for years 2002-2004, \$4,000 for years 2005-2007, and \$5,000 for 2008, with possible cost-of-living adjustments in years 2009 and thereafter. If you also maintain a Roth IRA, the maximum contribution to your Traditional IRAs (i.e., IRAs subject to Internal Revenue Code (Code) sections 408(a) or 408(b)) is reduced by any contributions you make to your Roth IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.
- 3) **CONTRIBUTION ELIGIBILITY** – You are eligible to make a regular contribution to your IRA if you have compensation and have not attained age 70½ by the end of the taxable year for which the contribution is made.
- 4) **CATCH-UP CONTRIBUTIONS** – If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your IRA. The maximum additional contribution is \$500 for years 2002-2005 and \$1,000 for years 2006 and beyond.
- 5) **NONFORFEITABILITY** – Your interest in your IRA is nonforfeitable.
- 6) **ELIGIBLE CUSTODIANS** – The Custodian of your IRA must be a bank, trust company, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.
- 7) **COMMINGLING ASSETS** – The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- 8) **LIFE INSURANCE** – No portion of your IRA may be invested in life insurance contracts.
- 9) **COLLECTIBLES** – You may not invest the assets of your IRA in collectibles (within the meaning of Code section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in Code section 408(m)(3)) are also permitted as IRA investments.
- 10) **REQUIRED MINIMUM DISTRIBUTIONS** – You are required to take minimum distributions from your IRA at certain times in accordance with Regulations section 1.408-8. Below is a summary of the IRA distribution rules.
  - a) You are required to take a minimum distribution from your IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.
  - b) The applicable divisor is generally determined using the uniform lifetime table provided by the IRS. The table assumes a designated beneficiary exactly 10 years younger than you, regardless of who is named as your beneficiary(ies), if any. If your spouse is your sole designated beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined annually using the actual joint life expectancy of you and your spouse obtained from the joint and last survivor table provided by the IRS, rather than the life expectancy divisor from the uniform lifetime table. We reserve the right to do any one of the following by April 1 of the year following the year in which you turn age 70½:
    - i) make no distribution until you give us a proper withdrawal request,
    - ii) distribute your entire IRA to you in a single sum payment, or
    - iii) determine your required minimum distribution each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.
  - c) Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death, who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die,
    - (1) on or after your required beginning date, distributions must be made to your beneficiary(ies) over the longer of the single life expectancy of your designated beneficiary(ies), or your remaining life expectancy. If a beneficiary other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.
    - (2) before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiary(ies), either
      - (a) be distributed by December 31 of the year containing the fifth anniversary of your death, or
      - (b) be distributed over the remaining life expectancy of your designated beneficiary(ies).
  - ii) If your spouse is your sole designated beneficiary, he or she must elect either option (i) or (ii) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole designated beneficiary, must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (ii). In the case of distributions under option (ii), distributions must commence by December 31 of the year following the year of your death. Generally if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death. A spouse who is the sole designated beneficiary of your entire IRA will be deemed to elect to treat your IRA as his or her own by either (1) making contributions to your IRA or (2) failing to timely

remove a required minimum distribution from your IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own IRA.

**INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA**

- 1) **IRA DEDUCTIBILITY** – If you are eligible to contribute to your IRA, the amount of the contribution for which you may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-maintained retirement plan. If you (and your spouse, if married) are not an active participant, your entire IRA contribution will be deductible. If you are an active participant (or are married to an active participant), the deductibility of your contribution will depend on your modified adjusted gross income (MAGI) and your tax filing status for the tax year for which the contribution was made. MAGI is determined on your income tax return using your adjusted gross income but disregarding any deductible IRA contribution.
- 2) **Definition of Active Participant** – Generally, you will be an active participant if you are covered by one or more of the following employer-maintained retirement plans:
  - a) a qualified pension, profit sharing, 401(k), or stock bonus plan;
  - b) a qualified annuity plan of an employer;
  - c) a simplified employee pension (SEP) plan;
  - d) a retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under Code section 457);
  - e) a tax-sheltered annuity for employees of certain tax-exempt organizations or public schools;
  - f) a plan meeting the requirements of Code section 501(c)(18);
  - g) a qualified plan for self-employed individuals (H.R. 10 or Keogh Plan); and a savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan.

If you do not know whether your employer maintains one of these plans, or whether you are an active participant in it, check with your employer or your tax advisor. Also, the IRS Form W-2, Wage and Tax Statement, that you receive at the end of the year from your employer will indicate whether you are an active participant.

If you are an active participant, are single, and have MAGI within the applicable phaseout range listed below, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out range maximum for the applicable year (specified below), and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$36,000 in 2002, your maximum deductible contribution is \$2,400 (the 2002 phase-out range maximum of \$44,000 minus your MAGI of \$36,000, divided by the difference between the maximum and minimum phaseout range limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a joint income tax return, and have MAGI within the applicable phaseout range listed below, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out maximum for the applicable year (specified below), and subtract your MAGI range; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$56,000 in 2002, your maximum deductible contribution is \$2,400 (the 2002 phase-out maximum of \$64,000 minus your MAGI of \$56,000, divided by the difference between the maximum and minimum phase-out limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a separate income tax return, your MAGI phase-out range is generally \$0–\$10,000. However, if you lived apart for the entire tax year, you are treated as a single filer.

Tax year	Joint Filers		Single Filers	
	Min	Max	Min	Max
<b>2009</b>	<b>\$83,000</b>	<b>\$103,000</b>	<b>\$52,000</b>	<b>\$62,000</b>

The MAGI phaseout range for an individual that is not an active participant, but is married to an active participant, is \$150,000–\$160,000. This limit is also subject to cost-of-living increases for tax years beginning after 2006. If you are not an active participant in an employer-maintained retirement plan, are married to someone who is an active participant, and you file a joint income tax return with MAGI between the applicable phaseout range for the year, your maximum deductible contribution is determined as follows: (1) begin with the appropriate MAGI phase-out maximum for the year and subtract your MAGI from it; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. You must round the resulting deduction to the next highest \$10 if the number is not a multiple of 10. If your resulting deduction is between \$0 and \$200 you may round up to \$200.

- 3) **CONTRIBUTION DEADLINE** – The deadline for making an IRA contribution is your tax – return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.
- 4) **TAX CREDIT FOR CONTRIBUTIONS** – You may be eligible to receive a tax credit for your Traditional IRA contributions. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are
  - age 18 or older as of the close of the taxable year,
  - not a dependent of another taxpayer, and
  - not a full-time student.

For more information on how to calculate and determine if you are entitled to receive a tax credit refer to IRS Pub. 590.

- 5) **TAX-DEFERRED EARNINGS** – The investment earnings of your IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- 6) **NONDEDUCTIBLE CONTRIBUTIONS** – You may make nondeductible contributions to your IRA to the extent that deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the allowable contribution limit described previously, or 100 percent of compensation). You may elect to treat deductible IRA contributions as nondeductible contributions. If you make nondeductible contributions for a particular tax year, you must report the amount of the nondeductible contribution along with your income tax return using IRS Form 8606. Failure to file IRS Form 8606 will result in a \$50 per failure penalty. If you overstate the amount of designated nondeductible contributions for any taxable year, you are subject to a \$100 penalty unless reasonable cause for the overstatement can be shown.

7) **TAXATION** **OF DISTRIBUTIONS** –  
 The taxation of IRA distributions  
 (Aggregate Nondeductible Contributions)  
 x (Amount Withdrawn)

© Accuplan ----- = Amount Excluded From Income  
 Inherited IRA v2 6012011 Aggregate IRA Balance

depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, any IRA distribution will be fully included in income. If you have ever made nondeductible contributions to any IRA, the following formula must be used to determine the amount of any IRA distribution excluded from income.

**NOTE:** Aggregate nondeductible contributions include all nondeductible contributions made by you through the end of the year of the distribution (which have not previously been withdrawn and excluded from income). Also note that the aggregate IRA balance includes the total balance of all of your IRAs as of the end of the year of distribution and any distributions occurring during the year.

- 8) **ROLLOVERS AND CONVERSIONS** – Your IRA may be rolled over to an IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your IRA from another IRA, or from your employer’s qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan. Conversion is a term used to describe the movement of Traditional IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.
  - a) **Traditional IRA to Traditional IRA Rollovers** – Funds distributed from your IRA may be rolled over to an IRA of yours if the requirements of Code section 408(d)(3) are met. A proper IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another IRA to IRA rollover from the distributing IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
  - b) **SIMPLE IRA to Traditional IRA Rollovers** – Funds may be distributed from your SIMPLE IRA and rolled over to your IRA without IRS penalty provided, two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with Traditional IRA to Traditional IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
  - c) **Employer-Sponsored Retirement Plan to Traditional IRA Rollovers** – You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan (other than distributions to nonspouse beneficiaries), unless it is part of a certain series of substantially equal periodic payments, a required minimum distribution, a hardship distribution, or a distribution of Roth 401(k) or Roth 403(b) elective deferrals. If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator will generally be required to withhold 20 percent of your distribution as a payment of income taxes. When completing the rollover, you may make up the amount withheld, out of pocket, and roll over the full amount distributed from your employer sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution must be rolled over to your IRA not later than 60 days after you receive it. Alternatively, you may claim the withheld amount as income, and pay the applicable income tax and, if you are under age 59½, the 10 percent early distribution penalty (unless an exception to the penalty applies). As an alternative to the indirect rollover, your employer generally must give you the option to directly roll over your employer-sponsored retirement plan balance to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other eligible employer-sponsored retirement plan) that you designate. The 20 percent withholding requirements do not apply to direct rollovers.
  - d) **Nonspouse Beneficiary Rollovers from Employer-Sponsored Retirement Plans** – If you are a nonspouse beneficiary of a deceased employer plan participant, you may directly roll over inherited assets from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan to an inherited IRA. The IRA must be maintained as an inherited IRA, subject to the beneficiary distribution requirements, (i.e., you may not roll these assets to your own IRA.)
  - e) **Traditional IRA to Employer-Sponsored Retirement Plans** – You may roll over, directly or indirectly, any eligible rollover distribution from an IRA to an employer’s qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan so long as the employer-sponsored retirement plan accepts such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from an IRA that is not a part of a required minimum distribution.
  - f) **Traditional IRA to Roth IRA Conversions** – If your modified adjusted gross income is not more than \$100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
  - g) **Qualified HSA Funding Distribution** – If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax-free HSA funding distribution from your IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.
  - h) **Written Election** – At the time you make a proper rollover to an IRA, you must designate in writing to us, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.
- 9) **TRANSFER DUE TO DIVORCE** – If all or any part of your IRA is awarded to our spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse’s IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Traditional IRA to another.
- 10) **RECHARACTERIZATIONS** – If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with net income attributable back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed.

### LIMITATIONS AND RESTRICTIONS

- 1) **SEP PLANS** – Under a simplified employee pension (SEP) plan that meets the requirements of Code section 408(k), your employer may make contributions to your IRA. Your employer is required to provide you with information which describes the terms of your employer’s SEP plan.
- 2) **SPOUSAL IRA** – If you are married and have compensation, you may contribute to an IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has compensation. You may make these spousal contributions even if you are age 70½ or older. You must file a joint income tax return for the year for which the contribution is made. The amount you may contribute to your IRA and your spouse’s IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002-2004, \$8,000 for 2005-2007, and \$10,000 for 2008. This amount may be increased with cost-of-living adjustments in 2009 and beyond. However, you may not contribute more than the individual contribution limit to each IRA. If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse’s IRA. The maximum additional contribution is \$500 for years 2002-2005, and \$1,000 for years 2006 and beyond.
- 3) **DEDUCTION OF ROLLOVERS AND TRANSFERS** – A deduction is not allowed for rollover contributions or transfers.

- 4) **GIFT TAX** – Transfers of your IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.
- 5) **SPECIAL TAX TREATMENT** – Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to IRA distributions.
- 6) **INCOME TAX TREATMENT** – Any withdrawal from your IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.
- 7) **CHARITABLE DISTRIBUTIONS** – If you are age 70½ or older, you may make tax-free distributions of up to \$100,000 per year directly from your IRA to certain charitable organizations. Special tax rules may apply. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS. This provision applies to distributions during tax years 2006 and 2007.
- 8) **PROHIBITED TRANSACTIONS** – If you or your beneficiary engage in a prohibited transaction with your IRA, as described in Code section 4975, your IRA will lose its tax-deferred status, and you must include the value of your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your IRA: (1) taking a loan from your IRA; (2) buying property for personal use (present or future) with IRA funds; or (3) receiving certain bonuses or premiums because of your IRA.
- 9) **PLEDGING** – If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and will be included in your gross income for the taxable year in which you pledge the assets.

### FEDERAL TAX PENALTIES

- 1) **EARLY DISTRIBUTION PENALTY** – If you are under age 59½ and receive an IRA distribution, an additional tax of 10 percent will apply, unless made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), 10) a levy issued by the IRS, or 11) active military duty (see *Qualified Reservist Distributions*, below). This additional tax will apply only to the portion of a distribution which is includible in your taxable income.
- 2) **EXCESS CONTRIBUTION PENALTY** – An additional tax of six percent is imposed upon any excess contribution you make to your IRA. This additional tax will apply each year in which an excess remains in your IRA. An excess contribution is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute.
- 3) **EXCESS ACCUMULATION PENALTY** – As previously described, you must take a required minimum distribution by your required beginning date for the year you attain age 70½ and by the end of each year thereafter. Your beneficiary(ies) is required to take certain minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.
- 4) **PENALTY REPORTING** – You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.

### OTHER

- 1) **IRS PLAN APPROVAL** – The Agreement used to establish this IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.
- 2) **ADDITIONAL INFORMATION** – You may obtain further information on IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.
- 3) **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** – To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.
- 4) **HURRICANE-RELATED RELIEF** – If you are an individual who sustained an economic loss due to, or are otherwise considered affected by, hurricane Katrina, Rita or Wilma, you may be eligible for favorable tax treatment on distributions and rollovers from your IRA. Qualified distributions include IRA distributions made on or after specified dates for each hurricane and before January 1, 2007 to a qualified individual. For a complete definition of what constitutes a qualified individual and a qualified hurricane distribution for purposes of hurricane relief, refer to IRS Publication 4492, *Information for Taxpayers Affected by Hurricanes Katrina, Rita and Wilma*.
  - **10 Percent Penalty Exception on Qualified Distributions** – Qualified hurricane distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.
  - **Taxation May be Spread Over Three Years** – If you receive qualified hurricane distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.
  - **Repayment of Qualified Hurricane Distributions** – You may roll over qualified hurricane distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions. For further detailed information on tax relief granted for hurricanes Katrina, Rita and Wilma, and other exceptions which may be granted in the future by the IRS, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.
- 5) **QUALIFIED RESERVIST DISTRIBUTIONS** – If you are a qualified reservist called to active duty, you may be eligible to take penalty-free distributions from your IRA and recontribute those amounts to an IRA generally within a two-year period from your date of return. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS.

## Rules And Conditions Applicable To Rollovers

### GENERAL INFORMATION

A rollover is a way to move money or property from one eligible retirement plan (e.g., IRA or Qualified Retirement Plan (QRP)) to another eligible retirement plan. The Internal Revenue Code (IRC) limits how many distributions may be rolled over, how quickly rollovers must be completed and how the Trustee or Custodian must report the transaction. By properly completing this form you are certifying to the Trustee or Custodian that you have satisfied the rules and conditions applicable to a rollover and that you are making an irrevocable election to treat the transaction as a rollover.

### TRADITIONAL IRA OR SIMPLE IRA ROLLOVER REQUIREMENTS (Option One)

#### 1. TIMELINESS

The funds you receive from the distributing IRA must generally be deposited into another IRA within 60 days after you receive them. However, this period is 120 days for certain rollovers relating to first-time home purchases. When counting the 60 (or 120) days include weekends and holidays. Receipt generally means the day you actually have the funds in hand. For example, the 60 days would begin on the day following the day you pick up the check from the Trustee or Custodian or when you receive the check in the mail. The IRS has the authority to grant extensions to the 60 (or 120) day rule in cases where a hardship occurs (e.g. casualty, disaster, etc.). Generally, in order to receive this relief you must apply for a Private Letter Ruling accompanied by the applicable user fee. An automatic waiver (no application to the IRS) is available if all the following are true: (1) the financial institution receives the funds prior to the expiration of the 60-day rollover period, (2) you follow all procedures required for depositing the funds into an eligible IRA within the 60-day period, (3) the funds are not deposited due to financial institution error, (4) the funds are deposited into an IRA within one year from the beginning of the 60-day rollover period, and (5) if the financial institution had deposited the funds as instructed, it would have been a valid rollover.

#### 2. RMD ROLLOVER RESTRICTION

If this rollover is being made during or after the year for which you are required to begin receiving distributions, you cannot roll over any distribution to the extent that it is a required minimum distribution from the distributing plan. If the deceased IRA holder died after his or her required beginning date and you are the spouse beneficiary of a deceased IRA holder and you are rolling this IRA into your own IRA, you must make sure that the deceased's required minimum distribution for the year of death is removed from his or her IRA assets prior to the completion of the rollover.

#### 3. TWELVE MONTH RESTRICTION

You are entitled to one distribution per year per IRA which may be rolled over. Twelve (12) months must pass after receipt of one distribution which you roll over before you may take another distribution from the same IRA to roll over. An IRA is created by executing a plan agreement, not by depositing a contribution into a separate investment within an existing IRA. You are entitled to roll over the same assets only once in a twelve (12) month period. Twelve (12) months must elapse between the time you receive a distribution of the assets to be rolled over until you receive another distribution of those same assets for rollover purposes.

#### 4. SIMPLE IRA ROLLOVER RESTRICTIONS

You may roll funds from one SIMPLE IRA to another SIMPLE IRA if the timeliness and 12 month restriction discussed above have been met. In addition, a SIMPLE IRA may be rolled over to a Traditional IRA provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer.

### EMPLOYER-SPONSORED RETIREMENT PLAN TO TRADITIONAL IRA ROLLOVER REQUIREMENTS (Option Two)

#### 1. ELIGIBLE PERSON

Only an eligible person may roll funds from a QRP, 403(a) Plan, 403(b) Plan, or eligible 457(b) Deferred Compensation Plan into an IRA. You will only be an eligible person if you were or are a participant in the distributing plan, the surviving spouse beneficiary of a deceased participant, or the alternate payee identified in a Qualified Domestic Relations Order (QDRO). A QDRO is a domestic relations order issued in a divorce proceeding which meets certain conditions and grants to an alternate payee (e.g., ex-spouse) the right to receive all or a portion of a participant's benefits under a QRP. If the alternate payee is a spouse or former spouse, the alternate payee can roll over all or a portion of the amount received to an IRA. A nonspouse beneficiary may only roll over to an inherited IRA. A rollover to an inherited IRA must be done as a direct rollover from an eligible retirement plan.

#### 2. ELIGIBLE PLAN

A distribution will not be eligible to be rolled over unless that distribution is made from an eligible retirement plan. An eligible retirement plan is a plan that is qualified under IRC Section 401(a), 403(a), 403(b), or 457(b). Eligible retirement plans include defined benefit plans, profit sharing plans, money purchase pension plans, 401(k) plans, tax-sheltered annuities, eligible 457(b) deferred compensation plans, and employee stock ownership plans.

#### 3. ELIGIBLE ROLLOVER DEPOSIT

Only certain types of eligible retirement plan distributions, called "eligible rollover distributions," may be deposited into an IRA. Eligible rollover distributions include most distributions from eligible plans except the following:

**Required Minimum Distributions** – Distributions which represent required minimum distributions paid during a participant's first distribution calendar year or later may not be rolled over.

**Substantially Equal Periodic Payments** – For purposes of determining an eligible rollover distribution, substantially equal periodic payments are defined as a series of substantially equal distributions made not less frequently than annually and calculated 1) over the life (or life expectancy) of the individual or the joint lives (or life expectancies) of the individual and the individual's beneficiary or, 2) for a specified period of 10 years or more.

**Death Benefit Exclusion Amounts** – If you are a surviving spouse beneficiary and your spouse died before August 21, 1996, a portion of your distribution may qualify for the Death Benefit Exclusion Allowance. You may not roll over any portion of your distribution which qualifies for the Death Benefit Exclusion Allowance.

**P.S. 58 Costs** – If you received distribution of a life insurance policy from a plan, the amounts attributable to the cost of life insurance purchased by the plan which have been previously taxed to the participant may not be rolled over.

**Property Distributions** – If property other than cash is distributed, only the same property or the proceeds from its sale may be rolled over. If you receive property but wish to roll over cash, you must actually sell the property and roll over the proceeds.



**Hardship Distributions** – Distributions taken on account of financial hardship are not eligible to be rolled over.

**Roth 401(k) or 403(b) Amounts** – Distributions of elective deferrals from a Roth 401(k) or 403(b) plan are not eligible to be rolled over to a Traditional IRA.

#### 4. TIMELINESS

If the check is payable to you, the funds you receive from the distributing plan must be deposited in an IRA within 60 days after you receive them. When counting the 60 days include weekends and holidays. Receipt generally means the day you actually have the funds in hand. The IRS has the authority to grant extensions to the 60 day rule in cases where a hardship occurs (e.g. casualty, disaster, etc.). Generally, in order to receive this relief you must apply for a Private Letter Ruling accompanied by the applicable user fee. An automatic waiver (no application to the IRS) is available if all the following are true:

(1) the financial institution receives the funds prior to the expiration of the 60-day rollover period, (2) you follow all procedures required for depositing the funds into an eligible IRA within the 60-day period, (3) the funds are not deposited due to financial institution error, (4) the funds are deposited into an IRA within one year from the beginning of the 60-day rollover period, and (5) if the financial institution had deposited the funds as instructed, it would have been a valid rollover.

#### 5. CAUTION ABOUT COMMINGLING FUNDS

If you are rolling over funds from certain eligible retirement plans, you may be eligible to take advantage of favorable tax treatment if the IRA is maintained as a conduit IRA and the funds are subsequently rolled back over to another eligible retirement plan. See your tax professional for additional information.

[ End of Rules ]

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**IRA FEE SCHEDULE AND DISCLOSURE**  
**Traditional, Roth, SEP, SIMPLE Accounts**

<b>Annual Fee</b>	<b>Setup Fee</b>	<b>Min Account Balance</b>
<b>\$245</b>	<b>\$50</b>	<b>\$325</b>

**Other Fees**

<b>Service</b>	<b>Fee</b>
Transfer Funds Within IRA <sup>1</sup> (Can be included in 6 free life time transactions)	\$25
Termination of IRA, Partial (Either a rollover to another plan or a lump sum distribution)	\$75
Termination of IRA, Complete (Either a rollover to another plan or a lump sum distribution)	\$175
Roth Conversion/Re-characterization <sup>2</sup> (For conversions done by us)	\$75
Roth Re-characterization for conversions done at different custodian <sup>3</sup>	\$125
Contributions/Dividends/Payment, for each receipt exceeding 12 per year (12 per year are free) <sup>4</sup>	\$10
Distribution / Withdrawal / Investments / Asset Acquisition / Miscellaneous (Can be included in 6 free life time transactions) <sup>5</sup>	\$35
Distribution, Regular Retirement Stream, Each (Can be included in free, lifetime transactions)	\$10
Quarterly paper account statements (\$8 per quarter or per request) <sup>6</sup>	\$32
Mail forwarding <sup>7</sup> (charge for each piece of mail forwarded)	\$2
Overnight Courier Delivery, Letter Envelope (plus actual shipping costs)	\$25
Cashiers Check <sup>8</sup>	\$75
Returned Check/Insufficient Funds	\$30
Stop Payment	\$50
Copy of sent or canceled checks	\$15
Change of account type <sup>9</sup>	\$50
Reversal of fees for alternate payment method <sup>10</sup>	\$50
Re-producing tax documents <sup>11</sup>	\$10
Document Research or Production	\$25
Deposit Research <sup>12</sup>	\$25
Rush Fee For 24 Hour Expedite Requests	\$ 75
Hourly Rate For Extraordinary Services	\$150
Wire Transfers – Outbound	\$15
Wire Transfers – Inbound	\$15
Document Review <sup>13</sup>	\$25 Min or \$150 per hour
<b>Storage Fees<sup>14</sup></b>	
<u>Asset Value</u>	<u>Gold Only</u> <u>Silver Only</u> <u>Both Metals</u> <u>Currency</u>
< \$25,000	\$8/Month      \$10/Month      \$10/Month      \$8/Month
≥ \$25,000	\$12/Month      \$18/Month      \$18/Month      \$8/Month
Handling Fees For In Kind Distribution Of Metals or other assets <sup>15</sup>	\$75
Liquidation of Metals <sup>16</sup>	\$50



# IRA FEE SCHEDULE AND DISCLOSURE

## Traditional, Roth, SEP, SIMPLE Accounts

### Disclosures

**Minimum Required Balances For Fees.** Accounts must maintain a minimum cash balance of \$325. These balances need to be maintained to cover account fees that may be incurred. These account balances can be maintained inside the account or by providing a separate check or credit card to cover these fees. If providing separate payments for the minimum balance, your account will be credited outside of the other funds held in your account and not commingled or included with the funds inside of your account. We will require that you replenish the minimum account balance when the balance falls below the required minimum.

**Collection of Fees.** Annual account fees will be assessed on the anniversary month of when your account was opened. This will generally be billed on the first day of the month. If you have chosen to have the fees taken from your account, the fee will be assessed and taken from your account. If your account cash balance is insufficient to cover the fee, you will be billed for the shortfall. You will have 30 days from the invoice date to pay the account fees. If you choose to pay the annual account fee directly, you will receive an invoice for the annual fee. You will have 30 days from the invoice date to pay the fees.

Other account fees (e.g. transactions fees, shipping, postage, etc.) will be billed per your choice on the fee schedule (i.e. from account or billed to you directly). Fees from the account will be collected monthly. Fees billed are due 30 days from the invoice date.

**Third Party Fees.** All fees charged by any outside party for services to your account are charged to and paid by your IRA account or by you directly, and are in addition to any fees which AET charges. Third party fees could include: Brokerage, bank or mutual funds fees and loads, tax, storage fees, or other consultant fees, investment advisor fees, etc.

**Failure to pay fees.** We reserve the right to take fees from your account. We have the right to liquidate assets in your account to pay for fees. If fees are not paid, then your account will be distributed to you at the last known value. Such a distribution may be considered taxable and will be reported to the IRS as a distribution.

**Right To Change Fees.** We reserve the right to change fees with 30 days advance notice. Such notice will be posted on our website or be visible from your online account, or be sent via email, or other mail.

**Outside Fees.** American Estate & Trust, LC may in some cases receive compensation from third party suppliers, brokers, banks, mutual funds or other organizations, based on the volume of business placed with those organizations or due to other factors.

### Acknowledgment

**I hereby acknowledge receipt and notice of the above IRA Fee Schedule and disclosures. By signing below I agree to the fees and method of payment below.**

Please select the method of payment for your account (you must select one. If left blank, the "from my account" option will be the default)

Deduct fees from my account

I will pay the fees directly

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
(Print Only)

Signature: \_\_\_\_\_



## TRANSFER REQUEST

1. IRA HOLDER'S NAME AND ADDRESS				2. CURRENT TRUSTEE OR CUSTODIAN NAME AND ADDRESS			
First Name	MI	Last Name		Custodian Name			
Address				Address			
City		State	Zip	City		State	Zip
Social Security Number		Date of Birth		Account Number		Phone	
Home Phone				Type <input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> 401k <input type="checkbox"/> Simple <input type="checkbox"/> SEP <input type="checkbox"/> _____			
3. TRANSFER INSTRUCTIONS				4. CASH HANDLING INSTRUCTIONS			
Transfer Amount		<input type="checkbox"/> All <input type="checkbox"/> Partial		<u>Check Transfer:</u> Make the check payable as follows: American Estate & Trust, LC FBO <Account Holder Name>			
Frequency		<input type="checkbox"/> Once <input type="checkbox"/> Other _____		<u>Wire Transfer:</u> Bank Name: Wells Fargo Account #: 3393886381 Routing #: 121000248 Account Name: American Estate & Trust, LC			
Cash Transfer Method		<input type="checkbox"/> Check <input type="checkbox"/> Wire					
Transfer To Account Type (Receiving account)		<input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> 401k <input type="checkbox"/> Simple <input type="checkbox"/> SEP <input type="checkbox"/> _____					

5. ASSET HANDLING INSTRUCTIONS				
Asset Description	Qty or Amount to be transferred	Liquidate Immediately	Liquidate At Maturity	Transfer In Kind
1.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. SIGNATURE	
<p>I authorize the transfer of the IRA assets in the manner described above and certify that all of the information provided by is correct and may be relied upon by the Trustee or Custodian.</p> <p>I understand that I am responsible for determining my eligibility to transfer within the limits set forth by tax laws, related regulations and plan agreements. Further, I understand that a transfer from a SIMPLE IRA to SIMPLE IRA on a more frequent basis than monthly from a Designated Financial Institution, change in my transfer request outside my election period, may result in costs or penalties. I understand that special rules apply to SIMPLE IRA to Traditional IRA transfers. I assume responsibility for any tax consequences or penalties that may apply to the transfer of these assets and I agree that the Trustee or Custodian shall in no way be held responsible.</p>	
<p>_____</p> <p style="font-size: small;">(IRA Account Holder, Beneficiary or Former Spouse)</p>	<p>_____</p> <p style="font-size: small;">(Date)</p>
<div style="border: 1px dashed gray; width: 80%; margin: 0 auto; padding: 10px;"> <p style="color: gray; font-style: italic;">Place Medallion Signature Here</p> </div>	
<p><b>Please note that you should contact your current IRA custodian to determine if a medallion stamp is required.</b></p>	

7. ACCEPTING IRA CUSTODIAN	
<p>American Estate &amp; Trust agrees to serve as the new custodian for the account of the above named individual. We agree to accept the assets being transferred.</p>	
<p>Account Identification of Accepting IRA: _____</p>	
<p>Account Type being accepted:  <input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> 401k <input type="checkbox"/> Simple <input type="checkbox"/> SEP <input type="checkbox"/> _____</p>	
<p>Accepting Custodian Address:</p> <p style="text-align: center; padding: 10px;"> <b>American Estate &amp; Trust, LC</b>            6900 Westcliff Dr.; Ste. 603            Las Vegas, NV 89145            Phone: (866) 654-6111            Fax: (702) 974-2524            Email: info@trusteeamerica.com         </p>	
<p>_____</p> <p style="font-size: small;">(Authorized Signature of Accepting Custodian)</p>	<p>_____</p> <p style="font-size: small;">(Date)</p>



# Proof of Identity

Name	_____		
	(last)	(First)	(MI)
SSN	____ - ____ - _____		

In order to comply with the Bank Secrecy Act and the Patriot Act, we require proof of identification before establishing your retirement account. Please provide any combination of the following forms of government issued identification and a photocopy of that identification:

Identification Form	Issuing Entity	ID #
<b>List 1: One of the following forms of picture ID is required</b>		
1. Drivers License		
2. Passport		
<b>List 2: Two of the following forms of ID may also be provided if ID from List 1, above, are not available</b>		
1. Birth Certificate		
2. Soc. Sec. Card		
3. Military ID		
4. Certificate of U.S. Citizenship (INS N-560 or N-561)		
5. Certificate of Naturalization (INS N-550 or N-570)		

I attest under the penalty of perjury that the information and identification that I have provided is true and accurate and that these identification documents were issued to me directly by the respective issuing entity.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

