



**SEP**

## PART 1: IRA ACCOUNT OWNER

NAME FIRST/MI/LAST		SSN	DATE OF BIRTH
PHYSICAL ADDRESS		CITY	STATE ZIP
MAILING ADDRESS		CITY	STATE ZIP
PRIMARY PHONE	ALTERNATE PHONE	EMAIL ADDRESS	
ACCOUNT NUMBER (FOR INTERNAL USE ONLY)			

## PART 2: FUNDING

### FUNDING METHOD *SELECT ONE*

<input type="checkbox"/> 1. Regular	<i>Includes salary deferral and employer contributions.</i>		
	CONTRIBUTION AMOUNT \$	TAX YEAR	CONTRIBUTION DATE
<input type="checkbox"/> 2. Rollover	<i>Rollover from a Traditional, SEP, SIMPLE, or other qualified plan into this SEP IRA. By selecting this transaction, I irrevocably designate this contribution as a rollover.</i>		
	ROLLOVER AMOUNT \$		
<input type="checkbox"/> 3. Transfer	<i>Direct movement of assets from a Traditional IRA, SEP IRA, or SIMPLE IRA into this SEP IRA.</i>		
	TRANSFER AMOUNT \$		

### CONTRIBUTION INFORMATION

<input type="checkbox"/> CREDIT CARD CONTRIBUTION <i>I authorize the custodian to charge the listed contribution amount to the credit card provided.</i>	
<input type="checkbox"/> PERSONAL CHECK CONTRIBUTION <i>I acknowledge that any activation fees must be paid by credit card.</i>	<b>MAKE CHECKS PAYABLE TO:</b> Specialized Trust Company Custodian FBO "Your Name", SEP IRA

### REQUIRED MINIMUM DISTRIBUTION

**IF YOU ARE REQUIRED TO TAKE A REQUIRED MINIMUM DISTRIBUTION THIS YEAR, COMPLETE THE FOLLOWING IF APPLICABLE.**

*Checking any of the following will require adjusting your required minimum distribution.*

<input type="checkbox"/> This is a rollover or transfer of assets removed last year.	DATE OF REMOVAL
<input type="checkbox"/> This is a transfer from my deceased spouse's Traditional IRA and the assets were removed from the IRA in any year after death. The value of my portion of my deceased spouse's IRA on December 31 of last year:	VALUE OF IRA PORTION \$
<input type="checkbox"/> This is a recharacterization of a conversion or taxable retirement plan rollover to a Roth IRA made last year.	

### PART 3: BENEFICIARY DESIGNATION

I designate that upon my death, the assets in this account be paid to the beneficiaries named below. The interest of any beneficiary that predeceases me terminates completely, and the percentage share of any remaining beneficiaries will be increased on a pro rata basis. If no beneficiaries are named, my estate will be my beneficiary.

I elect not to designate beneficiaries at this time and understand that I may designate beneficiaries at a later date.

**PRIMARY BENEFICIARIES** *The total percentage designated must equal 100%.*

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

**CONTINGENT BENEFICIARIES** *The total percentage designated must equal 100%. The balance in the account will be payable to these beneficiaries if all primary beneficiaries have predeceased the IRA owner.*

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

NAME		
ADDRESS		
CITY	STATE	ZIP
DATE OF BIRTH	RELATIONSHIP	
TAX ID (SSN/TIN)		PERCENT DESIGNATED

Check here if additional beneficiaries are listed on an attached addendum. Total number of addendum attached to this IRA Application: \_\_\_\_\_

### PART 4: IRA CUSTODIAN INFORMATION

NAME SPECIALIZED TRUST COMPANY	TOLL-FREE PHONE NUMBER 1-800-529-3951	LOCAL PHONE NUMBER 505-514-0539	EMAIL ADDRESS HELP@IRASTC.COM
PHYSICAL ADDRESS 6100 INDIAN SCHOOL NE, SUITE 215	CITY ALBUQUERQUE	STATE NEW MEXICO	ZIP 87110
MAILING ADDRESS P.O. BOX 3587	CITY ALBUQUERQUE	STATE NEW MEXICO	ZIP 87190

### PART 5: FEE ELECTIONS

INITIAL	I have reviewed the STC Fee Schedule		
ANNUAL FEE: <i>*STANDARD ANNUAL FEE IS THE DEFAULT IF NO ELECTION IS MADE</i>	<input type="checkbox"/> Standard	<input type="checkbox"/> Specialized Black	<input type="checkbox"/> Roth Component
ACTIVATION FEE: <i>*STANDARD ACTIVATION IS THE DEFAULT IF NO ELECTION IS MADE</i>	<input type="checkbox"/> Standard Activation	<input type="checkbox"/> Concierge Activation <i>(Recommended)</i>	
TOTAL FEES DUE \$	REFERRAL CODE <i>(FOR INTERNAL USE ONLY)</i>	TRACKING CODE <i>(FOR INTERNAL USE ONLY)</i>	

### PART 6: PAYMENT INFORMATION

Please submit your payment information. Account activation fees must be paid by credit card.

I have read and understand the Self-Directed Account Agreement regarding the credit card charge and I authorize the credit card payment by Specialized Trust Company (STC) for fees to establish the IRA account, not limited to but including Activation Fee, Annual Fee, Service Fees, and Account Termination Fee.

Card Type:  Master Card  Visa  Discover  American Express

NAME ON CARD	CARD NUMBER	EXPIRATION DATE	CSC
BILLING ADDRESS	CITY	STATE	ZIP

Select your preferred payment method for all subsequent fees:  Deduct from my account  Charge the credit card on file

SIGNATURE OF ACCOUNT HOLDER X	DATE
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### PART 7: REFERRAL SOURCE (OPTIONAL)

How did you find out about Specialized Trust Company?

Social Media \_\_\_\_\_  Event \_\_\_\_\_  
 Digital Advertisement \_\_\_\_\_  Personal/Professional Referral \_\_\_\_\_  
 Search Engine \_\_\_\_\_  Other *(Please Specify)* \_\_\_\_\_

## PART 8: ACCOUNT SECURITY CODE

Please create a 4-digit security code for your account.

4-DIGIT SECURITY CODE: \_\_\_\_\_

THE ACCOUNT OWNER AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE SPECIALIZED TRUST COMPANY SELF-DIRECTED CUSTODIAL ACCOUNT AGREEMENT. THE ACCOUNT OWNER AGREES TO KEEP THE REQUESTED SECURITY CODE CONFIDENTIAL.

## PART 9: SPOUSAL CONSENT

Spousal Consent should be considered if either the trust or the residence of the IRA owner is located in a community or marital property state.

### CURRENT MARITAL STATUS

I Am Not Married I understand that if I become married in the future, I should review the requirements for spousal consent.

I Am Married I understand that if I choose to designate a primary beneficiary other than or in addition to my spouse, my spouse should sign below.

### CONSENT OF SPOUSE

I am the spouse of the above-named IRA owner. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Because of the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional. I hereby give the IRA owner my interest in the assets or property deposited in this IRA and consent to the beneficiary designation indicated above. I assume full responsibility for any adverse consequences that may result.

SIGNATURE OF SPOUSE

X

DATE

SIGNATURE OF WITNESS *OPTIONAL*

X

DATE

## PART 10: SIGNATURES

**IMPORTANT**  
PLEASE READ BEFORE SIGNING.

I understand the eligibility requirements for the type of IRA deposit I am making, and I state that I do qualify to make the deposit. I have received a copy of the IRA Application, the 5305-A Custodial Account Agreement, the Financial Disclosure, and the Disclosure Statement. I understand that the terms and conditions that apply to this IRA are contained in this Application and the Custodial Account Agreement. I agree to be bound by those terms and conditions. I understand that I have the right to revoke this IRA within seven days of its establishment, without penalty, by submitting a signed and dated notice of revocation to the custodian. Such notice may be delivered electronically via email to [help@irastc.com](mailto:help@irastc.com).

I assume complete responsibility for:

- Determining that I am eligible for a SIMPLE IRA each year I make a contributions/rollovers
- Ensuring that all contributions I make are within the limits set forth by the tax laws, and
- The tax consequences of any contributions (including rollover contributions) and distributions.

PRINTED NAME OF ACCOUNT OWNER

DATE

SIGNATURE OF ACCOUNT OWNER

X

DATE

SIGNATURE OF WITNESS

X

DATE

SIGNATURE OF CUSTODIAN

X

DATE

# ABOUT THE SEP IRA PLAN

## WHAT IS A SEP PLAN?

A simplified employee pension (SEP) plan is a type of retirement plan which allows you, the employer, to provide an important benefit to your employees (including yourself if you perform services for the business). An “employer” may be a sole proprietor, partnership, or corporation. Amounts you contribute for your employees under the SEP plan are deposited into your employees’ IRAs.

## WHAT ARE THE BENEFITS OF A SEP IRA PLAN?

SEP plan contributions you make to your own IRA and your employees’ IRAs are tax deductible to you, the employer. If SEP plan contributions are made to a Traditional IRA, all earnings are tax-sheltered, meaning the earnings are not taxed until they are withdrawn from the Traditional IRA. Roth employer contributions are taxable to the employee when received, and the earnings can be withdrawn tax free if certain requirements are met. In addition, a SEP plan helps you attract and retain quality employees while you help meet the increasing need for financial security at retirement.

## MUST I CONTRIBUTE TO A SEP PLAN EACH YEAR?

Each year you may decide if you want to make a SEP plan contribution. You may contribute up to 25 percent of each eligible employee’s compensation or \$40,000 (\$69,000 for 2024 and \$70,000 for 2025, this amount is subject to cost-of-living adjustments), whichever is less. You may decide to make no contribution at all.

You may allow participants the choice of receiving an employer contribution as a Roth employer contribution or a pre-tax employer contribution. Roth employer contributions are taxable to the Participant in the year they are deposited to the participant’s Roth SEP IRA.

All contributions made under the plan must be deposited into each eligible employee’s IRA. Once deposited all normal IRA rules apply.

## WHEN ARE CONTRIBUTIONS DUE?

You have until the due date for filing your business’ tax return (plus extensions) to fund your SEP plan.

## MUST I INCLUDE ALL EMPLOYEES?

You may set eligibility criteria, such as age, service, and compensation requirements. You do not need to make SEP plan contributions for your employees unless they have satisfied such criteria.

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## IS A SEP PLAN DIFFICULT TO MAINTAIN?

SEP plans are easy to maintain. Unlike qualified retirement plans, SEP plans do not require any complex plan reporting. You simply deduct SEP plan contributions on your tax return and notify employees of the contributions. If your SEP plan allows Roth employer contributions, you must generate IRS Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to reflect the taxable amount of Roth employer contributions received by an employee.

## SUMMARY

If you are interested in establishing a SEP plan, consult your tax and legal advisors for guidance in selecting the plan features which best suit your business needs. Once you are ready to adopt a SEP plan, refer to the enclosed instructions for completing these documents and properly establishing your plan.

# PLAN ADOPTION INSTRUCTIONS

# SEP IRA

*The following instructions are designed to assist you in setting up your SIMPLE IRA plan. They are not intended as a substitute for guidance from your legal or tax advisor.*

## STEPS TO FOLLOW

**STEP 1** Complete the “Employers Eligibility Checklist” below.

### EMPLOYER ELIGIBILITY CHECKLIST

The following questions are designed to help you, the employer, along with your attorney or tax advisor, determine if you are eligible to adopt a SEP plan. Answer the following questions:

YES NO

**A.** Are you the owner of a business or a person authorized by a business to establish a SEP plan?  
*If the answer to Question A is no, STOP. You are not eligible to establish a 5305-SEP.  
If the answer to Question A is yes, go to Question B*

**B.** Do you currently have a defined contribution plan?  
*If the answer to Question B is yes, STOP. You are not eligible to establish a 5305-SEP.  
If the answer to Question B is no, go to Question C.*

**C.** Do you use the services of leased employees (within the meaning of Internal Revenue Code Section 414(n))?  
*If the answer to Question C is yes, STOP. You are not eligible to establish a 5305-SEP.  
If all eligibility criteria are satisfied, go to Step 2.*

**STEP 2** Complete and sign the 5305-SEP agreement and the Additional SECURE 2.0 Plan Provisions Employer Election Form. Retain these forms for your records.

**STEP 3** If you have employees, provide a completed copy of your entire agreement 5305-SEP to each eligible employee. If the plan allows for Roth employer contributions, have all eligible employees complete and sign a Pre-Tax/Roth Employer Contribution Election Form.

**STEP 4** Make sure all eligible employees have established a Traditional IRA or Roth SEP IRA with a financial organization.

Financial Organization Name \_\_\_\_\_  
Address \_\_\_\_\_  
City/State/Zip code \_\_\_\_\_

Form **5305-SEP**  
(Rev. December 2004)  
Department of the Treasury  
Internal Revenue Service

**Simplified Employee Pension-Individual  
Retirement Accounts Contribution Agreement**  
(Under section 408(k) of the Internal Revenue Code)

OMB No. 1545-0499  
**Do not file  
with the Internal  
Revenue Service**

\_\_\_\_\_ makes the following agreement under section 408(k) of the  
(Name of employer) Internal Revenue Code and the instructions to this form.

**Article I – Eligibility Requirements** (check applicable boxes – see instructions)

The employer agrees to provide discretionary contributions in each calendar year to the individual retirement account or individual retirement annuity (IRA) of all employees who are at least \_\_\_\_\_ years old (not to exceed 21 years old) and have performed services for the employer in at least \_\_\_\_\_ years (not to exceed 3 years) of the immediately preceding 5 years. This simplified employee pension (SEP)  includes  **does not** include employees covered under a collective bargaining agreement,  includes  **does not** include certain nonresident aliens, and  includes  **does not** include employees whose total compensation during the year is less than \$450\*.

**Article II – SEP Requirements** (see instructions)

The employer agrees that contributions made on behalf of each eligible employee will be:

- A. Based only on the first \$205,000\* of compensation.
- B. The same percentage of compensation for every employee.
- C. Limited annually to the smaller of \$41,000\* or 25% of compensation.
- D. Paid to the employee's IRA trustee, custodian, or insurance company (for an annuity contract).

**SIGNATURE Important: Please read before signing:**

- I certify that:
1. I am authorized to establish this SEP plan on behalf of the employer and the employer is eligible to establish this SEP plan.
  2. In determining its eligibility to adopt this SEP plan, the employer has relied solely upon the advice of its own advisors.
  3. The employer agrees not to hold the financial organization responsible for any income tax liabilities it may suffer as a result of being found ineligible to establish this SEP plan.

\_\_\_\_\_  
Name of Adopting Employer

\_\_\_\_\_  
Date Signed

**X**  
\_\_\_\_\_  
Authorized Signature for Employer

\_\_\_\_\_  
Title

*\*For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS Web Site at [www.irs.gov](http://www.irs.gov).*

## Instructions

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

### Purpose of Form

Form 5305-SEP (Model SEP) is used by an employer to make an agreement to provide benefits to all eligible employees under a simplified employee pension (SEP) described in section 408(k).

**Do not** file Form 5305-SEP with the IRS. Instead, keep it with your records.

For more information on SEPs and IRAs, see **Pub. 560**, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and **Pub. 590**, Individual Retirement Arrangements (IRAs).

### Instructions to the Employer

**Simplified employee pension.** A SEP is a written arrangement (a plan) that provides you with an easy way to make contributions toward your employees' retirement income. Under a SEP, you can contribute to an employee's traditional individual retirement account or annuity (traditional IRA). You make contributions directly to an IRA set up by or for each employee with a bank, insurance company, or other qualified financial institution. When using Form 5305-SEP to establish a SEP, the IRA must be a Model traditional IRA established on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter. You may **not** make SEP contributions to a Roth IRA or a SIMPLE IRA. Making the agreement on Form 5305-SEP does not establish an employer IRA described in section 408(c).

**When not to use Form 5305-SEP.** Do not use this form if you:

1. Currently maintain any other qualified retirement plan. This does not prevent you from maintaining another SEP.
2. Have any eligible employees for whom IRAs have not been established.
3. Use the services of leased employees (described in section 414(n)).
4. Are a member of an affiliated service group (described in section 414(m)), a controlled group of corporations (described in section 414(b)), or trades or businesses under common control (described in sections 414(c) and 414(o)), unless all eligible employees of all the members of such groups, trades, or businesses participate in the SEP.
5. Will not pay the cost of the SEP contributions. Do not use Form 5305-SEP for a SEP that provides for elective employee contributions even if the contributions are made under a salary reduction agreement. Use Form 5305A-SEP, or a nonmodel SEP.

**Note:** SEPs permitting elective deferrals cannot be established after 1996.

**Eligible employees.** All eligible employees must be allowed to participate in the SEP. An eligible employee is any employee who: **(1)** is at least 21 years old, and **(2)** has performed "service" for you in at least 3 of the immediately preceding 5 years. You can establish less restrictive eligibility requirements, but not more restrictive ones.

Service is any work performed for you for any period of time, however short. If you are a member of an affiliated service group, a controlled group of corporations, or trades or businesses under common control, service includes any work performed for any period of time for any other member of such group, trades, or businesses.

**Excludable employees.** The following employees do not have to be covered by the SEP: **(1)** employees covered by a collective bargaining agreement whose retirement benefits were bargained for in good faith by you and their union, **(2)** nonresident alien employees who did not earn U.S. source income from you, and **(3)** employees who received less than \$450\* in compensation during the year.

**Contribution limits.** You may make an annual contribution of up to 25% of the employee's compensation or \$41,000\*, whichever is less. Compensation, for this purpose, does not include employer contributions to the SEP or the employee's compensation in excess of \$205,000\*. If you also maintain a salary reduction SEP, contributions to the two SEPs together may not exceed the smaller of \$41,000\* or 25% of compensation for any employee.

You are not required to make contributions every year, but when you do, you must contribute to the SEP-IRAs of all eligible employees who actually performed services during the year of the contribution. This includes eligible employees who die or quit working before the contribution is made.

Contributions cannot discriminate in favor of highly compensated employees. Also, you may not integrate your SEP contributions with, or offset them by, contributions made under the Federal Insurance Contributions Act (FICA).

If this SEP is intended to meet the top-heavy minimum contribution rules of section 416, but it does not cover all your employees who participate in your salary reduction SEP, then you must make minimum contributions to IRAs established on behalf of those employees.

**Deducting contributions.** You may deduct contributions to a SEP subject to the limits of section 404(h). This SEP is maintained on a calendar year basis and contributions to the SEP are deductible for your tax year with or within which the calendar year ends. Contributions made for a particular tax year must be made by the due date of your income tax return (including extensions) for that tax year.

**Completing the agreement.** This agreement is considered adopted when:

- IRAs have been established for all your eligible employees;
- You have completed all blanks on the agreement form without modification; and
- You have given all your eligible employees the following information:
  1. A copy of Form 5305-SEP.
  2. A statement that traditional IRAs other than the traditional IRAs into which employer SEP contributions will be made may provide different rates of return and different terms concerning, among other things, transfers and withdrawals of funds from the IRAs.
  3. A statement that, in addition to the information provided to an employee at the time the employee becomes eligible to participate, the administrator of the SEP must furnish each participant within 30 days of the effective date of any amendment to the SEP, a copy of the amendment and a written explanation of its effects.
  4. A statement that the administrator will give written notification to each participant of any employer contributions made under the SEP to that participant's IRA by the later of January 31 of the year following the year for which a contribution is made or 30 days after the contribution is made.

Employers who have established a SEP using Form 5305-SEP and have furnished each eligible employee with a copy of the completed Form 5305-SEP and provided the other documents and disclosures described in **Instructions to the Employer and Information for the Employee**, are not required to file the annual information returns, Forms 5500 or 5500-EZ for the SEP. However, under Title I of the Employee Retirement Income Security Act of 1974 (ERISA), this relief from the annual reporting requirements may not be available to an employer who selects, recommends, or influences its employees to choose IRAs into which contributions will be made under the SEP, if those IRAs are subject to provisions that impose any limits on a participant's ability to withdraw funds (other than restrictions imposed by the Code that apply to all IRAs). For additional information on Title I requirements, see the Department of Labor regulation at 29 CFR 2520.104-48.

\*For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS Web Site at [www.irs.gov](http://www.irs.gov).

### Information for the Employee

The information below explains what a SEP is, how contributions are made, and how to treat your employer’s contributions for tax purposes. For more information, see Pub. 590.

**Simplified employee pension.** A SEP is a written arrangement (a plan) that allows an employer to make contributions toward your retirement. Contributions are made to a traditional individual retirement account/annuity (traditional IRA). Contributions must be made to either a Model traditional IRA executed on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter.

An employer is not required to make SEP contributions. If a contribution is made, however, it must be allocated to all eligible employees according to the SEP agreement. The Model SEP (Form 5305-SEP) specifies that the contribution for each eligible employee will be the same percentage of compensation (excluding compensation greater than \$205,000\*) for all employees.

Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP and a yearly statement showing any contributions to your IRA.

All amounts contributed to your IRA by your employer belong to you even after you stop working for that employer.

**Contribution limits.** Your employer will determine the amount to be contributed to your IRA each year. However, the amount for any year is limited to the smaller of \$41,000\* or 25% of your compensation for that year. Compensation does not include any amount that is contributed by your employer to your IRA under the SEP. Your employer is not required to make contributions every year or to maintain a particular level of contributions.

**Tax treatment of contributions.** Employer contributions to your SEP-IRA are excluded from your income unless there are contributions in excess of the applicable limit. Employer contributions within these limits will not be included on your Form W-2.

**Employee contributions.** You may make regular IRA contributions to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan.

**SEP participation.** If your employer does not require you to participate in a SEP as a condition of employment, and you elect not to participate, all other employees of your employer may be prohibited from participating. If one or more eligible employees do not participate and the employer tries to establish a SEP for the remaining employees, it could cause adverse tax consequences for the participating employees.

An employer may not adopt this IRS Model SEP if the employer maintains another qualified retirement plan. This does not prevent your employer from adopting this IRS Model SEP and also maintaining an IRS Model Salary Reduction SEP or other SEP. However, if you work for several employers, you may be covered by a SEP of one employer and a different SEP or pension or profit-sharing plan of another employer.

**SEP-IRA amounts—rollover or transfer to another IRA.** You can withdraw or receive funds from your SEP-IRA if, within 60 days of receipt, you place those funds in the same or another IRA. This is called a “rollover” and can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times you may make “transfers” if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

**Withdrawals.** You may withdraw your employer’s contribution at any time, but any amount withdrawn is includible in your income unless rolled over. Also, if withdrawals occur before you reach age 59½, you may be subject to a tax on early withdrawal.

**Excess SEP contributions.** Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includible in your gross income. Excess contributions left in your SEP-IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

**Financial institution requirements.** The financial institution where your IRA is maintained must provide you with a disclosure statement that contains the following information in plain, nontechnical language:

1. The law that relates to your IRA.
2. The tax consequences of various options concerning your IRA.
3. Participation eligibility rules, and rules on the deductibility of retirement savings.
4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. This information must be clearly displayed at the beginning of the disclosure statement.
5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.
6. Financial disclosure that provides the following information:
  - a. Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
  - b. Describes whether, and for when, the growth projections are guaranteed, or a statement of the earnings rate and the terms on which the projections are based.
  - c. States the sales commission for each year expressed as a percentage of \$1,000.

In addition, the financial institution must provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA’s investment performance.

**Paperwork Reduction Act Notice.** You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping**..... 1 hr., 40 min.
- Learning about the law or the form**..... 1 hr., 35 min.
- Preparing the form** ..... 1 hr., 41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224. **Do not** send this form to this address. Instead, keep it with your records.

\*For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS Web Site at [www.irs.gov](http://www.irs.gov).

# ADDITIONAL SECURE 2.0 PLAN PROVISIONS EMPLOYER ELECTION FORM

# SEP IRA

**IMPORTANT:** The SECURE 2.0 Act created optional provisions for SEP plans. This form is designed to allow you, the Employer, to specify how you intend to operate your SEP Plan with respect to these provisions until formal Plan amendments become available. Complete, sign, and keep this election form with your SEP Plan documents to document your elections for the Plan.

## SECTION A. GENERAL INFORMATION

NAME OF PLAN			
NAME OF ADOPTING EMPLOYER			
ADDRESS	CITY	STATE	ZIP

## SECTION B. ROTH EMPLOYER CONTRIBUTIONS

### Availability of Employer Contributions as Roth Employer Contributions

Will a Participant be permitted to choose to receive Employer Contributions as Roth Employer Contributions in place of pre-tax Employer Contributions under the Plan? (Select one. If Roth Employer Contributions will be allowed, also indicate the effective date.)

**Option 1:** Yes. A Participant may choose to receive Employer Contributions as Roth Employer Contributions into the Plan effective \_\_\_\_\_ (mm/dd/yyyy).

**Option 2:** No.

**NOTE:** If no option is selected, Option 2 will apply.

## SECTION C. EMPLOYER ACKNOWLEDGMENT AND SIGNATURE

Select any of the following provisions that will apply to the Plan and indicate when they become effective, if applicable.

1. I understand that I am responsible for ensuring that the changes above accurately reflect the operation of my SEP Plan as of the effective date(s) stated above, that all eligible Employees are properly informed of the changes to the SEP Plan, and that such changes are in compliance with the applicable laws and related guidance governing SEP plans.
2. I acknowledge that I have taken all necessary actions to initiate the changes above (e.g., notifying Participants, execution of a board resolution). In addition, I understand that it is my responsibility to notify the applicable payroll providers and/or SEP IRA Trustees, Custodians, and Issuers of the changes to the operation of my Plan.
3. I acknowledge that the Treasury Department has issued minimal guidance pertaining to these provisions under the SECURE 2.0 Act and that there is additional anticipated guidance expected that may affect Plan operation decisions. I assume any responsibility for any operational errors that may result from such future guidance unless the IRS provides relief.
4. I understand that this form is not, nor is it intended to be, an amendment to the Plan; that I will be responsible for reviewing and executing an amendment in the future to formally adopt these changes; and that the SEP Prototype Sponsor or document provider is not providing legal or tax advice.

## SIGNATURES

NAME OF ADOPTING EMPLOYER	DATE SIGNED
SIGNATURE FOR EMPLOYER X	TITLE

# PRE-TAX/ROTH EMPLOYER CONTRIBUTION ELECTION FORM

# SEP IRA

**IMPORTANT:** Your Employer has chosen to allow Participants to designate whether they wish to receive Employer Contributions as pre-tax Employer Contributions or Roth Employer Contributions. If you choose to receive pre-tax Employer Contributions, you will not be taxed on the contribution until you withdraw it from your Traditional IRA. If you choose to receive Roth Employer Contributions, you will be taxed on the contribution in the year that it is made to your Roth SEP IRA and your Employer will not withhold for taxes on those contributions. You will receive IRS Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., to reflect the taxable Roth Employer Contribution.

## SECTION A. GENERAL INFORMATION

### EMPLOYER AND PLAN INFORMATION

NAME OF PLAN		NAME OF EMPLOYER	
ADDRESS	CITY	STATE	ZIP

### EMPLOYEE INFORMATION

NAME OF EMPLOYEE			
HOME ADDRESS	CITY	STATE	ZIP
EMPLOYEE NUMBER	SOCIAL SECURITY NUMBER		

## SECTION B. EMPLOYER CONTRIBUTION ELECTION AND AUTHORIZATION

*To be completed by the Participant.*

I, the undersigned Participant, wish to receive any Employer Contribution made on my behalf as specified below. I understand that this election will continue to apply until I change it. *(Select one)*

- I elect to designate 100% of my Employer Contribution as a pre-tax Employer Contribution.
- I elect to designate 100% of my Employer Contribution as a Roth Employer Contribution.

**NOTE:** If no election is made, your Employer Contribution will be made as a pre-tax Employer Contribution.

I agree that any Employer Contributions will be paid in the manner indicated above. The decision as to what type of Employer Contribution I elect to receive (pre-tax or Roth) is my own, and no tax advice has been given to me by my Employer. I understand that if I elect to receive Roth Employer Contributions, I must include the amount of my contribution in my income in the year that it is made to my Roth SEP IRA, and I expressly assume responsibility for any tax consequences that may arise. This election will continue to be effective until I change or terminate it. I acknowledge that I have read this entire Pre-Tax/Roth Employer Contribution Election Form, I understand it, and I agree to its terms.

### SIGNATURES

PARTICIPANT'S SIGNATURE	DATE SIGNED
AUTHORIZED SIGNATURE FOR EMPLOYER <b>X</b>	TITLE

# INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-A under section 408(a) of the Internal Revenue Code.

FORM (Rev. April 2017)

The depositor named on the application is establishing a Traditional individual retirement account under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death.

The custodian named on the application 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.

The depositor and the custodian make the following agreement:

## 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 \$5,500 per year for tax years 2013 through 2017. For individuals who have reached the age of 50 by the end of the year, the contribution limit is increased to \$6,500 per year for tax years 2013 through 2017. For years after 2017, these limits will be increased to reflect a cost-of-living adjustment, if any.

## 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 one 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 one 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 one for each subsequent year.

- (b) If the depositor dies before the required beginning date, the remaining interest will be distributed in accordance with paragraph (i) below or, if elected or there is no designated beneficiary, in accordance with paragraph (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 paragraph (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 paragraph (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

- 8.01 **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. The word “Code” means the Internal Revenue Code, and “regulations” means the Treasury regulations.
- 8.02 **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 that 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.
- 8.03 **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, if we receive ambiguous directions regarding any transaction, or if we, in good faith, believe that any transaction requested is in dispute, 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 will 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 will 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), but we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We will 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 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 will be deemed correct and accurate, and we will 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 will be construed as conferring fiduciary status upon us. We will 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 including, but not limited to, electronic communication.

- 8.04 **Disclosure of Account Information** – We may use agents and/or subcontractors to assist in administering your IRA. We may release nonpublic personal information regarding your IRA to such providers as necessary to provide the products and services made available under this agreement, and to evaluate our business operations and analyze potential product, service, or process improvements.
- 8.05 **Service Fees** – We have 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 have 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 after giving you 30 days' notice. 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.
- 8.06 **Investment of Amounts in the IRA** – You have exclusive responsibility for and control over the investment of the assets of your IRA. All transactions will be subject to any and all restrictions or limitations, direct or indirect, that 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 beneficiaries will 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 (including, without limitation, Section 8.03 of this article). We will have no discretion to direct any investment in your IRA. 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 will have the right to hold any uninvested amounts in cash, and we will have no responsibility to invest uninvested cash unless and until directed by you. 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 investment for your IRA assets from those investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for IRAs (e.g., term share accounts, passbook accounts, certificates of deposit, money market accounts.) We may in our sole discretion make available to you additional investment offerings, which will be limited to publicly traded securities, mutual funds, money market instruments, and other investments that are obtainable by us and that we are capable of holding in the ordinary course of our business.

**8.07 Beneficiaries** – If you die before you receive all of the amounts in your IRA, payments from your IRA will be made to your beneficiaries. We have no obligation to pay to your beneficiaries until such time we are notified of your death by receiving a valid death certificate.

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. Each beneficiary designation you file with us will cancel all previous designations. The consent of your beneficiaries will not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary survives you, the contingent beneficiaries will acquire the designated share of your IRA. If you do not designate a beneficiary or if all of your primary and contingent beneficiaries predecease you, your estate will be the beneficiary.

A spouse beneficiary will 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 (the beneficiary who is entitled to receive distributions from an inherited IRA at the time of your death) to name successor beneficiaries 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 lifetime. Each beneficiary designation form that the original IRA beneficiary files with us will cancel all previous designations. The consent of a successor beneficiary will not be required for the original IRA beneficiary to revoke a successor beneficiary designation. If the original IRA beneficiary does not designate a successor beneficiary, his or her estate will be the successor beneficiary. In no event will the successor beneficiary be able to extend the distribution period beyond that required for the original IRA beneficiary.

If we so choose, for any reason (e.g., due to limitations of our charter or bylaws), we may require that a beneficiary of a deceased IRA owner take total distribution of all IRA assets by December 31 of the year following the year of death.

**8.08 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
- 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.

**8.09 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 send 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 send the notice to you, we have the right to transfer your IRA assets to a successor IRA trustee or custodian that we choose in our sole discretion, or we may pay your IRA to you in a single sum. We will not be liable for any actions or failures to act on the part of any successor trustee or custodian, 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 a nonbank custodian 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 require us 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.

**8.10 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 that includes your IRA) is bought by another organization, that organization (or agency) will 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.

**8.11 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 send the amendment, you notify us in writing that you do not consent.

8.12 **Withdrawals or Transfers** – All requests for withdrawal or transfer will be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing or in any other method acceptable to us. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals will be subject to all applicable tax and other laws and regulations, including but not limited to possible early distribution penalty taxes, surrender charges, and withholding requirements.

8.13 **Transfers From Other Plans** – We can receive amounts transferred to this IRA from the trustee or custodian of another IRA. In addition, we can accept 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.

8.14 **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 to not hold us liable for any adverse consequences that result from our decision.

8.15 **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 will not be responsible for the debts, contracts, or torts of any person entitled to distributions under this agreement.

8.16 **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 will govern.

If any part of this agreement is held to be illegal or invalid, the remaining parts will 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 will be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

## ARTICLE IX

Applicable to self-directed Traditional IRAs, Roth IRAs, SEP IRAs, SIMPLE IRAs, Health Savings Accounts (HSAs), Coverdell Education Savings Accounts (CESAs), Solo 401(k) accounts, and similar self-directed custodial accounts.

### SELF DIRECTED ACCOUNT AGREEMENT

9.01 **Appointment of Custodian and Acceptance** – The undersigned account owner (the “Depositor” or “you”) hereby appoints Specialized Trust Company (“STC” or the “Custodian”), a New Mexico corporation, as the custodian of the account. The Depositor’s account is established for the exclusive benefit of the Depositor and/or the Depositor’s beneficiaries and is governed by the terms of this Self-Directed Account Custodial Agreement (the “Agreement”) and the Depositor’s application. By opening or maintaining the account, you agree to be bound by the terms of this Agreement and any applicable laws and regulations. After the Depositor’s death, the designated beneficiary(ies) will have the right to direct investments of the account assets, subject to the same conditions that applied to the original account holder.

### 9.02 **Governing Law and Dispute Resolution**

**Governing Law and Venue** – This Agreement shall be governed by the laws of the State of New Mexico, except to the extent preempted by federal law. The parties agree that the courts of New Mexico have exclusive jurisdiction over any legal action involving the Custodian or this Agreement. Any lawsuit filed by or against the Custodian by the Depositor shall be brought only in the state courts of Bernalillo County, New Mexico, where STC’s principal office is located. The Depositor consents to personal jurisdiction in New Mexico for all such proceedings.

9.03 **Amendments and Binding Effect** – The Depositor agrees to be bound by the most current version of this Custodial Agreement, as it may be amended from time to time by STC. Amendments may be made unilaterally by the Custodian to comply with law or for other business reasons; such amendments will become effective after notice to the Depositor or as otherwise required by law. This obligation to abide by the Agreement (and any amendments) continues from the inception of the account and survives the termination or closure of the account. In the event the Depositor initiates any claim or legal action after the account has been closed, the version of this Agreement in effect at the time of such action shall govern the dispute. This Agreement shall be binding upon the Depositor and the Custodian, as well as their respective heirs, successors, and permitted assigns.

9.04 **Depositor Representations and Responsibilities** – By entering into this Agreement, the Depositor acknowledges and accepts the following responsibilities and representations:

- **Accuracy of Information** – The Depositor represents and warrants that all information provided to STC in connection with the account (including information in the account application and any subsequent instructions or communications) is true, correct, and complete. The Depositor agrees to promptly notify STC of any changes to such information.
- **Compliance with Laws** – All transactions and investments in the account shall comply with all applicable federal and state laws and regulations, including but not limited to the Internal Revenue Code and relevant securities laws. All transactions are also subject to any restrictions in STC’s charter, articles of incorporation, bylaws, or internal policies, and to the customs and usages of any exchange or market where they are executed. It is the Depositor’s responsibility to ensure that contributions, distributions, and investments comply with applicable legal requirements.
- **Direction of Investments** – The Depositor has exclusive responsibility for directing the investment of the account assets. Except as otherwise expressly provided in this Agreement, STC will act solely at the direction of the Depositor (or, after the Depositor’s death, at the direction of the designated beneficiary) with respect to investment and reinvestment of the account. If the Depositor fails to provide investment instructions, or if instructions are incomplete, unclear, or in dispute, STC reserves the right to take no action (other than depositing uninvested funds in accordance with Section 9.07 below) until proper instructions are received from the Depositor or a person authorized to act on the Depositor’s behalf. STC has no duty to question or investigate any investment directions received from the Depositor or the Depositor’s authorized agent.
- **Beneficiary Rights** – After the Depositor’s death, the beneficiary(ies) named for the account have the right to direct investments and otherwise exercise the rights of the Depositor under this Agreement, subject to the same terms and

conditions that applied to the original Depositor. Any beneficiary directing the account will be bound by this Agreement just as the original Depositor.

- **No Advice or Due Diligence by Custodian** – The Depositor is solely responsible for evaluating and understanding the risks of any investment. The Depositor acknowledges that STC is not an investment advisor or fiduciary and will not provide investment, legal, or tax advice regarding the account (see Section 9.05 below). The Depositor is strongly encouraged to seek independent professional advice as needed. STC does not conduct due diligence or verify the legitimacy, appropriateness, or suitability of any investment in the account (including the background or financial status of any issuer, sponsor, or third party involved in any investment). Any review or approval of an investment by STC is solely for its own internal purposes (such as determining administrative feasibility) and shall not be construed as a recommendation or endorsement of the investment.
- **Responsible for Tax Consequences** – The Depositor acknowledges that certain transactions or distributions may have tax consequences or may result in penalties under the Internal Revenue Code (for example, early distribution penalties, required minimum distribution rules, prohibited transaction excise taxes, Unrelated Business Income Tax, etc.). STC has no duty to monitor or ensure the Depositor’s compliance with such tax requirements. The Depositor is solely responsible for consulting with tax advisors and for adhering to all tax laws and IRS regulations applicable to the account. STC shall not be responsible for any taxes, penalties, or other consequences that result from the Depositor’s investment choices or failure to comply with applicable law.
- **Ambiguous or Disputed Instructions** – If STC receives ambiguous or conflicting instructions, or if there is any dispute or uncertainty regarding a transaction or the ownership of account assets, STC may refrain from taking any action until the ambiguity or dispute is resolved to its satisfaction. STC may also decline to execute any instruction that, in its reasonable judgment, is incomplete, could violate applicable law or this Agreement, or cannot feasibly be executed.

9.05 **Role of Custodian (Passive Custodian – No Fiduciary Duties)** – STC is a passive, non-discretionary custodian of the account. This means that STC’s role is strictly limited to holding assets and performing certain administrative tasks on behalf of the Depositor as directed, without any duty to review or recommend investments. The Depositor acknowledges and agrees that nothing in this Agreement, and no action by STC, shall be construed as conferring any fiduciary status or obligation upon STC. STC has no discretionary authority, control, or responsibility with respect to management or disposition of the account assets, and no duty to perform any investigation or oversight of investments. In particular:

- **No Investment Advice or Endorsement** – STC does not provide investment advice, legal advice, or tax advice to the Depositor, nor does STC endorse or recommend any investment product, sponsor, or strategy. The decision to buy, sell, or hold any investment rests exclusively with the Depositor. Execution of the Depositor’s investment instructions (or STC’s refusal to execute an instruction for administrative or legal reasons) does not constitute investment advice or a determination of the investment’s merit.
- **No Fiduciary Duty** – The Depositor acknowledges that STC’s services are ministerial and administrative in nature. STC is not a trustee and does not have a fiduciary duty to the Depositor or the account. By performing services and carrying out

instructions under this Agreement, STC is acting as the agent of the Depositor and not exercising discretion or control over the assets. The Depositor and STC agree that STC is not a “fiduciary” for purposes of any federal or state law governing custodial or trust accounts.

- **Limited Duties; No Monitoring** – STC shall not be required to perform any services except those specified in this Agreement or required by applicable law. STC will not monitor the performance of investments, the actions of any investment sponsor or promoter, or the ongoing suitability of any investment in the account. STC will not monitor or enforce any investment-specific requirements (such as payment of interest, dividends, maturities, or borrower obligations on a promissory note). Furthermore, STC will not monitor or notify the Depositor of any legal deadlines or requirements, such as required minimum distributions, beneficiary age limitations for Coverdell ESA accounts, or plan contribution deadlines – these remain the sole responsibility of the Depositor. For example, STC is not responsible for tracking the 5-year or 10-year distribution rules for inherited IRAs or monitoring when a Coverdell ESA beneficiary reaches the age where a distribution or transfer is required; the Depositor or beneficiary must ensure compliance with such rules. Doing so out of service, does not bind us to be required.
- **Use of Agents** – STC may employ third-party agents or affiliates to perform certain administrative or custodial services on its behalf, such as recordkeeping or asset servicing. Any such agent shall have the same rights and limitations as STC has under this Agreement. Any limitations of liability or obligations stated in this Agreement for the benefit of STC (including in Sections 9.05, 9.11 and 9.12) shall apply equally to any officers, directors, employees, and agents of STC and any third-party service providers assisting STC.
- **No Extension of Credit** – The Custodian has no obligation to extend credit, lend funds, or advance cash to the Depositor or the account. STC shall not be subject to margin calls and will not disburse payments beyond the cash balance available in the account for any reason whatsoever.
- **Exclusive Benefit** – The account and its assets shall be held for the exclusive benefit of the Depositor (and after death, the beneficiaries). STC shall not use the account assets for any purpose other than as directed by the Depositor, except as authorized by this Agreement or required by law (such as deducting fees or expenses).

#### 9.06 **Investment Direction and Permitted Assets**

**Depositor’s Exclusive Control** – The Depositor shall have sole authority and responsibility to select and direct the investment of all assets in the account. STC will act only upon the Depositor’s (or the Depositor’s authorized agent’s) specific instructions to execute purchases, sales, transfers, or other transactions. All contributions to the account, and any earnings thereon, shall be invested and reinvested as directed by the Depositor in any investment permitted under this Agreement that STC is capable of holding in its custodial capacity.

**Permissible Investments** – The Depositor may direct investments in a wide range of alternative and traditional assets, to the extent not prohibited by law and administratively feasible for STC to hold. Permissible investments include, but are not limited to: publicly traded securities (stocks, bonds, mutual funds, ETFs, options, etc.); privately offered securities and equity or debt interests in privately held businesses or ventures; real estate properties or interests; mortgages, deeds of trust, promissory notes and other debt instruments (secured or unsecured); tax liens or tax certificates; certain precious metals and coins (to the extent allowed by law);

shares or units of common trust funds or pooled investment funds that qualify under IRC §408(b)(5); certificates of deposit and other bank deposit instruments; and any other investment asset or instrument that the Custodian determines it can administer and that is not prohibited by Section 408 or 4975 of the Internal Revenue Code. STC does not impose an investment diversification requirement; assets may be non-diversified, risky, and illiquid – those are choices made by the Depositor.

**Administrative Feasibility** – Not all legally permissible investments are administratively feasible for STC to hold. STC, in its sole discretion, reserves the right to refuse to accept or hold any investment or asset in the account if holding such asset would be illegal, violate STC’s internal policies, or would impose burdens or potential liabilities on STC that it is unwilling to assume. The Custodian is not required to communicate the reasons for any such decision to refuse an investment direction. The Depositor agrees to provide any and all documentation or information that STC may request in connection with an investment to determine its administrative feasibility or to satisfy compliance requirements. STC may decline to process any investment or transaction until all required documents are received in a form acceptable to the Custodian.

**No Review of Legality or Merit** – STC will not determine whether any investment is “appropriate” or prudent for the account, or whether it is permissible under ERISA, the Internal Revenue Code, securities laws, or any other applicable law (except that STC may refuse prohibited transactions it actually recognizes as such). The Depositor is responsible for confirming that any investment does not constitute a prohibited transaction and does not require special governmental approval or licensing. If any investment in the account is of a type that is or may be considered a “security” under federal or state securities laws, the Depositor represents and warrants that either (a) the investment is registered under applicable securities laws, or (b) the investment is exempt from registration. The Depositor acknowledges that STC is relying on this representation and expressly releases and waives any claims against STC for carrying out a purchase or funding an investment that may violate securities laws or any other laws. The Depositor further agrees to indemnify and hold STC harmless from any and all claims, liabilities, fines, or penalties that may arise from any investment’s non-compliance with law or failure to meet regulatory requirements (indemnification is more fully set forth in Section 9.10).

**Investment Documentation** – The Depositor is responsible for ensuring that all supporting documents relating to any investment (e.g., subscription agreements, promissory notes, real estate deeds, operating agreements, etc.) are properly executed and delivered to STC in a timely manner. STC is not responsible for the sufficiency or enforceability of any documents prepared by or on behalf of the Depositor. STC will execute documents on behalf of the account as directed, solely in a custodial capacity (e.g., signing as “[Specialized Trust Company Custodian FBO (Depositor Name), Account Type]”). STC shall not incur personal liability by executing any document as custodian for the Depositor’s account.

**Follow-up on Investments** – After an investment is made, STC’s duties are limited to holding the asset and processing assets or payments that are received by it in the normal course. STC does not actively monitor whether the Depositor’s investments are performing as expected or whether any party to an investment is fulfilling their obligations. For example, STC is not obligated to monitor a borrower’s payments on a promissory note, to initiate collection or legal action against any party, or to exercise any rights with respect to an investment unless and until it is instructed to do so by the Depositor and has agreed to such instruction. Any costs

or expenses associated with maintaining or enforcing an investment (such as property taxes, insurance, HOA fees, note collection costs, etc.) are the sole responsibility of the Depositor; STC will only pay such expenses from the account upon explicit written direction from the Depositor, and the Depositor must ensure sufficient cash is available for such purposes.

**Insurance and Asset Maintenance** – STC has no responsibility to secure or maintain insurance coverage on any asset held in the account or as collateral for an investment (for example, casualty insurance on real property or liability insurance for an activity) – that responsibility lies exclusively with the Depositor. Similarly, STC is not responsible for ensuring that any taxes, assessments, or other charges related to any investment are paid. The Depositor must direct STC if the Depositor wishes a bill or expense to be paid from the account, and STC may require an acceptable form or written direction for each such payment. While STC may, in its discretion, advance payment for taxes or other urgent expenses to protect an asset, STC is not obligated to do so; and if it does, the Depositor agrees that STC may promptly reimburse itself from the account (or the Depositor personally) for any such advanced amounts.

**Outside or Linked Brokerage Accounts** – In some cases, the Depositor may desire to hold publicly traded securities or other assets through a third-party brokerage account linked to the custodial account. With the Custodian’s prior consent, the Depositor may open an outside brokerage or trading account in the name of the Custodian (Specialized Trust Company) for the benefit of the Depositor’s IRA or other custodial account. Any such outside brokerage account shall be titled in the name of the Custodian (or its nominee) as custodian for the Depositor’s account. The Depositor may then direct a designated broker-dealer to execute trades or investments within that account, consistent with the scope that the Custodian has agreed to. STC will not be responsible for the execution, quality, or timing of any orders placed with an outside broker. The broker will act on the Depositor’s instructions (which may be given directly by the Depositor to the broker, if permitted), and STC’s role is limited to opening the account and, if required, transferring funds to the brokerage account or receiving funds from it.

- **No Duty to Monitor Broker or Investments** – STC bears no liability for any actions or omissions of the chosen broker-dealer. STC is not responsible for reviewing the transactions executed in the brokerage account, and STC will not verify whether each individual trade was authorized by the Depositor. Any cash or assets held in the brokerage account are considered part of the custodial account, but STC will not demand or receive any cash from the broker unless and until directed by the Depositor. It is the Depositor’s sole responsibility to review statements from the broker and to instruct STC if any cash or securities should be moved between the brokerage account and the Custodian.
- **Indemnity for Broker-Directed Trades** – The Depositor agrees to indemnify and hold harmless STC for any claims, losses, or expenses arising from activities in any such outside brokerage account. This includes, but is not limited to, any claim that an order was not authorized, any errors or misconduct by the broker in executing trades, any loss of value in the assets, or any failure of the broker to follow the Depositor’s instructions. The Depositor’s indemnification of the Custodian covers any legal fees or costs incurred by STC in connection with such claims (as further detailed in Section 9.10).
- **Provision of Statements** – The Depositor agrees to ensure that STC is provided (at least annually) with copies of statements from the outside brokerage account, or to grant the Custodian

electronic access to view the account. This is necessary for proper recordkeeping and asset valuation. STC is not responsible for tracking the performance or value fluctuations of assets in the outside account in real time; valuations will typically be recorded based on periodic statements or other available market data.

**9.07 Uninvested Cash & Cash Management** – This section describes how uninvested cash in the account (i.e., any cash contributions, income, or liquidation proceeds that the Depositor has not yet directed into a specific investment) will be handled by the Custodian, and the terms and limitations related to such cash management.

**Pooled Custodial Deposit Accounts** – By entering into this Agreement, the Depositor directs and authorizes STC to deposit all uninvested cash from the account into one or more pooled custodial accounts or omnibus deposit accounts held at third-party financial institutions. These custodial deposit accounts will typically be maintained at FDIC-insured banks or savings institutions selected by STC, or in other interest-bearing instruments that are insured or guaranteed by the federal government (for example, U.S. Treasury bills or other U.S. government-backed obligations). STC may commingle the uninvested cash of the Depositor’s account with the uninvested cash from other clients’ custodial accounts for the purpose of efficient administration and deposit insurance coverage. Records will be maintained (through sub-accounting) to show the Depositor’s share of the pooled account at all times.

**Permitted Cash Investment Vehicles** – Uninvested cash from the account may be placed by STC into any of the following types of vehicles, at STC’s discretion, in order to earn a return of interest or yield: (a) deposit accounts at federally insured banks or credit unions (including demand accounts, savings accounts, or money market deposit accounts) which are eligible for FDIC or NCUA insurance; (b) brokered certificates of deposit (CDs) or time deposits issued by FDIC-insured institutions; (c) U.S. Treasury bills, bonds, or notes or other obligations that carry the full faith and credit guarantee of the United States; (d) interest-bearing savings bonds or government-backed securities; or (e) such other short-term, high-quality, and liquid instruments that are insured or guaranteed by the U.S. government or an agency thereof. STC will select such investments with a primary emphasis on preserving principal and maintaining liquidity, rather than maximizing yield. The Depositor understands that STC may sweep the cash into these vehicles without further specific direction from the Depositor.

**Hold-To-Maturity Policy** – STC’s general policy is to select short- to medium-term fixed income instruments (such as CDs or Treasury bills) for uninvested cash and to hold such instruments to their maturity. By holding instruments to maturity, STC seeks to avoid market price fluctuations and ensure that full principal (and any accrued interest) is available at maturity to credit back to the respective accounts. However, the Depositor retains the right to withdraw or direct the use of uninvested cash at any time, and STC will make reasonable efforts to accommodate withdrawals even if it requires early liquidation of a term investment. In most cases, if STC must liquidate a pooled time deposit or security before maturity to fulfill the Depositor’s (or other depositors’) withdrawal requests, STC will bear any associated early withdrawal fee or penalty, so that the Depositor’s requested principal amount can be made available without reduction for such penalties. The Depositor should be aware that frequent or large withdrawals of uninvested cash by many account holders may necessitate unplanned liquidations of instruments by STC.

**Liquidity and Access to Funds** – STC strives to honor all requests for withdrawals or transfers of uninvested cash promptly. Under normal circumstances, withdrawal requests are processed, and cash is made available without delay (typically within a few business days, subject to standard funds availability for incoming deposits or sale settlements). In rare circumstances, such as unusually large or concurrent withdrawals by multiple account holders, or in the event of market disruptions that affect the liquidity of normally liquid instruments, STC may require additional time to coordinate and fulfill requests. If such a scenario occurs, STC will take all reasonable steps to minimize delays and will communicate with affected Depositors regarding the status. The Depositor acknowledges and accepts that temporary delays or restrictions on access to uninvested cash may occur in extraordinary circumstances beyond STC’s control (for example, if a bank holding a pooled deposit fails or if the U.S. Treasury market closes unexpectedly).

**Limitations of Liability for Liquidity Delays** – While STC will make commercially reasonable efforts to provide timely access to uninvested funds, the Depositor agrees that: (i) Occasional timing or coordination challenges may occur (e.g., needing to break a CD early or wait for a large redemption), which could result in short-term delays in satisfying withdrawal requests; (ii) STC is not liable for any such delays or temporary access restrictions when they result from extraordinary circumstances or market conditions beyond its control; and (iii) STC will ensure that, notwithstanding any delay, the Depositor’s funds remain protected (by FDIC insurance, U.S. government guarantee, or otherwise by the terms of the investment) such that the Depositor’s principal and any due interest are ultimately secure and available once the underlying instrument matures or is redeemed.

**Interest on Uninvested Cash; Custodial Interest Retention** – Uninvested cash in the account may earn interest or yield from the financial institutions or instruments in which it is placed. STC may, but is not required to, credit a portion of such interest to the Depositor’s account as interest on the uninvested cash balance. The rate of any interest that STC chooses to credit to the account is determined by STC in its sole discretion and is not fixed; it may be adjusted by STC from time to time without prior notice to the Depositor. (Currently, STC’s policy is to credit 0.0% interest to uninvested cash balances, meaning that since 2015 no interest has been paid to depositors on uninvested cash, but this rate is subject to change at any time without notice.) Any interest or earnings on uninvested cash that exceed the amount (if any) that STC credits to the Depositor’s account will be retained by STC as part of its compensation for providing custodial services. The Depositor acknowledges and agrees that STC may receive such excess interest or other benefits from the pooled deposit investments.

**Original Issue Discount and Custodial Earnings** – In certain cases, STC may invest uninvested cash in instruments that do not pay periodic interest but are issued at a discount and pay a higher value at maturity (for example, U.S. Treasury bills or zero-coupon bonds). STC may economically realize interest income or original issue discount (“OID”) on such instruments at or near the time of placement or during the term of the investment, even if the instrument’s full payment or maturity occurs at a later date.

For the avoidance of doubt, the Depositor acknowledges that certain U.S. Treasury or other government-backed instruments purchased by STC for pooled custodial accounts may be acquired at a discount to face or maturity value. The difference between the purchase price and the stated maturity value (original issue discount or “OID”) represents custodial compensation to STC and is not an asset of the Depositor.

The Depositor further acknowledges and agrees that while OID legally accrues over the term of the instrument and is payable only at maturity, STC may economically realize, receive, advance, or otherwise settle anticipated OID compensation at or near the time the instrument is purchased, based on prevailing market pricing and broker execution. Any such early realization, advancement, or settlement of expected OID compensation by STC shall not reduce, impair, encumber, or otherwise affect any Depositor's contractual entitlement to principal, the contractual maturity value, or the maturity proceeds payable to the Depositor.

The Depositor understands and agrees that STC may retain any such interest or OID earnings as part of its custodial compensation, and that these retained earnings will not be credited to the Depositor's account. However, no Depositor's entitlement to principal or maturity proceeds shall be reduced or impaired by STC's retention, early realization, advancement, or settlement of such earnings; the Depositor's principal (and any contractually payable interest on the instrument, if applicable) will be available to the account at the instrument's maturity or redemption.

The Depositor further understands that the full face or maturity value of such instruments will be remitted by the executing broker, issuer, or paying agent (including the U.S. Treasury, if applicable) directly to the pooled custodial account at maturity, and that such maturity proceeds are not dependent upon STC retaining, not retaining, advancing, realizing, or settling any OID amount.

The Depositor acknowledges that the interim market value of certain U.S. Treasury securities, certificates of deposit, or similar hold-to-maturity instruments may fluctuate prior to maturity due to interest rate movements or market conditions. Such interim pricing fluctuations are not indicative of realized losses and do not affect the contractual maturity value payable to the Depositor. STC has no obligation to monitor, report, or act upon such interim market value changes.

The Depositor acknowledges that there may be a timing difference insofar as STC may derive economic benefit from an investment (such as through OID accrued or custodial compensation realized, advanced, or settled prior to maturity), while the Depositor's contractual entitlement to principal and any stated interest is realized only at maturity. Such timing differences, to the extent they occur, do not affect the amount due to the Depositor under the terms of the investment, nor do they impose any cost, loss, or risk on the Depositor's account; such amounts are fully absorbed by STC as part of its custodial business model.

Retention, early realization, advancement, or settlement of OID by STC constitutes custodial compensation only and does not create any obligation on STC to accrue, segregate, reserve, or prefund such amounts, or to guarantee or advance liquidity prior to maturity. STC will provide any disclosures or IRS reporting required by law in connection with interest or OID earned on pooled custodial investments.

**Changes to Program and Vehicles** – STC reserves the right to modify the cash management program or change the selection of depository institutions or instruments used for uninvested cash at any time in its discretion. STC may establish a policy threshold whereby cash above a certain minimum balance is automatically swept into higher-yield investments or funds and may alter such program or discontinue it without prior notice. STC may also, at its discretion, hold some uninvested cash in a non-interest-bearing status (for example, to satisfy anticipated distributions or pending investment purchases) without liability for not producing a return. The cash management services provided by STC are contemplated as part of its normal custodial functions, and the Depositor

consents to STC's earning compensation through management of uninvested cash as described above.

#### 9.08 **Custodial Fees and Expenses**

**Fee Schedule** – STC charges certain fees for establishing and maintaining the account and for performing various transactions or services. The Depositor agrees to pay all fees and charges as set forth in the STC Fee Schedule, which has been provided to the Depositor (and is incorporated by reference into this Agreement), or as otherwise agreed in writing. These fees may include (but are not limited to) account establishment fees, annual administration fees, asset-based fees, transaction fees, fees for distributions or transfers, wire fees, document review fees, account termination fees, and other service charges. STC may also be entitled to reimbursement from the account for any reasonable expenses incurred in connection with the administration of the account, including without limitation postage, legal fees, appraisal fees, or other costs associated with a specific investment. STC has the right to be reimbursed for all such expenses and to charge either the Depositor directly or deduct the amount from the account assets.

**Payment of Fees** – Annual administrative fees (if any) will typically be billed in advance on the anniversary of the account opening (or on another periodic schedule disclosed by STC), based on the account's asset value or a flat fee as specified in the Fee Schedule. Transaction-based fees (such as purchase, sale, or distribution fees) will be charged at the time of the transaction. The Depositor may choose to pay fees by providing an alternative payment method (e.g., credit card or check) prior to the due date. If the Depositor prefers to pay fees from a source outside the account, the Depositor should notify STC in writing and provide payment before the fee due date. By default, if fees are not timely paid out-of-pocket, STC will deduct any outstanding fees or charges from available uninvested cash in the account. The Depositor expressly authorizes STC to withdraw cash from the account to pay fees and expenses owed, at STC's discretion.

**Credit Card Authorization** – The Depositor may be required to maintain a valid credit or debit card on file with STC to facilitate the payment of fees. By providing a credit card or other payment method, the Depositor authorizes STC to charge that card for any fees, charges, or obligations owed by the Depositor under this Agreement, in the event that sufficient funds are not available in the account to cover the amounts due. STC will typically attempt to notify the Depositor before charging a card on file for annual fees or large expenses but is not required to obtain additional permission to utilize the provided payment method for due and owing amounts. The Depositor agrees to promptly update the payment information on file if a card expires, is canceled, or reaches its limit. If the Depositor fails to maintain a valid payment method and does not pay a billed fee when due, STC's enforcement rights below shall apply. STC reserves the right to impose a reasonable processing fee (up to 3.5%) for payments made by credit card to offset merchant costs.

**Changes to Fees** – STC may change its fee schedule from time to time. In general, STC will provide at least 30 days' advance written or electronic notice to the Depositor of any changes to the basic fee schedule. Fee changes will become effective at the next billing cycle or as stated in the notice. If the Depositor continues to maintain the account after the effective date of a fee change, the Depositor will be deemed to have agreed to the new fees. Current fees may also be obtained by contacting STC or visiting its website. STC's failure to charge a fee or enforce any fee provision in any instance shall not be deemed a waiver of its right to do so subsequently.

**Out-of-Pocket Expenses** – The Depositor may elect in some cases to pay certain expenses related to the account or its investments from non-account funds (out-of-pocket) in order to avoid depletion of the

account. STC may permit this to the extent allowed by IRS rules without treating such payments as additional contributions. Guidance from IRS Revenue Rulings (e.g., 84-146) and any applicable Private Letter Rulings may be followed in determining which fees can be paid out-of-pocket without adverse tax consequences. The Depositor should consult a tax advisor if uncertain. STC is not responsible for monitoring how such payments are treated for tax purposes.

**Insufficient Cash** – The Depositor is responsible for ensuring that the account has adequate liquid funds to pay fees and any known expenses. STC recommends keeping a minimum cash balance (for example, \$1,000) in the account for fees and unforeseen costs. If the account has insufficient cash to cover outstanding fees or expenses, STC may liquidate assets as described in Section 9.09. STC is not obligated to advance or loan funds to cover fees.

9.09 **Collection and Enforcement Rights** – To the fullest extent permitted by law and this Agreement, STC has the right to take action to collect any unpaid fees, costs, or other amounts owed by the Depositor in connection with the account or this Agreement.

**Security Interest and Lien** – The Depositor hereby grants to STC a security interest and lien in the custodial account and all assets held therein as security for the payment of all fees, expenses, indemnified amounts, or other obligations owed to STC under this Agreement. STC may take any action permitted by law to enforce this security interest, including, but not limited to, freezing the account or liquidating assets within the account if needed to satisfy the outstanding obligations. STC's lien is superior to the interest of the Depositor and any beneficiary, successor, or creditor in the account, to the extent of any fees or other amounts due.

**Set-Off and Cross-Account Recovery** – In addition to the lien rights described above, the Depositor expressly authorizes STC to deduct from or set off against any other account the Depositor maintains with STC (or any affiliate of STC) any outstanding fees, charges, or obligations owed by the Depositor. This means that STC may, without further consent, take funds from any other account in the Depositor's name to cover amounts owed in this account. This authorization extends to any accounts held at STC by the Depositor's spouse or any of the Depositor's children, to the extent the Depositor has legal authority over or beneficial interest in those accounts and such accounts contain available funds. The Depositor acknowledges that this cross-account recovery provision is a material condition of custodial services – it remains effective even after the closure of the account and until all outstanding obligations to STC are fully satisfied. STC will make a reasonable effort to notify the Depositor of any such inter-account transfer after it occurs.

**Asset Liquidation** – If any fee, expense, or other amount owing to STC is not paid when due, STC has the right, after 30 days' notice of delinquency (or without notice if notice has been given and the amount remains unpaid), to liquidate any assets in the account as necessary to pay the amount owed, to the extent permitted by law. STC may choose which asset(s) to liquidate and may liquidate enough assets to cover the unpaid amount plus any applicable fees or commissions associated with the liquidation. Such liquidation may be carried out without further notice to the Depositor (the Depositor's prior acknowledgement of this Agreement constitutes any required consent to such sale). Any asset may be sold by STC in its discretion, and STC shall not be responsible for any loss of investment value, loss of potential profit, or tax consequences resulting from the liquidation. If the liquidation of assets results in proceeds that exceed the amount owed, the excess will be returned to the account. If the liquidation does not cover the full amount owed (for example, due to market fluctuation or fees), the Depositor

remains liable for the deficiency. STC will notify the Depositor if a deficiency remains, and the Depositor shall promptly pay it.

**Suspension or Closure of Account** – In the event of significant delinquency or breach by the Depositor, STC reserves the right to take protective action, including suspending account transactions (other than necessary liquidations) or terminating the custodial account. If fees remain unpaid for more than 30 days, STC may, in its discretion, terminate (force close) the account. Upon termination for non-payment, all assets will be distributed or delivered to the Depositor (after liquidating assets that cannot be transferred in kind), and the account will be closed. Any such distribution upon account closure will be reported to the IRS as a taxable distribution (in the case of a tax-advantaged account) and may have adverse tax consequences for which the Depositor is solely responsible. The Depositor agrees that STC shall not be liable for any tax or penalty incurred due to a distribution that occurs as a result of account termination under this section.

If STC decides to terminate the account, it will send written notice to the Depositor (to the last known address or email on file) of the termination. The Depositor will be given a short period (typically 30 days) to pay any outstanding amounts or make other arrangements, but if the Depositor fails to cure the default, STC may proceed with closing the account and liquidating or distributing assets as described.

**Minimum Cash Balance Requirement** – STC may require that the account maintain a minimum liquid cash balance (for example, \$1,000) to cover fees and unexpected expenses. If the account balance falls below the required minimum (due to investment losses or withdrawals) and the Depositor does not restore the minimum or provide an alternative funding source, STC may, after notice, distribute the remaining assets to the Depositor and close the account. Such a distribution could be treated as a taxable event (or a distribution subject to penalty) in the year of distribution, and all resulting tax consequences or penalties are the responsibility of the Depositor. STC will not be liable for any losses or tax implications arising from enforcing the minimum balance policy.

**Other Remedies** – The rights enumerated in this section are in addition to, and do not limit, any other rights or remedies available to STC under this Agreement or applicable law. STC's decision to delay or refrain from exercising any remedy in one instance does not waive its right to do so in another instance or to exercise any other remedy. The Depositor agrees to pay any costs (including reasonable attorneys' fees) incurred by STC in collecting amounts owed by the Depositor or in enforcing its rights under this Agreement.

9.10 **Indemnification – Depositor's Indemnity Obligation** – To the fullest extent permitted by law, the Depositor agrees to indemnify, defend, and hold harmless STC, along with its officers, directors, managers, members, employees, agents, affiliates, successors and assigns (each an "Indemnified Party"), from and against any and all losses, claims, demands, damages, liabilities, penalties, fines, judgments, settlements, costs, and expenses (including reasonable attorneys' fees and legal costs) of any kind that arise out of or are related to: (a) this Agreement or the administration of the account; (b) any investment, transaction, or activity in the account (including without limitation any claim arising from a decline in value of an asset, or any dispute with or involving an issuer, borrower, or other counterparty to an investment); (c) any breach of the Depositor's representations, warranties, or obligations under this Agreement; (d) STC's following or attempting to follow any instruction or direction from the Depositor or the Depositor's authorized agent; (e) STC's refusal to act in the absence of proper instructions or as otherwise contemplated by this Agreement; or (f) any act or omission of the

Depositor (including the Depositor's agents, investment advisors, or appointed representatives).

This indemnification means that, if any Indemnified Party incurs any expense, loss, or liability in connection with the account or this Agreement due to one of the above-listed causes, the Depositor will reimburse those amounts and will also cover the Indemnified Party's costs of defense (e.g., attorney's fees) if applicable. The Depositor's obligation to indemnify applies regardless of whether the claim against the Indemnified Party is brought by the Depositor, a beneficiary, a third party, or any governmental or regulatory authority.

**Scope of Indemnity** – The Depositor's indemnity obligation includes, but is not limited to: claims asserting some liability or theory of recovery against STC because of actions taken in good faith by STC (or its agents) in reliance upon instructions from the Depositor; claims arising from any good-faith error or omission by STC in executing instructions (except to the extent such error is adjudicated to result from STC's gross negligence or willful misconduct, in which case this indemnity shall not apply to the portion of losses attributable thereto); any claim of a prohibited or improper transaction, or disqualification of the account's tax-advantaged status, due to the Depositor's actions; and any claim arising from the Depositor's investment being deemed to violate any law (including securities laws or IRS rules) or the rights of any third party. The Depositor further agrees to hold Indemnified Parties harmless from any and all liability for the actions or inactions of any third party (such as any broker, investment sponsor, or property manager) selected by the Depositor to provide services or investments for the account.

**Advancement and Reimbursement of Costs** – The Depositor agrees to pay, or to reimburse on demand, all expenses and costs (including attorneys' fees) incurred by an Indemnified Party in defending or resolving any claim or proceeding covered by the above indemnity, even if such claim is made by the Depositor himself. At the election of STC, the Depositor shall, upon notice, advance to STC funds to cover anticipated legal fees or other costs relating to any such claim. STC shall have the right to deduct any such indemnified amounts or advance funding from the account without prior notice if the Depositor fails to pay promptly. If STC is asked to provide evidence of its authority or actions as Custodian (for example, if the account's assets are involved in a legal dispute or garnishment), STC shall be entitled to reimbursement from the Depositor for all related costs and fees (including legal fees) it incurs.

The Depositor's indemnification obligations shall survive the termination of this Agreement and the resignation or removal of the Custodian.

**9.11 Legal Proceedings Involving the Account** – Depositor's Responsibility in Litigation – If the account or any asset thereof becomes involved in any litigation, lawsuit, arbitration, or legal proceeding (collectively, "Legal Proceedings"), the Depositor is solely responsible for prosecuting or defending such Legal Proceedings, including retaining legal counsel and paying all associated costs. This includes situations where the Depositor initiates a lawsuit on behalf of the account (for example, to enforce a promissory note or to make a claim concerning an investment), as well as situations where the account's asset or STC's role as Custodian is brought into a dispute by third parties.

**Notification and Custodian Named as Party** – The Depositor must promptly notify STC if the account or any asset is involved in any Legal Proceedings. If STC (or any of its officers or agents) is named as a defendant or party in any Legal Proceedings related to the account or an investment, the Depositor must take steps to have STC removed as a named party if possible and shall indemnify and hold

STC harmless from any costs or liabilities as a result of being named. STC may, in its discretion, require the Depositor to retain counsel on STC's behalf (subject to STC's approval of the counsel) to defend STC's interests in the proceeding. Alternatively, STC may choose to engage its own counsel to defend or represent it, and the Depositor agrees that any and all attorneys' fees and costs incurred by STC shall be borne by the Depositor or the account (and may be deducted from the account assets). Before using account assets to pay such costs, STC will notify the Depositor if feasible to do so.

**Cooperation and Information** – The Depositor agrees to fully cooperate with any effort by STC to contest, defend, or resolve any Legal Proceedings involving the account. This includes promptly providing documents, sworn statements, or declarations, and/or attending proceedings, as necessary. If the Depositor initiates a Legal Proceeding on behalf of the account, the Depositor agrees to name the Custodian in its representative capacity (and not individually) as a necessary party. For example, if the Depositor's IRA is the plaintiff in a lawsuit, the proper designation might be "Specialized Trust Company, Custodian FBO [Depositor's Name], Account Type." STC can provide guidance on the required titling, and the Depositor agrees to follow such guidance. The Depositor shall also provide STC with copies of all pertinent legal documents filed or issued in such proceedings upon request.

**No Obligation of Custodian to Act** – The Depositor understands that STC will not initiate legal action on behalf of the account, and STC will not independently defend or pursue any claim (except to protect its own interests as Custodian) unless absolutely required by law. STC's involvement in any legal matter is passive and at the direction of the Depositor. If the Depositor fails to direct and adequately protect the account's interests in a dispute, STC is not obligated to step in. However, if STC is exposed to potential liability or expense due to the Depositor's lack of action, STC may, after notice to the Depositor when practicable, take necessary steps to protect itself (for example, paying taxes or responding to court orders) and charge any costs to the account or the Depositor personally.

**Indemnification for Legal Proceedings** – In addition to the general indemnity in Section 9.10, the Depositor specifically agrees to indemnify and hold STC (and its officers, directors, and employees) harmless from any legal expenses, judgments, or liabilities that STC incurs in any Legal Proceedings involving the account. If the Depositor does not provide for STC's legal defense or separate counsel is deemed necessary by STC, STC may hire its own counsel and recover all associated costs from the Depositor or the account. STC may also place a lien on account assets or liquidate assets as needed to ensure recovery of such costs (as described in Sections 9.09 and 9.10).

#### **9.12 Limitation of Liability of Custodian**

**No Custodian Liability for Investment Results** – The Depositor acknowledges that all investment decisions are made at the Depositor's sole risk. STC shall not be liable for any loss, depreciation, or expense which arises from the Depositor's exercise of investment control over the account. The Custodian is not responsible for losses resulting from a decline in value of any asset or for any unrealized profit. STC has no duty to question any investment direction, and therefore STC is not liable for any consequences stemming from executing such directions (including, but not limited to, taxes or penalties resulting from an investment). The Depositor bears complete responsibility for the success or failure of any investment.

**No Liability for Internal Revenue Service or Legal Compliance** – STC does not warrant or guarantee that any investment or transaction will be deemed permissible or compliant by the IRS or any other regulatory authority. STC shall not be responsible for any tax consequences, penalties, or other damages that may arise from the

Depositor's actions or investments, including but not limited to prohibited transactions, UBIT (Unrelated Business Income Tax) liabilities, reportable transactions, or the loss of the account's tax-deferred or tax-exempt status. Any such consequences shall be borne solely by the Depositor.

**Consequential Damages** – To the maximum extent permitted by law, STC (and its officers, directors, employees, and agents) shall not be liable for any indirect, special, incidental, punitive, or consequential damages (including lost profits or loss of opportunity) arising out of or related to this Agreement or the account, even if STC has been advised of the possibility of such damages. In any claim or dispute arising under this Agreement, the liability of STC shall be limited to the amount of fees paid by the Depositor to STC for the particular service or transaction at issue, or the actual direct loss to the account (if any) caused by STC's error, gross negligence, or willful misconduct, whichever is less. The Depositor agrees that this limitation of liability is reasonable and appropriate given the purely custodial nature of STC's services.

**Force Majeure** – STC shall not be liable for any failure or delay in performing its obligations if such failure or delay is caused by circumstances beyond its reasonable control, including but not limited to: natural disasters, wars, acts of terrorism, strikes or labor disputes, electrical or telecommunications outages, hacker or cyber-attacks, government restrictions, court orders, or market suspensions. In the event of such force majeure, STC will resume performance as soon as practicable and will take reasonable steps to minimize disruption.

**No Duty Beyond Agreement** – The Depositor agrees that STC's duties and responsibilities are strictly limited to those expressly stated in this Agreement. STC has no implied duties or obligations and is not acting as a trustee, fiduciary, investment manager, or tax advisor. STC is not responsible for any information or representations that may have been made by any third party concerning STC or the account that are not contained in this Agreement or written communications from STC.

**Reliance on Documents and Instructions** – STC may rely conclusively upon and shall incur no liability in acting or refraining from acting upon, any written or oral instruction or any document believed by it in good faith to be genuine and properly authorized. STC is not responsible for discovering any falsity, forgery, or irregularity in any such instruction or document. For example, if a fraudulent instruction is given by someone impersonating the Depositor or the Depositor's agent, STC is not liable for any resulting loss provided it acted in good faith in executing that instruction.

**Limitation on Actions** – Any claim or cause of action by the Depositor which arises out of this Agreement or the services provided by STC shall be commenced within one (1) year after the Depositor knew or should reasonably have known of the facts giving rise to the claim, and in any event no later than three (3) years after the cause of action accrued. This limitation period shall apply to the fullest extent permitted by law.

**Officers, Directors, and Agents Protected** – It is expressly understood and agreed that the officers, directors, employees, agents, and affiliates of STC shall not be personally liable for any obligations or liabilities of STC as Custodian under this Agreement. The Depositor waives any right to sue or recover from the individuals associated with STC for acts or omissions taken in connection with the account. If any officer or employee of STC is named in litigation in connection with the account, it shall be deemed solely in their capacity as an agent for STC. The provisions of this Section (and the indemnification in Section 9.10) are intended to protect and inure to the benefit of such individuals, who are considered third-party beneficiaries of these terms.

**Exculpation** – To the extent permitted by law, STC shall not be liable for any action taken or not taken in good faith pursuant to this Agreement. STC shall not be liable for any default or misconduct of any third parties, such as issuers of securities, depositories holding assets, brokers executing trades, or any other service providers not employed by STC. However, nothing in this Agreement shall be construed to relieve STC from responsibility for its own gross negligence or willful misconduct. In any situation where STC is found liable for failing to carry out its duties in accordance with this Agreement, the Depositor's remedy shall be limited to restoring the account to the position it would have been in had the error or breach not occurred, subject to the limitations on damages noted above.

#### 9.13 **No Investment Advice; Communications and Marketing**

**No Advice or Recommendations** – The Depositor acknowledges that STC does not provide investment, legal, or tax advice or recommendations. Any information provided by STC, whether in written materials, on its website, in webinars, workshops, podcasts, or through representatives of STC, is intended for educational and general informational purposes only. The Depositor is solely responsible for evaluating investment opportunities and should consult independent financial or legal professionals before making decisions. No communication from STC (or from any third-party presenters at STC events) will be construed as advice or an endorsement of any particular investment. STC's employees and agents are instructed not to provide advice; any opinions expressed by such persons are their personal opinions and not to be relied upon as advice from the Custodian.

**Educational Materials and Seminars** – From time to time, STC may make available newsletters, articles, webinars, seminars, or other educational content about self-directed IRAs, real estate investing, precious metals, cryptocurrency, or other investment topics. These educational and marketing materials are for illustrative or explanatory purposes only. While STC strives to provide accurate and useful information, it does not guarantee the accuracy or completeness of any information presented. None of these materials modify or supersede the terms of this Agreement. In the event of any contradiction between something stated in a marketing or educational piece and this Agreement, the terms of this Agreement shall govern. The Depositor should always refer to this Agreement and official STC communications for the rules governing the account.

**No Amendment by Communications** – The Depositor should not rely on any oral statements made by any STC representatives or any written promotional materials as altering the rights and obligations set forth in this Agreement. Changes to the Agreement can only be made through a written amendment or revision issued by STC (as described in Section 9.03). If the Depositor believes that any staff member or agent of STC has offered advice or made a commitment inconsistent with this Agreement, the Depositor must bring it to STC's attention promptly, and the Depositor should not act in reliance on such information unless and until it is confirmed in writing by an authorized officer of STC.

**Third-Party Relationships and Compensation** – The Depositor understands that STC may have business relationships with certain third-party investment providers, educators, or referral sources. STC may pay or receive fees, sponsorships, or other compensation to or from third parties in connection with educational events, referrals of account holders, or other business arrangements. For example, STC might host a seminar where outside experts present, and STC could receive a portion of event proceeds or a marketing fee. Any such relationships will be disclosed as required by law. The Depositor acknowledges this disclosure that STC might benefit financially from such arrangements but also affirms that STC does not endorse or recommend any specific investment, sponsor, or provider,

regardless of any such relationship. The Depositor must perform their own due diligence on any investment opportunity or provider, even if it was mentioned in an STC-sponsored event or communication.

**No Endorsement or Due Diligence** – References to third-party products, services, or websites in STC’s materials are provided for the Depositor’s convenience and should not be interpreted as approval or endorsement by STC. STC does not investigate or verify the reputation, licensing, or financial standing of any investment sponsor, promoter, or other third party that the Depositor may learn about through STC or hold an investment with through the account. For example, if STC allows an investment in a private fund or a precious metals dealer is mentioned in an STC seminar, that should not be taken as STC’s recommendation of that fund or dealer. The Depositor agrees that STC is not responsible for, and shall be held harmless from, any losses or problems arising from the Depositor’s interactions with any third parties, even if the Depositor learned of those parties through STC.

**Self-Directed Nature of Account** – All accounts administered by STC are self-directed. STC encourages each Depositor to consult with their own financial advisor, attorney, and/or CPA prior to making investment decisions. The Depositor should consider their own risk tolerance and investment objectives. STC will not evaluate whether an investment is prudent, suitable, or diversified. The Depositor understands that any investment can lose value, and some or all of the account’s investments may be illiquid, speculative, or subject to substantial risks. STC will not warn or prevent the Depositor from entering into a risky or bad investment, as that is not STC’s role. The Depositor must exercise caution and judgment in all account dealings.

**Communications Not Guaranteed** – STC may communicate important information to the Depositor through mail, email, or via online account portals. The Depositor is responsible for reading all communications from STC and for keeping STC apprised of current contact information. STC is not liable for any consequences that result from the Depositor’s failure to receive or act upon communications, provided STC sent the communication to the address or contact on file. Additionally, if STC provides any alerts or notices as a courtesy (for example, reminding of a required minimum distribution or alerting to a potential scam in the industry), this does not create an ongoing obligation for STC to provide such alerts.

**Entire Agreement & Client Acknowledgment** – The Depositor acknowledges that he/she has read and understands this Agreement. This Agreement, along with the executed application, any associated plan documents incorporated by reference (such as IRS Form 5305 or other required IRA plan language, if applicable), and the prevailing Fee Schedule, constitutes the entire agreement between the Depositor and STC regarding the custodial account. The Depositor is not relying on any oral or written representation or statement that is not expressly set forth in this Agreement. In choosing to open or continue a self-directed account with STC, the Depositor accepts and agrees to these terms and the allocation of responsibilities described herein. The Depositor further understands that use of any educational products or services provided by STC, even prior to formally opening an account, constitutes agreement to the disclaimers and terms of this Section 9.13 and the relevant portions of this Agreement.

#### 9.14 **Resignation or Replacement of Custodian**

**Voluntary Resignation by STC** – STC may resign as Custodian at any time upon at least 30 days’ prior written notice to the Depositor. In connection with such resignation, STC may appoint a qualified successor custodian or trustee to take over administration of the

account. The notice of resignation will include the effective date and, if a successor has been identified, the name and contact information of the successor custodian/trustee. If the Depositor does not respond to the notice of resignation, then on the effective date, the Depositor shall be deemed to have consented to the transfer of the account to the successor custodian and to the successor’s governing account agreement (which will be provided to the Depositor). The successor custodian will succeed to all of the rights, powers, and responsibilities of the Custodian under this Agreement or under a new agreement that is provided. The Depositor may alternatively choose to direct a complete distribution of the account or a transfer/rollover of the account to a different custodian of the Depositor’s choice within the notice period. If the Depositor fails to do so within 30 days of the notice, STC may proceed with transferring the account to the successor it appointed, and the Depositor will be bound by any new custodial agreement from that successor.

**Automatic Succession in Corporate Transactions** – If STC sells all or part of its custodial business, merges with another organization, or is acquired by another company, the purchaser or successor organization shall automatically become the custodian or trustee of the account without interruption, provided the successor is authorized to serve as a custodian or trustee under applicable law. The Depositor’s consent to such assignment is presumed by acceptance of this Agreement. STC will notify the Depositor of any such change in control or assignment of custodial duties. The Depositor has the right, if they do not wish to keep the account with the successor, to transfer the account to another custodian or request a distribution (subject to taxes/penalties if applicable) as permitted by law.

**Removal or Replacement by Depositor** – The Depositor may remove STC as Custodian and/or appoint a replacement custodian or trustee at any time by giving at least 30 days’ written notice to STC (or such shorter period as STC may agree to). In such event, the Depositor is responsible for making arrangements to transfer the account assets to the new custodian or for distributing the assets (which may have tax consequences). STC will cooperate, after receiving all required paperwork and any outstanding fees, in transferring assets to the new custodian or releasing assets for distribution. The Depositor remains liable for payment of any accrued fees or expenses owing to STC, and STC may retain sufficient assets or funds until those are settled.

**Custodian of Last Resort** – If STC resigns and no qualified successor is willing to assume custody of the account, STC may distribute the assets to the Depositor (or beneficiaries) outright. Such a distribution will be subject to any taxes or penalties applicable, and STC will not be responsible for those. STC will endeavor to give the Depositor an opportunity to find another custodian, but if none is found, the account may be closed and paid out.

**Final Accounting** – After resignation or removal of STC, STC shall have no further duties with respect to the account, except to account for the assets and deliver them to the successor or the Depositor as directed. STC will provide a closing statement or accounting up to the date of transfer. The Depositor agrees to release and hold STC harmless for any actions or omissions by successor custodians or trustees.

9.15 **Account Statements and Notices** – STC will furnish the Depositor with an account statement at least annually (or more frequently, at STC’s discretion or if required by law). The statement may be provided by mail or electronically, and will reflect the assets held in the account, contributions, distributions, fees charged, and transactions made during the statement period. The Depositor is

responsible for reviewing each account statement or report promptly upon receipt.

If the Depositor believes there is any error or discrepancy in a statement (or any report or notice from STC), the Depositor must notify STC in writing within 60 days of the date the statement or notice was sent. This includes any errors in reporting of contributions, withdrawals, asset values, or transactions. If the Depositor does not report an error or inconsistency within 60 days, the statement and STC's records shall be deemed accurate and conclusive, and STC shall be released from any liability for matters covered by that statement or notice. After such 60-day period, no adjustments will be made for the period reflected in that statement (absent manifest error that STC in its sole discretion chooses to correct).

For purposes of this Agreement, any communication or notice required to be given by STC is considered effective when mailed to the Depositor's address of record or when sent electronically (if the Depositor has consented to electronic delivery) to the email address or online account provided. The Depositor is responsible for keeping contact information up to date and for notifying STC of any changes in address, email, or phone number. STC may also post general notices on its website or online portal when applicable.

**Notices to STC:** The Depositor must send any written notices or instructions for STC to the designated address or electronic portal provided by STC. Certain requests (such as distributions, transfers, or beneficiary changes) must be on STC's prescribed forms and signed by the Depositor (with a medallion guarantee or notary if required by STC). STC shall not be bound by any notices or instructions that do not comply with its reasonable requirements for form and delivery.

#### 9.16 Miscellaneous Provisions

**Severability** – If any provision of this Agreement is found to be illegal, invalid, or unenforceable under present or future laws, that provision will be enforced to the maximum extent permissible, and the legality and enforceability of the remaining provisions shall not be affected.

**No Waiver** – The failure of STC to enforce any provision of this Agreement or to exercise any right or remedy provided by this Agreement or by law shall not be deemed a waiver of such provision, right, or remedy. A waiver on any one occasion shall not be construed as a bar or waiver of any right or remedy on any future occasion.

**Headings** – Section titles or headings in this Agreement are for convenience of reference only and are not intended to construe the terms or to affect the interpretation of the Agreement.

**Applicable Code and Regulations** – This Agreement is intended to comply with the applicable requirements of the Internal Revenue Code and IRS regulations governing the specific type of account (e.g., Traditional IRA, Roth IRA, HSA, etc.). If any part of this Agreement is found to be inconsistent with mandatory provisions of the Code or IRS regulations, the Code and regulations shall govern. STC may amend the Agreement to maintain compliance without the consent of the Depositor as described in Section 9.03.

**IRS Approved Form (if applicable)** – For IRA accounts, an Internal Revenue Service model custodial account agreement (such as Form 5305 series) or other IRS-approved prototype plan document may form a part of this Agreement. If so, that document is incorporated herein and in the event of a conflict between that IRS model language and this Agreement, the IRS-required language shall prevail to the extent necessary to comply with the law.

**Execution and Counterparts** – This Agreement may be accepted by the Depositor through electronic or written means. The Depositor's

submission of an application or contribution to the account, or the Depositor's continued use of the account after receipt of this Agreement, shall be deemed acceptance of the terms herein. The Agreement may be executed in multiple counterparts (including by electronic acceptance or acknowledgment), which together will constitute one and the same instrument.

**Acknowledgment** – By using the services of STC as Custodian, the Depositor acknowledges that he/she has read and agrees to the terms of this Custodial Agreement. The Depositor understands the roles and responsibilities of both the Depositor and the Custodian, and releases STC from liability in accordance with the provisions above. The Depositor also affirms that no tax, legal, or investment advice has been given by STC, and that all investment decisions are made at the Depositor's sole discretion and risk.

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## GENERAL INSTRUCTIONS

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

### PURPOSE OF FORM

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a). However, only Articles I through VII have been reviewed 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. To make a regular contribution to a Traditional IRA for a year, the IRA must be established no later than the due date of the individual's income tax return for the tax year (excluding extensions). 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-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and Pub. 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

### DEFINITIONS

**Custodian** – The custodian must be a bank 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.

### 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.

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## SPECIFIC INSTRUCTIONS

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**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.

# DISCLOSURE STATEMENT

## RIGHT TO REVOKE YOUR IRA

You have the right to revoke your IRA within seven 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

- A. **Cash Contributions** – Your contribution must be in cash, unless it is a rollover contribution.
- B. **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 \$7,000 (for 2025) or \$7,500 (for 2026), with possible cost-of-living adjustments each year thereafter. If you also maintain a Roth IRA (i.e., an IRA subject to the limits of Internal Revenue Code Section (IRC Sec.) 408A), the maximum contribution to your Traditional IRAs is reduced by any contributions you make to your Roth IRAs. 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.
- C. **Contribution Eligibility** – You are eligible to make a regular contribution to your IRA for a tax year at any age if you have compensation for the taxable year for which the contribution is made.
- D. **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 \$1,000 (for 2025) or \$1,100 (for 2026). This amount is subject to possible cost-of-living adjustments each year thereafter.
- E. **Nonforfeitable** – Your interest in your IRA is nonforfeitable.
- F. **Eligible Custodians** – The custodian of your IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.
- G. **Commingling Assets** – The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- H. **Life Insurance** – No portion of your IRA may be invested in life insurance contracts.
- I. **Collectibles** – You may not invest the assets of your IRA in collectibles (within the meaning of IRC Sec. 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 IRC Sec. 408(m)(3)) are also permitted as IRA investments.
- J. **Required Minimum Distributions** – You are required to take minimum distributions from your IRA at certain times in accordance with Treasury Regulation 1.408-8. Below is a summary of the IRA distribution rules.

1. **RMDs for 2023 and Beyond** – Beginning in 2023, if you were born in 1951 or later, you are required to take a minimum distribution from your IRA for the year in which you reach age 73 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 73. 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.
2. **RMDs Prior to 2023** – If you were born before July 1, 1949, you were required to take your first RMD from your IRA for the year in which you attained age 70½ and for each year thereafter. If you were born on or after July 1, 1949, but before January 1, 1951, you were required to take your first RMD from your IRA for the year in which you attained age 72 and for each year thereafter.
3. The applicable divisor generally is determined using the Uniform Lifetime Table provided by the IRS. If your spouse is your sole designated beneficiary for the entire calendar year, and is more than 10 years younger than you, the required minimum distribution is determined each year using the actual joint life expectancy of you and your spouse obtained from the Joint Life Expectancy 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 your required beginning date.

- (a) Make no distribution until you give us a proper withdrawal request
- (b) Distribute your entire IRA to you in a single sum payment
- (c) 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

If you fail to remove an RMD, an excess accumulation penalty tax of 25 percent is imposed on the amount of the RMD that should have been taken but was not. If the failure to take an RMD is corrected in a timely manner, the penalty tax is further reduced to 10 percent. You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

The correction window for the reduced penalty begins on the date the penalty tax is imposed and ends (1) the date a notice of deficiency regarding the tax is mailed, (2) the date the tax is assessed, or (3) the last day of the second taxable year beginning after the year in which the tax is imposed, whichever is earlier.

- K. **Beneficiary Distributions** – Upon your death, your beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulation 1.408-8. These requirements are described below.
  1. **Death of IRA Owner Before January 1, 2020** – Your designated beneficiary is determined based on the beneficiaries designated as of the date of your death, who remain your beneficiaries as of September 30 of the year following the year of your death.

If you die on or after your required beginning date, distributions must be made to your beneficiaries over the longer of the single life expectancy of your designated beneficiaries, or your remaining life expectancy. If a beneficiary other than a person or qualified trust as defined in the Treasury 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.

If you die before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiaries, 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 beneficiaries.

If your spouse is your sole designated beneficiary, he or she must elect either option (a) or (b) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year life expectancy payments would be required to begin. Your designated beneficiaries, other than a spouse who is the sole designated beneficiary, must elect either option (a) or (b) 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 (b). In the case of distributions under option (b), 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 RMD age (as described in the *Required Minimum Distributions* section above), if later. If a beneficiary other than a person or qualified trust as defined in the Treasury 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, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

2. **Death of IRA Owner On or After January 1, 2020** – The entire amount remaining in your account will generally be distributed by December 31 of the year containing the tenth anniversary of your death unless you have an eligible designated beneficiary or you have no designated beneficiary for purposes of determining a distribution period. This requirement applies to beneficiaries regardless of whether you die before, on, or after your required beginning date.

If your beneficiary is an eligible designated beneficiary, the entire amount remaining in your account may be distributed (in accordance with the Treasury Regulations) over the remaining life expectancy of your eligible designated beneficiary (or over a period not extending beyond the life expectancy of such beneficiary).

An eligible designated beneficiary is any designated beneficiary who is

- your surviving spouse,
- your child who has not reached the age of majority,
- disabled (A physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration.),
- an individual who is not more than 10 years younger than you, or
- chronically ill (A chronically ill individual is someone who (1) is unable to perform (without substantial assistance from another individual) at least two activities of daily living for an indefinite period due to a loss of functional capacity, (2) has a level of disability similar to the level of disability described above requiring assistance with daily living based on loss of functional capacity, or (3) requires substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment.)

Note that certain trust beneficiaries (e.g., certain trusts for disabled and chronically ill individuals) may take distribution of the entire amount remaining in your account over the remaining life expectancy of the trust beneficiary.

Generally, life expectancy distributions to an eligible designated beneficiary must commence by December 31 of the year following the year of your death. However, if your spouse is the eligible designated beneficiary, distributions need not commence until December 31 of the year you would have attained RMD age (as described in the *Required Minimum Distributions* section above), if later. If your eligible designated beneficiary is your minor child, life expectancy payments must begin by December 31 of the year following the year of your death and continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.

If a beneficiary other than a person (e.g., your estate, a charity, or a certain type of trust) is named, you will be treated as having no designated beneficiary of your IRA for purposes of determining the distribution period. If you die before your required beginning date and 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. If you die on or after your required beginning date and there is no designated beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

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.

If we so choose, for any reason (e.g., due to limitations of our charter or bylaws), we may require that a beneficiary of a deceased IRA owner take total distribution of all IRA assets by December 31 of the year following the year of death.

If your beneficiary fails to remove a required minimum distribution after your death, an excess accumulation penalty tax of 25 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. If the failure to take an RMD is corrected in a timely manner, the penalty tax is further reduced to 10 percent. Your beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

The correction window for the reduced penalty begins on the date the penalty tax is imposed and ends the earlier of: (1) the date a notice of deficiency regarding the tax is mailed, (2) the date the tax is assessed, or (3) the last day of the second taxable year beginning after the year in which the tax is imposed.

- L. **Qualifying Longevity Annuity Contracts and RMDs** – A qualifying longevity annuity contract (QLAC) is a deferred annuity contract that, among other requirements, must guarantee lifetime income starting no later than age 85.

When calculating your RMD, you may reduce the prior year end account value by the value of QLACs that your IRA holds as investments.

For more information on QLACs, you may wish to refer to the IRS website at [www.irs.gov](http://www.irs.gov).

- M. **Waiver of 2020 RMD** – RMDs and life expectancy payments for beneficiaries were waived for calendar year 2020. If the five-year rule applies to an IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2020 because of this waiver. For example, if an IRA owner died in 2019, the beneficiary's five-year period ends in 2025 instead of 2024.

## INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

**A. 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-sponsored 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 IRA 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 and certain other deductions and exclusions.

**Definition of Active Participant.** Generally, you will be an active participant if you are covered by one or more of the following employer-sponsored retirement plans.

1. Qualified pension, profit sharing, 401(k), or stock bonus plan
2. Qualified annuity plan of an employer
3. Simplified employee pension (SEP) plan
4. Retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under IRC Sec. 457)
5. Tax-sheltered annuity for employees of certain tax-exempt organizations or public schools
6. Plan meeting the requirements of IRC Sec. 501(c)(18)
7. 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 a plan, 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 do not know whether your employer maintains one of these plans or whether you are an active participant in a plan, 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 phase-out 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; and (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 \$82,000 in 2026, your maximum deductible contribution is \$6,750 (the 2026 phase-out range maximum of \$91,000 minus your MAGI of \$82,000, divided by the difference between the maximum and minimum phase-out range limits of \$10,000, and multiplied by the contribution limit of \$7,500).

If you are an active participant, are married to an active participant and you file a joint income tax return and have MAGI within the applicable phase-out 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; (2) divide this total by the difference between the phase-out range maximum and minimum; and (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 \$132,000 in 2026, your maximum deductible contribution is \$6,375 (the 2026 phase-out maximum of \$149,000 minus your MAGI of \$132,000, divided by the difference between the maximum and minimum phase-out limits of \$20,000, and multiplied by the contribution limit of \$7,500).

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 Taxpayers
	Phase-Out Range*	Phase-Out Range*
	(minimum)(maximum)	(minimum)(maximum)
2024	\$123,000–143,000	\$77,000–87,000
2025	\$126,000–146,000	\$79,000–89,000
2026	\$129,000–149,000	\$81,000–91,000

\*MAGI limits are subject to cost-of-living adjustments each year.

The MAGI phase-out range for an individual that is not an active participant, but is married to an active participant, is \$236,000–\$246,000 (for 2025) and \$242,000–\$252,000 (for 2026). This limit is also subject to cost-of-living increases for tax years thereafter. If you are not an active participant in an employer-sponsored retirement plan, are married to someone who is an active participant, and you file a joint income tax return with MAGI between the applicable phase-out 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; (2) divide this total by the difference between the phase-out range maximum and minimum; and (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.

**B. 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 your tax filing deadline, your contribution is considered to have been made for the previous tax year if you designate it as such.

If you are a member of the Armed Forces serving in a combat zone, hazardous duty area, or contingency operation, you may have an extended contribution deadline of 180 days after the last day served in the area. In addition, your contribution deadline for a particular tax year is also extended by the number of days that remained to file that year's tax return as of the date you entered the combat zone. This additional extension to make your IRA contribution cannot exceed the number of days between January 1 and your tax filing deadline, not including extensions.

**C. 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.

The credit is based upon your income (see chart below) and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your contributions, add all of the contributions made to your Traditional IRA and reduce these contributions by any distributions that you have taken during the testing period. The testing period begins two

years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed \$2,000.

2025 Adjusted Gross Income*						Applicable Percentage
Joint Return		Head of Household		All Other Cases		
Over	Not Over	Over	Not Over	Over	Not Over	
	\$47,500		\$35,625		\$23,750	50
\$47,500	\$51,000	\$35,625	\$38,250	\$23,750	\$25,500	20
\$51,000	\$79,000	\$38,250	\$59,250	\$25,500	\$39,500	10
\$79,000		\$59,250		\$39,500		0

2026 Adjusted Gross Income*						Applicable Percentage
Joint Return		Head of Household		All Other Cases		
Over	Not Over	Over	Not Over	Over	Not Over	
	\$48,500		\$36,375		\$24,250	50
\$48,500	\$52,500	\$36,375	\$39,375	\$24,250	\$26,250	20
\$52,500	\$80,500	\$39,375	\$60,375	\$26,250	\$40,250	10
\$80,500		\$60,375		\$40,250		0

\*Adjusted gross income (AGI) includes foreign earned income and income from Guam, America Samoa, North Mariana Islands, and Puerto Rico. AGI limits are subject to cost-of-living adjustments each year.

D. **Excess Contributions** – An excess contribution is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute. If the excess is not corrected timely, an additional penalty tax of six percent will be imposed upon the excess amount. The procedure for correcting an excess is determined by the timeliness of the correction as identified below.

- 1. Removal Before Your Tax Filing Deadline.** An excess contribution may be corrected by withdrawing the excess amount, along with the earnings attributable to the excess, before your tax filing deadline, including extensions, for the year for which the excess contribution was made. An excess withdrawn under this method is not taxable to you, but you must include the earnings attributable to the excess in your taxable income in the year in which the contribution was made. The six percent excess contribution penalty tax will be avoided.
- 2. Removal After Your Tax Filing Deadline.** If you are correcting an excess contribution after your tax filing deadline, including extensions, remove only the amount of the excess contribution. The six percent excess contribution penalty tax will be imposed on the excess contribution for each year it remains in the IRA. An excess withdrawal under this method will only be taxable to you if the total contributions made in the year of the excess exceed the annual applicable contribution limit.
- 3. Carry Forward to a Subsequent Year.** If you do not withdraw the excess contribution, you may carry forward the contribution for a subsequent tax year. To do so, you under-contribute for that tax year and carry the excess contribution amount forward to that year on your tax return. The six percent excess contribution penalty tax will be imposed on the excess amount for each year that it remains as an excess contribution at the end of the year.

You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

- E. 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).
- F. 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.

- G. Taxation of Distributions** – The taxation of IRA distributions depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, all IRA distribution amounts will be 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.

$$\frac{\text{(Aggregate Nondeductible Contributions)} \times \text{(Amount Withdrawn)}}{\text{Aggregate IRA Balance}} = \text{Amount Excluded From Income}$$

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

- H. Income Tax Withholding** – Ten percent federal income tax withholding will be applied to a withdrawal from your IRA unless you choose to withhold a different amount or elect not to have withholding apply. We are not required to withhold taxes from any distribution that we reasonably believe is not taxable.
- I. Early Distribution Penalty Tax** – If you receive an IRA distribution before you attain age 59½, an additional early distribution penalty tax of 10 percent will apply to the taxable amount of the distribution unless one of the following exceptions apply.
  - 1) Death.** After your death, payments made to your beneficiary are not subject to the 10 percent early distribution penalty tax.
  - 2) Disability.** If you are disabled at the time of distribution, you are not subject to the additional 10 percent early distribution penalty tax. In order to be disabled, a physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration.
  - 3) Substantially equal periodic payments.** You are not subject to the additional 10 percent early distribution penalty tax if you are taking a series of substantially equal periodic payments (at least annual payments) over your life expectancy or the joint life expectancy of you and your beneficiary. You must continue these payments for the longer of five years or until you reach age 59½.
  - 4) Unreimbursed medical expenses.** If you take payments to pay for unreimbursed medical expenses that exceed a specified percentage of your adjusted gross income, you will not be subject to the 10 percent early distribution penalty tax. For further detailed information and effective dates you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS. The medical expenses may be for you, your spouse, or any dependent

listed on your tax return. **5) Health insurance premiums.** If you are unemployed and have received unemployment compensation for 12 consecutive weeks under a federal or state program, you may take payments from your IRA to pay for health insurance premiums without incurring the 10 percent early distribution penalty tax. **6) Higher education expenses.** Payments taken for certain qualified higher education expenses for you, your spouse, or the children or grandchildren of you or your spouse, will not be subject to the 10 percent early distribution penalty tax. **7) First-time homebuyer.** You may take payments from your IRA to use toward qualified acquisition costs of buying or building a principal residence. The amount you may take for this reason may not exceed a lifetime maximum of \$10,000. The payment must be used for qualified acquisition costs within 120 days of receiving the distribution. **8) IRS levy.** Payments from your IRA made to the U.S. government in response to a federal tax levy are not subject to the 10 percent early distribution penalty tax. **9) Qualified reservist distributions.** If you are a qualified reservist member called to active duty for more than 179 days or an indefinite period, the payments you take from your IRA during the active duty period are not subject to the 10 percent early distribution penalty tax. **10) Qualified birth or adoption.** Payments from your IRA for the birth of your child or the adoption of an eligible adoptee will not be subject to the 10 percent early distribution penalty tax if the distribution is taken during the one-year period beginning on the date of birth of your child or the date on which your legal adoption of an eligible adoptee is finalized. An eligible adoptee means any individual (other than your spouse's child) who has not attained age 18 or is physically or mentally incapable of self-support. The aggregate amount you may take for this reason may not exceed \$5,000 for each birth or adoption. **11) Terminal illness.** Payments from your IRA made because you are terminally ill are not subject to the 10 percent early distribution penalty tax. You are terminally ill if you have been certified by a physician, in accordance with documentation requirements to be established by the IRS, as having an illness or physical condition that can reasonably be expected to result in death in 84 months or less after the date of the certification. **12) Qualified Disaster Recovery Distribution.** If you are an affected IRA owner in a federally declared disaster area who has sustained an economic loss by reason of such qualified disaster, you may take up to \$22,000 per disaster from your IRA without incurring the 10 percent early distribution penalty tax. **13) Domestic abuse.** If you are a victim of domestic abuse you may withdraw up to \$10,300 (for 2025) or \$10,500 (for 2026), subject to possible cost-of-living adjustments each year thereafter, or 50% of your IRA balance, whichever is less, within one year of the abuse without incurring the 10 percent early distribution penalty tax. **14) Emergency personal expenses.** Beginning in 2024, you may take one withdrawal in a calendar year as an emergency personal expense distribution for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses, without incurring the 10 percent early distribution penalty tax. The amount that may be treated as an emergency personal expense distribution in any calendar year is \$1,000 or the total balance in your IRA over \$1,000, determined as of the date of each such distribution, whichever is less. No further emergency personal expense distributions are allowed during the immediately following three calendar years unless repayment occurs, or you have made IRA contributions after the previous distribution in an amount at least equal to the previous distribution that has not been repaid.

You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes or to claim a penalty tax exception.

- J. **Rollovers and Conversions** – Your IRA may be rolled over to another IRA, SIMPLE IRA, or an eligible employer-sponsored retirement plan of yours, may receive rollover contributions, or 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 movement of cash or other property to your IRA from another IRA, or from your employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan. The amount rolled over is not subject to taxation or the additional 10 percent early distribution penalty tax. Conversion is a term used to describe the movement of Traditional IRA assets to a Roth IRA. A conversion generally is a taxable event. The general rollover and conversion rules are summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Traditional IRA-to-Traditional IRA Rollovers.** Assets distributed from your Traditional IRA may be rolled over to the same Traditional IRA or another Traditional IRA of yours if the requirements of IRC Sec. 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. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days.

You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

2. **SIMPLE IRA-to-Traditional IRA Rollovers.** Assets distributed from your SIMPLE IRA may be rolled over to your Traditional IRA without IRS penalty tax 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 IRC Sec. 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 are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

3. **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, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan unless it is a required minimum distribution, hardship distribution, part of a certain series of substantially equal periodic payments, corrective distributions of excess contributions, excess deferrals, excess annual additions and any income allocable to the excess, deemed loan distribution, dividends on employer securities, the cost of life insurance coverage, or a distribution of Roth elective deferrals from a 401(k), 403(b), governmental 457(b), or federal Thrift Savings Plan.

If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator generally will be required to withhold 20 percent of your distribution as a payment of income taxes. When completing

the rollover, you may make up out of pocket the amount withheld and roll over the full amount distributed from your employer-sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution generally must be rolled over to your IRA not later than 60 days after you receive the distribution. In the case of a plan loan offset due to plan termination or severance from employment, the deadline for completing the rollover is your tax return due date (including extensions) for the year in which the offset occurs. 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 tax (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.

4. **Beneficiary Rollovers From Employer-Sponsored Retirement Plans.** If you are a spouse or nonspouse beneficiary of a deceased employer-sponsored retirement plan participant, or the trustee of an eligible type of trust named as beneficiary of such participant, you may directly roll over inherited assets from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan to an inherited IRA, as permitted by the IRS. The IRA must be maintained as an inherited IRA, subject to the beneficiary distribution requirements.

5. **Traditional IRA-to-SIMPLE IRA Rollovers.** Assets distributed from your Traditional IRA may be rolled over to a SIMPLE IRA if the requirements of IRC Sec. 408(d)(3) are met and two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. A proper Traditional IRA-to-SIMPLE IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days.

You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

6. **Traditional IRA-to-Employer-Sponsored Retirement Plan Rollovers.** You may roll over, directly or indirectly, any taxable eligible rollover distribution from an IRA to your qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan as long as the employer-sponsored retirement plan accepts such rollover contributions.

7. **Traditional IRA-to-Roth IRA Conversions.** If you convert to a Roth IRA, the amount of the conversion from your Traditional IRA to your Roth IRA will 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 generally is included in income, the 10 percent early distribution penalty tax will 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 tax. If you are required to take a required minimum

distribution for the year, you must remove your required minimum distribution before converting your Traditional IRA.

8. **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 qualified 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*.

9. **Rollover of IRS Levy.** If you receive a refund of eligible retirement plan assets that had been wrongfully levied, you may roll over the amount returned up until your tax return due date (not including extensions) for the year in which the money was returned.

10. **Written Election.** At the time you make a rollover to an IRA, you must designate in writing to the custodian your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

#### K. Repayments of Certain Distributions.

1. **Qualified Birth or Adoption Distributions.** If you have taken a qualified birth or adoption distribution, you may generally pay all or a portion of the aggregate amount of such distribution to an IRA at any time during the three-year period beginning on the day after the date on which such distribution was received. In the case of a qualified birth or adoption distribution made on or before December 29, 2022, the deadline to repay the distribution is December 31, 2025.

2. **Terminal Illness Distributions.** If you have taken a distribution due to a terminal illness, you may generally pay all or a portion of the aggregate amount of such distribution to an IRA at any time during the three-year period beginning on the day after the date on which such distribution was received.

3. **Domestic Abuse Distributions.** Beginning in 2024, if you have taken a distribution because you are a victim of domestic abuse, you may generally pay all or a portion of the aggregate amount of such distribution to an IRA at any time during the three-year period beginning on the day after the date on which such distribution was received.

4. **Emergency Personal Expense Distributions.** Beginning in 2024, if you had taken an emergency personal expense distribution, the distribution may be repaid within a three-year period. No further emergency personal expense distributions are allowed during the immediately following three calendar years unless repayment occurs, or you have made IRA contributions after the previous distribution in an amount at least equal to the previous distribution that has not been repaid.

5. **Qualified Disaster Recovery Distributions.** If you have taken a qualified disaster recovery distribution, the distribution may be recontributed to an IRA at any time during the three-year period beginning on the day after the date on which such distribution was received.

For further information, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

L. **Transfer Due to Divorce** – If all or any part of your IRA is awarded to your 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.

- M. **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. The deadline for completing a recharacterization is your tax filing deadline (including any extensions) for the year for which the original contribution was made. You may not recharacterize a Roth IRA conversion.

## LIMITATIONS AND RESTRICTIONS

- A. **SEP Plans** – Under a simplified employee pension (SEP) plan that meets the requirements of IRC Sec. 408(k), your employer may make contributions to your IRA. Your employer is required to provide you with information that describes the terms of your employer's SEP plan.

- B. **Spousal IRA** – You may contribute to an IRA established for the benefit of your spouse, regardless of your spouse's age and whether or not your spouse has compensation, if you are married and have compensation for the taxable year for which the contribution is made. 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 eligible compensation or \$14,000 (for 2025) or \$15,000 (for 2026). This amount may be increased with cost-of-living adjustments each year thereafter. 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 \$1,000 (for 2025) or \$1,100 (for 2026). This amount is subject to possible cost-of-living adjustments each year thereafter.

- C. **Deduction of Rollovers and Transfers** – A deduction is not allowed for rollover or transfer contributions.
- D. **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 IRC Sec. 2501.
- E. **Special Tax Treatment** – Capital gains treatment and 10-year income averaging authorized by IRC Sec. 402 do not apply to IRA distributions.
- F. **Prohibited Transactions** – If you or your beneficiary engage in a prohibited transaction with your IRA, as described in IRC Sec. 4975, your IRA will lose its tax-deferred status, and you must include the value of your account in your gross income for that taxable year. 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 assets (3) Receiving certain bonuses or premiums because of your IRA.
- G. **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 that year.

## OTHER

- A. **IRS Plan Approval** – Articles I through VII of the agreement used to establish this IRA have 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.

- B. **Additional Information** – For further information on IRAs, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, or Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, by calling 800-TAX-FORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.

- C. **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. Therefore, when you open an IRA, 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.

- D. **Qualified Reservist Distributions** – If you are an eligible qualified reservist who has taken penalty-free qualified reservist distributions from your IRA or retirement plan, you may recontribute those amounts to an IRA generally within a two-year period from your date of return.

- E. **Qualified Charitable Distributions** – If you are age 70½ or older, you may be eligible to take tax-free IRA distributions of up to \$108,000 (for 2025) or \$111,000 (for 2026) per year and have these distributions paid directly to certain charitable organizations. This amount is subject to possible cost-of-living adjustments each year thereafter. A qualified charitable distribution also includes a one-time charitable distribution of up to \$54,000 (for 2025) or \$55,000 (for 2026) to a split interest entity (i.e., charitable gift annuity, charitable remainder unitrust, and charitable remainder annuity trust). This amount is subject to possible cost-of-living adjustments each year thereafter. Special tax rules may apply. For further detailed information you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

- F. **Disaster Related Relief** – If you qualify (for example, you sustained an economic loss due to, or are otherwise considered affected by, a federally-declared disaster in a specified disaster area), you may be eligible for favorable tax treatment on distributions, rollovers, and other transactions involving your IRA. Qualified disaster relief includes an automatic 60-day extension to perform certain acts and may include penalty-tax free early distributions made during specified timeframes for each disaster, the ability to include distributions in your gross income ratably over multiple years, the ability to roll over distributions to an eligible retirement plan without regard to the 60-day rollover rule, and more.

**Qualified Disaster Recovery Distributions.** If your principal residence is located in a qualified disaster area and you have sustained an economic loss by reason of such disaster, you may receive up to \$22,000 per disaster in aggregate distributions from your retirement plans and IRAs as qualified disaster recovery distributions. A qualified disaster is any major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act after January 26, 2021. These distributions are not subject to the 10 percent early distribution penalty tax. In addition, unless you elect otherwise, any amount required to be included in your gross income for such taxable year shall be included ratably over a three-taxable year period, beginning with the taxable year of the distribution. Qualified disaster recovery distributions may be repaid at any time generally within a three-year period beginning on the day after the date the distribution was received.

**Repayments of Withdrawals for Home Purchase.** If you received a qualified first-time homebuyer distribution to purchase or construct a principal residence in the qualified disaster area, but which was not used on account of the qualified disaster, you are able to repay the distribution within 180 days of the applicable date of such disaster. The distribution must have been received during the period (1) beginning 180 days before the first day of the FEMA declared incident period, and (2) ending 30 days after the last day of the FEMA declared incident period.

For additional information on specific disasters, including a complete listing of disaster areas, qualification requirements for relief, and allowable disaster-related IRA transactions, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

- G. **Coronavirus-Related Distributions (CRDs)** – If you qualified in 2020, you were able to withdraw up to \$100,000 in aggregate from your IRAs and eligible retirement plans as a CRD, without paying the 10 percent early distribution penalty tax. You were a qualified individual if you (or your spouse or dependent) was diagnosed with the COVID-19 disease or the SARS-CoV-2 virus in an approved test; or if you experienced adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reduced hours of a business owned or operated by you due to such virus or disease, or other factors as determined by the IRS. A CRD must have been made on or after January 1, 2020, and before December 31, 2020.

CRDs will be taxed ratably over a three-year period, unless you elected otherwise, and may be repaid over three years beginning with the day following the day a CRD is made. Repayments may be made to an eligible retirement plan or IRA.

An eligible retirement plan is defined as a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or an IRA.

# IRA FINANCIAL DISCLOSURE

The term IRA will be used below to mean Traditional SEP IRA, Roth IRA, and SIMPLE IRA, unless otherwise specified.

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## Growth Cannot Be Projected

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The value of your IRA will be dependent solely upon the performance of any investment instrument used to fund your IRA. Therefore, no projection of the growth of your IRA can reasonably be shown or guaranteed.

Terms and conditions of the IRA that affect your investment are listed below.

## INVESTMENT OPTIONS

You may direct the investment of your funds within this IRA into any investment instrument offered by or through the Trustee or Custodian.

Investment Instrument \_\_\_\_\_

## FEES

There are certain fees and charges connected with your IRA investments. These fees and charges may include the following.

- Activation/Set-up Fee
- Annual Maintenance Fees
- Concierge Fee
- Distribution Fees
- Special Transactional Fees
- Termination Fees

To find out what fees apply, refer to the current fee schedule/Platinum/Diamond Contract.

There may be certain fees and charges connected with the IRA itself. *(Select and complete as applicable.)*

Annual Service Fee – See current fee schedule

Transfer Fee – \$125 partial/\$695 full

Rollover/Conversion Fee – \$75 plus \$125 per asset

Termination Fee – \$695

Specialized Black – \$425

We reserve the right to change any of the above fees after notice to you, as provided in your IRA agreement.

## EARNINGS

The method for computing and allocating annual earnings (e.g., interest, dividends) on your IRA will differ based on the nature and issuer of the investments chosen. Refer to the investment prospectus or contract for the methods used for computing and allocating annual earnings. For your chosen investment asset.

## OTHER

Other terms or conditions that apply to your IRA include the following.

**EFFECTIVE DATE: JANUARY 2026**

## INTRODUCTION

Specialized Trust Company (“Company,” “we,” “our,” or “us”) is committed to protecting the privacy and confidentiality of personal information entrusted to us. This Privacy Policy describes how we collect, use, disclose, retain, and safeguard personal information in connection with our custodial and trust services.

This Privacy Policy applies to clients, prospective clients, and individuals who interact with the Company through our websites, applications, communications, or services.

## SCOPE OF SERVICES

The Company provides custodial and trust services, including services related to individual retirement accounts (“IRAs”) and other qualified plans, subject to eligibility, regulatory requirements, and approval. The Company does not provide investment, legal, or tax advice except as expressly set forth in a written agreement.

## INFORMATION WE COLLECT

We may collect personal information as reasonably necessary to evaluate eligibility, establish and service accounts, comply with legal and regulatory obligations, and operate our business. This information may include:

- Identifying information (such as name, address, email address, telephone number, and date of birth)
- Government-issued identification information
- Social Security number or taxpayer identification number
- Account, transaction, and custodial records
- Beneficiary and authorized party information
- Communications and correspondence
- Website, portal, and system usage information

Information may be collected directly from individuals, from authorized representatives, and from third parties as permitted by law.

## HOW WE USE INFORMATION

The Company uses personal information for legitimate business, operational, and compliance purposes, including to:

- Establish, administer, and service accounts
- Verify identity and eligibility
- Comply with legal, regulatory, tax, and reporting requirements
- Communicate with clients and prospective clients
- Prevent fraud and manage risk
- Maintain records and internal controls
- Improve services, systems, and operations

## ELECTRONIC COMMUNICATIONS & STATEMENT DELIVERY

The Company may communicate electronically and may deliver account statements, confirmations, notices, and other information by electronic means when authorized or permitted by law.

While the Company uses reasonable safeguards, electronic communications and transmissions are not guaranteed to be secure. By electing or accepting electronic delivery, you acknowledge and accept the risks associated with electronic communications, including interception, delay, or unauthorized access beyond the Company’s reasonable control.

## THIRD-PARTY SERVICE PROVIDERS

The Company may engage affiliated or unaffiliated third-party service providers to perform services on its behalf, including but not limited to:

- Statement processing and mailing services
- Information technology, hosting, and data storage
- Compliance, audit, and professional services
- Marketing support and lead generation

Service providers may access personal information only as necessary to perform services for the Company and are contractually obligated to maintain confidentiality and security. Except as disclosed in this Privacy Policy or authorized by the client, service providers are prohibited from using personal information for their own independent purposes.

## PROSPECTIVE CLIENT INFORMATION & MARKETING REFERRALS

The Company may receive limited contact information for prospective clients from third-party marketing or educational partners at the individual's request. Upon receipt, such information is treated as prospective client information and governed by this Privacy Policy.

The Company does not share client, applicant, or account holder information with marketing partners for list development or independent marketing purposes.

## AFFILIATED COMPANIES & RELATED SERVICES

The Company may share limited personal information with affiliated or commonly controlled companies that offer financial or insurance-related products or services that may be of interest to clients or prospective clients. These affiliated companies may use such information to contact individuals regarding their offerings.

Communications from affiliated companies are optional and are not required to obtain or maintain an account with the Company. Individuals may opt out of receiving marketing communications from the Company or any affiliated company at any time by following the opt-out or unsubscribe instructions provided in the communication.

## CLIENT-AUTHORIZED SHARING OF ACCOUNT INFORMATION

The Company may disclose personal or account information, including account balance information, when specifically directed or authorized by the client, or when the client requests that such information be shared with an affiliated or designated service provider.

Any such disclosure is limited to the scope, purpose, and duration authorized by the client and may be revoked by the client at any time, subject to applicable law and Company policies. The Company does not share account balances for unrelated marketing, profiling, or independent commercial purposes.

## GEOGRAPHIC SCOPE

The Company provides custodial and trust services to eligible individuals residing in any U.S. state and, in certain circumstances, to individuals residing outside the United States, provided all legal, regulatory, and identification requirements are satisfied, including possession of a valid U.S. Social Security number and approval to establish an account. Personal information may be processed and stored in the United States regardless of an individual's place of residence.

## DATA SECURITY

The Company maintains reasonable administrative, technical, and physical safeguards designed to protect personal information from unauthorized access, use, or disclosure. However, no system of safeguards can be guaranteed to be completely secure.

In the event of a data security incident involving personal information, the Company will comply with applicable notification and regulatory requirements.

## **DATA RETENTION**

The Company retains personal information only for as long as it determines, in its discretion, to be reasonably necessary to provide services, comply with applicable legal or regulatory obligations, resolve disputes, enforce agreements, or for legitimate business and risk-management purposes.

The Company may delete, anonymize, or aggregate personal information when it is no longer reasonably necessary for these purposes, subject to applicable legal or regulatory requirements.

## **NO EXPANSION OF FIDUCIARY OR ADVISORY RELATIONSHIP**

This Privacy Policy and the Company's collection and use of personal information do not create or expand any fiduciary, advisory, or professional relationship beyond the custodial services expressly provided by the Company pursuant to applicable agreements.

## **POLICY UPDATES**

The Company may update this Privacy Policy from time to time. Any updates will be effective upon posting with a revised effective date.

## **CONTACT INFORMATION**

Questions regarding this Privacy Policy may be directed to:

Specialized Trust Company  
215 Indian School Rd NE Suite 215  
Albuquerque, New Mexico 87110  
help@irastc.com  
1-800-529-3951