



VANTAGE®

# Account Application

Date Stamp  
(Office use only)  
Rev. 2/2/2026

This is a fillable PDF form. To complete the form, click in an area and type.

New Client Existing Client

## Personal Information *(All information in this section is required.)*

Legal Name: \_\_\_\_\_  
First, Middle, Last

Legal Address: \_\_\_\_\_  
(P.O. Box not allowed. Must be legal residence)

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Mobile Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

*By providing your mobile number, you agree to receive account related text messages. Message and data rates may apply. Reply STOP to opt out at any time. To Opt Out now check here:*

Occupation *(If retired, must state former occupation):* \_\_\_\_\_ Industry: \_\_\_\_\_

County of Residence: \_\_\_\_\_ Marital Status: Single Married Widdowed or Divorced

## Account Type *(Please select one.)*

**Traditional IRA**  
(IRS Form 5305-A)

**Roth IRA**  
(IRS Form 5305-RA)

**SEP IRA**  
(IRS Form 5305-SPE needed to open account)

**SIMPLE IRA**  
(IRS Form 5305-Simple needed to open account)

**Health Savings Account** - Please select one of the following

**Self Coverage**

**Family Coverage** (IRS Form 5305-C)

**Beneficiary IRA** This option applies to beneficiaries of deceased parties only - Please select on of the following:

**Traditional IRA**

**Roth IRA**

Original IRA Holder: \_\_\_\_\_ Date of Passing: \_\_\_\_\_

## Application Fee

Visa

Master Card

Discover

Amex

Promo Code (If applicable): \_\_\_\_\_

Name On Card: \_\_\_\_\_

Card Number: \_\_\_\_\_ Exp: \_\_\_\_\_

Billing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

## How Did You Hear About Us?

Referred by a friend or family? Yes No If yes, their name: \_\_\_\_\_  
First and Last Name

Are they a Vantage Client? Yes No

Workshop / Event: \_\_\_\_\_ Company Name: \_\_\_\_\_  
Event Name and Date

Advertisement: Bing Google Yahoo Facebook Linked In

## Beneficiary Designation

*If designating a Trust as the beneficiary, please include a copy of the Trust Abstract. If the Primary or Contingent box is not checked for a beneficiary, the beneficiary will be deemed to be a Primary Beneficiary. If more than one Primary Beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages in the Account. Multiple Contingent Beneficiaries with no share percentage indicated will also be deemed to share equally. Share percentages must equal 100%.*

Legal Name: \_\_\_\_\_ Primary Contingent Phone: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Relationship: \_\_\_\_\_ Share: \_\_\_\_\_

Legal Name: \_\_\_\_\_ Primary Contingent Phone: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Relationship: \_\_\_\_\_ Share: \_\_\_\_\_

Legal Name: \_\_\_\_\_ Primary Contingent Phone: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Relationship: \_\_\_\_\_ Share: \_\_\_\_\_

## Spousal Consent (Only required if your spouse is not the primary beneficiary - see note below.)

The consent of spouse must be signed only if all of the following conditions are present:

- a. Your Spouse is living;
- b. Your Spouse is not the sole primary beneficiary named; and
- c. You and your spouse are residents of a community property state (such as AZ, CA, ID, LA, NV, NM, TX, WA, or WI).

I am the spouse of the account holder listed above. I hereby certify that I have reviewed the Beneficiary Designation and I understand that I have a property interest in the account. I hereby acknowledge and consent to the above Beneficiary Designation other than, or in addition to, myself as primary beneficiary. I further acknowledge that I am waiving part or all of my rights to receive benefits under this plan when my spouse dies.

I, \_\_\_\_\_ hereby consent to the above Beneficiary Designation.  
(Please type or print name.)

Spouse Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Interested Party Authorization

I hereby authorize Administrator to provide the individual and/or entity named below access to information contained in my account. I understand that this authorization relates only to information and that the named individual and/or entity may not conduct transactions on my behalf. I understand if an entity is named, any individual associated with the entity may receive information related to my account. I understand that I may revoke this authorization by providing written notice to Administrator at any time.

Interested Party Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Email Address: \_\_\_\_\_ Relationship: \_\_\_\_\_

# Appointment of Custodian, Investment Direction and Important Disclosures.

Your signature is required. Please read before signing.

The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following:

## Administrator Role:

I, the undersigned Account Owner, understand that Vantage Retirement Plans, L.L.C. ("Administrator") provides certain record keeping and administrative services in connection with self-directed retirement accounts on the behalf of the appointed custodian of the account ("Custodian"). I am making this application (my "Account Application") for Custodian to become the custodian of my self-directed retirement account (my "Account") and for Administrator to provide services to Custodian and me in connection with my Account. Custodian is identified in the IRS Form 5305 disclosed to and reviewed by me (the "Custodial Account Agreement"). I understand and acknowledge: (i) the Custodial Account Agreement is my separate agreement with Custodian and I consent to all its terms and conditions; (ii) Custodian may delegate certain responsibilities for my Account to Administrator under the Custodial Account Agreement; (iii) this Account Application, including the terms and conditions of the Documents (defined below), sets forth the terms of my relationship with Administrator; (iv) Administrator provides services as a record keeper and administrator, and no communication between me and Administrator, whether by e-mail, U.S. Mail, facsimile, direction/authorization letter, or otherwise, creates a contractual obligation of Administrator; (v) Administrator is a beneficiary of the terms and conditions of the Custodial Account Agreement; and (vi) Custodian is a beneficiary of the terms and conditions of this Account Application. For purposes of this Account Application, the terms Administrator and Custodian include their respective agents, assigns, licensees, and franchisees.

## Appointment:

I hereby appoint Custodian as the custodian of my Account and Administrator as the administrator of my Account. Administrator may change custodians at any time to any institution permitted by law. The appointment of Custodian and Administrator does not create a fiduciary relationship between me or my Account and Administrator or Custodian. I understand and agree that neither Administrator nor Custodian is a fiduciary to me or for my Account and/or my investment as such term is defined in the IRC, ERISA, and/or any applicable federal, state, or local law. I authorize Administrator to communicate with me by e-mail, and I will regularly monitor the e-mail address(es) that I provide to Administrator. I will deliver written notice to Administrator within ten (10) days of any change to the contact information I provide to Administrator, including, but not limited to, e-mail addresses, mailing addresses, and telephone numbers. Administrator may cease providing services and resign as administrator if I do not respond to written correspondence from Administrator or fail to pay any of Administrator's fees.

I hereby agree to participate in the Account offered by Custodian. I direct that all benefits upon my death be paid as stated above. If I designate a trust as a beneficiary, then I understand that I must disclose information regarding such trust to Administrator and Custodian. I authorize Administrator to deduct annual fees and other charges from my Account. I acknowledge and agree that I am responsible for determining my eligibility to participate in this Account, the amount and deductibility of any contributions made in connection with the Account, and the taxation of any distribution from my Account.

## Adequate Information:

I acknowledge that I have received a copy of the Fee Schedule and reviewed the appropriate IRS Form 5305 for my type of account, and that occasionally Administrator will provide additional documents and forms for my information and use in connection with my Account (documents provided or made available to me by Administrator regarding the administration of my Account are hereafter collectively referred to as the "Documents"). The Documents contain terms and conditions that apply to my Account, and I agree to be bound by those terms and conditions, as they may be amended from time to time. Failure to promptly notify Administrator in writing of my objection(s) to a term or condition of my Account Application or a Document is deemed a waiver of such an objection. If my Account Application pertains to an individual retirement account (an "IRA"), then I may revoke the Account Application without penalty by delivering written notice of the same to Custodian c/o Administrator within seven (7) days of the date of submission of the Account Application to Administrator. I have received sufficient information from Administrator to complete this Account Application. I have been afforded the opportunity to request information from Administrator and am satisfied with the information Administrator has provided to me.

## Responsibility for Tax Consequences:

I assume all responsibility for any tax consequences and/or penalties that may result from making contributions to, transactions with, or distributions from my Account. I am authorized and of legal age to establish this Account and purchase investments permitted under the Plan Agreement offered by Custodian. I assume complete responsibility for: (i) determining my eligibility for the Account transaction(s) that I direct Administrator to make on my behalf; (ii) ensuring all contributions I make are within the limits established by applicable tax laws and regulations; and (iii) the tax consequences of any contribution and distribution (including rollover contributions and distributions). I understand and acknowledge that no tax advice has been or will be provided to me by Administrator. I certify under penalty of perjury that: (i) I have provided Administrator with complete and accurate social security or tax identification number(s); and (ii) I am not subject to backup withholding because: (a) I am exempt from backup withholding; or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding because of a failure to report interest or dividends; or (c) the IRS has notified me that I am no longer subject to backup withholding. (Please note: you must cross out item (ii) if you have been notified by the IRS that you are currently subject to backup withholding because of under reporting interest or dividends on your tax return). I understand and acknowledge the IRS does not require my consent to any provision of this document other than the certification required to avoid backup withholding. If the Account is a rollover contribution, then I hereby irrevocably elect, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution.

## Investment Instructions:

I hereby instruct Custodian to follow the investment directions that I provide to Administrator relating to my Account. Investment directions must be made in the form of an executed Administrator-approved direction letter. Administrator will not accept investment directions in any form other than an Administrator-approved Document. Administrator may accept and act in accordance with electronic copies of signed direction letters or other Documents. In taking any action related to my Account, Administrator and Custodian may act on my instruction, designation, or representation stated in an investment direction letter or other Document for the Account that has been delivered to Administrator. Administrator does not verify information and signatures supplied in an investment direction letter or other Document, and I am responsible for all damages associated with or arising from falsified or forged information and/or signatures in investment direction letters and other Documents delivered to Administrator regarding the Account. I understand that I am responsible for providing true, correct, and complete information in all instructions and other Documents delivered to Administrator and that Administrator and Custodian are not responsible for any damages caused by or related to incomplete or incorrect information, misleading, or impossible instructions, or falsified or forged information or signatures contained in a direction or other Document delivered to Administrator.

## Account Responsibility:

The Account is established for the exclusive benefit of me or my beneficiaries. I take complete responsibility for the type of investment instrument(s) that I choose to fund my Account. I further understand that my Account is self-directed and that Administrator and Custodian will not investigate, perform due diligence, or otherwise review or ascertain the legitimacy, quality, security, and/or suitability of any investment or the persons offering the investment. I am solely responsible for investigating and performing all due diligence and research that a reasonably prudent investor would undertake prior to making an investment and throughout the period an investment is held, including, but not limited to, completing title and lien searches and monitoring the status and compliance of the investment(s) and investment source(s). It is my responsibility to review investments for all investment risks, and to monitor my Account investments for status, risks, and compliance for the entire duration they are held in my Account. I understand and agree that Administrator and Custodian are not required to take any action should there be any default regarding an investment asset in my Account. Administrator is not responsible for any damages associated with use of the website [www.vantageiras.com](http://www.vantageiras.com) or its associated pages (the "Website"), including, but not limited to, inability to access the Website or inaccurate information.

## Release; Indemnification; Litigation Costs:

I understand and agree that Administrator does not and will not provide, through its website, workshops, or otherwise, any investment advice, structure, guidance, or strategies, or any tax advice, legal advice, due diligence, research, recording or title services, or endorsement of professional relationships ("Advisory Activities"). I understand and agree that Administrator has not made, through its website, workshops, or otherwise, any representations, warranties, promises, or guarantees regarding any investment, including, but not limited to, the quality and/or suitability of an investment, investment performance, preservation of capital, return on capital, feasibility of an investment strategy, security lien positions, placement of security interests, the credibility of business practices and/or ethics, or an investment's compliance with the Employee Retirement Income Securities Act ("ERISA"), the Internal Revenue Code ("IRC"), or any federal, state, or local law or regulation, including, but not limited to, applicable securities laws ("Investment Representations"). If I desire Advisory Activities and/or Investment Representations, then I will not look to nor rely on Administrator and will consult with independent legal, accounting, and/or financial professionals. I am aware of the transactions prohibited by Internal Revenue Code Section 4975 ("Prohibited Transactions") and warrant and represent that I will not participate in or request Administrator to participate in any Prohibited Transaction. Understanding and acknowledging that Administrator will not provide me with, and has at no time provided me with, any Advisory Activities, Investment Representations, or Prohibited Transactions, I fully, finally, and forever release and discharge Administrator from all claims relating to and arising from, in the broadest sense, Advisory Activities, Investment Representations, and Prohibited Transactions. I covenant not to sue or otherwise assert against Administrator, in any forum, any claim of any nature whatsoever, which I had, now have, or may purport to have related to or arising out of Advisory Activities, Investment Representations, or Prohibited Transactions. This release extends to all claims, whether known or unknown, past, present, or future. My release will remain effective as a full and complete release notwithstanding my discovery of new facts and/or claims.

If I elect to transfer assets from another custodian and/or administrator to the Account, then I hold harmless and fully indemnify Administrator and Custodian from and against claims, action, omissions, damages, liabilities, obligations, penalties, fines, judgments, deficiencies, losses, costs, expenses, assessments (including without limitation, interest, penalties, and reasonable attorneys' fees) arising from or relating to the transferred assets, in the broadest sense, prior to the date Custodian comes into possession of the assets designated for transfer to the Account. Neither Custodian nor Administrator has any duty or responsibility to investigate or take any action regarding actions or omissions completed by a prior custodian or administrator of accounts and assets held by me and/or for my benefit.

I further hold harmless and fully indemnify Administrator from and against all claims, actions, omissions, damages, liabilities, obligations, penalties, fines, judgments, deficiencies, losses, costs, expenses, assessments (including without limitation, interest, penalties, and reasonable attorneys' fees) arising from or relating to: (i) any action taken by Administrator or Custodian in reliance upon my instructions, designations, or representations; (ii) any action taken by Administrator or Custodian in exercising a right or power of Administrator or Custodian; (iii) any Advisory Activities, Investment Representations, or Prohibited Transaction; (iv) my actions or omissions in investigating, reviewing, and selecting investments; and (v) any action or omission of a third party regarding the Account or its assets; (vi) any claim made by a third-party related to my Account whereby Administrator or Custodian is named as a party.

In the event a claim, action, omission, damage, liability, obligation, penalty, fine, judgment, deficiency, loss, cost, expense, or assessment subject to the foregoing releases and indemnification (an "Indemnified Claim") is noticed or asserted, Administrator and Custodian may: (i) at their sole discretion, select their own attorneys to represent them regarding the Indemnified Claim(s); and deduct from my Account amounts sufficient to pay for any damages, costs, and expenses associated with such claim, including, but not limited to, all internal costs of Administrator and Custodian, and attorneys' fees and costs incurred by Administrator or Custodian, in connection with such claim (collectively, "Litigation Costs"). If there are insufficient funds in my Account to fully reimburse Administrator and Custodian for all Litigation Costs, then, upon demand by Administrator or Custodian, I will promptly reimburse Administrator and/or Custodian the outstanding balance of the Litigation Costs. If I fail to promptly reimburse the Litigation Costs, then Administrator and Custodian may seize and/or liquidate any of my assets under their control, and/or initiate legal action to obtain full reimbursement of the Litigation Costs.

I understand and acknowledge that if the services of Administrator or Custodian were marketed, suggested, or otherwise recommended to me by a third-party, individual or entity, such as a financial representative or investment promoter, then all such persons are not and will not be construed as agents, employees, representatives, affiliates, partners, consultants, or subsidiaries of Administrator or Custodian. Neither Administrator nor Custodian is responsible for or bound by any statements, representations, warranties, or agreements, made by any such person.

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

# Appointment of Custodian, Investment Direction and Important Disclosures. *(Continued)*

Your signature is required. Please read before signing.

The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following:

## Important Information for Opening a New Account:

To comply with the USA PATRIOT Act, Administrator has adopted a Customer Identification Program that requires all accounts include a copy of an unexpired, photo-bearing, government-issued identification of the Account holder. The copy must be legible to permit Administrator to identify Account Owner's name and driver's license number or state issued identification number.

## Electronic Communications, Signatures, and Records:

Subject to any limitations in Treasury Regulation section 1.401(a)-21 and other applicable federal law, I understand and acknowledge and the Account is subject to the Uniform Electronic Transactions Act, as passed in the state where the Administrator or Custodian is organized, and the federal Electronic Signature in Global and National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001), as those laws pertain to electronic communication, electronic signatures, and electronic storage of Account records. Pursuant to applicable law, in lieu of the retention of the original records, Administrator and Custodian may cause any, or all, of its records, and records at any time in its custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction has the same force and effect as the original thereof.

I acknowledge and agree that Administrator may monitor and record telephonic communications between me (or any Account representative) and Administrator for record-keeping, training, and quality assurance purposes, and I consent to the same. My consent is effective without regard to, and is not contingent upon, the disclosure and/or publication of notice at the time of telephonic communication.

I further consent to Administrator's disclosure of records regarding the Account when required by law, including under subpoenas and/or orders issued by state and/or federal agencies, or state and/or federal courts.

## Arbitration; Class Action:

Scope. I consent to the arbitration of any claim, controversy, dispute, or disagreement between me, the Account Owner, and Administrator (collectively the "Parties") arising out of and relating to the Account, the Account Application, the Documents, and/or the Custodial Account Agreement (each a "Dispute") under the terms and provisions set forth herein (the "Procedures") and in accordance with the Federal Arbitration Act. The Procedures do not preclude Administrator from seeking a temporary restraining order, injunction, or other equitable relief in state court or federal court for the breach of any duty, obligation, covenant, representation, or warranty, the breach of which may cause irreparable harm or damage to Administrator. All Disputes must be commenced within one (1) year after they accrue.

These Procedures do not apply to claims, controversies, disputes, or disagreements between me, the Account Owner, and persons other than the Administrator that arise out of or relate to the Account and/or investments made by me by or through the Account. I warrant and represent that I will not join or seek to add Administrator as a party, whether designated as indispensable or otherwise, to any legal proceeding or civil action between me, the Account Owner, and persons other than the Administrator that arise out of or relate to the Account and/or investments made by me by or through the Account.

Waiver. I acknowledge and agree that all Disputes not commenced within one (1) year after they accrue are waived by the Parties. I will only assert Disputes in my individual capacity and will not, and waive all right to assert, claims against Administrator in a class action or representative action in any forum, and I understand I have no right or authority to claim any Dispute be arbitrated on a class action or representative action basis. BY SIGNING THIS AGREEMENT, I, AS THE ACCOUNT OWNER, WAIVE ALL RIGHTS TO A JURY TRIAL AND ALL RIGHTS TO PARTICIPATE IN A CLASS ACTION OR REPRESENTATIVE ACTION.

Written Notice. If a Dispute occurs, then written notice of the Dispute must be delivered by the noticing Party (the "Claimant") to the other Party ("Respondent") by certified U.S. Mail, return receipt requested (a "Dispute Notice"). The Dispute Notice must identify the facts and claims that comprise the Dispute and the Claimant's requested remedy. Upon delivery of the Dispute Notice, the Parties must engage in good faith efforts to resolve the Dispute. If the Parties cannot resolve the Dispute within thirty (30) days following the Dispute Notice (the "Negotiation Period"), then the Parties must proceed to arbitration as set forth below.

Arbitration. A Dispute not resolved by agreement of the Parties will be resolved by means of binding arbitration before a single arbitrator in accordance with the then existing Commercial Arbitration Rules of the American Arbitration Association, including the Rules for Emergency Measures of Protection, unless otherwise provided herein.

The Parties may mutually agree to appoint a qualified arbitrator. Unless otherwise agreed by the Parties, a qualified arbitrator is a retired federal or state court judge, or American Arbitration Association ("AAA") and/or National Academy of Distinguished Neutrals ("NADN") neutral, located in Arizona with at least fifteen (15) years of working experience related to commercial legal disputes. If the Parties do not mutually select an arbitrator for appointment within fifteen (15) days of the expiration of the Negotiation Period, then the arbitrator of the Dispute will be selected and appointed as follows: The Claimant will nominate one arbitrator and notify the Respondent of Claimant's nomination within twenty (20) days of the expiration of the Negotiation Period; the Respondent will within fifteen (15) days of Claimant's delivery of notice of nomination nominate one arbitrator and notify Claimant of Respondent's nomination; and the two nominated arbitrators will then confer amongst themselves and mutually nominate and appoint a third arbitrator and notify the Parties of the same within fifteen (15) days of Respondent's delivery of notice to Claimant. Unless otherwise provided herein, the third arbitrator will serve as the sole arbitrator to hear and decide the Dispute identified under the Dispute Notice (the "Arbitrator"). If Claimant fails to nominate an arbitrator and deliver notice of its nomination to Respondent within twenty (20) days of the expiration of the Negotiation Period, then all claims asserted by Claimant under the Dispute Notice will be deemed waived. If Respondent fails to timely nominate an arbitrator and provide notice of the same to Claimant under the Procedures, then the arbitrator timely nominated by Claimant will be appointed and serve as the Arbitrator. If one or both Parties' nominated arbitrators fail to appoint and notice the appointment of a third arbitrator, then the Dispute will be submitted to the AAA by the Party that noticed the Dispute, and the AAA will select and appoint the Arbitrator under its applicable rules.

The arbitration must be held in the Phoenix, Arizona metropolitan area and, unless otherwise provided herein, the Dispute is governed by Arizona law. The arbitration proceedings and arbitration award must be maintained by the Parties as strictly confidential, except as otherwise required by court order or as is necessary to confirm, vacate, or enforce the arbitration award and for disclosure in confidence to the Parties' respective attorneys, tax advisors, and senior management and to immediate family members of a Party who is an individual.

The Arbitrator will require exchange of disclosure statements by the Parties that conform with Arizona Rule of Civil Procedure 26.1 within forty-five (45) days following the appointment of the Arbitrator. All discovery must be completed within one hundred-twenty (120) days following the appointment of the Arbitrator, unless the Arbitrator otherwise determines for good cause. Any dispute or objections regarding discovery or the relevance of evidence will be determined by the Arbitrator. The final decision of the Arbitrator must be reduced to writing, include findings of fact and conclusions of law, and identify the prevailing Party for an award of attorneys' fees and costs. The prevailing Party is entitled to an award of his/her/its reasonable attorneys' fees and costs. The decision of the Arbitrator is binding on the Parties and not subject to appeal. Judgment upon the award(s) rendered by the Arbitrator may be entered and execution had in any court of competent jurisdiction and application may be made to such court(s) for a judicial acceptance of the award and an order of enforcement. The Arbitrator is not authorized to award punitive or other damages not measured by the prevailing party's actual damages. The Arbitrator has no authority to consider a class action or representative action by one or more Parties or otherwise preside over any form of a class or representative proceeding. All privileges under state and federal law, including attorney-client and work-product privileges, will be preserved and protected to the same extent that such privileges would be protected in a federal court proceeding applying the state laws of Arizona.

Under penalty of perjury, I certify that I have examined this Account Application, including all accompanying documents, and to the best of my knowledge and belief, the Account Application is true, correct, and complete. I have carefully read this document and I understand its contents, and I have not executed this Account Application under any duress, pressure, or fraud. I understand that upon signing below, this document becomes a legally enforceable agreement under which I will give up rights and potential claims. I have been encouraged to have legal counsel review this agreement before signing it. I understand that no person associated with Administrator or Custodian has authority to agree to anything different than as set forth in this Account Application.

**PRINT, SIGN, AND MAIL THIS FORM TO ADMINISTRATOR. THIS FORM CONTAINS SENSITIVE FINANCIAL INFORMATION.**

**Account Owner's Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

*An incomplete application will be discarded if not completed within 30 days of submitting. A new application will be required to open an account.*

**Vantage, as agent for Custodian:** \_\_\_\_\_ **Date:** \_\_\_\_\_



# Fee Schedule

Date Stamp  
(Office use only)  
Rev. 1/29/2026

## VANTAGE®

### Account Owner Information (As it appears on your account application)

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

### Account Fees

<b>Account Setup Fee</b> (Non-refundable account application fee)	<b>\$50</b>
<b>Annual Administration Fee</b> (Due upon account funding)	
Per Asset	<b>\$450</b>
Per Mortgage Liability	<b>\$150</b>
<i>Maximum Annual Administration Fee \$2,250</i>	

### Transaction Fees

Purchase, Sale, Exchange, Payoff, or Reregistration of Any Asset or Liability (For the addition or removal of an asset)	<b>\$175</b>
Roth Conversion or Recharacterization (Including partial requests)	<b>\$75</b>
Reregistration to Beneficiary Account	<b>\$125</b>
Domestic Wire Transfers	<b>\$50</b>
International Wire Transfers	<b>\$75</b>
Cashier's Checks	<b>\$50</b>
Check Fee or ACH Transfers (No Check / ACH Fee for Required Minimum Distributions)	<b>\$10</b>
Overnight Mail / Certified Mail	<b>\$45 minimum / \$15</b>
Returned Items or Stop Payment Requests	<b>\$50</b>
Tax Form Corrections	<b>\$50 each</b>
Legal Research Fee (3 hour minimum - \$150 per additional hour)	<b>\$450 minimum / \$150</b>
Custom Research Fee (5 hour minimum - \$75 per additional hour)	<b>\$350 minimum / \$75</b>
Full Account Termination (All assets are removed and the account is closed. An account cannot remain open with a zero market value. Annual administration fees are not prorated)	<b>\$250</b>
Outgoing Transfer / Rollover (For all Cash / In-Kind Transfers or Rollovers)	<b>\$100</b>
Specialized Distributions (In-Kind Distributions, Removal of Excess / Non-Deductible Contribution, Distribution due to Divorce / Legal Separation and Substantially Equal Payments)	<b>\$100</b>
Late Fee on Outstanding Invoices	<b>\$35</b>
Late or Incomplete Fair Market Valuation Submission (Assessed May 1st)	<b>\$125 per account</b>

## Pay Fees From

**Credit Card:**                      Visa                      MC                      Discover                      AMEX

**Name On Card:** \_\_\_\_\_

**Card Number:** \_\_\_\_\_ **Exp.:** \_\_\_\_\_

**Billing Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

Note: By adding your credit card information, you are authorizing Vantage to keep the information on file for the payment of future fees.

## Signature

Vantage Retirement Plans, LLC ("Administrator") performs recordkeeping and administration duties in connection with Account Owner's self-directed account (the "Account") on behalf of the custodian ("Custodian") as set forth in Account Owner's account application (the "Account Application"). The terms and conditions of this document are incorporated into the Account Application, and the terms and conditions of the Account Application are incorporated herein.

The Custodian is entitled to receive, from the assets held in your Account, a fee equal in amount to all income that is generated from any Undirected Cash (defined as any cash in your Account not invested pursuant to a specific investment direction by you, the Account holder) which is held by Custodian in an account or product of an FDIC or other United States government insured financial institution, United States government security, or security that is insured or guaranteed by the United States government ("Custodial Fee"). The Custodial Fee is associated with cash management activities, including, but not limited to, account maintenance, depository bank selection, transaction processing, subaccounting, recordkeeping, and other services performed under the terms of this Agreement and your Account Application. Custodian retains the right, but does not have the obligation, to reduce this fee by rebating a portion of the Custodial Fee into your Account. You agree that the Custodial Fee may be retained by Custodian as compensation for the services provided by Custodian under this Agreement and your Account Application. Custodian may pay all or an agreed portion of Custodial Fee to Administrator as agreed between Custodian and Administrator. Custodian reserves the right to change all or part of the Custodial Fee at its discretion. If changes adversely affect any clients, 30 days written notice of the change will be provided.

### **FEES WILL BE DEDUCTED FROM YOUR ACCOUNT UNLESS OTHER ARRANGEMENTS HAVE BEEN MADE.**

Minimum account balances may apply. Annual administration fees may be prepaid from your Account and not prorated. For your convenience, your annual fee will be reflected on your statements showing your administration charges. You may pay the amount shown on the statement.

If you have previously provided a credit card to be kept on file for payment of fees associated with your Account and the credit card is declined, the Administrator reserves the right to deduct these fees from your Account. If there are insufficient funds in your Account, we may liquidate other assets to pay for such fees. All Undirected Cash is maintained by Custodian at FDIC insured banks. Fees are subject to change.

Accounts that are not funded or that maintain a zero balance for sixty (60) days may be subject to closure.

*In accordance with your Account Application, this Fee Disclosure is part of your Agreement with Administrator and must accompany your Account Application.*

**PLEASE SIGN AND RETURN THIS FORM TO THE VANTAGE OFFICE**

Account Owner's Signature: \_\_\_\_\_ Date: \_\_\_\_\_



# VANTAGE®

## Safekeeping Your Confidentiality

### Privacy Policy

Vantage Retirement Plans, LLC (“we” or “us”) respects your desire for privacy and is committed to maintaining the confidentiality of your personal financial information. We believe the protection of customer information is a priority. As such, it is one of our fundamental business responsibilities as we strive to offer you the best IRA administration and recordkeeping services. This document outlines our Privacy Policy for maintaining your information.

**Information We May Collect.** To better understand your needs, administer our business, process transactions, and provide you with services, we collect non-public personal information about you from applications, questionnaires, or other forms submitted to us (through our website or otherwise) and your transactions with us or others. Non-public personal information may include information such as your name, postal address, e-mail address, social security number, assets, income, account balances, and account history.

**Our Disclosure of That Information.** We may disclose some of the information described above, such as your name and address, to affiliated companies that perform recordkeeping, marketing, mailings and other services on our behalf. We do not provide account or personal information to non-affiliated companies for the purpose of telemarketing or direct mail marketing.

We may disclose information about you, your accounts, and your transactions: (a) where it is necessary or helpful to effect, process, or confirm your transactions; (b) to verify the existence, history, and condition of your account for credit reporting agencies; (c) to comply with legal process, such as subpoenas and court orders; (d) to law enforcement authorities if we believe a crime has been committed; (e) if you give us your consent; and (f) as otherwise permitted by law.

We do not disclose non-public personal information about our current or former customers to others, except as set forth in this policy. If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

**Maintaining Accurate Information.** We have procedures in place that help us to maintain the accuracy of the personally identifiable information that we collect. Please contact us at (866) 459-4580 if you believe that our information about you is incomplete, out-of-date, or incorrect.

**Information Security.** We restrict access to your non-public personal information to those employees who have a need to know such information (e.g., to process your transactions or provide services to you). We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your non-public personal information.

**Changes to this Policy.** We may add to, delete, or change the terms of this Privacy Policy from time to time. We will notify you by mail within 30 days of any changes.

**Questions.** We value our customer relationships. If you have any questions regarding this Policy, please call us at (866) 459-4580. You can also write to us at Vantage Retirement Plans, LLC, 8742 E. Via de Commercio, Scottsdale, AZ 85258.

**SIMPLE Individual Retirement Custodial Account**

(under Sections 408(a) and 408(p) of the Internal Revenue Code)

**Article I**

- 1.01 The custodian will accept cash contributions made on behalf of the participant by the participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the custodian will accept transfers or rollovers from other SIMPLE IRAs of the participant and, after the 2-year period of participation defined in section 72(t)(6), transfers or rollovers from any eligible retirement plan (as defined in section 402(c)(8)(B)) other than a Roth IRA or designated Roth account. No other contributions will be accepted by the custodian.

**Article II**

- 2.01 The participant's interest in the balance in the custodial account is nonforfeitable.

**Article III**

- 3.01 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 custodial fund or common investment fund (within the meaning of section 408(a)(5)).
- 3.02 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**

- 4.01 Notwithstanding any provision of this agreement to the contrary, the distribution of the participant'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.
- 4.02 The participant's entire interest in the custodial account must be, or begin to be, distributed not later than the participant's required beginning date, April 1 following the calendar year in which the participant reaches age 70 1/2. By that date, the participant may elect, in a manner acceptable to the custodian, to have the balance in the custodial account distributed in:
- A single sum or
  - Payments over a period not longer than the life of the participant or the joint lives of the participant and his or her designated beneficiary.
- 4.03 If the participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows.
- If the participant dies on or after the required beginning date and:
    - The designated beneficiary is the participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
    - The designated beneficiary is not the participant'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 participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
    - There is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the participant as determined in the year of the participant's death and reduced by 1 for each subsequent year.
  - If the participant 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.
    - 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 participant's death. If, however, the designated beneficiary is the participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the participant would have reached age 70 1/2. But, in such case, if the participant'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.
    - The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the participant's death.
- 4.04 If the participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the participant's surviving spouse, no additional contributions may be accepted in the account.
- 4.05 The minimum amount that must be distributed each year, beginning with the year containing the participant's required beginning date, is known as the "required minimum distribution" and is determined as follows.
- The required minimum distribution under paragraph 2(b) for any year, beginning with the year the participant reaches age 70 1/2, is the participant'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 participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the participant'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 participant's (or, if applicable, the participant and spouse's) attained age (or ages) in the year.
  - The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the participant's death (or the year the participant would have reached age 70 1/2, 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).
  - The required minimum distribution for the year the participant reaches age 70 1/2 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.
- 4.06 The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

**Article V**

- 5.01 The participant agrees to provide the custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.
- 5.02 The custodian agrees to submit to the Internal Revenue Service (IRS) and participant the reports prescribed by the IRS.
- 5.03 The custodian also agrees to provide the participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

**Article VI**

- 6.01 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 sections 408(a) and 408(p) and the related regulations will be invalid.

**Article VII**

- 7.01 This agreement will be amended from time to time to comply with the provisions of the Code and related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the SIMPLE IRA Adoption Agreement.

**Article VIII**

- 8.01 **Applicable Law:** This Custodial Agreement is subject to all applicable federal laws and regulations and shall be governed by and construed under the applicable laws of the

state of Washington, where the Custodian is organized. The term Depositor also includes the Depositor's Beneficiary(ies), where appropriate throughout this Agreement. Any lawsuit filed against or by Custodian or Administrator shall only be instituted in the district or county courts of Chelan County, Washington, where Custodian maintains its principal office, and Depositor agrees to submit to such jurisdiction both in connection with any such lawsuit which Depositor may file and in connection with any lawsuit which Custodian or Administrator may file against Depositor.

**8.02 Custodian and Administrator:**

(a) The Custodian for the Custodial Account is **Foundation Trust Company, LLC**.

(b) The Administrator for the Custodial Account is Vantage Retirement Plans, LLC, a Arizona corporation.

**8.03 Agent for the Custodian:** The Custodian has appointed the Administrator to act as agent for the Custodian for the purpose of performing administrative or other custodial-related services with respect to the Custodial Account for which the Custodian otherwise has responsibility under this Agreement. All limitations of duties to the Depositor, and releases or indemnifications of the Custodian by the Depositor in this Agreement shall apply equally to the Administrator. The Administrator shall perform duties on behalf of the Custodian which include, but are not limited to, executing applications or adoption agreements, transfers, stock powers, escrow accounts, purchase agreements, notes, deeds, conveyances, liens, placing assets or liabilities in the Administrator's name for the benefit of the Depositor to provide administrative feasibility for such transactions, depositing contributions, and income, paying liabilities and distributions and government reporting for Depositors who have established a Custodial Account with the Custodian.

**8.04 Annual Accounting:** The Custodian shall, at least annually, provide the Participant or Beneficiary (in the case of death) with an accounting of such Participant's account. Such accounting shall be deemed to be accepted by the Participant or Beneficiary, if the Participant or Beneficiary does not object in writing within 60 days after the mailing of such accounting statement.

**8.05 Amendment:** The Participant irrevocably delegates to the Custodian the right and power to amend this Custodial Agreement. Except as hereafter provided, the Custodian will give the Participant 30 days prior written notice of any amendment. In case of a retroactive amendment required by law, the Custodian will provide written notice to the Participant of the amendment within 30 days after the amendment is made, or if later, by the time that notice of the amendment is required to be given under regulations or other guidance provided by the IRS. The Participant shall be deemed to have consented to any such amendment unless the Participant notifies the Custodian to the contrary within 30 days after notice to the Participant and requests a distribution or transfer of the balance in the account.

**8.06 Resignation and Removal of Custodian:**

(a) The Custodian may resign and appoint a successor trustee or custodian to serve under this agreement or under another governing agreement selected by the successor trustee or custodian by giving the Depositor written notice at least 30 days prior to the effective date of such resignation and appointment, which notice shall also include or be provided under separate cover a copy of such other governing instrument, if applicable, and the related disclosure statement. The Depositor shall then have 30 days from the date of such notice to either request a distribution of the entire account balance or designate a different successor trustee or custodian and notify the Custodian of such designation. If the Depositor does not request distribution of the account balance or notify the Custodian of the designation of a different successor trustee or custodian within such 30 day period, the Depositor shall be deemed to have consented to the appointment of the successor trustee or custodian and the terms of any new governing instrument, and neither the Depositor nor the successor shall be required to execute any written document to complete the transfer of the account to the successor trustee or custodian. The successor trustee or custodian may rely on any information, including beneficiary designations, previously provided by the Depositor to the Custodian.

(b) The Depositor may at any time remove the Custodian and replace the Custodian with a successor trustee or custodian of the Depositor's choice by giving 30 days notice of such removal and replacement. The Custodian shall then deliver the assets of the account as directed by the Depositor. However, the Custodian may retain a portion of the assets of the Custodial Account as a reserve for payment of any anticipated remaining fees and expenses, and shall pay over any remainder of this reserve to the successor trustee or custodian upon satisfaction of such fees and expenses.

(c) The Custodian may resign and demand that the Depositor appoint a successor trustee or custodian of this Custodial Account by giving the Depositor written notice at least 30 days prior to the effective date of such resignation. The Depositor shall then have 30 days from the date of such notice to designate a successor trustee or custodian, notify the Custodian of the name and address of the successor trustee or custodian, and provide the Custodian with appropriate evidence that such successor has accepted the appointment and is qualified to serve as trustee or custodian of an individual retirement account.

(1) If the Depositor designates a successor trustee or custodian and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor trustee or custodian.

(2) If the Depositor does not notify the Custodian of the appointment of a successor trustee or custodian within such 30 day period, then the Custodian may distribute all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the Depositor, outright and free of trust, and the Depositor shall be wholly responsible for the tax consequences of such distribution.

In either case, the Custodian may expend any assets in the account to pay expenses of transfer (including re-registering the assets and preparation of deeds, assignments, and other instruments of transfer or conveyance) to the successor trustee or custodian or the Depositor, as the case may be. In addition, the Custodian may retain a portion of the assets as a reserve for payment of any anticipated remaining fees and expenses. Upon satisfaction of such fees and expenses, the Custodian shall pay over any remainder of the reserve to the successor trustee or custodian or to the Depositor, as the case may be.

(d) Administrator may at any time select a qualified successor custodian by giving the Depositor and Custodian written notice at least 30 days prior to the effective date of such appointment, which notice shall also include or be provided under separate cover a copy of such other governing instrument, if applicable, and the related disclosure statement. The Depositor shall then have 30 days from the date of such notice to either request a distribution of the entire Custodial Account balance or designate a different successor trustee or custodian and notify the Custodian and Administrator of such designation. If the Depositor does not request distribution of the Custodial Account balance or notify the Administrator of the designation of a different successor trustee or custodian within such 30 day period, the Depositor shall be deemed to have consented to the appointment of the successor custodian and the terms of any new governing instrument, and neither the Depositor nor the successor shall be required to execute any written document to complete the transfer of the Custodial Account to the successor custodian. The successor custodian may rely on any information, including beneficiary designations, previously provided by the Depositor to the Custodian.

**8.07 Custodian's and Administrator's Fees and Expenses:**

(a) This Section 8.05 of the Custodial Agreement shall be governed by the requirements of Section 408(p)(7) and IRS Notice 98-4, Section J, and is further explained in the accompanying SIMPLE IRA Disclosure Statement.

(b) The Depositor agrees to pay the Custodian any and all fees specified in the Custodian's current published fee schedule for establishing and maintaining this Custodial Account, including any fees for distributions from, transfers from, and terminations of this Custodial Account. The Custodian may change its fee schedule at any time by giving the Depositor 30 days prior written notice.

(c) The Depositor agrees to pay any expenses incurred by the Custodian or the Administrator in the performance of its duties in connection with the account. Such expenses include, but are not limited to, administrative expenses, legal fees, accounting fees, regulatory fees and any taxes or assessments of any kind whatsoever that may be levied with respect to such account.

(d) All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the Depositor, but the Depositor shall be responsible for any deficiency.

(e) In the event that for any reason the Custodian is not certain as to who is entitled to receive all or part of the assets in the Custodial Account, the Custodian reserves the right to withhold any payment from the Custodial Account, to request a court ruling to determine the disposition of the Custodial assets, and to charge the Custodial Account for any expenses incurred in obtaining such legal determination.

(f) The Custodian shall be entitled to receive, from the assets held in the Custodial Account, a fee equal in amount to all income that is generated from any Undirected Cash (defined as any cash in the Custodial Account not invested pursuant to a specific investment direction by Depositor) which has been deposited by Custodian into FDIC or other United States government insured financial institutions, United States government securities, or securities that are insured or guaranteed by the United States government, as provided in Section 9.01(b) below. Custodian's fees from the Undirected Cash in the Custodial Account are associated with cash management activities, including, but not limited to, account maintenance, depository bank selection, transaction processing, sub-accounting, record keeping, and other services performed under the terms of this Agreement. Custodian retains the right, but does not have the obligation, to reduce this fee by rebating a portion of the fee into the Custodial Account. The Depositor agrees that this fee may be retained by the Custodian as compensation for the services provided by Custodian under this

Agreement. The Custodian may pay all or an agreed portion of this fee to the Administrator as agreed between the Custodian and the Administrator. The Custodian reserves the right to change all or part of the Custodial Fee Schedule at its discretion with 30 days advance written notice to Depositor.

- (g) In addition to any portion of the Custodian's fee that the Administrator receives from the Custodian as provided in Section 8.07(f), the Administrator shall be entitled to fees for account opening, asset purchases and sales, distributions, transfers, terminations, and annual administration of the Custodial Account, along with other miscellaneous fees, as disclosed in a fee schedule provided by the Administrator to the Depositor. The Administrator may change its fee schedule at any time by giving the Depositor 30 days prior written notice. If payment is not received within thirty (30) days from the due date reflected on an invoice, a past due notice will be mailed to Depositor and a late fee equal to the lower of (a) 1.5% of the outstanding invoice for every month or partial month that the invoice is outstanding or (b) the maximum late penalty permitted under the state law where the Administrator is organized, shall be assessed to the Custodial Account. Additionally, assets may be liquidated from the account, without notice, for any outstanding fee which has not been paid. If fees are not paid within thirty (30) days after Administrator has mailed the past due notice, Administrator will begin the process of closing the Custodial Account. Any asset distributed directly to Depositor as part of closing the Custodial Account will be reported to the IRS on Form 1099-R and may subject the Depositor to possible taxes and penalties. Accounts with past due fees, unfunded accounts, and accounts with zero value will continue to incur administration fees until such time as Depositor notifies Administrator (on a form prescribed by Custodian) of Depositor's intent to close the account or until Custodian resigns.
- 8.08 **Withdrawal Requests:** All requests for withdrawal shall be in writing on the form provided by the Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested.
- 8.09 **Age 70 1/2 Default Provisions:** If the Depositor does not choose any of the distribution methods under Article IV of this Trust Agreement by the April 1st following the calendar year in which the Depositor reaches age 70 1/2, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Regulation section 1.401(a)(9)-9. However, no payment will be made until the Depositor provides the Custodian with a proper distribution request acceptable to the Custodian. Upon receipt of such distribution request, the Depositor may switch to a joint life expectancy in determining the required minimum distribution if the Depositor's spouse was the sole beneficiary as of the January 1<sup>st</sup> of the distribution calendar year and such spouse is more than 10 years younger than the Depositor.
- 8.10 **Death Benefit Default Provisions:**
- (a) If the Depositor dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the Designated Beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
- (b) If the Depositor dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03(a). However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
- 8.11 **Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002:** Unless the Custodian provides otherwise, if a Depositor (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.
- 8.12 **Responsibilities:** Participant agrees that all information and instructions given to the Custodian by the Participant is complete and accurate and that the Custodian shall not be responsible for any incomplete or inaccurate information provided by the Participant or Participant's beneficiary(ies). Participant agrees to be responsible for all tax consequences arising from contributions to and distributions from this Custodial Account and acknowledges that no tax advice has been provided by the Custodian.
- 8.13 **Designation of Beneficiary:**
- (a) Except as may be otherwise required by State law, in the event of the Participant's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Participant on a beneficiary designation form acceptable to and filed with the Custodian. The Participant may change the Participant's beneficiary or beneficiaries at any time by filing a new beneficiary designation with the Custodian. If no beneficiary designation is in effect, if none of the named beneficiaries survive the Participant, or if the Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Participant's estate.
- (b) If the Custodian permits, in the event of the Depositor's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies) if any, designated by the original spouse beneficiary where the Depositor dies before his or her required beginning date. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

#### ARTICLE IX SELF-DIRECTED SIMPLE IRA PROVISIONS

- 9.01 **Investment of Contributions:**
- (a) At the direction of the Depositor (or the direction of the beneficiary upon the Depositor's death), the Custodian shall invest all contributions to the Custodial Account and earnings thereon in investments that are acceptable to the Custodian, and that are considered administratively feasible by the Custodian, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), certificates of deposit, real estate, deeds of trust, mortgages, unsecured notes, limited partnerships, limited liability companies, private stock, other private placement offerings, and other investments to which the Custodian consents, in such amounts as are specifically selected and specified by the Depositor in orders to the Custodian in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment. The Custodian shall be responsible for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received as required, or, if received, are unclear in the opinion of the Custodian, or if there is insufficient Undirected Cash in the Custodial Account to comply with such orders, all or a portion of the contribution may be held uninvested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification, or the contribution may be returned. The Custodian and the Administrator shall have no duty other than to follow the written investment directions of the Depositor, and shall be under no duty to question said instructions and shall not be liable for any investment losses sustained by the Depositor under any circumstances.
- (b) Depositor hereby acknowledges and agrees that Custodian will deposit all Undirected Cash in the Custodial Account into pooled deposit accounts at one or more FDIC or other United States government insured institutions or in United States government securities or in securities that are insured or guaranteed by the United States government pending further investment direction by Depositor. All income generated by Undirected Cash in Custodian's pooled deposit accounts shall be retained by Custodian as fees, as described in paragraph 8.07(f) above. Depositor authorizes Custodian to transfer any Undirected Cash in the Custodial Account into any FDIC insured financial institution or in United States government securities or in securities that are insured or guaranteed by the United States government without any further approval or direction by the Depositor.
- 9.02 **Indemnification:** The Custodian and Administrator shall have no duty other than to follow the written instructions of the Depositor, and shall be under no duty to question said instructions and shall not be liable for any investment losses sustained by the Depositor under any circumstances. By performing services under this Agreement, the Custodian and the Administrator are acting as the agent of Depositor, and nothing in this Agreement shall be construed as conferring fiduciary status on the Custodian or the Administrator. Depositor agrees to indemnify and hold harmless the Custodian and the Administrator from any and all claims, damages, liability, actions, costs, expenses (including reasonable attorneys' fees) and any loss to the Custodial Account, to the Depositor or to Depositor's beneficiary(ies) as a result of any action taken (or

omitted to be taken) pursuant to and/or in connection with any investment transaction directed by Depositor or Depositor's investment advisor or resulting from serving as the Custodian or the Administrator, including, without limitation, claims, damages, liability, actions and losses asserted by the Depositor or the Depositor's beneficiary(ies).

- 9.03 **Registration:** All assets of the Custodial Account shall be registered in the name of the Custodian, or in the name of the Administrator, who shall be the nominee of the Custodian for purposes of holding assets of the Custodial Account. The same Administrator may be the nominee of the Custodian with respect to the holding of assets of other investors whether or not held under agreements similar to this one or in any capacity whatsoever; and the Custodian may commingle the assets so held to the extent permitted by law. However, the Custodial Account and each other account or asset so held shall each be separate and distinct; a separate account therefore shall be maintained by the Custodian (or by the Administrator on behalf of the Custodian). The assets of the Custodial Account may be held by the Custodian in individual or bulk segregation either in the Custodian's vaults or vaults of the Custodian's agent or through brokerage accounts of entities permitted to hold assets of the applicable type under the Securities Exchange Act of 1934 or the Commodities Exchange Act.
- 9.04 **Investment Advisor:** The Depositor may appoint an Investment Advisor, qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of the Custodial Account or any specified portion of the Custodial Account. The Depositor shall notify the Custodian in writing of any such appointment by providing the Custodian a copy of the instruments appointing the Investment Advisor and evidencing the Investment Advisor's acceptance of such appointment, an acknowledgment by the Investment Advisor that it is a fiduciary of the account, and a certificate evidencing the Investment Advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to it by the Investment Advisor, unless and until it receives written notification from the Depositor that the Investment Advisor's appointment has been terminated. The Custodian and the Administrator shall have no duty other than to follow the written investment directions of such Investment Advisor and shall be under no duty to question said instructions, and the Custodian and Administrator shall not be liable for any investment losses sustained by the Depositor as a result of following the written investment directions of the Depositor's Investment Advisor.
- 9.05 **No Investment Advice:** The Depositor acknowledges and agrees that the Custodian and the Administrator do not provide or assume responsibility for any tax, legal or investment advice with respect to the investments and assets in the Custodial Account and shall not be liable for any loss which results from the Depositor's exercise of control over the Custodial Account. The Depositor and the Depositor's beneficiary(ies) release, indemnify and agree to hold the Custodian and the Administrator harmless in the event that any investment or sale of the assets in the Custodial Account pursuant to a direction by the Depositor or the Depositor's Investment Advisor violates any federal or state law or regulation or otherwise results in a disqualification, penalty, tax or fine imposed upon the Custodian, the Administrator, the Depositor or the Custodial Account.
- 9.06 **Prohibited Transactions:** The Depositor acknowledges and agrees that the Custodial Account is subject to the provisions of section 4975, which defines certain prohibited transactions. Depositor acknowledges and agrees that the Custodian and the Administrator shall make no determination as to whether any transaction or investment in the Custodial Account is prohibited under sections 4975, 408(e) or 408A, or under any other state or federal law. The Depositor understands that should the Custodial Account engage in a prohibited transaction and depending on the type of prohibited transaction, certain assets of the Custodial Account will be deemed to have been distributed and will be subject to taxes as well as possible penalties. The Depositor agrees that he or she will consult with a tax or legal professional of the Depositor's choice to ensure that none of the investments in the Custodial Account will constitute a prohibited transaction and that the investments in the Custodial Account comply with all applicable federal and state laws, regulations and requirements.
- 9.07 **Unrelated Business Income Tax:** The Depositor acknowledges and agrees that the Custodial Account is subject to the provisions of Internal Revenue Code Sections 511-514 relating to Unrelated Business Taxable Income (UBTI) of tax-exempt organizations. If the Depositor directs the Custodian to make an investment in the Custodial Account which generates UBTI, the Depositor agrees to prepare or have prepared the required IRS Form 990-T tax return, an application for an Employer Identification Number (EIN) for the Custodial Account (if not previously obtained), and any other documents that may be required, and to submit them to the Custodian for filing with the Internal Revenue Service at least ten (10) days prior to the date on which the return is due, along with an appropriate directive authorizing the Custodian to execute the forms on behalf of the Custodial Account and to pay the applicable tax from the assets in the Custodial Account. Depositor understands and acknowledges that the Custodian and the Administrator do not make any determination of whether or not investments in the Custodial Account generate UBTI; have no duty to and do not monitor whether or not the Custodial Account has incurred UBTI; and do not prepare Form 990-T on behalf of the Custodial Account.
- 9.08 **Disclosures and Voting:** The Custodian shall deliver, or cause to be executed and delivered, to Participant all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of adequate written instructions from Participant.
- 9.09 **Miscellaneous Expenses:** In addition to those expenses set out in section 8.05 of this plan, the Participant agrees to pay any and all expenses incurred by the Custodian in connection with the investment of the account, including expenses of preparation and filing any returns and reports with regard to unrelated business income, including taxes and estimated taxes, as well as any transfer taxes incurred in connection with the investment or reinvestment of the assets of the account.
- 9.10 **Valuations:** The assets in the Custodial Account shall be valued annually at the end of each calendar year in accordance with section 408(i) and other guidance provided by the IRS, but Custodian retains the right to value the assets in the Custodial Account more frequently. In valuing the assets of the Custodial Account for record keeping and government reporting purposes, Custodian will ascertain the fair market value of each investment through utilizing various third-party pricing sources and designated valuation agents. However, Custodian does not guarantee the accuracy of prices obtained from these sources. Where assets are illiquid or their value is not readily ascertainable on either an established exchange or generally recognized market, the valuation is by necessity not a true market value and is merely an estimate of value, and Depositor agrees not to rely on any such valuation for any other purposes. Depositor agrees to provide the year end value of any illiquid and/or non-publicly traded investments, which may include without limitation limited partnerships, limited liability companies, privately held stock, real estate investment trusts, hedge funds, real estate, secured and unsecured promissory notes, and any other investments as Custodian shall designate, by no later than the following January 10th. If Custodian does not receive a current year end fair market value by the following January 10th for any such investment, the Custodian shall take appropriate actions to receive the fair market value from an independent third party that specializes in valuations, paying the cost of such valuation from the liquid assets held in the Custodial Account, or in the alternative after having first received the cost of the valuation from Depositor or Depositor's beneficiary(ies) if liquid investments in the Custodial Account are otherwise insufficient. Unless Custodian has received a written fair market valuation to the contrary, promissory notes and privately offered corporate debt will have valuations reflected at the face value shown on the original note or debt instrument, or if the note is subject to an amortization schedule and the amortization schedule has been provided to Custodian by Depositor, valuation may be shown at the principal amount shown on the amortization schedule as of the end of the previous year. Depositor, and upon Depositor's death Depositor's beneficiary(ies), agree to indemnify and hold harmless Custodian from any and all losses, expenses, settlements, or claims with regard to investment decisions, distribution values, tax reporting or any other financial impact or consequence relating to or arising from the valuation of assets in the Custodial Account.
- 9.11 **Insurance, Tax and Other Payments:** Custodian and Administrator shall not bear or assume any responsibility to notify Depositor or to secure or maintain any fire, casualty, liability or other insurance coverage, including but not limited to title insurance coverage, on any real or personal property owned in the Custodial Account or on any property which serves as collateral under any mortgage, deed of trust, or other security instrument with respect to any promissory note or other evidence of indebtedness in the Custodial Account. Depositor acknowledges and agrees that it is the responsibility of Depositor to decide what insurance is necessary or appropriate for any investment in the Custodial Account, and to direct Custodian in writing (on a form prescribed by Custodian) to pay the premiums for any such insurance. Custodian and Administrator shall not be responsible for notification or payments of any real estate taxes, homeowners' association dues, utilities or other charges with respect to any investment held in the Custodial Account unless Depositor specifically directs the Custodian to pay the same in writing (on a form prescribed by Custodian), and sufficient funds are available to pay the same from the Custodial Account. Depositor acknowledges and agrees that it shall be Depositor's responsibility to provide to Custodian or to ensure that Custodian has received any and all bills for insurance, taxes, homeowners' dues, utilities or other amounts due for assets held in the Custodial Account. Furthermore, Depositor agrees that it shall be Depositor's responsibility to determine that payments have been made by verifying the payments via Depositor's Custodial Account statements.

#### Article X Miscellaneous Provisions

- 10.01 **Electronic Communications, Signatures, and Records:** Subject to any limitations contained in Treasury Regulation section 1.401(a)-21 and any other applicable federal or state law or regulation, Depositor acknowledges and agrees that the Custodial Account shall be subject to the provisions of the Uniform Electronic Transactions Act, as passed in the state where the Custodian is organized (Washington Statutes Annotated (RCW) Chapter 1.80, et seq.), and the federal Electronic Signature in Global and

National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001), as those laws pertain to electronic communication, electronic signatures, and electronic storage of Custodial Account records. Pursuant to RCW Section 1.80.120, in lieu of the retention of the original records, Custodian may cause any, or all, of its records, and records at any time in its custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.

10.02 **Severability:** If any provision of this Custodial Account Agreement is found to be illegal, invalid, void or unenforceable, such provision shall be severed and such illegality or invalidity shall not affect the remaining provisions which shall remain in full force and effect. Neither Depositor's or Custodian's failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or Depositor's right or Custodian's right to enforce each and every such provision.

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## FINANCIAL DISCLOSURE

**In General:** IRS regulations require the Custodian to provide you with a financial projected growth of your SIMPLE IRA account based upon certain assumptions.

**Growth in the Value of Your SIMPLE IRA:** Growth in the value of your SIMPLE IRA is neither guaranteed nor projected. The value of your SIMPLE IRA will be computed by totaling the fair market value of the assets credited to your account. At least once a year the Custodian will send you a written report stating the current value of your SIMPLE IRA assets. The Custodian shall disclose separately a description of:

- (a) The type and amount of each charge;
- (b) the method of computing and allocating earnings, and
- (c) any portion of the contribution, if any, which may be used for the purchase of life insurance.

**Custodian Fees:** The Custodian may charge reasonable fees or compensation for its services, and it may deduct all reasonable expenses incurred by it in the administration of your SIMPLE IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the Custodian or Administrator will be separately disclosed in the Administrator's fee disclosure attached hereto. Such fees may be charged to you or directly to your custodial account. In addition, depending on your choice of investment vehicles, you may incur brokerage commissions attributable to the purchase or sale of assets.

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## General Instructions

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

### Purpose of Form

Form 5305-SA is a model custodial account agreement that meets the requirements of sections 408(a) and 408(p). However, only Articles I through VII have been reviewed by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the participant or his or her beneficiaries. Do not file Form 5305-SA with the IRS. Instead, keep it for record purposes.

For more information on SIMPLE IRAs, including the required disclosures the Custodian must give the participant, see Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs); Pub. 590-B, Distributions from Individual Retirement Arrangements (IRAs); and Pub 560, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans).

### Definitions

**Participant/Depositor** - The participant/depositor is the person who establishes the custodial account.

**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.

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

### Transfer SIMPLE IRA

This SIMPLE IRA is a "transfer SIMPLE IRA" if it is not the original recipient of contributions under any SIMPLE IRA plan. The summary description requirements of section 408(l)(2) do not apply to transfer SIMPLE IRAs.

### Specific Instructions

Article IV. --Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the participant reaches age 70 1/2 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 participant 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 participant, etc. Use additional pages if necessary and attach them to this form.

# SIMPLE IRA DISCLOSURE STATEMENT

**RIGHT TO REVOKE YOUR SIMPLE IRA ACCOUNT: RIGHT TO REVOKE YOUR SIMPLE IRA ACCOUNT:** You may revoke your SIMPLE IRA within 7 days after you sign the SIMPLE IRA Adoption Agreement by hand-delivering or mailing a written notice to the name and address indicated below:

IRA Administrator  
Vantage Retirement Plans, LLC  
20860 N. Tatum Blvd. Suite 240  
Phoenix, AZ 85050

If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the Adoption Agreement. If you revoke your SIMPLE IRA within the 7-day period, you will receive a refund of the entire amount of your contributions to the SIMPLE IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report certain information to the IRS.

## GENERAL REQUIREMENTS OF A SIMPLE IRA:

1. All SIMPLE contributions must be made in cash, unless you are making a rollover contribution or transfer, and the Custodian accepts such non-cash assets.
2. Prior to December 19, 2015, the only types of contributions permitted to be made to this SIMPLE IRA are salary reduction contributions and employer contributions under the employer's SIMPLE Retirement Plan. Beginning December 19, 2015, if your Employer's Plan permits, your SIMPLE IRA will accept rollover contributions from a qualified plan, a qualified annuity, a 403(b) plan, 457(b) plans or from a traditional IRA, but only after you have maintained the SIMPLE IRA for 2 years, measured from the first contribution made to your SIMPLE IRA.
3. The Custodian of your SIMPLE IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
4. No portion of your SIMPLE IRA funds may be invested in life insurance contracts.
5. Your interest in your SIMPLE IRA must be fully vested and is nonforfeitable at all times.
6. The assets in your SIMPLE IRA may not be commingled with other property except in a common trust fund or common investment fund.
7. You may not invest the assets of your SIMPLE IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code.) A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the Custodian permits, specially minted US Gold and Silver bullion coins and certain state-issued coins are permissible SIMPLE IRA investments.
8. Your interest in your SIMPLE IRA must begin to be distributed to you by the April 1st following the calendar year you attain the age of 70 1/2. The methods of distribution, election deadlines, and other limitations are described in detail below.
9. For purposes of the SIMPLE Plan rules, in the case of an individual who is not a self-employed individual, compensation means the amount described in section 6051(a)(3) which includes wages, tips and other compensation from the employer subject to income tax withholding under section 3401(a), and amounts described in section 6051(a)(8), including elective contributions made under a SIMPLE plan, and compensation deferred under a section 457 plan. In the case of a self-employed individual, compensation means net earnings from self-employment determined under section 1402(a), prior to subtracting any contributions made under the SIMPLE plan on behalf of the individual.
10. Contributions to a SIMPLE IRA are excludible from federal income tax and not subject to federal income tax withholding when made to the SIMPLE IRA. Salary reduction contributions are subject to FICA, FUTA or RRTA tax when made and must be reported on the employee's Form W-2 wage statement. Matching and nonelective employer contributions made to a SIMPLE IRA are not subject to FICA, FUTA or RRTA and are not required to be reported on Form W-2.
11. A SIMPLE IRA must be established by or on behalf of an employee prior to the first date by which a contribution is required to be deposited into the SIMPLE IRA.

**ELIGIBLE EMPLOYEES:** Under a SIMPLE Retirement Plan established by an Eligible Employer, all employees of the employer who received at least \$5,000 in compensation from the employer during any 2 preceding calendar years, whether or not consecutive, and who are reasonably expected to receive at least \$5,000 in compensation during the calendar year, must be eligible to participate in the SIMPLE Plan for the calendar year. An employer may impose less restrictive eligibility requirements, such as eliminating or reducing the prior year compensation requirements, the current year compensation requirement, or both, under its SIMPLE Plan.

An employer, at its option, may exclude from eligibility employees who are included in a unit of employees covered by an agreement that the Secretary of Labor finds to be a collective bargaining agreement between employee representatives and one or more employers, if there is evidence that retirement benefits were the subject of good faith bargaining between such employee representatives and such employer or employers; in the case of a trust established or maintained pursuant to an agreement that the Secretary of Labor finds to be a collective bargaining agreement between air pilots represented in accordance with Title II of the Railway Labor Act and one or more employees, all employees not covered by that agreement; and employees who are nonresident aliens and who received no earned income from the employer that constitutes income from sources within the United States.

**PARTICIPATION IN ANOTHER PLAN:** An eligible employee may participate in an employer's SIMPLE Plan, even if he or she also participates in a plan of a different employer for the same year. However, the employee's salary reduction contributions are subject to the limitation of section 402(g), which provides an aggregate limit on the exclusion for elective deferrals for any individual. The employee is responsible for monitoring compliance with these limitations.

**ELIGIBLE EMPLOYERS:** SIMPLE plans may be established by employers (including tax-exempt employers and governmental entities) that had no more than 100 employees who earned \$5,000 or more in compensation during the preceding calendar year. For purposes of the 100-employee limitation, all employees employed at any time during the calendar year are taken into account, regardless of whether they are eligible to participate in the SIMPLE plan. This means that otherwise excludible employees (i.e. certain union employees, nonresident aliens with no U.S. source income, and those employees who have not met the plan's minimum eligibility requirements) must be taken into account.

## SIMPLE PLAN CONTRIBUTIONS:

**Elective Deferrals (Salary Reduction Contributions)** - A salary reduction contribution is a contribution made pursuant to an employee's election to have an amount contributed to his or her SIMPLE IRA, rather than have the amount paid directly to the employee in cash. An eligible employee must be permitted to elect to have salary reduction contributions made at the level specified by the employee, expressed as a percentage of compensation for the year or as a specific dollar amount. The maximum salary reduction contribution per calendar year may not exceed "the applicable annual dollar limitation" described below. Salary reduction contributions may not begin until the eligible employee completes a form provided by the employer designed to permit the employee to elect the salary reduction percentage or specific dollar amount. An employer may not place any restrictions on the amount of an employee's salary reduction contributions (e.g. by limiting the contribution percentage), except to the extent needed to comply with the annual limit.

### Applicable Annual Dollar Limitation

<u>Tax Year</u>	<u>Contribution Limit</u>	<u>Tax Year</u>	<u>Contribution Limit</u>
2001	\$ 6,500	2015 - 2018	\$12,500
2002	\$ 7,000	2019	\$13,000

2003	\$ 8,000	2020 - 2021	\$13,500
2004	\$ 9,000	2022	\$14,000
2005 - 2006	\$10,000	2020 - 2021	\$13,500
2007 - 2009	\$10,500	2022	\$14,000
2010 - 2012	\$11,500	2023	\$15,500
2013 - 2014	\$12,000	2024	\$16,000
		2025	\$16,500

The annual limit will be subject to cost-of-living increases in increments of \$500, rounded to the lower increment.

**Catch-up Contributions** - Beginning for 2002, if an individual has attained the age of 50 before the close of the taxable year for which an annual contribution is being made and meets the other eligibility requirements for making regular SIMPLE IRA contributions, the annual SIMPLE IRA deferral limit for that individual would be increased as follows:

<u>Tax Year</u>	<u>Normal Limit</u>	<u>Additional Catch-up</u>	<u>Total Contribution</u>
2002	\$ 7,000	\$ 500	\$ 7,500
2003	\$ 8,000	\$1,000	\$ 9,000
2004	\$ 9,000	\$1,500	\$10,500
2005	\$10,000	\$2,000	\$12,000
2006	\$10,000	\$2,500	\$12,500
2007	\$10,500	\$2,500	\$13,000
2008	\$10,500	\$2,500	\$13,000
2009 - 2012	\$11,500	\$2,500	\$14,000
2013 - 2014	\$12,000	\$2,500	\$14,500
2015 - 2018	\$12,500	\$3,000	\$15,500
2019	\$13,000	\$3,000	\$16,000
2020	\$13,500	\$3,000	\$16,500
2021	\$13,500	\$3,000	\$16,500
2022	\$14,000	\$3,000	\$17,000
2023	\$15,500	\$3,500	\$19,000
2024	\$16,000	\$3,500	\$19,500
2025	\$16,500	\$3,500	\$20,000

The additional catch-up amount for SIMPLE IRAs is subject to cost-of-living increases in increments of \$500, rounded to the lower increment.

#### Employer Contributions - 2 Options

1. **Matching Contributions:** Under a SIMPLE plan, an employer is generally required to make a contribution on behalf of each eligible employee in an amount equal to the employee's salary reduction contributions, up to a limit of 3% of the employee's compensation for the entire calendar year.

The 3% limit on matching contributions is permitted to be reduced for a calendar year at the election of the employer, but only if: the limit is not reduced below 1%; the limit is not reduced for more than 2 years out of the 5-year period that ends with and includes the year for which the election is effective; and employees are notified of the reduced limit within a reasonable period of time before the 60-day election period during which employees can enter into salary reduction agreements as described below.

In determining whether the limit was reduced below 3% for a year, any year before the first year in which an employer (or a predecessor employer) maintains a SIMPLE plan will be treated as a year for which the limit was 3%. If an employer chooses to make nonelective contributions for a year in lieu of matching contributions, that year also will be treated as a year for which the limit was 3%.

2. **Nonelective Contributions:** Under a SIMPLE plan, an employer may make nonelective contributions in lieu of matching contributions. These nonelective contributions must be equal to 2% of each eligible employee's compensation for the entire calendar year, regardless of whether the employee elects to make salary reduction contributions for the calendar year. The employer may, but is not required to, limit nonelective contributions to eligible employees who have at least \$5,000 (or some lower amount selected by the employer) of compensation for the year. For purposes of this 2% nonelective contribution only, the compensation taken into account must be limited to the amount of compensation under section 401(a)(17) for the year. This compensation limit is subject to cost-of-living increases in increments of \$5000, rounded to the lower increment as follows:

\$220,000 for 2006	\$255,000 for 2013	\$280,000 for 2019
\$225,000 for 2007	\$260,000 for 2014	\$285,000 for 2020
\$230,000 for 2008	\$265,000 for 2015-2016	\$290,000 for 2021
\$245,000 for 2009-2011	\$270,000 for 2017	\$305,000 for 2022
\$250,000 for 2012	\$275,000 for 2018	\$330,000 for 2023
		\$345,000 for 2024
		\$350,000 for 2025

An employer may substitute the 2% nonelective contribution for the matching contribution for a year only if eligible employees are notified within a reasonable period of time before the 60-day election period during which employees can enter into salary reduction agreements that a 2% nonelective contribution will be made instead of a matching contribution.

**EMPLOYEE ELECTIONS:** During the 60-day period immediately preceding January 1st of a calendar (i.e. November 2 to December 31 of the preceding calendar year), an eligible employee must be given the right to enter into a salary reduction agreement for the calendar year, or to modify a prior agreement (including reducing the amount subject to this agreement to \$0). However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may enter into a salary reduction agreement or modify a prior agreement is a 60-day period that includes either the date the employee becomes eligible or the day before that date. For example, if an employer establishes a SIMPLE plan effective as of July 1, 2014, each eligible employee becomes eligible to make salary reduction contributions on that date and the 60-day period must begin no later than July 1 and cannot end before June 30, 2014.

During these 60-day periods, employees have the right to modify their salary reduction agreements without restrictions. In addition, for the year in which an employee becomes eligible to make salary reduction contributions, the employee must be able to commence these contributions as soon as the employee becomes eligible, regardless of whether the 60-day period has ended. An employer may, but is not required to, provide additional opportunities or longer periods for permitting eligible employees to enter into salary reduction agreements or to modify prior agreements.

An employee must be given the right to terminate a salary reduction agreement for a calendar year at any time during the year even if this is outside a SIMPLE plan's normal election period. The employer's SIMPLE plan may, however, provide that an employee who terminates a salary reduction agreement at any time other than the normal election period is not eligible to resume participation until the beginning of the next calendar year.

**EMPLOYER ADMINISTRATIVE AND NOTIFICATION REQUIREMENTS:** An employer must notify each employee, immediately before the employee's 60-day election period, of the employee's opportunity to enter into a salary reduction agreement or to modify a prior agreement. If applicable, this notification must disclose an employee's ability to select the financial institution that will serve as the trustee or custodian of the employee's SIMPLE IRA. Such notification must also include the Summary Description required under section 408(l)(2)(B). Such notification must also include whether the employer will be making either matching contributions (including the employer's election to reduce the matching contribution below 3%) or nonelective contributions as previously described.

If an eligible employee who is entitled to a contribution under the employer's SIMPLE plan is unwilling or unable to establish a SIMPLE IRA with any financial institution prior to the date on which the contribution is required to be made to the SIMPLE IRA of the employee, the employer may execute the necessary SIMPLE IRA documents on the employee's behalf with a financial institution selected by the employer.

The employer must deliver the salary reduction contributions to the financial institution maintaining the SIMPLE IRA as of the earliest date on which the contributions can reasonably be segregated from the employer's general assets, but no later than the close of the 30-day period following the last day of the month in which amounts would otherwise have been payable to the employee in cash.

Matching and nonelective employer contributions must be made to the financial institution maintaining the SIMPLE IRA no later than the due date for filing the employer's income tax return, including extensions, for the taxable year that includes the last day of the calendar year for which the contributions are made.

## **ROLLOVERS:**

**Rollover Contributions from Another SIMPLE IRA** - A rollover contribution to this SIMPLE IRA is only permitted from another SIMPLE IRA. A rollover contribution from another SIMPLE IRA is any amount the participant receives from one SIMPLE IRA and redeposits some or all of it into this SIMPLE IRA. The participant is not required to roll over the entire amount received from the first SIMPLE IRA. However, any amount you do not roll over will be taxed at ordinary income tax rates for federal income tax purposes and may also be subject to an additional tax if the distribution is a premature distribution described below.

**Rollover Distributions from a SIMPLE IRA** - A distribution from any SIMPLE IRA may be rolled over only to another SIMPLE IRA during the 2-year period the participant first participated in the employer's SIMPLE plan. Thus, a distribution from a SIMPLE IRA during that 2-year period qualifies as a rollover contribution (and is not includible in gross income of the participant) only if the distribution is paid into another SIMPLE IRA and satisfies the other requirements that apply to all IRA rollovers under section 408(d)(3). After this 2-year period, a distribution from a SIMPLE IRA may be rolled over to any IRA maintained by the individual or to an employer plan, including a qualified plan, a 403(b) or a 457(b) that accepts these types of rollovers. This 2-year period begins on the first day on which contributions made by the individual's employer are deposited in the individual's SIMPLE IRA.

**Rollover Contributions from Another Plan into this SIMPLE IRA** - Beginning December 19, 2015, if your Employer's Plan permits, you are permitted to rollover from a qualified plan, a qualified annuity, a 403(b) Plan, a governmental 457(b) Plan and from a Traditional IRA. Your SIMPLE IRA may only accept these rollovers after your SIMPLE IRA has been in existence for 2 years measured from the date of the first contribution into your SIMPLE IRA account.

## **Special Rules that Apply to Rollovers -**

- The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- Beginning in 2015, you can make only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. The limit will apply by aggregating all of an individual's IRAs, including SEP and SIMPLE IRAs as well as traditional and Roth IRAs, effectively treating them as one IRA for purposes of the limit. (See IRS Publication 590-A for more information).
- The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be rolled over into the second IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- If you are age 70 1/2 or older and wish to roll over to another IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.

**Special Rollover Rules for Qualified Disaster Distributions** - Qualified Disaster Distributions (QDDs) are eligible to be rolled over to an IRA (or other eligible retirement plan) within a 3-year period after the eligible individual received such distribution. The maximum amount of a QDD is \$100,000 per taxpayer; is not subject to the premature distribution penalty tax of 10% (or 25% in the case of a SIMPLE-IRA) and will be taxed pro rata over a 3 year period unless the taxpayer elects to pay all of the taxes in the year of the distribution. More information on Qualified Disaster Distributions and other tax relief provisions applicable to affected individuals as well as other disaster relief can be found in IRS Publication 976 and in the instructions for Form 8915A or 8915B, whichever is applicable. Taxpayers using these tax relief provisions must file Form 8915A or 8915B with his or her Federal income tax return.

**Conversion from a SIMPLE IRA to a Roth IRA** - You are permitted to make a qualified rollover contribution from a SIMPLE IRA to a Roth IRA. [Note: Prior to 2010 only taxpayers who's Modified AGI for the year during which the distribution was not in excess of \$100,000 and you were not a married person filing a separate tax return.] This is called a "conversion" and may be done (after the 2-year holding period) at any time without waiting the usual 12 months.

**Recharacterizations** - Beginning in 2018, for conversions made in 2018, you are no longer permitted to recharacterize a conversion made to a Roth IRA back to a traditional IRA.

**Taxation in Completing a Conversion from a SIMPLE IRA to a Roth IRA** - If you complete a conversion from a SIMPLE IRA to a Roth IRA, the conversion amount (to the extent taxable) is generally included in your gross income for the year during which the distribution is made from your SIMPLE IRA that is converted to a Roth IRA. However, the 10% (or 25%, if applicable) additional income tax for premature distributions does not apply.

**EXCESS DEFERRALS:** Excess elective deferrals (amounts in excess of the "applicable") SIMPLE elective deferral limit for the year) are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE-IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE-IRA. If you fail to withdraw excess elective deferrals, and any allocable income, by the following April 15th, the excess elective deferrals will be subject to the IRA contribution limitations of sections 219 and 408 of the Code and thus may be considered an excess contribution to your IRA. Such excess deferrals may be subject to a 6% excise tax for each year they remain in your SIMPLE-IRA. Income on excess elective deferrals is includible in your gross income in the year you withdraw it from your IRA and must be withdrawn by April 15 following the calendar year to which the deferrals relate. Income withdrawn from the IRA after that date may be subject to a 10% tax

(or 25% if withdrawn within the first 2 years of participation) on early distributions. The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE-IRA will inform you of the income allocable to such excess amounts.

**DISTRIBUTIONS:** In general, all distributions from a SIMPLE IRA are subject to federal income tax by the payee or distributee, whichever the case may be. When you start withdrawing from your SIMPLE IRA, you may take the distributions in regular payments, random withdrawals or in a single sum payment. Generally, all amounts distributed to you from your SIMPLE IRA are included in your gross income in the taxable year in which they are received. However, if you have made nondeductible contributions to any regular IRA as permitted under section 408(o) of the Code, the nontaxable portion of the distribution, if any, will be a percentage based upon the ratio of your unrecovered nondeductible contributions to the aggregate of all IRA balances, including SEP, SIMPLE and rollover contributions, as of the end of the year in which you take the distribution, plus distributions from the account during the year. All taxable distributions from your SIMPLE IRA are taxed at ordinary income tax rates for federal income tax purposes and are not eligible for either capital gains treatment or 5/10 year averaging. An employer may not require an employee to retain any portion of the contribution in the SIMPLE IRA or otherwise impose any withdrawal restrictions.

**Premature Distributions** - In general, if you are under age 59 1/2 and receive a distribution from your SIMPLE IRA account, a 10% additional income tax will apply to the taxable portion of the distribution, unless the distribution is received due to death; disability; a series of substantially equal periodic payments at least annually over your life expectancy or the joint life expectancy of you and your designated beneficiary; medical expenses that exceed 7.5% (applies to 2017 and 2018) of your adjusted gross income; health insurance premiums paid by certain unemployed individuals; qualified acquisition costs of a first time home buyer; qualified higher education expenses; a qualifying rollover distribution; the timely withdrawal of an excess deferral plus income attributable; or due to an IRS Levy; qualified disaster distributions as defined in IRS Publication 976; or qualified reservist distributions. If you request a distribution in the form of a series of substantially equal payments and you modify the payments before 5 years have elapsed and before attaining age 59 1/2, the 10% additional income tax will apply retroactively to the year payments began through the year of such modification. In addition, if you request a distribution from your SIMPLE-IRA within your first 2 years of participation in the SIMPLE plan and none of the exceptions listed above applies to the distribution, the normal 10% additional income tax referred to earlier is increased to 25%.

**Age 70 1/2 Required Minimum Distributions** - You are required to begin receiving minimum distributions from your SIMPLE IRA by your required beginning date (the April 1 of the year following the year you attain age 70 1/2). The year you attain age 70 1/2 is referred to as your "first distribution calendar year". Your minimum distribution for each year beginning with the calendar year you attain the age of 70 1/2 is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31<sup>st</sup>, adjusted for outstanding rollovers (or transfers) as of such prior December 31<sup>st</sup>.

However, no payment will be made from this SIMPLE IRA until you provide the Custodian with a proper distribution request acceptable by the Custodian. Upon receipt of such distribution request, you may switch to a joint life expectancy in determining the required minimum distribution if your spouse was your sole beneficiary as of the January 1<sup>st</sup> of the calendar year that contains your required beginning date and such spouse is more than 10 years younger than you. The required minimum distribution for the second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year.

In any distribution calendar year, you may take more than the required minimum. However, if you take less than the required minimum with respect to any distribution calendar year, you are subject to a federal excise tax penalty of 50% of the difference between the amount required to be distributed and the amount actually distributed. If you are subject to that tax, you are required to file IRS Form 5329.

**Qualified Charitable Distributions (QCDs)** - If an IRA owner is exactly age 70½ or over, the IRA owner may direct the IRA trustee or custodian to transfer up to \$100,000 per year from the IRA to a qualified charity. Such transfer will not be subject to Federal income taxes. Qualified Charitable Distributions may also be made by a beneficiary who is exactly age 70½ or over. Qualified Charitable Distributions are not subject to Federal income tax withholding. On-going (those that are still receiving contributions) SEP IRAs or SIMPLE IRAs are not permitted to be distribute QCDs.

**Reporting the Required Minimum Distribution** - Beginning for minimum distributions that are required for calendar 2003, the Custodian must provide a statement to each SIMPLE IRA owner who is subject to required minimum distributions that contains either the amount of the minimum or an offer by the Custodian to perform the calculation if requested by the SIMPLE IRA owner. The statement must inform the SIMPLE IRA owner that required minimum distributions apply and the date by which such amount must be distributed. The statement must further inform the SIMPLE IRA owner that beginning in 2004; the Custodian must report to the IRS that the SIMPLE IRA owner is required to receive a minimum for the calendar year.

**Death Distributions** - If you die before your required beginning date and you have a designated beneficiary, the balance in your SIMPLE IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31<sup>st</sup> of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31<sup>st</sup> of the calendar year you would have attained the age of 70 1/2, if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your SIMPLE IRA must be distributed no later than the December 31<sup>st</sup> of the calendar year that contains the fifth anniversary of your death.

If you die on or after your required beginning date and you have a designated beneficiary, the balance in your SIMPLE IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31<sup>st</sup> of the calendar year following the calendar year of your death. If you die on or after your required beginning date and you do not have a designated beneficiary, the balance in your SMPLE IRA must be distributed over a period that does not exceed your remaining single life expectancy determined in the year of your death. However, the required minimum distribution for the calendar year that contains the date of your death is still required to be distributed. Such amount is determined as if you were still alive throughout that year.

If your spouse is your sole beneficiary, your spouse may elect to treat your SIMPLE IRA as his or her own SIMPLE IRA, whether you die before or after your required beginning date. If you die after your required beginning date and your spouse elects to treat your SIMPLE IRA as his or her own SIMPLE IRA, any required minimum that has not been distributed for the year of your death must still be distributed to your surviving spouse and then the remaining balance can be treated as your spouse's own SIMPLE IRA

**Prohibited Transactions** - If you or your beneficiary engage in a prohibited transaction (as defined under Section 4975 of the Internal Revenue Code) with your SIMPLE IRA, it will lose its tax exemption and you must include the value of your account in your gross income for that taxable year. If you pledge any portion of your SIMPLE 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.

**Income Tax Withholding** - All withdrawals from your SIMPLE IRA (except a direct transfer) are subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE IRA distribution in most cases. If withholding does apply to your distribution, it is at the rate of 10% of the amount of the distribution. In addition to Federal income tax withholding, distributions from IRAs may also be subject to state income tax withholding.

**SIMPLE IRA distributions delivered outside the United States** - In general, if you are a US citizen or resident alien and your home address is outside of the United States or its possessions, you cannot choose exemption from withholding on distributions from your traditional IRA.

To choose exemption from withholding, you must certify to the payer under penalties of perjury that you are not a U.S. citizen, a resident alien of the United States, or a tax-avoidance expatriate. Even if this election is made, the payer must withhold tax at the rates prescribed for nonresident aliens.

For more information on withholding on pensions and annuities, see "Pensions and Annuities" in Chapter 1 of *Publication 505, Tax Withholding and Estimated Tax*. For more information on withholding on nonresident aliens and foreign entities, see *Publication 515, Withholding of tax on Nonresident Aliens and Foreign Entities*.

**DESIGNATED FINANCIAL INSTITUTION "DFI":** In general, under section 408(p), an employer must permit an employee to select the financial institution for the SIMPLE IRA to which the employer will make all contributions on behalf of the employee. In this case, the financial institution is referred to as a "Non-DFI". Alternatively, under section 408(p)(7), an employer may require that all SIMPLE contributions initially be made to a single designated financial institution selected by the employer. In this case, the financial institution is referred to as a "DFI". Refer to your employer's SIMPLE Retirement Plan document to determine if the financial institution is a DFI or a Non-DFI.

**Use of a Designated Financial Institution "DFI"** - If an employer requires that all SIMPLE contributions initially be made to a DFI, the following requirements must be met:

1. The employer and the financial institution must agree that the financial institution will be a DFI for the employer's SIMPLE plan;
2. The DFI must agree that, if a participant elects before the expiration of the employee's 60-day election period, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies to any IRA) to a financial institution selected by the participant; and
3. Each participant is given written notification describing the procedures under which, if a participant so elects, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies to any IRA) to a financial institution selected by the participant.

If the participant elects before the expiration of the 60-day election period to have the balance transferred without cost or penalty as described above, such election is valid only with respect to the balance attributable to SIMPLE contributions for the calendar year following that 60-day election period (or, for the year in which an employee becomes eligible to make salary reduction contributions for the remainder of that year) and subsequent calendar years if such election so provides.

If the participant timely elects the transfer of the balance without cost or penalty as described above, the participant's balance must be transferred on a reasonably frequent basis, such as on a monthly basis. If a participant timely elects this transfer without cost or penalty, the Custodian reserves the right to restrict the investment to a specified investment option until transferred, even though a variety of investment options are available with respect to contributions that the participant has not elected to transfer.

A transfer is deemed to be made without cost or penalty if no liquidation, transaction, redemption or termination fee, or any commission, load (whether front-end or back-end) or surrender charge or similar fee or charge is imposed with respect to the balance being transferred that the participant has filed a timely election with the DFI. However, the DFI can charge a reasonable annual administrative fee to a SIMPLE IRA from which balances must be transferred in accordance with the participant's timely transfer election.

In order to timely elect a transfer without cost or penalty, the participant must indicate such election on the SIMPLE IRA Adoption Agreement attached hereto and must be received by the DFI no later than the expiration of the 60-day election period applicable to the employee. If the participant fails to timely elect such transfers without cost or penalty, the DFI reserves the right to charge any or all fees and expenses described in Section 8.05 of this SIMPLE IRA plan agreement.

**Use of a Non-Designated Financial Institution "Non-DFI"** - If the employer's SIMPLE plan permits the participants to select their own financial institution to serve as trustee or custodian of the SIMPLE IRA, the rules explained above do not apply and the Custodian may charge any and all fees described in Section 8.05 of the SIMPLE IRA plan agreement.

**Transfers Defined** - A direct transfer is a payment from this SIMPLE IRA directly to another trustee or custodian of a SIMPLE IRA (or, after the 2-year period no longer applies, to the trustee or custodian of any IRA). Transfers do not constitute a distribution since you are never in receipt of the funds. The monies are transferred directly to the new trustee or custodian. If you should transfer all or a portion of your SIMPLE IRA to your former spouse's IRA under a divorce decree (or under a written instrument incident to divorce) or separation instrument, you will not be deemed to have made a taxable distribution, but merely a transfer. The portion so transferred will be treated at the time of the transfer as the IRA of your spouse or former spouse. If your spouse is the beneficiary of your SIMPLE IRA, in the event of your death, your spouse may "assume" your SIMPLE IRA. The assumed IRA is then treated as your surviving spouse's IRA.

**SUMMARY DESCRIPTION REQUIREMENTS:** In general, the Custodian of any SIMPLE IRA must annually provide to the employer maintaining the SIMPLE plan a Summary Description early enough to allow the employer to meet its notification obligations. If the Custodian of this SIMPLE IRA is a DFI, the Summary Description will be provided directly to the employer by the Custodian in the underlying SIMPLE plan agreement. If the Custodian of this SIMPLE IRA is a Non-DFI, the Summary Description will be provided directly to the employee by the Custodian. The employee agrees to have the employer complete certain information contained on the Summary Description with respect to the employer's SIMPLE plan provisions. A sample Summary Description for a Non-DFI is located on the following page. The Custodian of a "transfer SIMPLE IRA" is not required to provide this Summary Description. A SIMPLE IRA is a "transfer SIMPLE IRA" if it is not a SIMPLE IRA to which the employer has made contributions under the SIMPLE plan.

**PROCEDURES FOR WITHDRAWALS:** All distributions from this SIMPLE IRA must be requested in writing on a form provided to the participant by the Custodian. After the withdrawal form has been completed and executed by the recipient, the form must be either hand-delivered to the Custodian during normal business hours or mailed to the Custodian by first class mail, certified or registered mail prepaid through the U.S. Postal Service, or through any means of an expedited delivery service. After receipt of a properly executed withdrawal form, the Custodian will process the distribution as soon as administratively feasible.

**FEDERAL ESTATE AND GIFT TAXES:** Generally, there is no specific exclusion for SIMPLE IRAs under the estate tax rules. Therefore, in the event of your death, your SIMPLE IRA balance will be includible in your gross estate for federal estate tax purposes. However, if your surviving spouse is the beneficiary of your SIMPLE IRA, the amount in your SIMPLE IRA may qualify for the marital deduction available under Section 2056 of the Internal Revenue Code. A transfer of property for federal gift tax purposes does not include an amount which a beneficiary receives from a SIMPLE IRA plan.

**PENALTIES:** If you are under age 59 1/2 and receive a premature distribution from your SIMPLE IRA, an additional 10% (or 25% for certain SIMPLE IRA distributions) income tax will apply on the taxable amount of the distribution. If you make an excess deferral to your SIMPLE IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess which remains in your account. If you are age 70 1/2 or over or if you should die, and the appropriate required minimum distributions are not made from your SIMPLE IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

**IRS APPROVAL AS TO FORM:** This SIMPLE IRA Custodial Agreement has been approved by the Internal Revenue Service as to form. This is not an endorsement of the plan in operation or of the investments offered.

**ADDITIONAL INFORMATION:** You may obtain further information on IRAs and SIMPLE IRAs from your District Office of the Internal Revenue Service. In particular you may wish to obtain IRS Publications 590-A and 590-B (Individual Retirement Arrangements).

## ANNUAL SUMMARY DESCRIPTION for Existing SIMPLE IRA Plans

### EMPLOYER INSTRUCTIONS:

We are required to provide you with an Annual Summary Description for your SIMPLE Plan. You, the employer, must complete the information in items 1 through 12 below, prior to providing this Summary Description to your employees. A completed Annual Summary Description must be given to each eligible employee within a reasonable time prior to November 2nd of each year. Therefore, this description provides information on your SIMPLE Plan with respect to the *following* calendar year. If you are not the employer, please provide this to your employer for completion.

*Note: There are new contribution options applicable to SIMPLE IRAs as enacted by the Setting Every Community Up for Retirement Enhancement Act of 2022 ("SECURE 2.0"). The employer must elect to include these provisions in the Plan and the employer/TPA must indicate that the new options are available to elect in the Summary Description.*

### PLAN INFORMATION

1. Name of Employer: \_\_\_\_\_

Address of Employer: \_\_\_\_\_

2. Name of Trustee/Custodian: \_\_\_\_\_

Address of Trustee/Custodian: \_\_\_\_\_

The Trustee/Custodian named above is a  non-DFI;  DFI

(If the "DFI" (Designated Financial Institution) box is checked, the Trustee/Custodian must provide information regarding procedures for, and effects of, withdrawals (including rollovers) from the SIMPLE IRA.)

### ELIGIBILITY REQUIREMENTS

3. All employees of the employer shall be eligible to participate under the Plan except:
- a. Employees included in a unit of employees covered under a collective bargaining agreement.
  - b. Non-resident alien employees who did not receive US source income.
  - c. Employees who are not reasonably expected to earn \$\_\_\_\_\_ (not to exceed \$5,000) during the Plan Year for which the contribution is being made.
  - d. There are no eligibility requirements. All Employees are eligible to participate upon the later of the plan's effective date or the employee's date of hire.
4. Each Eligible Employee will be eligible to become a Participant after having worked for the employer during any \_\_\_\_\_ prior years (not to exceed 2) and received at least \$\_\_\_\_\_ in compensation (not to exceed \$5,000), during each of such prior years.

### WRITTEN ALLOCATION FORMULA

#### Standard Contributions

5. The employer has agreed to provide contributions for the **2025** plan year as follows (complete only one choice):
- a. Matching Contribution: The amount of the participant's elective deferral not in excess of 3% of such Participant's Compensation.
  - b. Matching Contribution: The amount of the participant's elective deferral not in excess of \_\_\_\_\_% (not less than 1% nor more than 3%) of such participant's compensation.
  - c. Nonelective Employer Contribution: 2% of each eligible employee's compensation, if the eligible employee earns at least \$\_\_\_\_\_ in compensation (not to exceed \$5,000) during the calendar year.
6.  The Employee may elect to make a catch-up elective deferral contribution that does not exceed \$3,500 (subject to cost-of-living adjustments). This type of contribution may only be made by Eligible Employees who have attained or who will attain the age of 50 on or before December 31, 2025.

## TIMING OF ELECTION

7. If a Participant elects to stop deferring during a Plan Year, such Participant:
- a. may not resume elective deferrals until January 1 of the next Plan Year; or
  - b. may resume elective deferrals at the next change date permitted under Item 11 below.
8. An eligible employee will be permitted to make or modify his deferral election: \_\_\_\_\_  
(insert date(s) which will apply to all eligible employees).

## ADDITIONAL INFORMATION

9. The employer has designated \_\_\_\_\_ (insert name and title of individual) to provide additional information to eligible employees about the employer's SIMPLE Plan.

## GENERAL INFORMATION

The following information explains what a Savings Incentive Match Plan for Employees ("SIMPLE") is how contributions are made, and how to treat these contributions for tax purposes. For more specific information, refer to the SIMPLE Retirement Plan document itself, the completed Adoption Agreement and the accompanying disclosure information.

For a calendar year, you may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which you first become eligible to make salary reduction contributions, the period during which you may make or modify the election is a 60-day period that includes either the date you become eligible or the day before. If indicated on the Adoption Agreement, you may have additional opportunities during a calendar year to make or modify your salary reduction election.

**SIMPLE Retirement Plan and SIMPLE IRA Defined:** A SIMPLE Retirement Plan is a retirement income arrangement established by your employer. Under this SIMPLE Plan, you may choose to defer compensation to your own SIMPLE Individual Retirement Account or Annuity ("SIMPLE IRA"). You may base these "elective deferrals" on a salary reduction basis that, at your election, may be contributed to a SIMPLE IRA or received in cash. This type of plan is available only to an employer with 100 or fewer employees who earned at least \$5,000 during the prior calendar year.

A SIMPLE IRA is a separate IRA plan that you establish with an eligible financial institution for the purpose of receiving contributions under this SIMPLE Retirement Plan. Your employer must provide you with a copy of the SIMPLE agreement containing eligibility requirements and a description of the basis upon which contributions may be made. All amounts contributed to your SIMPLE IRA belong to you, even after you quit working for your employer.

**Elective Deferrals - Not Required:** You are not required to make elective deferrals under this SIMPLE Retirement Plan. However, if the employer is matching your elective deferrals, no employer contribution will be made on your behalf unless you elect to defer under the plan.

**Elective Deferrals - Annual Limitation:** The maximum amount that you may defer under this SIMPLE Plan for any calendar year is limited to the lesser of the percentage of your compensation indicated in the Deferral Form or the maximum deferral limit permitted under law, subject to cost-of-living adjustments. For 2024, this amount is \$16,000 (subject to cost-of-living adjustments).

**Allowance of Catch-Up Contributions:** All Employees who are eligible to make elective deferrals under this Plan and who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions for 2024 up to \$3,500, (subject to cost of living adjustments.)

**Tax Treatment of Elective Deferrals:** The amount that you may elect to contribute to your SIMPLE IRA is excludible from

gross income, subject to the limitations discussed above, and is not includible as taxable wages on Form W-2. However, these

amounts are subject to FICA and FUTA taxes.

If you work for other employers (unrelated to this employer) who also maintain a salary deferral plan, there is an overall limit on the maximum amount that you may defer in each calendar year to all elective SEPs, cash or deferred arrangements under section 401(k) of the Code, other SIMPLE plans and 403(b) plans regardless of how many employers you may have worked for during the year.

This limitation is referred to as the §402(g) limit. The section 402(g) limit on elective deferrals is currently \$23,000, subject to cost-of-living adjustments.

When "excess elective deferrals" (i.e., amounts in excess of the SIMPLE elective deferral limit or the section 402(g) limit) are made, you are responsible for calculating whether you have exceeded these limits in the calendar year. Excess elective deferrals are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE IRA. The trustee or custodian of your SIMPLE IRA will inform you of the income allocable to such excess amounts.

**SIMPLE IRA Distributions:** You may withdraw from your SIMPLE IRA at any time. However, any distributions will be includible in your gross income and may also be subject to a 25% additional income tax or a 10% additional income tax depending upon how long you have participated in the SIMPLE Plan. For more information, refer to the SIMPLE IRA disclosure statement which was provided to you when you established your SIMPLE IRA.

**Rollover or Transfer to another IRA:** You may not roll over or transfer from your SIMPLE IRA any SIMPLE contributions (or income on these contributions) made during the plan year to another IRA (other than a SIMPLE IRA) until the 2 years following the date you first participated in the SIMPLE plan. You may, however, remove excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA before this time, but you may not roll over or transfer these amounts to another IRA.

If the Adoption Agreement indicates that all initial SIMPLE contributions will be made to a Designated Financial Institution, you may be able to transfer your SIMPLE IRA without cost or penalty to another SIMPLE IRA (if within the 2-year period) or thereafter to any other IRA. The DFI may impose a deadline for electing no cost or penalty free transfers and if the employee so elects, may also limit your choice of investments.

After the restriction described above no longer applies, you may withdraw, or receive, funds from your SIMPLE IRA, and no more than 60 days later, place such funds in another IRA or SIMPLE IRA. This is called a "rollover" and may not be done more frequently than at 12-month intervals. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have such funds transferred between the trustees so that you never have possession of the funds. You may not, however, roll over or transfer excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA to

another IRA. These excess amounts generally may be reduced only by a distribution to you.

Effective December 19, 2015, this SIMPLE Plan will accept rollover contributions from qualified plans under section 401(a); qualified annuities under 403(a); tax-sheltered annuities and custodial accounts under 403(b); governmental plans under section 457(b); and from traditional IRAs. Such rollovers are permitted after the SIMPLE IRA has been in existence for 2 years measured from the date of the initial contribution to the account. Check with your Custodian to see if this change was made to your SIMPLE Plan document.

**Conversions to a Roth IRA:** After the 2-year restriction described above no longer applies, you may convert your SIMPLE IRA to a Roth IRA. Such conversion is taxable to you but is not subject to the 10% additional income tax if you are under age 59½.

**Cost of Living Adjustments (COLAS):** COLAs are announced by the IRS during the last calendar quarter of a calendar year relating to the following calendar year.

# NOTIFICATION TO ELIGIBLE EMPLOYEES

## NOTIFICATION TO ELIGIBLE EMPLOYEES OF

\_\_\_\_\_  
(Name of Employer)

### I. Opportunity to Participate in the SIMPLE IRA Plan

You are eligible to make salary reduction contributions to your employer's SIMPLE IRA plan. This notice and the attached summary description provide you with information that you should consider before you decide whether to start, continue, or change your salary reduction agreement.

### II. Employer Contribution Election

(A) For the \_\_\_\_\_ calendar year, the employer elects to contribute to your SIMPLE IRA. *(Employer must select either (1), (2), or (3))*:

(1) A matching contribution equal to your salary reduction contributions up to a limit of 3% of your compensation for the year.

(2) A matching contribution equal to your salary reduction contributions up to a limit of \_\_\_\_% *(Employer must insert a number from 1 to 3 and is subject to certain restrictions)* of your compensation for the year; or

(3) A nonelective contribution equal to 2% of your compensation for the year (limited to \$345,000 for 2024, plus Cost-of-Living Adjustments) if you are an employee who makes at least \$\_\_\_\_\_ *(Employer must insert an amount that is \$5,000 or less)* in compensation for the year.

### III. Administrative Procedures

To start or change your salary reduction contributions, you must complete the salary reduction agreement and return it to \_\_\_\_\_ *(Employer should designate a place or individual)* by \_\_\_\_\_ *(Employer should insert a date that is not less than 60 days after notice is given)*.

## SIMPLE IRA SALARY REDUCTION AGREEMENT

### SECTION I - GENERAL PLAN INFORMATION

Participant's Name: \_\_\_\_\_

Participant's Address: \_\_\_\_\_ SSN: \_\_\_\_\_

Name of Employer: \_\_\_\_\_

Trustee/Custodian: \_\_\_\_\_

### SECTION II - SALARY REDUCTION DEFERRAL ELECTION

1. Subject to the requirements of the SIMPLE Retirement Plan of the above-named employer, I authorize the following amount or percentage of my compensation to be withheld from each of my paychecks and contributed to my SIMPLE IRA as a "Pre-Tax" salary reduction contribution.

- a. \_\_\_\_\_ percent of my salary (not in excess of 100%); OR
- b. \$ \_\_\_\_\_ per pay period; OR
- c. \$ \_\_\_\_\_ as of \_\_\_\_\_ [insert amount and date of single-sum deferral payment]

2. I elect to terminate my salary reduction contributions. (Proceed to Section VIII below.)

3. I elect not to participate in my employer's SIMPLE Plan with respect to Salary reduction contributions.

I understand that this salary reduction authorization shall remain in effect until I give a written modification or termination of its terms to my employer.

### SECTION III - AMOUNT OF DEFERRAL

1. If I will be under age 50 by the end of the relevant year, I understand that the total amount of my salary reduction contributions cannot exceed a specified dollar amount explained in the Summary Description.
2. If I will be age 50 or over by the end of the relevant year, I understand that the total amount of my age 50 catch-up salary reduction contributions cannot exceed a specified dollar amount explained in the Summary Description.
3. I understand that the total amount I defer in any calendar year to this SIMPLE may not exceed the lesser of: \_\_\_\_\_% of my compensation; or the dollar limitation indicated in (a) or (b) above.

### SECTION IV - COMMENCEMENT OF DEFERRAL

The deferral election specified in Section II above shall not become effective before \_\_\_\_\_ (Specify a date no earlier than the first day of the first pay period beginning after you sign this agreement.)

### SECTION V - DISTRIBUTIONS FROM SIMPLE IRA

I understand that any amounts withdrawn from my SIMPLE IRA are includible in my gross income and may be subject to a 25% additional income tax if withdrawn within 2 years of the day I first participated in this SIMPLE Plan.

### SECTION VI - EMPLOYEE SELECTION OF SIMPLE IRA TRUSTEE OR CUSTODIAN

I select the following financial institution to serve as the trustee, custodian, or issuer of my SIMPLE IRA.

Name of Financial Institution: \_\_\_\_\_

Address: \_\_\_\_\_

SIMPLE IRA Account Name/Number: \_\_\_\_\_

I understand that I must establish a SIMPLE IRA to receive any contributions made on my behalf under this SIMPLE IRA Plan. If the information regarding my SIMPLE IRA is incomplete when I first submit my salary reduction agreement, I realize that it must be completed by

the date contributions must be made under the SIMPLE IRA Plan. If I fail to update my agreement to provide this information by that date, I understand that my employer may select a financial institution for my SIMPLE IRA.

Date: \_\_\_\_\_ Signature of Participant: \_\_\_\_\_

## SECTION VII - TERMINATION OF ELECTIVE DEFERRALS

I understand that my employer may restrict me from resuming elective deferrals until the January 1st of the next Plan Year, if so indicated on the Adoption Agreement.

I wish to stop my elective deferrals as of \_\_\_\_\_. (Fill in the date you want your salary reduction contributions to end. The date must be after you sign this agreement).

Employee Initials: \_\_\_\_\_ (Proceed to Section VIII below.)

## SECTION VIII - PARTICIPANT AUTHORIZATION

I hereby authorize the implementation of the above elections. This salary reduction agreement replaces any earlier agreement and will remain in effect as long as I remain an Eligible Employee under the SIMPLE IRA Plan or until I provide my Employer with a new salary reduction agreement as permitted under this SIMPLE IRA Plan.

Signature of Employee: \_\_\_\_\_ Date: \_\_\_\_\_