



## WHEN TO USE THIS FORM

When you want to open a Roth, Traditional, or SEP IRA with Equity Trust Company.

### Account Type Summaries

- **Traditional IRA** - a tax-deferred account. Contributions are made with pre-tax dollars and contributions can be tax deductible. Money compounds tax free until funds are withdrawn.
- **Roth IRA** - a tax free savings plan. Contributions are made with after-tax dollars and are not tax deductible. Money compounds tax free and all funds withdrawn are also tax free. Earned income must fall within the MAGI (Modified Adjusted Gross Income) limits to qualify for account.
- **SEP (Simplified Employee Pension)** - Designed for self-employed or small business owners with up to 25 employees. Plan allows for high annual contributions which are tax deductible and all money compounds tax free until funds are withdrawn. The 5305-SEP form must also be completed in order to open this type of account.

## FEES AND PROCESSING TIMES

### FEES:

**Account Setup Fee:** \$50.00 (one-time fee)

**Paper Statement Fee:** \$40.00 annually

**Account Maintenance Fees:** Fees based on portfolio value of your account. See the Fee Schedule located in the IRA Custodial Account Agreement and Disclosure Statement.

### PROCESSING TIMES:

- Typically, Equity Trust Company will open your account in approximately three business days unless corrections are required (transfer times may vary per custodian).
- Typical transfers take 14-30 days from the time the paperwork is received by the current custodian.
- Choosing **Express Transfer Service** can **only** impact this time line as it applies to activities within Equity Trust Company's control.
- Please contact your current custodian to discuss what options they offer for expediting the processing of this transfer.

## CONTACT INFORMATION

### PHYSICAL ADDRESS:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### WEBSITE:

[www.EquityInstitutional.com](http://www.EquityInstitutional.com)

### TOLL FREE:

800-955-3434 (option 2)

### Or e-mail questions to:

**E-MAIL:**  
[IRAServices@EquityInstitutional.com](mailto:IRAServices@EquityInstitutional.com)

## IMPORTANT!

Equity Trust Company does not investigate, sponsor, or endorse any investment product. You assume sole responsibility for the success or failure of your investments. You are responsible for directing the investment of assets in your account. Equity Trust Company does not provide any investment advice, or recommend or evaluate the merits or suitability of any investment.

*If Equity Trust Company's services were suggested by a financial representative, such person is not an agent, employee, representative, or affiliate of Equity Trust Company. Equity Trust Company is not responsible for and is not bound by any representations, warranties, statements or agreements made by any financial representative.*

## INSTRUCTIONS AND GUIDELINES

- Please fill in all sections of the application and include a copy of ID (Social Security Card or Birth Certificate for minors).
- A credit card is required with all new account applications, please complete the attached **Credit Card Form**.

### Contributions

- If making a new contribution, be sure to include the contribution check with application.
- If making a contribution with a credit card the dollar amount is limited to \$500.
- If you would like to sign up for Automatic Contributions, be sure to fill out the Automatic Ongoing Contributions box in Section 4.

### Transfers

- If funding by transfer, please include transfer paperwork and a copy of current statement from current custodian.

### Rollovers

- **TIME SENSITIVE** - ensure your rollover is completed within 60 days of the time you took the distribution in order to avoid any taxes or penalties.

### E-Statements

- To receive e-statements you must enroll in Institutional eVantage and request to receive your statements online.

**Need Help? Call 800-955-3434 (option 2) and a Client Service Representative will assist you in opening your account today!**

## SUBMISSION OPTIONS

### OVERNIGHT:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### REGULAR MAIL:

Equity Trust Company  
Attn: Institutional Accounts  
P. O. Box 450369  
Westlake, OH 44145

### FAX:

(440) 365-1440

**DO NOT FAX OR MAIL THIS COVER PAGE**

**INVESTMENT PRODUCTS: NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE**

## 1 ACCOUNT HOLDER INFORMATION

LEGAL NAME (Last, First, Middle) <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> Dr.				<b>EI</b>
PHYSICAL STREET ADDRESS (Required - No P.O. Box)				<b>ACCOUNT TYPE</b> <input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> SEP (5305 form required)
CITY	COUNTY	STATE	ZIP CODE	
MAILING ADDRESS (If different from above - P.O. Box may be used)				
CITY	COUNTY	STATE	ZIP CODE	
SOCIAL SECURITY NUMBER	DATE OF BIRTH (MM/DD/YYYY)	COUNTRY OF CITIZENSHIP <input type="checkbox"/> USA <input type="checkbox"/> Other _____		
EMAIL ADDRESS (Important - to notify you of information pertaining to your IRA) <sup>1</sup>		ONLINE QUARTERLY STATEMENT - <b>must enroll in Institutional eVantage</b> <input type="checkbox"/> I elect to receive my quarterly statement electronically		
HOME PHONE NUMBER	BUSINESS PHONE NUMBER	MOBILE PHONE NUMBER		

Check box if this is a beneficiary account you have inherited from another individual
  Check box if the account owner is a minor

## 2 DESIGNATE YOUR SECURITY INFORMATION

**SELECT A 6-DIGIT PIN NUMBER<sup>2</sup>** A PIN number is used to verify your identity when calling Client Services and to provide online access to your account information.

Confidential Six Digit Pin Number: (Must Be Entirely Numeric)	EXAMPLE:	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;">1</td> <td style="width: 20px; text-align: center;">2</td> <td style="width: 20px; text-align: center;">3</td> <td style="width: 20px; text-align: center;">4</td> <td style="width: 20px; text-align: center;">5</td> <td style="width: 20px; text-align: center;">6</td> </tr> </table>	1	2	3	4	5	6
1	2	3	4	5	6			

**SELECT A SECURITY QUESTION** Please select one of the following questions below and provide an answer. If you forget your PIN Number, this question can be used in place of the pin.

What's my pet's name?  
  What's my mother's maiden name?  
  What high school did I attend?  
 Answer: \_\_\_\_\_

## 3 BENEFICIARY DESIGNATION

The following individual(s) or entity(ies) shall be my primary and/or contingent beneficiary(ies). If neither primary nor contingent is indicated, the individual or entity 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 IRA. Multiple contingent beneficiaries with no share percentage indicated will also be deemed to share equally.

If any primary or contingent beneficiary dies before I do, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining beneficiary(ies) shall be increased on a prorata basis. If no primary beneficiary(ies) survives me, the contingent beneficiary(ies) shall acquire the designated share of my IRA.

**Beneficiary Designation:** I understand that I may change or add Beneficiaries at any time by completing and delivering a **Change of Beneficiary form** to Equity Trust Company. If you designate a trust as the beneficiary, please provide a copy of the trust. Named Beneficiaries may only be U.S. Citizens or non-U.S. Citizens that have obtained a substitute tax identification number or social security number.

Name (first, middle, last)	Date of Birth (mm/dd/yyyy)	Social Security Number	Country(ies) of Citizenship	Relationship	Primary or contingent	Share %
1.					<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	
2.					<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	
3.					<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	

This section should be reviewed if either the trust or the residence of the Account Holder is located in a community<sup>2</sup> or marital property state and the Account Holder is married. Due to the important tax consequences of giving up one's community property interest, individuals signing this section should consult with a competent tax or legal advisor.

**CURRENT MARITAL STATUS:**  I am not married - I understand that if I become married in the future, I must complete a new **Change of Beneficiary form**.  
 I am married - I understand that if I choose to designate a primary beneficiary other than my spouse, my spouse must sign below.

**CONSENT OF SPOUSE:** I am the spouse of the aforementioned Account Holder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional.

I hereby give the Account Holder any interest I have in the assets held in this IRA and consent to the beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by the Custodian.

Signature of Spouse \_\_\_\_\_ Date \_\_\_\_\_

FOR EQUITY INSTITUTIONAL USE ONLY Account Number _____ Event Code _____	Tracking Code _____
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## 7 ACCOUNT AUTHORIZATIONS

THE FOLLOWING SELECTIONS ARE OPTIONAL FEATURES AVAILABLE ON YOUR EQUITY TRUST COMPANY IRA. SELECT ONLY THE ITEM(S) YOU WISH TO AUTHORIZE. (Please leave blank if you do not wish to make any designations for your account.)

**Referral:** I was referred to Equity Institutional by the person referenced below. I understand that Equity Trust Company **will not release information** to this person and will not accept transaction instructions from this individual. This person is not a Designated Representative on my account.

**Interested Party Designation:** If selected, I authorize Equity Trust Company to release information to the following person regarding my account including copies of quarterly statements or other written, verbal, or electronic communications. I understand that Equity Trust Company will not accept transaction instructions from this individual. This person is not a Designated Representative on my account.

- Important:** If your account will have an Interested Party and Designated Representative, please use the Account Maintenance form at the back of the application to indicate your Interested Party.

**Designated Representative:** This person will have the ability to direct investments on your behalf. Please see section 8 for details on what authorizations a Designated Representative will have as a result of checking this box.

- Important:** If your account will have an Interested Party and Designated Representative, please use the Account Maintenance form at the back of the application to indicate your Interested Party.

**Telephone Authorization:** I authorize Equity Trust Company to honor telephone transaction requests from me or my Representative (if I have designated one) for my Account. My Social Security Number will be required as verification before any request will be accepted. I understand and agree that Equity Trust Company or its affiliates will not be liable for any loss, expense or cost arising out of any request affected hereunder. (Note: This authorization applies only to investment directions given to Equity Trust Company. It does not automatically authorize telephone exchange or redemption privileges for any investment.) **Telephone Authorization automatically applies to your account.**

Check this box only if you do not want telephone authorization on your account.

### SECTION 1

REFERRAL, INTERESTED PARTY, OR REPRESENTATIVE NAME:	REFERRAL, INTERESTED PARTY, REPRESENTATIVE LICENSE NUMBER:
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REFERRAL, INTERESTED PARTY, OR REPRESENTATIVE ADDRESS:

CITY:	STATE:	ZIP CODE:
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PHONE:	FAX:	EMAIL ADDRESS:
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FIRM NAME (IF APPLICABLE):

FIRM ADDRESS (IF APPLICABLE):

CITY:	STATE:	ZIP CODE:
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PHONE:

FIRM AUTHORIZED SIGNATURE (IF REQUIRED BY DEALER):	SIGN HERE	DATE:
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REPRESENTATIVE'S RELATIONSHIP TO YOU:

Is this individual a:

<input type="checkbox"/> Financial Advisor	<input type="checkbox"/> CPA	<input type="checkbox"/> Attorney
<input type="checkbox"/> Financial Planner	<input type="checkbox"/> Broker	<input type="checkbox"/> Investment Sponsor
<input type="checkbox"/> Other, please describe: _____		

### SECTION 2 (Complete if Designated Representative currently works with Equity Institutional)

Please enter Equity Institutional Rep/Referral Number

## 8 IMPORTANT (PLEASE READ BEFORE SIGNING)

The signature below acknowledges that I have received, read, and understand the Equity Trust Company IRA Custodial Agreement, Disclosure Statement and Fee Schedule found in the *IRA Custodial Account Agreement and Disclosure Statement*. I acknowledge that the *IRA Custodial Account Agreement and Disclosure Statement* explains the duties, limitations on duties, and the rights of Equity Trust Company and depositor. By signing this application below, the depositor assumes complete responsibility for determining contribution eligibility and tax consequences of any and all contributions or distributions; accepts and agrees to all of the terms and provisions set forth in the *IRA Custodial Account Agreement and Disclosure Statement*; and has read and accepted the terms of the Fee Schedule.

#### Signatures—By signing below, I hereby make the following representations:

- I appoint Equity Trust Company, as Custodian of my Account. I acknowledge that I have received and read Equity Trust Company's Individual Retirement Custodial Account Agreement and Disclosure Statement on the date shown below, and I agree to be bound by the terms and conditions contained in these documents. I understand that, within seven (7) days from the date that I open my Account, I may revoke this application and close my Account without penalty by mailing or delivering a written notice to Equity Trust Company.
- I acknowledge that my Account is self directed and I am solely responsible for the selection, management, and retention of all investments held within my Account. I understand and acknowledge that Equity Trust Company will exercise no discretion with respect to the funds in my Account, will not under any circumstances provide investment advice or recommendations, and will in all events invest all of the funds in my Account solely and exclusively at my direction. I further understand that I am not entering into a "trust" agreement with Equity Trust Company, but rather I am entering into a "custodial" agreement under which Equity Trust Company has no duties or responsibilities with respect to the investment of the funds in my Account. Finally, I understand and



# Traditional and Roth IRA Custodial Account Agreements and Disclosure Statements

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1 Equity Way • Westlake, OH 44145  
Phone: (440) 323-5491 • Fax: (440) 366-3755  
[www.TrustETC.com](http://www.TrustETC.com)  
[www.EquityInstitutional.com](http://www.EquityInstitutional.com)

# TRADITIONAL INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

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

IRS FORM (REV. MARCH 2002)

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

The Custodian named on the Application has given the Depositor the disclosure statement required by Regulations section 1.408-6.

The Depositor has assigned the custodial account the sum indicated on the Application.

The Depositor and the Custodian make the following agreement:

## ARTICLE I

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit increased to \$4,000 for tax years 2005 through 2007, \$5,000 for tax years 2008 through 2012, and \$5,500 for tax years 2013 through 2015. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, \$6,000 for 2008 through 2012, and \$6,500 for tax years 2013 through 2015. The the above limits may increase in future years to reflect a cost-of-living adjustment, if any.

## ARTICLE II

The Depositor's interest in the balance in the custodial account is non-forfeitable.

## ARTICLE III

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

## ARTICLE IV

1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
2. The Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in: (a) A single sum or (b) Payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.
3. If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
  - (a) If the Depositor dies on or after the required beginning date and:
    - (i) the designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
    - (ii) the designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
    - (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.
  - (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
    - (i) the remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year

of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.

- (ii) the remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
4. If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the account.
  5. The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
    - (a) the required minimum distribution under paragraph 2(b) for any year, beginning with the year the Depositor reaches age 70½, is the Depositor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.
    - (b) the required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
    - (c) the required minimum distribution for the year the Depositor reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
  6. The owner of two or more Traditional IRAs may satisfy the minimum distribution requirements described above by taking from one Traditional IRA the amount required to satisfy the requirement for another in accordance with the Regulations under section 408(a)(6).

## ARTICLE V

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

## ARTICLE VI

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

## ARTICLE VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related Regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application, as provided in section 8.10 below.

## ARTICLE VIII

- 8.01 *Definitions:* In this part of this Agreement (Article VIII), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.
- 8.02 *Notices and Change of Address:* Any required notice regarding this IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.
- 8.03 *Representations and Responsibilities:*
  - (a) In General. You represent and warrant to us that any information you have

given or will give us with respect to this Agreement, the account or the Application is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse and indemnify us for any loss we may incur as a result of such directions, actions or failures to act. **We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your IRA.** We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, and investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. **We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse and indemnify us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent.** Except as otherwise indicated herein, you will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

**By performing services under this Agreement we are acting at your direction and on your behalf. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to IRAs. We employ agents and organizations, including but not limited to Equity Administrative Services, Inc., for the purpose of performing administrative or other custodial-related services with respect to your IRA for which we otherwise have responsibility under this Agreement, and the limitations on our duties to you under this Agreement or otherwise shall also apply with respect to each agent or organization so employed.**

**You represent to us that any loss sustained in your IRA will not affect your retirement income standard; and if a mandatory distribution arises, you will have the ability through your IRA and/or other retirement accounts to meet any mandatory distribution requirements.**

**You agree to release and indemnify, hold harmless and defend us from any and all claims, damages, liability, actions, costs, expenses (including, without limitation, attorneys' fees) and responsibility for any loss, resulting to the IRA, to you or to any beneficiary or incurred by or asserted against us, in connection with or by reason of any sale or investment made or other action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by you or your agent or resulting from serving as the custodian hereunder, including, without limitation, claims, damages, liability, actions and losses asserted by you.**

**You agree to reimburse or advance to us, on demand, all legal fees, expenses, costs, fines, penalties and obligations incurred or to be incurred in connection with the defense, contest, prosecution or satisfaction of any claim made, threatened or asserted pertaining to any investment or action you or your agent directed through the custodian, including, without limitation, claims asserted by you, any state or federal regulatory authority or self regulatory organization.**

To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other form permitted by the Code or applicable regulations or otherwise authorized by you.

- (b) **Prohibited Transactions.** You understand that certain transactions are prohibited in IRAs and qualified retirement plans under Section 4975 of the Internal Revenue Code. You further understand that the determination of a prohibited transaction depends on the facts and circumstances that surround the particular transaction. We will make no determination as to whether any IRA investment is prohibited. You further understand that should your IRA engage in a prohibited transaction, you may incur a taxable distribution as well as possible penalties. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure

that none of your IRA investments will constitute a prohibited transaction and that your IRA investments will comply with all applicable federal and state laws, regulations and requirements.

- (c) **Unrelated Business Income Tax (UBIT).** Since your IRA is a tax-exempt organization under federal tax law, if your IRA earns income from an investment which utilizes debt-financing or which is derived from a business regarded as not related to the exempt purpose of your IRA, it may be subject to the so-called "unrelated business income tax" if it is in excess of permitted deductions. For example, income from an IRA investment in a partnership generally will result in unrelated business taxable income. In the event that your direction of investment of IRA assets results in taxable income (unrelated or debt-financed) pursuant to Sections 511-514 of the Internal Revenue Code in excess of the \$1,000 exclusion (as that amount may be adjusted) for any taxable year, you agree to prepare or have prepared the required Form 990-T tax return, an application for employer identification number (if not previously obtained), and any other documents that may be required, to file these forms with the Internal Revenue Service, and to send us a copy of any filings with the Internal Revenue Service, at least five days prior to the date on which the return is due for such taxable year.
- (d) **Listed Transactions and Reportable Transactions.** You understand that certain transactions are or may be identified by the Internal Revenue Service as abusive tax shelter schemes or transactions. You further understand that the determination of a listed or reportable transaction may depend upon the facts and circumstances that surround the particular transaction. We will make no determination as to whether any IRA investment constitutes a listed or reportable transaction. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure that any listed or reportable transactions engaged in by your IRA are identified. You further represent and acknowledge to us that with respect to any listed or reportable transaction you are considered the entity manager who approved or caused your IRA to be a party to the transaction and that you are responsible for: reporting each such transaction to the Internal Revenue Service, using Forms 8886-T and 8886; paying any applicable excise taxes, using Form 5330; disclosing to the IRA custodian that such transaction was a prohibited tax shelter transaction; and directing us as to any necessary corrective action to be taken by your IRA.
- (e) **Passive Custodian Provides No Investment Advice. We do not provide legal or tax services or advice with respect to your IRA investments; and you release and indemnify and agree to hold harmless and defend us in the event that any investment or sale of your IRA assets pursuant to a Direction of Investment form violates any federal or state law or regulation or otherwise results in a loss of tax-exempt status, penalty, fine or tax imposed upon you, your IRA, or us.**
- (f) **Investment Conforms to All Applicable Securities Laws.** You represent to us that if any investment by your IRA is a security under applicable federal or state securities laws, such investment has been registered or is exempt from registration under federal and state securities laws; **and you release and waive all claims against us for our role in carrying out your instructions with respect to such investment.**

**You acknowledge that the foregoing representation is being relied upon by us in accepting your investment directions and you agree to indemnify us with respect to all costs, expenses (including attorneys' fees), fines, penalties, liabilities, damages, actions, judgments and claims arising out of such investment and/or a breach of the foregoing representation, including, without limitation, claims asserted by you.**

- (g) **Custodian Not Responsible for Insurance.** We will not bear or assume any responsibility to notify you, secure or maintain fire, casualty, liability or other insurance coverage on any personal or real property held by your IRA or which serves as collateral under any mortgage or other security instrument held by your IRA with respect to any promissory note or other evidence of indebtedness. It is incumbent upon you as the IRA owner to arrange for such insurance as you determine necessary or appropriate to protect your IRA assets and to direct us in writing as to the payment of any premiums therefor. Furthermore it is your responsibility to determine that payment has been made upon your written request by verifying same with your IRA statements.

We will not be responsible for notification or payments of any insurance premiums, real estate taxes, utilities, or other charges (including penalties) with respect to any investment held in your IRA, unless you specifically direct us to pay the same in writing and sufficient funds are available to pay same from your IRA. Furthermore, it is your responsibility to determine that payment has been made from the custodial account. You must utilize an appropriate payment directive form available from us within a sufficient period of time for such direction to be accomplished in accordance with the custodian's normal business practices (without regard to whether we have undertaken efforts to comply with such directive).

- 8.04 **Service Fees:** We have the right to charge an annual service fee or other



designated fees (e.g., a transfer, rollover or termination fee) for maintaining your IRA. In addition, we have the right to be reimbursed for all expenses, including legal expenses, we incur in connection with the administration of your IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your IRA as we determine. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Other fees may be paid to us or our affiliates by third parties for assistance in performing certain transactions with respect to our Deposit Management Program ("Program"). Program fees are associated with cash management activities, such as account maintenance, depository bank selection, transaction processing, sub-accounting, record keeping, and any other services performed for the Program. Program fees for bank accounts maintained by the Custodian for all IRAs shall be deducted solely from interest earned on un-invested Program cash prior to the crediting of such interest to the individual custodial account. For these services the Custodian charges each bank account in the Program, a monthly fee at an annualized rate of up to 4.00% on the average assets maintained in the bank accounts, payable solely from interest earned on un-invested cash from the Program. The Program fees will be charged regardless of which bank accounts are being used by your IRA. The Custodian has no obligation to ensure that all such bank account pay the same rate of interest; however, the Custodian has the right, but not an obligation, to reduce (rebate) a portion of this fee to your IRA as to the balances in a specific bank's bank account. The Program fee for administering the bank accounts can change from time to time without notice, but cannot exceed the annualized rate of 4.00% without 30 days prior notice to you. The Program fee is deducted directly from any interest paid on each bank account in the Program, and the net amount is paid to your IRA monthly.

Upon establishment of the custodial account or at such time thereafter you may be required to furnish us with a valid credit card account number and related information and hereby authorize us to charge that account for our fees and expenses in accordance with Section 8.04 of this Article. Such credit card account shall not be used by us for the purpose of paying any other investment or investment maintenance expenses of your IRA. If such credit card account expires or otherwise is or becomes invalid, you shall immediately inform us and provide us with another valid credit card number and related information and hereby authorize us to so charge that account. In the absence of cash or money market shares in the custodial account sufficient to pay our fees and/or expenses when due, we shall charge the valid credit card on file for such fees and/or expenses. If fees are not paid directly from your account or charged to your credit card, Custodian will produce a written invoice. All invoices are due and payable upon receipt. If any credit card charge cannot be consummated, we shall submit an invoice to you for all outstanding fees and expenses plus any applicable late charges. If you do not pay any invoice upon receipt, we may liquidate sufficient investments in the custodial account in accordance with Section 8.13 of this Article to pay any fees and expenses due to us.

Any brokerage commissions attributable to the assets in your IRA will be charged to your IRA through your brokerage account. You cannot reimburse your IRA for those commissions. Commissions or other fees may be received by our affiliates from third parties for assistance in performing certain services for your IRA.

Fees are generally based upon the fair market value of the assets held in the IRA; provided that where such assets are non-marketable investments or do not have a readily available market value, the fees shall be based upon cost or the estimated fair market value of such assets, whichever is greater. If you have provided us with information sufficient to demonstrate that an asset(s) in your account is subject to bankruptcy, reorganization, receivership or similar proceedings, the fee based upon such asset may be reduced by us. Publicly traded securities shall be valued at their fair market value. If cost is not reflective of fair market value with respect to the assets held in your IRA, you may provide us with a qualified independent valuation of such assets for purposes of determining an appropriate fee; and we will give consideration to such independent valuation. Our determination shall be binding and conclusive for purposes of IRA fees based upon value.

Alternatively, we may collect fees associated with the above mentioned Program directly from participating financial institutions as described in Section 8.05(e) of this Article. We may receive Program fees up to \$40.00 per month per IRA and/or reimbursement of expenses directly from the financial institutions with which un-invested cash balances have been deposited or invested for these services.

**8.05 Investment of Amounts in the IRA:**

(a) In General. You have exclusive responsibility for and control over the investment of the assets of your IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our internal policies, standards and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the

investment of your IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 8.03 of this article). We will not exercise the voting rights and other shareholder rights with respect to investments in your IRA unless you provide timely written directions acceptable to us according to our then current policies and procedures.

You will select the type of investment for your IRA assets, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and comport with our internal policies, practices, and standards and are deemed administratively feasible by us. Cash balances in your IRA for which no investment instructions have been received shall be placed in a financial institution covered by the Federal Deposit Insurance Corporation (FDIC) as provided in Section 8.05(e) of this Article.

(b) Custodian Acting in Passive Capacity Only. We are acting solely as a passive custodian to hold IRA assets and we have no discretion to direct any investment in your IRA. Accordingly, we are not a fiduciary (as said term is defined in the Internal Revenue Code, ERISA, or any other applicable federal, state or local laws) with respect to your IRA account. However, through our affiliate, we may receive a commission in connection with the unsolicited purchase or sale of a publicly-traded security.

**It is not our responsibility to review the prudence, merits, viability or suitability of any investment directed by you or your agent(s) or to determine whether the investment is suitable for you or acceptable under ERISA, the Internal Revenue Code or any other applicable law. We do not offer any investment advice, nor do we endorse any investment, investment product or investment strategy; and we do not endorse any investment advisor, representative, broker, or other party selected by you. We have no responsibility to question any investment directions given by you or by any representative/agent appointed by you.**

It is your responsibility to perform proper due diligence with regard to any such representative, investment advisor, broker or other party. We will follow the directions of any such investment advisor, representative, broker or other party selected by you provided you furnish us with written authorization and documentation acceptable to us, and the custodian will be entitled to all the same protections and indemnities in our reliance upon and execution of the directives of such agent or other party as if such directives were given by you.

**We shall be under no obligation or duty to investigate, analyze, monitor, verify title to, or otherwise evaluate or perform due diligence for any investment directed by you or your investment advisor, representative or agent;** nor shall we be responsible to notify you or take any action should there be any default with regard to any investment.

Any review performed by us with respect to an investment shall be solely for our own purposes of determining compliance with our internal policies, practices and standards, as we determine from time to time and the administrative feasibility of the investment and neither such review nor its acceptance should be construed in any way as an endorsement of any investment, investment company or investment strategy. We also have the right to refuse any transaction/investment which we deem to be beyond the scope of our administrative responsibilities, capabilities or expertise or that we determine in our sole discretion does not comport with our internal policies, practices or standards.

We have no duty or obligation to notify you with respect to any information, knowledge, irregularities or our concerns relating to your investment or your investment advisor, broker, agent, promoter, or representative, and failure to do so shall not result in any liability as Custodian.

We shall use reasonable efforts to acquire or sell investments in accordance with your directions within a reasonable period of time after we have received an investment direction and we shall make reasonable efforts to notify you if we are unable or unwilling to comply with an investment direction. Subject to the foregoing, we shall remit funds as directed, but have no responsibility to verify or assure that such funds have been invested to purchase or acquire the asset selected by you.

(c) Investment Documentation. In directing us with respect to any investment, you must utilize our Direction of Investment form suitable to such investment or such other form acceptable to us.

We shall be fully protected in acting upon any instrument, certificate, paper or transmission believed to be genuine and to be signed or presented by the proper person or persons whether or not by facsimile or other form acceptable to the custodian, and the custodian shall be under no duty to make any investigation or inquiry as to any statement contained in any such communication, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

You authorize and direct us to execute and deliver, on behalf of your IRA, any and all documents delivered to us in connection with your IRA investments;

although we have no duty to deliver such documents and we shall have no responsibility to verify or determine that any such documents are complete, accurate or constitute the documents necessary to comply with your investment direction.

You authorize and direct us to correct errors in investment titling without notice to you and to correct other minor clerical errors with telephone or email consent from you upon verification of your identity.

(d) **Deposit Investments.** The deposit investments available through us may include savings, and/or money market accounts, and certificates of deposit (CDs). Any cash in your IRA shall be invested in accordance with the instructions of the Depositor, or his or her designated representative, subject to the other terms of this Custodial Agreement. You may direct us to transfer any un-invested funds to another institution of your choice at any time.

(e) **Un-invested Cash Funds.** The Depositor hereby directs Custodian pending further investment instruction to deposit all undirected and un-invested cash from any source, including, but not limited to contributions, transfers and income from assets held in the Custodial Account, into the Program, and then place such deposited cash into one or more FDIC insured financial institutions. Interest earned on such cash balances net of the Program fee described in Section 8.04 of this Article, shall be credited to your custodial account as of the end of each month. You direct us to sweep available free credit balances automatically into the Program utilizing FDIC member financial institutions until such time as further direction is received from you or your designated representative(s).

You also authorize us to transfer any such funds to a different FDIC member financial institution without any further approval from you. Information on interest earned net of the Program fee is available online at <http://www.trustetc.com/clients/interest.html> and reported on your quarterly statement as appropriate, or can be obtained by contacting your First Class Service Representative.

8.06 **Beneficiary(ies):** If you die before you receive all of the amounts in your IRA, payments from your IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary.

A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your IRA as his or her own.

We may allow, if permitted by state law, an original IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited IRA at the time of your death) to name a successor beneficiary(ies) for the inherited IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original IRA beneficiary's(ies') lifetime. Unless otherwise specified, each beneficiary designation form that the original IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original IRA beneficiary.

8.07 **Required Minimum Distributions:** Your required minimum distribution is calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if your spouse is your sole designated beneficiary and is more than 10 years younger than you, your required minimum distribution is calculated each year using the joint and last survivor table in Regulations section 1.401(a)(9)-9.

If you fail to request your required minimum distribution by your required beginning date, we can, at our complete and sole discretion, do any one of the following:

- make no distribution until you give us a proper withdrawal request;
- distribute your entire IRA to you in a single sum payment; or
- determine your required minimum distribution from your IRA with us each year based on your life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.

We will not be liable for any penalties or taxes related to your failure to take a required minimum distribution or to your receipt of an amount in excess of the required minimum distribution.

8.08 **Termination of Agreement, Resignation, or Removal of Custodian:** Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your IRA to another financial organization. If you do not complete a transfer of your IRA within 30 days from the date we mail the notice to you, we have the right to transfer your IRA assets to a successor IRA custodian or trustee that we choose in our sole discretion, or we may pay or distribute your IRA assets to you in a single sum or assignment. If we transfer your IRA, the existing IRA documents will govern your IRA relationship with the new custodian or trustee unless the successor custodian/trustee notifies you in writing of any changes and/or requires new IRA documents to be signed by you. We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

If this Agreement is terminated, we may charge to your IRA a reasonable amount necessary to cover any associated costs, including but not limited to, one or more of the following:

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

After your IRA Account with us is closed, if there are additional assets remaining in or subsequently credited to your IRA account, we will endeavor to distribute or transfer such assets in accordance with your prior direction, but after offsetting any applicable administrative expenses and custodial fees (per our then operative fee schedule).

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.

We may establish a policy requiring distribution of the entire balance of your IRA to you in cash or property if the balance of your IRA drops below the minimum balance required under the applicable investment or policy established.

8.09 **Successor Custodian:** If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your IRA, but only if it is the type of organization authorized to serve as an IRA trustee or custodian.

8.10 **Amendments:** We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail or electronically transmit the amendment, you notify us in writing that you do not consent.

8.11 **Withdrawals or Transfers:** All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements.

8.12 **Transfers from Other Plans:** We can receive amounts transferred to this IRA from the custodian or trustee of another IRA. In addition, we can accept direct rollovers of eligible rollover distributions from employer-sponsored retirement plans as permitted by the Code. We reserve the right not to accept any transfer or direct rollover.

8.13 **Liquidation of Assets:** We have the right to liquidate assets in your IRA if necessary to make distributions, pay fees, expenses, indemnities, taxes, federal tax levies, and penalties or surrender charges chargeable against your IRA. If you fail to direct us as to which assets to liquidate, we may liquidate any assets that can be readily converted to cash, and you agree not to hold us liable for any adverse consequences that result from such action.

8.14 **Restrictions on the Fund:** Neither you nor any beneficiary may sell, transfer or pledge any interest in your IRA in any manner whatsoever, except as provided by law or this Agreement.

The assets in your IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

8.15 **What Law Applies:** This 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 Ohio.

If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither you nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each

and every such provision.

Any suit filed against custodian arising out of or in connection with this Agreement or our role as custodian or any duties, responsibilities or actions (or omissions to act) of Custodian of our relationship with you shall only be instituted in the county courts of Lorain County, Ohio or the U.S. District Court for the Northern District of Ohio (Cleveland Division) where custodian maintains offices and you agree to submit to such jurisdiction both in connection with any such suit you may file and in connection with any suit which we may file against you.

- 8.16 *Valuations Policy:* In reporting values for the assets held in custodial accounts, we use reasonable, good faith efforts to ascertain the fair market value of each asset. For those custodial assets where value is readily ascertainable on either an established exchange or generally recognized market, we will report values for such assets as derived from sources commonly used by the financial services industry to determine prices of financial instruments. For those custodial assets where fair market value is not readily ascertainable, you agree that you will provide to Equity a qualified independent appraisal of the asset. If you do not provide such an appraisal, we may report the asset's value at its last known fair market value or at its acquisition cost. For all custodial assets, we neither provide a guarantee of value nor an opinion with regard to any independent appraisal provided by you, and we assume no responsibility for the valuations reported. You acknowledge and agree that any valuation reported is not necessarily a true market value, may be merely an estimate of value and should not be relied upon by you for any other purpose.
- 8.17 *Form 990-T Filing for UBIT:* Pursuant to Sections 511-514 of the Internal Revenue Code you agree to prepare or have prepared the required Form 990-T tax return, an application for employer identification number (if not previously obtained), and any other documents that may be required, to file these forms with the Internal Revenue Service, and to pay the applicable unrelated business income tax from your IRA on unrelated business income which exceeds the current \$1,000 exclusion. Additionally, you agree to send a copy of any 990-T filings to us at least five days prior to the date on which the return is due for such taxable year.
- 8.18 *Acknowledgment of and Authorization for Telephone Recordings:* We reserve the right to install and/or maintain automatic telephone recording equipment on telephone lines used by personnel servicing the custodial account in connection with trading functions and customer inquiries. By signing this Agreement, you acknowledge our right and expressly authorize us to record and play back any and all such telephone calls.

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

## **General Instructions**

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

### **Purpose of Form**

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

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

For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see Pub. 590, Individual Retirement Arrangements (IRAs).

### **Definitions**

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

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

### **Identifying Number**

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

### **Traditional IRA for Nonworking Spouse**

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

## **Specific Instructions**

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**Article IV.** Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70 1/2 to ensure that the requirements of section 408(a)(6) have been met.

The Depositor named on the Application is establishing a Roth Individual Retirement Account under section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death.

The Custodian named on the Application has given the Depositor the disclosure statement required by Regulations section 1.408-6.

The Depositor has assigned the custodial account the sum indicated on the Application.

The Depositor and the Custodian make the following agreement:

**ARTICLE I**

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007, \$5,000 for tax years 2008 through 2012, and \$5,500 for tax years 2013 through 2015. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, \$6,000 for 2008 through 2012, and \$6,500 for tax years 2013 through 2015. The above limits may increase in future years to reflect a cost-of-living adjustment, if any.

**ARTICLE II**

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a single Depositor, the annual contribution is phased out between adjusted gross income (AGI) of \$114,000 and \$129,000; for a married Depositor filing jointly, between AGI of \$181,000 and \$191,000; and for a married Depositor filing separately, between AGI of \$0 and \$10,000. In the case of a conversion, the Custodian will not accept IRA Conversion Contributions in a tax year if the Depositor's AGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the Depositor is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.
2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the Depositor and his or her spouse.

**ARTICLE III**

The Depositor's interest in the balance in the custodial account is non-forfeitable.

**ARTICLE IV**

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

**ARTICLE V**

1. If the Depositor dies before his or her entire interest is distributed to him or her and the Depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:
  - (a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the Depositor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the Depositor.
  - (b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
2. The minimum amount that must be distributed each year under paragraph 1(a) above 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 designated beneficiary using the attained age of the beneficiary in the year following the year of the Depositor's death and subtracting 1 from the divisor for each subsequent year.
3. If the Depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as the Depositor.

**ARTICLE VI**

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408A(d)(3)(E), Regulations sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue

Service (IRS).

2. The Custodian agrees to submit to the IRS and Depositor the reports prescribed by the IRS.

**ARTICLE VII**

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

**ARTICLE VIII**

This Agreement will be amended as necessary to comply with the provisions of the Code, the related Regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear on the Application, as provided in section 9.09 below.

**ARTICLE IX**

- 9.01 *Definitions:* In this part of this Agreement (Article IX), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.
- 9.02 *Notices and Change of Address:* Any required notice regarding this Roth IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.
- 9.03 *Representations and Responsibilities:*

- (a) In General. You represent and warrant to us that any information you have given or will give us with respect to this Agreement, the account, or the Application is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. **We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your Roth IRA.** We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, and investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. Except as otherwise indicated herein, you will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

**By performing services under this Agreement we are acting as your representative. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to Roth IRAs. We employ agents and organizations, including but not limited to Equity Administrative Services, Inc., for the purpose of performing administrative or other custodial-related services with respect to your Roth IRA for which we otherwise have responsibility under this Agreement, and the limitations on our duties to you under this Agreement or otherwise shall also apply with respect to each agent or organization so employed.**

**You agree to release and indemnify, hold harmless and defend us from any and all claims, damages, liability, actions, costs, expenses (including, without limitation, attorneys' fees) and responsibility for any loss resulting**

to the Roth IRA, to you or to any beneficiary or incurred by or asserted against us, in connection with or by reason of any sale or investment made or other action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by you or your agent or resulting from serving as the custodian hereunder, including, without limitation, claims, damages, liability, actions and losses asserted by you.

You agree to reimburse or advance to us, on demand, all legal fees, expenses, costs, fines, penalties and obligations incurred or to be incurred in connection with the defense, contest, prosecution or satisfaction of any claim made, threatened or asserted pertaining to any investment or action you or your agent directed through the custodian, including, without limitation, claims asserted by you, any state or federal regulatory authority or self regulatory organization.

To the extent written instructions or notices are required under this Agreement; we may accept or provide such information in any other form permitted by the Code or applicable regulations or otherwise directed by you.

- (b) **Prohibited Transactions.** You understand that certain transactions are prohibited in Roth IRAs and qualified retirement plans under Section 4975 of the Internal Revenue Code. You further understand that the determination of a prohibited transaction depends on the facts and circumstances that surround the particular transaction. We will make no determination as to whether any Roth IRA investment is prohibited. You further understand that should your Roth IRA engage in a prohibited transaction, you may incur a taxable distribution as well as possible penalties. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure that none of your Roth IRA investments will constitute a prohibited transaction and that your Roth IRA investments will comply with all applicable federal and state laws, regulations and requirements.
- (c) **Unrelated Business Income Tax (UBIT).** Since your Roth IRA is a tax-exempt organization under federal tax law, if your Roth IRA earns income from an investment which utilizes debt-financing or which is derived from a business regarded as not related to the exempt purpose of your Roth IRA, it may be subject to the so-called "unrelated business income tax" if it is in excess of permitted deductions. For example, income from a Roth IRA investment in a partnership generally will result in unrelated business taxable income. In the event that your direction of investment of Roth IRA assets results in taxable income (unrelated or debt-financed) pursuant to Sections 511-514 of the Internal Revenue Code in excess of the \$1,000 exclusion (as that amount may be adjusted) for any taxable year, you agree to prepare or have prepared the required Form 990-T tax return, an application for employer identification number (if not previously obtained), and any other documents that may be required to file these forms with the Internal Revenue Service, and to send us a copy of any filings with the Internal Revenue Service, at least five days prior to the date on which the return is due for such taxable year.
- (d) **Listed Transactions and Reportable Transactions.** You understand that certain transactions are or may be identified by the Internal Revenue Service as abusive tax shelter schemes or transactions. You further understand that the determination of a listed or reportable transaction may depend upon the facts and circumstances that surround the particular transaction. We will make no determination as to whether any Roth IRA investment constitutes a listed or reportable transaction. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure that any listed or reportable transactions engaged in by your Roth IRA are identified. You further represent and acknowledge to us that with respect to any listed or reportable transaction you are considered the entity manager who approved or caused your Roth IRA to be a party to the transaction and that you are responsible for: reporting each such transaction to the Internal Revenue Service, using Forms 8886-T and 8886; paying any applicable excise taxes, using Form 5330; disclosing to the Roth IRA custodian that such transaction was a prohibited tax shelter transaction; and directing us as to any necessary corrective action to be taken by your Roth IRA.
- (e) **Passive Custodian Provides No Investment Advice.** We do not provide legal or tax services or advice with respect to your Roth IRA investments; and you release and indemnify and agree to hold harmless and defend us in the event that any investment or sale of your Roth IRA assets pursuant to a Direction of Investment form violates any federal or state law or regulation or otherwise results in a loss of tax-exempt status, penalty, fine or tax imposed upon you, your Roth IRA, or us.
- (f) **Investment Conforms to All Applicable Securities Laws.** You represent to us that if any investment by your Roth IRA is a security under applicable federal or state securities laws, such investment has been registered or is exempt from registration under federal and state securities laws; and you release and waive all claims against us for our role in carrying out your instructions with respect to such investment.

You acknowledge that the foregoing representation is being relied upon

by us in accepting your investment directions and you agree to indemnify us with respect to all costs, expenses (including attorneys' fees), fines, penalties, liabilities, damages, actions, judgments and claims arising out of such investment and/or a breach of the foregoing representation, including, without limitation, claims asserted by you.

- (g) **Custodian Not Responsible for Insurance.** We will not bear or assume any responsibility to notify you, secure or maintain fire, casualty, liability or other insurance coverage on any personal or real property held by your Roth IRA or which serves as collateral under any mortgage or other security instrument held by your Roth IRA with respect to any promissory note or other evidence of indebtedness. It is incumbent upon you as the Roth IRA owner to arrange for such insurance as you determine necessary or appropriate to protect your Roth IRA assets and to direct us in writing as to the payment of any premiums therefor. Furthermore it is your responsibility to determine that payment has been made upon your written request by verifying same with your Roth IRA statements.

We will not be responsible for notification or payments of any insurance premiums, real estate taxes, utilities, or other charges (including penalties) with respect to any investment held in your Roth IRA, unless you specifically direct us to pay the same in writing and sufficient funds are available to pay same from your Roth IRA. Furthermore, it is your responsibility to determine that payment has been made from the custodial account. You must utilize an appropriate payment directive form available from us within a sufficient period of time for such direction to be accomplished in accordance with the custodian's normal business practices (without regard to whether we have undertaken efforts to comply with such directive).

- 9.04 **Service Fees:** We have the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover or termination fee) for maintaining your Roth IRA. In addition, we have the right to be reimbursed for all expenses, including legal expenses, we incur in connection with the administration of your Roth IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your Roth IRA as we determine. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Other fees may be paid to us or our affiliates by third parties for assistance in performing certain transactions with respect to our Deposit Management Program ("Program"). Program fees are associated with cash management activities, such as account maintenance, depository bank selection, transaction processing, sub-accounting, record keeping, and any other services performed for the Program. Program fees for bank accounts maintained by the Custodian for all Roth IRAs shall be deducted solely from interest earned on un-invested Program cash prior to the crediting of such interest to the individual custodial account. For these services the Custodian charges each bank account in the program, a monthly fee at an annualized rate of up to 4.00% on the average assets maintained in the bank account, payable solely from interest earned on un-invested cash from the Program. The Program fees will be charged regardless of which bank accounts are being used by your Roth IRA. The Custodian has no obligation to ensure that all such bank accounts pay the same rate of interest; however, the Custodian has the right, but not an obligation, to reduce (rebate) a portion of this fee to your Roth IRA as to the balances in a specific bank's bank account. The Program fee for administering the bank accounts can change from time to time without notice, but cannot exceed the annualized rate of 4.00% without 30 days prior notice to you. The Program fee is deducted directly from any interest paid on each bank account in the Program, and the net amount is paid to your Roth IRA monthly.

Upon establishment of the custodial account or at such time thereafter as we may require, you shall furnish us with a valid credit card account number and related information and hereby authorize us to charge that account for our fees and expenses in accordance with this Section 9.04. Such credit card account shall not be used by us for the purpose of paying any other investment or investment maintenance expenses of your Roth IRA. If such credit card account expires or otherwise is or becomes invalid, you shall immediately inform us and provide us with another valid credit card number and related information and hereby authorize us to so charge that account. In the absence of cash or money market shares in the custodial account sufficient to pay our fees and/or expenses when due, we shall charge the valid credit card on file for such fees and/or expenses. If fees are not paid directly from your account or charged to your credit card, Custodian will produce a written invoice. All invoices are due and payable upon receipt. If any credit card charge cannot be consummated, we shall submit an invoice to you for all outstanding fees and expenses plus any applicable late charges. If you do not pay any invoice upon receipt, we may liquidate sufficient investments in the custodial account in accordance with Section 9.12 of this Article to pay any fees and expenses due to us.

Any brokerage commissions attributable to the assets in your Roth IRA will be charged to your Roth IRA through the brokerage account. You cannot reimburse your Roth IRA for those commissions. Commissions or other fees may be received by our affiliates from third parties for assistance in performing certain services for your Roth IRA.

Fees are generally based upon the fair market value of the assets held in the

Roth IRA; provided that where such assets are non-marketable investments or do not have a readily available market value, the fees shall be based upon cost or the estimated fair market value of such assets, whichever is greater. If you have provided us with information sufficient to demonstrate that an asset(s) in your account is subject to bankruptcy, reorganization, receivership or similar proceedings, the fee based upon such asset may be reduced by us. Publicly traded securities shall be valued at their fair market value. If cost is not reflective of fair market value with respect to the assets held in your Roth IRA, you may provide us with a qualified independent valuation of such assets for purposes of determining an appropriate fee; and we will give consideration to such independent valuation. Our determination shall be binding and conclusive for purposes of Roth IRA fees based upon value.

Alternatively, we may collect fees associated with the above mentioned Program directly from participating financial institutions as described in Section 9.05(e) of this Article. We may receive Program fees up to \$40.00 per month per IRA and/or reimbursement of expenses directly from the financial institutions with which un-invested cash balances have been deposited or invested for these services.

#### 9.05 Investment of Amounts in the Roth IRA:

(a) In General. You have exclusive responsibility for and control over the investment of the assets of your Roth IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our internal policies, standards and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the investment of your Roth IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 9.03 of this article). We will not exercise the voting rights and other shareholder rights with respect to investments in your Roth IRA unless you provide timely written directions acceptable to us according to our then current policies and procedures.

You will select the type of investment for your Roth IRA assets, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and comport with our internal policies, practices, and standards and are deemed administratively feasible by us. Cash balances in your IRA for which no investment instructions have been received shall be placed in a financial institution covered by the Federal Deposit Insurance Corporation (FDIC) as provided in Section 9.05(e) of this Article.

(b) Custodian Acting in Passive Capacity Only. We are acting solely as a passive custodian to hold Roth IRA assets and we have no discretion to direct any investment in your Roth IRA. Accordingly, we are not a fiduciary (as said term is defined in the Internal Revenue Code, ERISA, or any other applicable federal, state or local laws) with respect to your Roth IRA account. However, through our affiliate, we may receive a commission in connection with the unsolicited purchase or sale of a publicly-traded security.

**It is not our responsibility to review the prudence, merits, viability or suitability of any investment directed by you or your agent(s) or to determine whether the investment is suitable for you or acceptable under ERISA, the Internal Revenue Code or any other applicable law. We do not offer any investment advice, nor do we endorse any investment, investment product or investment strategy; and we do not endorse any investment advisor, representative, broker, or other party selected by you. We have no responsibility to question any investment directions given by you or by any representative/agent appointed by you.**

It is your responsibility to perform proper due diligence with regard to any such representative, investment advisor, broker or other party. We will follow the directions of any such investment advisor, representative, broker or other party selected by you provided you furnish us with written authorization and documentation acceptable to us, and the custodian will be entitled to all the same protections and indemnities in our reliance upon and execution of the directives of such agent or other party as if such directives were given by you.

**We shall be under no obligation or duty to investigate, analyze, monitor, verify title to, or otherwise evaluate or perform due diligence for any investment directed by you or your investment advisor, representative or agent; nor shall we be responsible to notify you or to take any action should there be any default with regard to any investment.**

Any review performed by us with respect to an investment shall be solely for our own purposes of determining compliance with our internal policies, practices and standards, as we determine from time to time and the administrative feasibility of the investment and neither such review nor its acceptance should be construed in any way as an endorsement of any investment, investment company or investment strategy. We also have the right to refuse any transaction/investment which we deem to be beyond

the scope of our administrative responsibilities, capabilities or expertise, or that we determine in our sole discretion does not comport with our internal policies, practices or standards.

We have no duty or obligation to notify you with respect to any information, knowledge, irregularities or our concerns relating to your investment or your investment advisor, broker, agent, promoter or representative, and failure to do so shall not result in any liability of Custodian.

We shall use reasonable efforts to acquire or sell investments in accordance with your directions within a reasonable period of time after we have received an investment direction and we shall make reasonable efforts to notify you if we are unable or unwilling to comply with an investment direction. Subject to the foregoing, we shall remit funds as directed, but have no responsibility to verify or assure that such funds have been invested to purchase or acquire the asset selected by you.

(c) Investment Documentation. In directing us with respect to any investment, you must utilize our Direction of Investment form suitable to such investment or such other form acceptable to us.

We shall be fully protected in acting upon any instrument, certificate, paper or transmission believed to be genuine and to be signed or presented by the proper person or persons whether or not by facsimile or other form acceptable to the custodian, and the custodian shall be under no duty to make any investigation or inquiry as to any statement contained in any such communication, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

You authorize and direct us to execute and deliver, on behalf of your Roth IRA, any and all documents delivered to us in connection with your Roth IRA investments; although we have no duty to deliver such documents and we shall have no responsibility to verify or determine that any such documents are complete, accurate or constitute the documents necessary to comply with your investment direction.

You authorize and direct us to correct errors in investment titling without notice to you and to correct other minor clerical errors with telephone or email consent from you upon verification of your identity.

(d) Deposit Investments. The deposit investments available through us may include savings, and/or money market accounts, and certificates of deposit (CDs). Any cash in your IRA shall be invested in accordance with the instructions of the Depositor, or his or her designated representative, subject to the other terms of the Custodial Agreement. You may direct us to transfer any un-invested funds to another institution of your choice at any time.

(e) Un-invested Cash Funds. The Depositor hereby directs Custodian pending further investment instruction to deposit all undirected and un-invested cash from any source, including, but not limited to contributions, transfers and income from assets held in the Custodial Account, into the Program, and then place such deposited cash into one or more FDIC insured financial institutions. Interest earned on such cash balances net of the Program fee described in Section 9.04 of this Article, shall be credited to your custodial account as of the end of each month. You direct us to sweep available free credit balances automatically into the Program utilizing FDIC member financial institutions until such time as further direction is received from you or your designated representative(s).

You also authorize us to transfer any such funds to a different FDIC member financial institution without any further approval from you. Information on interest earned net of the Program fee is available online at <http://www.trustetc.com/clients/interest.html> and reported on your quarterly statement as appropriate, or can be obtained by contacting your First Class Service Representative.

9.06 *Beneficiary(ies)*: If you die before you receive all of the amounts in your Roth IRA, payments from your Roth IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your Roth IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary.

If your surviving spouse is the designated beneficiary, your spouse may elect to treat your Roth IRA as his or her own Roth IRA, and would not be subject to the required minimum distribution rules. Your surviving spouse will also be entitled to such additional beneficiary payment options as are granted under the Code or applicable Regulations.

We may allow, if permitted by state law, an original Roth IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited

Roth IRA at the time of your death) to name a successor beneficiary(ies) for the inherited Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original Roth IRA beneficiary's(ies) lifetime. Unless otherwise specified, each beneficiary designation form that the original Roth IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original Roth IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original Roth IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original Roth IRA beneficiary.

9.07 *Termination of Agreement, Resignation, or Removal of Custodian:* Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your Roth IRA to another financial organization. If you do not complete a transfer of your Roth IRA within 30 days from the date we mail the notice to you, we have the right to transfer your Roth IRA assets to a successor Roth IRA custodian or trustee that we choose in our sole discretion, or we may pay or distribute your Roth IRA assets to you in a single sum or assignment. If we transfer your Roth IRA, the existing Roth IRA documents will govern your Roth IRA relationship with the new custodian or trustee unless the successor custodian/trustee notifies you in writing of any changes and/or requires new Roth IRA documents to be signed by you. We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

If this Agreement is terminated, we may charge to your Roth IRA a reasonable amount necessary to cover any associated costs, including but not limited to, one or more of the following:

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

After your Roth IRA Account with us is closed, if there are additional assets remaining in or subsequently credited to your Roth IRA account, we will endeavor to distribute or transfer such assets in accordance with your prior direction, but after offsetting any applicable administrative expenses and custodial fees (per our then operative fee schedule).

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.

We may establish a policy requiring distribution of the entire balance of your Roth IRA to you in cash or property if the balance of your Roth IRA drops below the minimum balance required under the applicable investment or policy established.

9.08 *Successor Custodian:* If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your Roth IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your Roth IRA, but only if it is the type of organization authorized to serve as a Roth IRA trustee or custodian.

9.09 *Amendments:* We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail or electronically transmit the amendment, you notify us in writing that you do not consent.

9.10 *Withdrawals or Transfers:* All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements.

You are not required to take a distribution from your Roth IRA at age 70½. At your death, however, your beneficiary(ies) must begin taking distributions in accordance with Article V and Section 9.06 of this Agreement. We will make no distributions to you from your Roth IRA until you provide us with a written request for a distribution on a form provided by or acceptable to us.

9.11 *Transfers from Other Plans:* We can receive amounts transferred to this Roth IRA from the custodian or trustee of another Roth IRA as permitted by the Code. We reserve the right not to accept any transfer.

9.12 *Liquidation of Assets:* We have the right to liquidate assets in your Roth IRA if necessary to make distributions or to pay fees, expenses, indemnities, taxes, penalties or surrender charges chargeable against your Roth IRA. If you fail to direct us as to which assets to liquidate, we may liquidate any assets that can be

readily converted to cash, and you agree not to hold us liable for any adverse consequences that result from such action.

9.13 *Restrictions on the Fund:* Neither you nor any beneficiary may sell, transfer or pledge any interest in your Roth IRA in any manner whatsoever, except as provided by law or this Agreement.

The assets in your Roth IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

9.14 *What Law Applies:* This 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 Ohio.

If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

Any suit filed against custodian arising out of or in connection with this Agreement or our role as custodian or any duties, responsibilities or actions (or omissions to act) of Custodian or our relationship with you shall only be instituted in the county courts of Lorain County, Ohio or the U.S. District Court for the Northern District of Ohio (Cleveland Division) where custodian maintains offices and you agree to submit to such jurisdiction both in connection with any such suit you may file and in connection with any suit which we may file against you.

9.15 *Valuations Policy:* In reporting values for the assets held in custodial accounts, we use reasonable, good faith efforts to ascertain the fair market value of each asset. For those custodial assets where value is readily ascertainable on either an established exchange or generally recognized market, we will report values for such assets as derived from sources commonly used by the financial services industry to determine prices of financial instruments. For those custodial assets where fair market value is not readily ascertainable, you agree that you will provide to Equity a qualified independent appraisal of the asset. If you do not provide such an appraisal, we may report the asset's value at its last known fair market value or at its acquisition cost. For all custodial assets, we neither provide a guarantee of value nor an opinion with regard to any independent appraisal provided by you, and we assume no responsibility for the valuations reported. You acknowledge and agree that any valuation reported is not necessarily a true market value, may be merely an estimate of value and should not be relied upon by you for any other purpose.

9.16 *Form 990-T Filing for UBIT:* Pursuant to Sections 511-514 of the Internal Revenue Code you agree to prepare or have prepared the required Form 990-T tax return, an application for employer identification number (if not previously obtained), and any other documents that may be required to file these forms with the Internal Revenue Service, and to pay the applicable unrelated business income tax from your Roth IRA on unrelated business income which exceeds the current \$1,000 exclusion. Additionally, you agree to send a copy of any 990-T filings to us at least five days prior to the date on which the return is due for such taxable year.

9.17 *Acknowledgment of and Authorization for Telephone Recordings:* We reserve the right to install and/or maintain automatic telephone recording equipment on telephone lines used by personnel servicing the custodial account in connection with trading functions and customer inquiries. By signing this Agreement, you acknowledge our right and expressly authorize us to record and play back any and all such telephone calls.

## General Instructions

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

### Purpose of Form

Form 5305-RA is a model custodial account agreement that meets the requirements of section 408A and has been pre-approved by the IRS. A Roth Individual Retirement Account (Roth IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian. This account must be created in the United States for the exclusive benefit of the Depositor and his or her beneficiaries.

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

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

### Definitions

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

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

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

## Specific Instructions

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**Article I.** The Depositor may be subject to a 6% tax on excess contributions if **(1)** contributions to other individual retirement arrangements of the Depositor have been made for the same tax year, **(2)** the Depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or **(3)** the Depositor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year. The Depositor should see the Disclosure Statement or Pub. 590 for more information.

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

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



**RIGHT TO REVOKE YOUR IRA**

If you receive this Disclosure Statement at the time you establish your IRA, you have the right to revoke your IRA within seven (7) days of its establishment. If revoked, you are entitled to a full return of the contribution you made to your IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your IRA, please call the Custodian at the telephone number listed on the Application.

**REQUIREMENTS OF AN IRA**

**A. CASH CONTRIBUTIONS** - Your contribution must be in cash, unless it is a rollover contribution.

**B. MAXIMUM CONTRIBUTION** - The total amount you may contribute to an IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$3,000 for years 2002-2004, \$4,000 for years 2005-2007, \$5,000 for years 2008-2012, and \$5,500 for years 2013 through 2015 with possible cost-of-living adjustments in future years. If you also maintain a Roth IRA, the maximum contribution to your Traditional IRAs (i.e., IRAs subject to Internal Revenue Code (Code) sections 408(a) or 408(b)) is reduced by any contributions you make to your Roth IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation. An exception to the contribution dollar limitations applies if you received a qualified reservist distribution. In such case, you may, at any time during the two-year period beginning on the day after the end of your active duty period, make one or more contributions to your IRA in an aggregate amount not to exceed the amount of your qualified reservist distribution.

**C. CONTRIBUTION ELIGIBILITY** - You are eligible to make a regular contribution to your IRA if you have compensation and have not attained age 70½ by the end of the taxable year for which the contribution is made.

**D. CATCH-UP CONTRIBUTIONS** - If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your IRA. The maximum additional contribution is \$500 for years 2002-2005 and \$1,000 for years 2006 and beyond.

**E. NON-FORFEITABILITY** - Your interest in your IRA is non-forfeitable.

**F. ELIGIBLE CUSTODIANS** - The Custodian of your IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

**G. COMMINGLING ASSETS** - The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.

**H. LIFE INSURANCE** - No portion of your IRA may be invested in life insurance contracts.

**I. COLLECTIBLES** - You may not invest the assets of your IRA in collectibles (within the meaning of Code section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in Code section 408(m)(3)) are also permitted as IRA investments.

**J. REQUIRED MINIMUM DISTRIBUTIONS** - You are required to take minimum distributions from your IRA at certain times in accordance with Regulations section 1.408-8. Below is a summary of the IRA distribution rules.

1. You are required to take a minimum distribution from your IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.

2. The applicable divisor is generally determined using the uniform lifetime table provided by the IRS. The table assumes a designated beneficiary exactly 10 years younger than you, regardless of who is named as your beneficiary(ies), if any. If your spouse is your sole designated beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined annually using the actual joint life expectancy of you and your spouse obtained from the joint and last survivor table provided by the IRS, rather than the life expectancy divisor from the uniform lifetime table.

We reserve the right to do any one of the following by April 1 of the year following the year in which you turn age 70½ :

- (a) make no distribution until you give us a proper withdrawal request,
  - (b) distribute your entire IRA to you in a single sum payment, or
  - (c) determine your required minimum distribution from your IRA with us each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.
3. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death, who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die,
- (a) on or after your required beginning date, distributions must be made to your beneficiary(ies) over the longer of the single life expectancy of your designated beneficiary(ies), or your remaining life expectancy. If a beneficiary other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.
  - (b) before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiary(ies), either
    - (i) be distributed by December 31 of the year containing the fifth anniversary of your death, or
    - (ii) be distributed over the remaining life expectancy of your designated beneficiary(ies).

Your designated beneficiary(ies) must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (ii). In the case of distributions under option (ii), distributions must commence by December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

A spouse who is the sole designated beneficiary of your entire IRA will be deemed to elect to treat your IRA as his or her own by either (1) making contributions to your IRA or (2) failing to timely remove a required minimum distribution from your IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own IRA.

**INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA**

**A. IRA DEDUCTIBILITY** - If you are eligible to contribute to your IRA, the amount of the contribution for which you may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-maintained retirement plan. If you (and your spouse, if married) are not an active participant, your entire IRA contribution will be deductible. If you are an active participant (or are married to an active participant), the deductibility of your contribution will depend on your modified adjusted gross income (MAGI) and your tax filing status for the tax year for which the contribution was made. MAGI is determined on your income tax return using your adjusted gross income but disregarding any deductible IRA contribution.

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

- 1. a qualified pension, profit sharing, 401(k), or stock bonus plan;
- 2. a qualified annuity plan of an employer;
- 3. a simplified employee pension (SEP) plan;
- 4. a retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under Code section 457);
- 5. a tax-sheltered annuity for employees of certain tax-exempt organizations or public schools;
- 6. a plan meeting the requirements of Code section 501(c)(18);
- 7. a qualified plan for self-employed individuals (H.R. 10 or Keogh Plan); and
- 8. a savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan.

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

participant. If you are an active participant and are single, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out range maximum for the applicable year (specified below), and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$63,000 in 2015, your maximum deductible contribution is \$4,400 (the 2015 phase-out range maximum of \$71,000 minus your MAGI of \$61,000, divided by the difference between the maximum and minimum phase-out range limits of \$10,000 and multiplied by the contribution limit of \$5,500.)

If you are an active participant, are married and you file a joint income tax return, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out maximum for the applicable year (specified below), and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$99,000 in 2015, your maximum deductible contribution is \$5,225 (the 2015 phase-out maximum of \$118,000 minus your MAGI of \$99,000, divided by the difference between the maximum and minimum phase-out limits of \$20,000 and multiplied by the contribution limit of \$5,500.)

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

Tax Year	Joint Filers	Single Taxpayer
	Phase-out Range	Phase-out Range
	(minimum)(maximum)	(minimum)(maximum)
2010	\$89,000 - \$109,000	\$56,000 - \$66,000
2011	\$90,000 - \$110,000	\$56,000 - \$66,000
2012	\$92,000 - \$112,000	\$58,000 - \$68,000
2013	\$95,000 - \$115,000	\$59,000 - \$69,000
2014	\$96,000 - \$116,000	\$60,000 - \$70,000
2015	\$98,000 - \$118,000	\$61,000 - \$71,000

If you are not an active participant in an employer-maintained retirement plan, are married to someone who is an active participant, and you file a joint income tax return, your maximum deductible contribution is determined as follows for 2015: (1) begin with \$193,000 and subtract your MAGI; (2) divide this total by \$10,000; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take.

You must round the resulting deduction to the next highest \$10 if the number is not a multiple of 10. If your resulting deduction is between \$0 and \$200 you may round up to \$200.

- B. CONTRIBUTION DEADLINE - The deadline for making an IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.
- C. TAX CREDIT FOR CONTRIBUTIONS - For taxable years beginning on or after January 1, 2002, you may be eligible to receive a tax credit for your Traditional or Roth IRA contributions. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are
  - age 18 or older as of the close of the taxable year,
  - not a dependent of another taxpayer, and
  - not a full-time student.

The credit is based upon your income (see chart below), and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your contributions, add all of the contributions made to your Traditional or Roth IRA and reduce these contributions by any distributions that you have taken during the testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed \$2,000.

For 2015: Adjusted Gross Income*			Applicable %
Joint Return	Head of Household	All Other Cases	
\$1 - \$36,500	\$1 - \$27,375	\$1 - \$18,250	50 %
\$36,501 - \$39,500	\$27,376 - \$29,625	\$18,251 - \$19,750	20 %
\$39,501 - \$61,000	\$29,626 - \$45,750	\$19,751 - \$30,500	10 %
Over \$61,000	Over \$45,750	Over \$30,500	0 %

\*Adjusted gross income includes foreign earned income and income from Guam, American Samoa, North Mariana Islands and Puerto Rico.

- D. TAX-DEFERRED EARNINGS - The investment earnings of your IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- E. NONDEDUCTIBLE CONTRIBUTIONS - You may make nondeductible contributions to your IRA to the extent that deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the allowable contribution limit described previously, or 100 percent of compensation). You may elect to treat deductible IRA contributions as nondeductible contributions.

If you make nondeductible contributions for a particular tax year, you must report the amount of the nondeductible contribution along with your income tax return using IRS Form 8606. Failure to file IRS Form 8606 will result in a \$50 per failure penalty.

If you overstate the amount of designated nondeductible contributions for any taxable year, you are subject to a \$100 penalty unless reasonable cause for the overstatement can be shown.

- F. TAXATION OF DISTRIBUTIONS - The taxation of IRA distributions depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, any IRA distribution will be fully included in income.

If you have ever made nondeductible contributions to any IRA, the following formula must be used to determine the amount of any IRA distribution excluded from income.

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

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

**HSA Funding Distributions.** An individual may make a one-time transfer of funds from his or her IRA distribution directly to the IRA owner's health savings account (HSA) without recognizing income on the distribution. The dollar amount excluded cannot exceed the annual limitation on the individual's HSA contribution for the year. The exclusion is lost if the individual ceases to be eligible to contribute to an HSA during the twelve months after the contribution. In such a case, the distribution is subject to tax and a 10-percent penalty is imposed.

**Use of IRAs for Charitable Contributions**

For years 2006 through 2013, if you are 70-1/2 or older you can distribute up to \$100,000 tax-free annually from your IRA to certain charitable organizations without claiming a charitable deduction or including the distribution in your gross income. The distribution must be made directly by the IRA Trustee or Custodian, unless the distribution check is made payable to the charity and delivered by you to the charity.

The 2012 Taxpayer Relief Act retroactively extended this provision making it available for charitable IRA transfers made in tax years beginning before January 1, 2014. (Code Sec. 408(d)(8)(F), as amended by Act Sec. 208). The Act included two elections to deal with the retroactive reinstatement of this provision:

1. A taxpayer could elect to have a distribution made in January of 2013 be treated as if it were made on December 31, 2012. (Act Sec. 208(b)(2)(A))
2. A taxpayer could elect to treat any portion of a distribution from an IRA to the taxpayer during December 2012, as a qualified charitable distribution, provided that (i) the portion was transferred in cash after the distribution to an eligible charitable organization before February 1, 2013, and (ii) except for the fact that the distribution was not originally transferred directly to the organization, the distribution otherwise met Code Sec.408(d)(8)'s requirements. (Act Sec. 208(b)(2)(B)).

- G. ROLLOVERS AND CONVERSIONS - Your IRA may be rolled over to an IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your IRA from another IRA, or from your employer's qualified retirement plan, 403(a)

annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan. Conversion is a term used to describe the movement of Traditional IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Traditional IRA to Traditional IRA Rollovers** - Funds distributed from your IRA may be rolled over to an IRA of yours if the requirements of Code section 408(d)(3) are met. A proper IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another IRA to IRA rollover from the distributing IRA (or after 2014, from any other IRA of yours) during the 12 months preceding the date you receive the distribution. Further, before 2015 you may roll over the same dollars or assets only once every 12 months. After 2014, the 12-month restriction applies to any IRA rollover by you.

2. **SIMPLE IRA to Traditional IRA Rollovers** - Funds may be distributed from your SIMPLE IRA and rolled over to your IRA without IRS penalty provided; two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with Traditional IRA to Traditional IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA (or after 2014, from any other IRA of yours) during the 12 months preceding the date you receive the distribution. Further, before 2015 you may roll over the same dollars or assets only once every 12 months. After 2014, the 12-month restriction applies to any IRA rollover by you.

3. **Employer-Sponsored Retirement Plan to Traditional IRA Rollovers** - You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan (including trustee-to-trustee transfers after December 31, 2006 to non-spouse beneficiaries) unless it is part of a certain series of substantially equal periodic payments, a required minimum distribution, or a hardship distribution.

If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator will generally be required to withhold 20 percent of your distribution as a payment of income taxes. When completing the rollover, you may make up the amount withheld, out of pocket, and roll over the full amount distributed from your employer-sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution must be rolled over to your IRA not later than 60 days after you receive it. Alternatively, you may claim the withheld amount as income, and pay the applicable income tax and, if you are under age 59½, the 10 percent early distribution penalty (unless an exception to the penalty applies).

As an alternative to the indirect rollover, your employer generally must give you the option to directly roll over your employer-sponsored retirement plan balance to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other eligible employer-sponsored retirement plan) that you designate. The 20 percent withholding requirements do not apply to direct rollovers.

4. **Traditional IRA to Employer-Sponsored Retirement Plans** - You may roll over, directly or indirectly, any eligible rollover distribution from an IRA to an employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan so long as the employer-sponsored retirement plan accepts such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from an IRA that is not a part of a required minimum distribution.

5. **Traditional IRA to Roth IRA Conversions** - For tax years before 2009, if your modified adjusted gross income was not more than \$100,000, and if you were married and you did not file a separate income tax return, you were eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). For tax years after 2009, the \$100,000 MAGI limit and joint filing requirements are no longer applicable. However, if you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includable in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty. There was a special tax treatment permitted for conversions in 2010, whereby, unless you otherwise elected to recognize the conversion amount in full in 2010, you were permitted to recognize the income ratably in 2011 and 2012.

6. **Written Election** - At the time you make a proper rollover to an IRA, you must

designate in writing to us your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

H. **TRANSFER DUE TO DIVORCE** - If all or any part of your IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Traditional IRA to another.

I. **RECHARACTERIZATIONS** - If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution as to a Roth IRA along with attributable net income, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with attributable net income back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed. You must report a recharacterized contribution on your federal income tax return in accordance with the instructions to IRS Form 8606. You may not recharacterize Roth IRA contributions as contributions to a SEP or SIMPLE IRA.

**LIMITATIONS AND RESTRICTIONS**

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

B. **SPOUSAL IRA** - If you are married and have compensation, you may contribute to an IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has compensation. You may make these spousal contributions even if you are age 70½ or older. You must file a joint income tax return for the year for which the contribution is made.

The amount you may contribute to your IRA and your spouse's IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002-2004, \$8,000 for 2005-2007, \$10,000 for 2008-2012, and \$11,000 for 2013-2014. This amount may be increased with cost-of-living adjustments in 2015 and beyond. However, you may not contribute more than the individual contribution limit to each IRA.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's IRA. The maximum additional contribution is \$500 for years 2002-2005, and \$1,000 for years 2006 and beyond.

C. **DEDUCTION OF ROLLOVERS AND TRANSFERS** - A deduction is not allowed for rollover contributions or transfers.

D. **GIFT TAX** - Transfers of your IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.

E. **SPECIAL TAX TREATMENT** - Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to IRA distributions.

F. **INCOME TAX TREATMENT** - Any withdrawal from your IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

G. **PROHIBITED TRANSACTIONS** - If you or your beneficiary engages in a prohibited transaction with your IRA, as described in Code section 4975, your IRA will lose its tax-deferred status, and you must include the value of your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your IRA: (1) taking a loan from your IRA; (2) buying property for personal use (present or future) with IRA funds; or (3) receiving certain bonuses or premiums because of your IRA.

H. **PLEDGING** - If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and will be included in your gross income for the taxable year in which you pledge the assets.

I. **LISTED TRANSACTIONS AND REPORTABLE TRANSACTIONS** - Certain transactions are or may be identified by the Internal Revenue Service as abusive tax shelter schemes or transactions. A prohibited tax shelter transaction, as described in Code section 4965, is a transaction that is a listed transaction (including a subsequently listed transaction), as described in Code section 6707A(c)(2), or a prohibited reportable transaction, which is either a confidential transaction or a transaction with contractual protection and which is a reportable transaction defined in Code section 6707A(c)(1). A listed transaction is a transaction that is the same as or substantially similar to any of the types of transactions that the IRS has determined to be a tax avoidance transaction and are identified by notice, regulation or other form of published guidance as a listed transaction.

A confidential transaction is a transaction that is offered under conditions of confidentiality and for which a minimum fee was paid. A transaction with contractual protection is a transaction for which the party to the transaction has the right to a full or partial refund of fees if all or part of the intended tax consequences from the transaction are not sustained or with respect to which fees are contingent on the realization of tax benefits from the transaction.

As a type of tax-exempt entity subject to the prohibited tax shelter transaction rules, an IRA is required to file IRS Form 8886-T to disclose information with respect to each prohibited tax shelter transaction, entered into after May 17, 2006, to which it is a party. If the IRA participates in a reportable transaction (as defined in Treasury Regulations section 1.6011-4) the IRA also may be required to file IRS Form 8886. These forms must be filed by the entity manager, who in the case of a self-directed IRA, is the IRA owner who approved or caused the IRA to be a party to the transaction. Code section 6011(g) also requires a taxable party to a prohibited tax shelter transaction to disclose to the IRA custodian that such transaction has occurred. In addition to the reporting and disclosure requirements, an IRA entity manager may be liable for excise taxes in connection with the prohibited tax shelter transaction. IRS Form 5330 is to be used for reporting such excise taxes. Additional penalties are imposed by Code section 6662A for failure to disclose required information with respect to prohibited tax shelter transactions.

**FEDERAL TAX PENALTIES**

- A. **EARLY DISTRIBUTION PENALTY** - If you are under age 59½ and receive an IRA distribution, an additional tax of 10 percent will apply, unless made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses allowable as a deduction under Code 213, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), 10) a levy issued by the IRS, or 11) being called to active military duty if the distribution meets the requirement to be a qualified reservist distribution (i.e., called to active duty for at least 180 days or an indefinite period and made during the period from the date when ordered or called and ending at the close of the active duty period). This additional tax will apply only to the portion of a distribution which is includible in your taxable income.
- B. **EXCESS CONTRIBUTION PENALTY** - An additional tax of six percent is imposed upon any excess contribution you make to your IRA. This additional tax will apply each year in which an excess remains in your IRA. An excess contribution is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute.
- C. **EXCESS ACCUMULATION PENALTY** - As previously described, you must take a required minimum distribution by your required beginning date for the year you attain age 70½ and by the end of each year thereafter. Your beneficiary(ies) is required to take certain minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.
- D. **PENALTY REPORTING** - You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.
- E. **PROHIBITED TAX SHELTER TRANSACTION EXCISE TAX** - For tax years beginning after May 17, 2006, if you, as entity manager of your IRA, approve or otherwise cause your IRA to be a party to a prohibited tax shelter transaction during the taxable year and you know or have a reason to know the transaction is a prohibited tax shelter transaction, you must pay an excise tax under Code section 4965(b)(2). You must file IRS Form 5330 to report this tax.

**OTHER INFORMATION**

- A. **IRS PLAN APPROVAL** - Articles I through VII of the Equity Trust Traditional Individual Retirement Custodial Account Agreement reflect the precise language of the corresponding articles of the IRS Model Traditional Individual Retirement Custodial Account Agreement (Form 5305-A). Therefore, your Equity Trust Traditional Individual Retirement Custodial Account Agreement is treated as satisfying all applicable IRS requirements as to the form of the IRA, without the need for specific IRS approval. However, because this treatment relates to the form of the IRA only, nothing in your Custodial Account Agreement constitutes an endorsement of, or a determination or opinion of the merits or consequences of, any action in connection with the operation of your Traditional IRA or of any investments made
- B. **NO PREDICTION, REPRESENTATION OR GUARANTEE OF FUTURE VALUE** - The value of your IRA at any time will depend on the amount of contributions to it, the performance of its investments as selected by you or your Authorized Agent, and the time and amount of charges to and payments from it. Equity Trust does not predict, represent or guarantee the value of your IRA at any future time.
- C. **NON-DEPOSIT INVESTMENTS NOT INSURED BY FDIC** - Non-deposit investments, such as, but not limited to stocks, bonds, mutual funds, real property and private

placements, of the IRA are not FDIC insured and are subject to investment risks, including the loss of principal.

- D. **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.
  - E. **STATEMENTS/ACCOUNTING** - Each year Equity Trust will furnish you a statement of account which will state the amount of the contributions to your custodial account, distributions from the custodial account and the total value of the custodial account as of the end of the year. Information relating to contributions and withdrawals must be reported annually to the Internal Revenue Service by you or, in the case of a spousal IRA, by your spouse. Statements will reflect information provided to Equity Trust by you and/or your Authorized Agent. Therefore, statements will be only as accurate as the information provided. Equity Trust neither assumes any responsibility for the accuracy of information provided, nor guarantees the particular tax treatment of any amounts entered in its records.
  - F. **AVAILABILITY OF FUNDS AFTER DEPOSIT** - Generally, before Equity Trust can or will execute on or otherwise effectuate a directed transaction with respect to your IRA account, Equity Trust requires knowledge that your IRA account has or is in receipt of good funds needed for such transaction. Thus, generally, Equity Trust will need to wait until it knows that checks deposited or other funds transferred into your IRA account have cleared before Equity Trust can or will act on investment directives from you or your Authorized Agent. The availability of funds deposited with Equity Trust will depend upon the method utilized to accomplish such transmission and several other factors. However, as a general rule, checks deposited from another IRA custodian will be available within five business days from deposit, and personal checks deposited by you as an IRA contribution or from third parties in payment of amounts owing to your IRA from investments, etc. will be available within seven business days from deposit. Utilization of wire transfers and online banking may expedite clearance of such funds.
  - G. **TELEPHONE AUTHORIZATION** - Equity Trust is authorized, at its option, to honor telephone transaction requests placed by you or your Authorized Agent with respect to your custodial account. These requests may include purchases, sales and exchanges of assets whose sponsors accept telephone authorizations from Equity Trust on your behalf. Equity Trust may require you to complete and provide a Telephone Authorization Form. Equity Trust also may require the use of a special identification number and Social Security number for each transaction. Equity Trust is not responsible for determining whether or not a caller is authorized other than verifying that such caller is using the proper identification number for the account. You agree that Equity Trust is not responsible for unauthorized transactions in your custodial account by callers who provide the proper identification number for your account.
  - H. **AMENDMENTS** - Equity Trust may amend, change or terminate the Custodial Account Agreement at any time. Any amendment made by Equity Trust to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date Equity Trust mails or otherwise transmits the amendment, you notify Equity Trust in writing that you do not consent. Amendments also may be made by written agreement of Equity Trust and you.
  - I. **ACCOUNT TERMINATION** - You may terminate your Equity Trust IRA at any time upon written notice signed by you. The notice must identify your Equity Trust IRA account number, give instructions on the disposition of your IRA's assets and be sent to:
 

Equity Trust Company	<u>Overnight Delivery Address:</u>	Phone: (440) 323-5491
P.O. Box 451340	1 Equity Way	Toll Free: (877) 693-8208
Westlake, OH 44145	Westlake, OH 44145	Fax: (440) 366-3755
- Your Equity Trust IRA will terminate upon the earliest of:
- The date the IRA assets have been disposed of in accordance with your instructions if you terminate Equity Trust as custodian;
  - The date all the IRA's assets have been distributed;
  - The date the IRA ceases to meet the requirements of Code section 408; or
  - The date the IRA assets have been transferred to and accepted by a successor custodian or trustee as a result of the resignation of Equity Trust and selection of a successor custodian or trustee.
- J. **GOLD LEVEL SERVICE (GLS)** - If you have elected GLS on the IRA Application Form, the GLS fee for each succeeding year will be automatically withdrawn from your Traditional IRA account on each anniversary date of your GLS membership (the "annual renewal date") until you submit a written notice of cancellation of your GLS membership to Equity Trust at least 30 days prior to the annual renewal date for such succeeding year.
  - K. **ADDITIONAL INFORMATION** - You may obtain further information on IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, Individual Retirement Arrangements, by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.

**RIGHT TO REVOKE YOUR ROTH IRA**

If you receive this Disclosure Statement at the time you establish your Roth IRA, you have the right to revoke your Roth IRA within seven (7) days of its establishment. If revoked, you are entitled to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your Roth IRA, please call the Custodian at the telephone number listed on the Application.

**REQUIREMENTS OF A ROTH IRA**

- A. **CASH CONTRIBUTIONS** - Your contribution must be in cash, unless it is a rollover or conversion contribution.
- B. **MAXIMUM CONTRIBUTION** - The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$3,000 for years 2002-2004, \$4,000 for years 2005-2007, \$5,000 for years 2008-2012, \$5,500 for years 2013 through 2015, with possible cost-of-living adjustments in future years. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of Internal Revenue Code (Code) sections 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation. An exception to the contribution dollar limitations applies if you received a qualified reservist distribution. In such case, you may, at any time during the two-year period beginning on the day after the end of your active duty period, make one or more contributions to your IRA in an aggregate amount not to exceed the amount of your qualified reservist distribution. In addition, if you are the recipient of a military death gratuity or payment from the Servicemember's Group Life Insurance (SGLI) program resulting from a death from injuries occurring on or after June 17, 2008, you are permitted to roll over such gratuity or payment to a Roth IRA and/or a Coverdell Education Savings Account on a tax-free basis within one year of your receipt of the benefit or payment, notwithstanding the otherwise applicable contribution limits. Another special rule applied for similar benefits or payments that were contributed by June 17, 2009, and attributable to deaths from injuries between October 7, 2001 and June 17, 2008.

As indicated by the chart below, your Roth IRA contribution is further limited if your modified adjusted gross income (MAGI) equals or exceeds certain threshold amounts depending upon whether you are a married individual filing a joint income tax return, or you are a single individual. If your modified adjusted gross income equals or exceeds the maximum level indicated for your category of taxpayer, you may not fund a Roth IRA.

Tax Year	Joint Filers Phase-out Range <i>(minimum)(maximum)</i>	Single Taxpayer Phase-out Range <i>(minimum)(maximum)</i>
2010	\$167,000 - \$177,000	\$105,000 - \$120,000
2011	\$169,000 - \$179,000	\$107,000 - \$122,000
2012	\$173,000 - \$183,000	\$110,000 - \$125,000
2013	\$178,000 - \$188,000	\$112,000 - \$127,000
2014	\$181,000 - \$191,000	\$114,000 - \$129,000
2015	\$183,000 - \$193,000	\$116,000 - \$131,000

Married individuals filing a separate income tax return with MAGI equaling or exceeding \$10,000 may not fund a Roth IRA.

For 2015, if you are married filing a joint income tax return and your MAGI is between \$183,000 and \$193,000, your maximum Roth IRA contribution is determined as follows: (1) Subtract your MAGI from \$193,000; (2) divide the difference by \$10,000; and (3) multiply the result in step (2) by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$185,000, your maximum Roth IRA contribution for 2015 is \$4,400. This amount is determined as follows: [(\$193,000 minus \$185,000) divided by \$10,000] multiplied by \$5,500.

For 2015, if you are single and your MAGI is between \$116,000 and \$131,000, your maximum Roth IRA contribution is determined as follows: (1) Subtract your MAGI from \$131,000; (2) divide the difference by \$15,000; and (3) multiply the result in step (2) by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$119,000, your maximum Roth IRA contribution for 2015 is \$4,400. This amount is determined as follows: [(\$131,000 minus \$119,000) divided by \$15,000] multiplied by \$5,500.

- C. **CONTRIBUTION ELIGIBILITY** - You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in a retirement plan, other than a Traditional IRA.
- D. **CATCH-UP CONTRIBUTION** - If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your Roth IRA. The maximum additional contribution is \$500 for years 2002-2005 and \$1,000 for years 2006 and beyond.
- E. **NON-FORFEITABILITY** - Your interest in your Roth IRA is non-forfeitable.
- F. **ELIGIBLE CUSTODIANS** - The Custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.
- G. **COMMINGLING ASSETS** - The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- H. **LIFE INSURANCE** - No portion of your Roth IRA may be invested in life insurance contracts.
- I. **COLLECTIBLES** - You may not invest the assets of your Roth IRA in collectibles (within the meaning of Code section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in Code section 408(m)(3)) are also permitted as Roth IRA investments.
- J. **BENEFICIARY PAYOUTS** - Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death who remains your beneficiary(ies) as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your beneficiary(ies), either
  1. be distributed by December 31 of the year containing the fifth anniversary of your death, or
  2. be distributed over the remaining life expectancy of your designated beneficiary(ies).

Your designated beneficiary(ies) must elect either option (1) or (2) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (2). In the case of distributions under option (2), distributions must commence by December 31 of the year following the year of your death. Generally if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

A spouse who is the sole designated beneficiary of your entire Roth IRA will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your Roth IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

**INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA**

- A. **CONTRIBUTIONS NOT DEDUCTED** - No deduction is allowed for Roth IRA contributions, including transfers, rollovers and conversion contributions.
- B. **CONTRIBUTION DEADLINE** - The deadline for making a Roth IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your Roth IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.
- C. **TAX CREDIT FOR CONTRIBUTIONS** - For taxable years beginning on or after January 1, 2002, you may be eligible to receive a tax credit for your Traditional or Roth IRA contributions. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are
  - age 18 or older as of the close of the taxable year,
  - not a dependent of another taxpayer, and
  - not a full-time student.

The credit is based upon your income (see chart below), and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your

contributions, add all of the contributions made to your Traditional or Roth IRA and reduce these contributions by any distributions that you have taken during the testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed \$2,000.

For 2015: Adjusted Gross Income*			Applicable %
Joint Return	Head of Household	All Other Cases	
\$1 - \$36,500	\$1 - \$27,375	\$1 - \$18,250	50 %
\$36,501 - \$39,500	\$27,376 - \$29,625	\$18,251 - \$19,750	20 %
\$39,501 - \$61,000	\$29,626 - \$45,750	\$19,751 - \$30,500	10 %
Over \$61,000	Over \$45,750	Over \$30,500	0 %

\*Adjusted gross income includes foreign earned income and income from Guam, American Samoa, North Mariana Islands and Puerto Rico.

D. **TAX-DEFERRED EARNINGS** - The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA. In addition, distributions of your Roth IRA earnings will be free from federal income tax if you take a qualified distribution, as described below.

E. **TAXATION OF DISTRIBUTIONS** - The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a non-qualified distribution.

1. **Qualified Distributions** - Qualified distributions from your Roth IRA (both the contributions and earnings) are not included in your income. A qualified distribution is a distribution which is made after the expiration of the five-year period beginning January 1 of the first year for which you made a contribution to any Roth IRA (including a conversion from a Traditional IRA), and is made on account of one of the following events:

- attainment of age 59½,
- disability,
- the purchase of a first home, or
- death.

For example, if you made a contribution to your Roth IRA for 2009, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2014.

2. **Non-qualified Distributions** - If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty. However, when you take a distribution, the amounts you contributed annually to any Roth IRA account will be deemed to be removed first, followed by conversion contributions made to any Roth IRA on a first-in, first-out basis. Therefore, your non-qualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions and your conversion contributions. However, the 10 percent early distribution penalty may apply to conversion contributions distributed within the five-year period beginning with the year in which the conversion occurred. These "ordering rules" are complex. If you have any questions regarding the taxation of distributions from your Roth IRA, please see a competent tax advisor.

F. **REQUIRED MINIMUM DISTRIBUTIONS** - You are not required to take distributions from your Roth IRA at age 70½ (as required for Traditional and SIMPLE IRAs). However, your beneficiary(ies) is generally required to take distributions from your Roth IRA after your death. See the section titled Beneficiary Payouts in this Disclosure Statement regarding beneficiary's(ies) required minimum distributions.

G. **ROLLOVERS AND CONVERSIONS** - Your Roth IRA may be rolled over to another Roth IRA of yours, may receive rollover contributions, or may receive conversion contributions provided that all of the applicable rollover or conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your Roth IRA from another Roth IRA. Conversion is a term used to describe the movement of Traditional IRA or SIMPLE IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Roth IRA to Roth IRA Rollovers** - Funds distributed from your Roth IRA may be rolled over to a Roth IRA of yours if the requirements of Code section 408(d)(3) are met. A proper Roth IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another Roth IRA to Roth IRA rollover from the distributing Roth IRA (or after 2014, from any other IRA of yours) during the 12 months preceding the date you receive the distribution. Further, before 2015 you may roll over the same dollars or assets only once every 12 months. After 2014, the 12-month restriction applies to any IRA roll over by you. Roth IRA

assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA).

2. **Traditional IRA to Roth IRA Conversions** - For tax years before 2009, if your MAGI was not more than \$100,000, and if you were married and you did not file a separate income tax return, you were eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). For tax years after 2009, the \$100,000 MAGI limit and joint filing requirements are no longer applicable. However, if you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includable in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty. There was a special tax treatment permitted for conversions in 2010, whereby, unless you otherwise elected to recognize the conversion amount in full in 2010, you were permitted to recognize the income ratably in 2011 and 2012.

3. **SIMPLE IRA to Roth IRA Conversions** - For tax years before 2010, if your MAGI was not more than \$100,000 and if you were married and you did not file a separate income tax return, you were eligible to convert all or any portion of your existing savings incentive match plan for employees of small employers (SIMPLE) IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. For tax years after 2009, the \$100,000 MAGI limit and joint filing requirements are no longer applicable. However, if you are age 70½ or older you must remove your required minimum distribution prior to converting your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes and is includable in your gross income. Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty. There was a special tax treatment permitted for conversion in 2010, whereby, unless you otherwise elected to recognize the conversion amount in full in 2010, you were permitted to recognize the income ratably in 2011 and 2012.

4. **Rollovers from Employer-Sponsored Retirement Plans** - Effective after 2007, if you satisfy certain requirements, you may directly roll over distributions from your employer's qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan into your Roth IRA.

5. **Written Election** - At the time you make a proper rollover or conversion to a Roth IRA, you must designate in writing to us your election to treat that contribution as a rollover or conversion. Once made, the election is irrevocable.

H. **TRANSFER DUE TO DIVORCE** - If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another Roth IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.

I. **RECHARACTERIZATIONS** - If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution as to a Roth IRA along with attributable net income, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with attributable net income back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed. You must report a recharacterized contribution on your federal income tax return in accordance with the instructions to IRS Form 8606. You may not recharacterize Roth IRA contributions as contributions to a SEP or SIMPLE IRA.

## LIMITATIONS AND RESTRICTIONS

A. **SPOUSAL ROTH IRA** - If you are married and have compensation, you may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has compensation. You must file a joint income tax return for the year for which the contribution is made. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

The amount you may contribute to your Roth IRA and your spouse's Roth IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002-2004, \$8,000 for 2005-2007, \$10,000 for 2008-2012, and \$11,000 for 2013-2014. This amount may be increased with cost-of-living adjustments in 2015 and beyond. However, you may not contribute more than the individual contribution limit to

each Roth IRA. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's Roth IRA. The maximum additional contribution is \$500 for years 2002-2005, and \$1,000 for years 2006 and beyond.

- B. GIFT TAX - Transfers of your Roth IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.
- C. SPECIAL TAX TREATMENT - Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to Roth IRA distributions.
- D. INCOME TAX TREATMENT - Any non-qualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.
- E. PROHIBITED TRANSACTIONS - If you or your beneficiary engages in a prohibited transaction with your Roth IRA, as described in Code section 4975, your Roth IRA will lose its tax-deferred or tax-exempt status, and you must generally include the value of the earnings in your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your Roth IRA: (1) taking a loan from your Roth IRA; (2) buying property for personal use (present or future) with Roth IRA funds; or (3) receiving certain bonuses or premiums because of your Roth IRA.
- F. PLEDGING - If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and may be included in your gross income for the taxable year in which you pledge the assets to the extent it represents earnings.
- G. LISTED TRANSACTIONS AND REPORTABLE TRANSACTIONS - Certain transactions are or may be identified by the Internal Revenue Service as abusive tax shelter schemes or transactions. A prohibited tax shelter transaction, as described in Code section 4965, is a transaction that is a listed transaction (including a subsequently listed transaction), as described in Code section 6707A(c)(2), or a prohibited reportable transaction, which is either a confidential transaction or a transaction with contractual protection and which is a reportable transaction defined in Code section 6707A(c)(1). A listed transaction is a transaction that is the same as or substantially similar to any of the types of transactions that the IRS has determined to be a tax avoidance transaction and are identified by notice, regulation or other form of published guidance as a listed transaction. A confidential transaction is a transaction that is offered under conditions of confidentiality and for which a minimum fee was paid. A transaction with contractual protection is a transaction for which the party to the transaction has the right to a full or partial refund of fees if all or part of the intended tax consequences from the transaction are not sustained or with respect to which fees are contingent on the realization of tax benefits from the transaction.

As a type of tax-exempt entity subject to the prohibited tax shelter transaction rules, a Roth IRA is required to file IRS Form 8886-T to disclose information with respect to each prohibited tax shelter transaction, entered into after May 17, 2006, to which it is a party. If the Roth IRA participates in a reportable transaction (as defined in Treasury Regulations section 1.6011-4) the Roth IRA also may be required to file IRS Form 8886. These forms must be filed by the entity manager, who in the case of a self-directed Roth IRA, is the Roth IRA owner who approved or caused the Roth IRA to be a party to the transaction. Code section 6011(g) also requires a taxable party to a prohibited tax shelter transaction to disclose to the Roth IRA custodian that such transaction has occurred. In addition to the reporting and disclosure requirements, a Roth IRA entity manager may be liable for excise taxes in connection with the prohibited tax shelter transaction. IRS Form 5330 is to be used for reporting such excise taxes. Additional penalties are imposed by Code section 6662A for failure to disclose required information with respect to prohibited tax shelter transaction.

#### FEDERAL TAX PENALTIES

- A. EARLY DISTRIBUTION PENALTY - If you are under age 59½ and receive a non-qualified Roth IRA distribution, an additional tax of 10 percent will generally apply to the amount includible in income in the year of the distribution. If you are under age 59½ and receive a distribution of conversion amounts within the five-year period beginning with the year in which the conversion occurred, an additional tax of 10 percent will generally apply to the amount of the distribution. The additional tax of 10 percent will generally not apply if a distribution is made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses allowable as a deduction under Code Section 213, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to

a life-time maximum of \$10,000), 10) a levy issued by the IRS, or 11) being called to active duty if the distribution meets the requirements to be a qualified reservist distribution (i.e., called to active duty for at least 180 days or an indefinite period and made during the period from the date when ordered or called and ending at the close of the active duty period).

- B. EXCESS CONTRIBUTION PENALTY - An additional tax of six percent is imposed upon any excess contribution you make to your Roth IRA. This additional tax will apply each year in which an excess remains in your Roth IRA. An excess contribution is any amount that is contributed to your Roth IRA that exceeds the amount that you are eligible to contribute.
- C. EXCESS ACCUMULATION PENALTY - As previously described, your beneficiary(ies) is generally required to take certain required minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.
- D. PENALTY REPORTING - You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.
- E. PROHIBITED TAX SHELTER TRANSACTION EXCISE TAX - For tax years beginning after May 17, 2006, if you, as entity manager of your Roth IRA, approve or otherwise cause your Roth IRA to be a party to a prohibited tax shelter transaction during the taxable year and you know or have a reason to know the transaction is a prohibited tax shelter transaction, you must pay an excise tax under Code section 4965(b)(2). You must file IRS Form 5330 to report this tax.

#### OTHER INFORMATION

- A. IRS PLAN APPROVAL - Articles I through VIII of the Equity Trust Roth Individual Retirement Custodial Account Agreement reflect the precise language of the corresponding articles of the IRS Model Roth Individual Retirement Custodial Account Agreement (Form 5305-RA). Therefore, your Equity Trust Roth Individual Retirement Custodial Account Agreement is treated as satisfying all applicable IRS requirements as to the form of the IRA, without the need for specific IRS approval. However, because this treatment relates to the form of the Roth IRA only, nothing in your Custodial Account Agreement constitutes an endorsement of, or a determination or opinion of the merits or consequences of, any action in connection with the operation of your Roth IRA or of any investments made.
- B. NO PREDICTION, REPRESENTATION OR GUARANTEE OF FUTURE VALUE -The value of your Roth IRA at any time will depend on the amount of contributions to it, the performance of its investments as selected by you or your Authorized Agent, and the time and amount of charges to and payments from it. Equity Trust does not predict, represent or guarantee the value of your Roth IRA at any future time.
- C. NON-DEPOSIT INVESTMENTS NOT INSURED BY FDIC - Non -deposit investments, such as, but not limited to stocks, bonds, mutual funds, real property and private placements, of the IRA are not FDIC insured and are subject to investment risks, including the loss of principal.
- D. IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.
- E. STATEMENTS/ACCOUNTING - Each year Equity Trust will furnish you a statement of account which will state the amount of the contributions to your custodial account, distributions from the custodial account and the total value of the custodial account as of the end of the year. Information relating to contributions and withdrawals must be reported annually to the Internal Revenue Service by you or, in the case of a spousal IRA, by your spouse. Statements will reflect information provided to Equity Trust by you and/or your Authorized Agent. Therefore, statements will be only as accurate as the information provided. Equity Trust neither assumes any responsibility for the accuracy of information provided, nor guarantees the particular tax treatment of any amounts entered in its records.
- F. AVAILABILITY OF FUNDS AFTER DEPOSIT - Generally, before Equity Trust can or will execute on or otherwise effectuate a directed transaction with respect to your Roth IRA account, Equity Trust requires knowledge that your Roth IRA account has or is in receipt of good funds needed for such transaction. Thus, generally, Equity Trust will need to wait until it knows that checks deposited or other funds transferred into your Roth IRA account have cleared before Equity Trust can or will act on investment directives from you or your Authorized Agent. The availability of funds deposited with Equity Trust will depend upon the method utilized to accomplish such transmission and several other factors. However, as a general rule, checks deposited from another IRA custodian will be available within five business days from deposit, and personal checks deposited by you as a Roth IRA contribution or from third parties in payment of amounts owing to your Roth IRA from investments, etc. will be available within seven business days from deposit. Utilization of wire transfers and online banking may expedite clearance

## Roth IRA Disclosure Statement

of such funds

- G. TELEPHONE AUTHORIZATION - Equity Trust is authorized, at its option, to honor telephone transaction requests placed by you or your Authorized Agent with respect to your custodial account. These requests may include purchases, sales and exchanges of assets whose sponsors accept telephone authorizations from Equity Trust on your behalf. Equity Trust may require you to complete and provide a Telephone Authorization Form. Equity Trust also may require the use of a special identification number and Social Security number for each transaction. Equity Trust is not responsible for determining whether or not a caller is authorized other than verifying that such caller is using the proper identification number for the account. You agree that Equity Trust is not responsible for unauthorized transactions in your custodial account by callers who provide the proper identification number for your account
- H. AMENDMENTS - Equity Trust may amend, change or terminate the Custodial Account Agreement at any time. Any amendment made by Equity Trust to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date Equity Trust mails or otherwise transmits the amendment, you notify Equity Trust in writing that you do not consent. Amendments also may be made by written agreement of Equity Trust and you.
- I. ACCOUNT TERMINATION - You may terminate your Equity Trust Roth IRA at any time upon written notice signed by you. The notice must identify your Equity Trust Roth IRA account number, give instructions on the disposition of your Roth IRA's assets and be sent to:

Equity Trust Company	<u>Overnight Delivery</u>	Phone: (440) 323-5491
P. O. Box 451340	<u>Address:</u>	Toll Free: (877) 693-8208
Westlake, OH 44145	1 Equity Way	Fax: (440) 366-3755
	Westlake, OH 44145	

Your Equity Trust Roth IRA will terminate upon the earliest of:

- The date the Roth IRA assets have been disposed of in accordance with your instructions if you terminate Equity Trust as custodian;
  - The date all the Roth IRA's assets have been distributed;
  - The date the Roth IRA ceases to meet the requirements of Code section 408A; or
  - The date the Roth IRA assets have been transferred to and accepted by a successor custodian or trustee as a result of the resignation of Equity Trust and selection of a successor custodian or trustee.
- J. GOLD LEVEL SERVICE (GLS) - If you have elected GLS on the IRA Application Form, the GLS fee for each succeeding year will be automatically withdrawn from your Roth IRA account on each anniversary date of your GLS membership (the "annual renewal date") until you submit a written notice of cancellation of your GLS membership to Equity Trust at least 30 days prior to the annual renewal date for such succeeding year.
- K. ADDITIONAL INFORMATION - You may obtain further information on IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, Individual Retirement Arrangements, by calling **1-800-TAX-FORM**, or by visiting **www.irs.gov** on the Internet.



## Our Commitment to You

At Equity Trust Company, protecting your privacy and the confidentiality of your personal information is important to us. We value your business and the trust you put in us, and to offer you the financial products and services you seek, we collect, maintain and use information about you. To help you better understand how your personal information is protected by Equity Trust Company, we are providing you with the following statement describing our policies and procedures with respect to the privacy of your customer information. In the event you terminate your customer relationship with us, or become an inactive customer, we will continue to adhere to the policies and procedures described in this notice.

This notice applies only to non public personal information about individuals who obtain financial products or services primarily for personal, family or household purposes.

## Equity Trust Company Privacy Policy

Equity Trust Company restricts access to your personal and account information to those employees and affiliates who need to know the information to provide products, education materials or services to you and we educate our employees about the importance of confidentiality and customer privacy. For example, Equity Trust Company may provide such information to its affiliate Equity University, which provides educational seminars and materials to individuals related to retirement planning. We maintain physical, electronic and procedural safeguards to guard your non public personal information. We do not sell any of your personal information to any third party affiliates or non-affiliates and we will not do so, however we may provide such information to any successor custodian/trustee for your account. As such, we reserve the right to transfer such information in connection with a sale of our business, whether by sale of assets, or a merger, consolidation or other similar transaction, or a reorganization or liquidation of our business whether or not in connection with a filing for bankruptcy under applicable law.

## Information We Collect About You

As your trusted financial institution, we collect, retain and use non public personal information about individual current and former customers to provide products and services. We may collect the following categories of non public personal information about you:

- Information we receive from you, through applications for our products or services or other forms; and
- Information about your transactions with us, our affiliates or with non-affiliated third parties.

You typically provide this personal information when you complete an Equity Trust Company account application or when you open

an account with an affiliated brokerage firm. This information may include, but is not limited to, your name, address, social security number, investment experience, relationship with brokers/dealers, risk tolerance, financial references, investment objective, tax bracket, net worth, annual income and occupational/educational background.

## Information We Share

Equity Trust Company does not disclose non public personal information about you to any unaffiliated third parties, unless required by law or authorized by you. However, since publicly held securities transactions are effected through a correspondent clearing firm, we do provide certain account information (such as your name, social security number, address, date of birth, and telephone number; under limited circumstances, net worth, annual income, tax bracket, investment objectives and risk tolerances) and transaction activity to our clearing firm to effect and administer your transaction request. In addition, certain account information (such as your name, address, account activity and positions) is provided to a service provider with whom Equity Trust has contracted to print and mail account statements.

## Your Privacy With Equity Trust Online

Equity Trust Company considers your online confidentiality and privacy to be as important as your written documentation. At Equity Trust Company we use a variety of protections to maintain security of your online sessions and communication. For example, we make use of firewall barriers, authentication procedures and data encryption of 128 Bit SSL. For more information on our online privacy policies, please visit our website.

## How Equity Trust Company Will Inform You of Changes to Our Policies

As required by federal law and regulation we will notify you of our privacy policy annually. Equity Trust Company reserves the right to modify its privacy policy and related procedures at any time, in accordance with applicable federal and state laws. You will be informed and receive appropriate notice if any such changes are made.

We appreciate the opportunity to serve your financial needs. We pledge to follow the policies, safeguards and guidelines as described in this notice, and to protect the confidentiality of your information. Your relationship is very important to us, and we will take great care to honor these commitments to you. Thank you for choosing Equity Trust Company.

**Precious Metals IRA** - May hold only allowable precious metals including American Eagle gold, silver, and platinum coins, other coins as allowed under Internal Revenue Code §408(m)(3), and other precious metal products that meet the minimum fineness requirements and are manufactured by a NYMEX or COMEX approved refiner/assayer.

**Flex IRA** - May hold any asset permitted in the Precious Metals IRA and/or the Basic IRA as well as Private Stocks, Private Limited Partnerships, Limited Liability Companies, Promissory Notes or Corporate Debt Offerings, Futures Trading Accounts, Trust Deeds/Real Estate Contracts, Private REIT's, Perth Mint Certificates, Annuities and other private placement investments or non-standard assets.

**Basic IRA** - May hold Mutual Funds, Public Limited Partnerships, Public Limited Liability Companies, and Public Non-Traded REIT's.

FEES	Precious Metals IRA	Basic IRA	Flex IRA				
<b>■ Set-up Fees: (Charged at time of account establishment)</b>							
One-Time Establishment Fee	\$ 50	\$ 50	\$ 50				
First Year Annual Fee: (Charged upon account establishment.)	\$ 75	\$ 75	Same fees as Annual Renewal Fees (per below)*				
<b>■ Annual Renewal Fee*: (Renewal fee is charged each January following account establishment.)</b>	\$ 75*	\$ 75*	1-3 Accounts**	4 - 9 Accounts**	10 - 24 Accounts**	25 - 99 Accounts**	100 - 499 Accounts**
\$ 1 - \$49,999			See Equity Institutional Standard Fee Schedule	\$ 225	\$ 225	\$ 191	\$ 180
\$50,000 - \$99,999				\$ 250	\$ 250	\$ 213	\$ 200
\$100,000 - \$249,999				\$ 300	\$ 270	\$ 255	\$ 240
\$250,000 - \$499,999				\$ 400	\$ 360	\$ 340	\$ 320
\$500,000 - \$999,999				\$ 550	\$ 495	\$ 468	\$ 440
\$1,000,000 - \$2,499,999				\$1,000	\$ 900	\$ 850	\$ 800
\$2,500,000 - \$4,999,999				\$1,500	\$1,350	\$1,275	\$1,200
\$5,000,000 - \$7,499,999				\$2,000	\$1,800	\$1,700	\$1,600
\$7,500,000 - \$9,999,999				\$2,500	\$2,250	\$2,125	\$2,000
> \$10,000,000			\$3,000	\$2,700	\$2,550	\$2,400	
<b>■ Precious Metals Storage Fee: (Charged at account establishment and each January thereafter.)</b>							
Segregated	\$150	N/A	\$150				
Non-Segregated	\$100	N/A	\$100				
<b>■ Special Service Fees: Charged at time service is rendered</b>							
Cashier's Check, Certified Mail, Overnight Mail Service Fee	\$ 25 each	\$ 25 each	\$ 25 each				
Coin Shipping/Handling Fee (\$50 minimum)	Cost + \$ 10	N/A	Cost + \$ 10				
Express Transfer Processing Fee	\$ 50 each	\$ 50 each	\$ 50 each				
Expedited Process Service Fee	\$ 50 each	\$ 50 each	\$ 50 each				
Late Fee (For failure to pay Annual Fee by provided deadline.)	\$ 50	\$ 50	\$ 50				
Legal Action Fee: (This fee will be assessed each time Equity Trust Company receives adverse action correspondence related to a client's assets.)	\$ 10 each	\$ 10 each	\$ 10 each				
Miscellaneous Activity Request	\$ 75 / hour	\$ 75 / hour	\$ 75 / hour				
Paper Bill Pay: (This fee can be avoided by enrolling in electronic bill pay through Institutional eVantage. Visit <a href="http://www.equityinstitutional.com/account-access.aspx">www.equityinstitutional.com/account-access.aspx</a> to login.)	\$ 10 each	\$ 10 each	\$ 10 each				
Paper Statement Mailing: (This fee can be avoided by enrolling in E-Statements through Institutional eVantage.)	\$ 40 / year	\$ 40 / year	\$ 40 / year				
Stop Payment/Return Check Fee	\$ 30 each	\$ 30 each	\$ 30 each				
Special Document Processing	\$ 5 each	\$ 5 each	\$ 5 each				
Wire Transfer Fee (Domestic): Wire in fee associated with initial funding of the account is waived.	\$ 30 each	\$ 30 each	\$ 30 each				
Wire Transfer Fee (International): Wire in fee associated with initial funding of the account is waived.	\$ 50 each	\$ 50 each	\$ 50 each				
990-T Processing Fee	N/A	See 990-T Fee Schedule	See 990-T Fee Schedule				
<b>■ Termination Fees: (Charged at time service is rendered)</b>							
Partial Termination Fee	\$ 75 / asset	\$ 75 / asset	\$ 75 / asset				
Full Termination Fee	\$200	\$135	\$200				
Distribution of Asset/Re-registration Fee	N/A	N/A	\$100 / asset				
Special Handling Fee (action on closed account)	\$ 25	\$ 25	\$ 25				

\* Renewal Fee is charged each January following account establishment. \*\* Fees are discounted by Designated Representative volume.

PORTFOLIO VALUE	ANNUAL FEE	PORTFOLIO VALUE	ANNUAL FEE
\$1-14,999	\$195.00	\$400,000-499,999	\$975.00
\$15,000-24,999	\$275.00	\$500,000-599,999	\$1,600.00
\$25,000-49,999	\$315.00	\$600,000-699,999	\$1,700.00
\$50,000-99,999	\$375.00	\$700,000-799,999	\$1,800.00
\$100,000-199,999	\$460.00	\$800,000-899,999	\$1,850.00
\$200,000-299,999	\$630.00	\$900,000-999,999	\$1,900.00
\$300,000-399,999	\$675.00	\$1,000,000-over	Negotiable

ACCOUNT FEES	Precious Metals	Retail
<b>Set-up Fees:</b> <i>(Charged at time of account establishment)</i>		
One-Time Establishment Fee	\$ 50	\$50
<b>First Year Annual Fee</b> <i>Charged upon account establishment and each January thereafter.</i>	\$ 75	
<b>SPECIAL SERVICE FEES</b> <i>(Charged at time service is rendered)</i>		
Cashier's Check, Certified Mail, Overnight Mail Service Fee	\$ 25 each	\$ 25 each
Coin Shipping/Handling Fee (\$50 minimum)	Cost + \$ 10	
Express Transfer Processing Fee: <i>Transfer form is reviewed the same day as received.</i>	\$ 50 each	\$ 50 each
Expedited Process Service Fee	\$ 50 each	\$ 50 each
Late Fee: <i>For failure to pay Annual Fee by provided deadline.</i>	\$ 50	\$ 50
Legal Action Fee: <i>This fee will be assessed each time Equity Trust Company receives adverse action correspondence related to a client's assets.</i>	\$ 10 each	\$ 10 each
Miscellaneous Activity Request	\$ 75 / hour	\$ 75 / hour
<b>Paper Bill Pay:</b> <i>This fee can be avoided by enrolling in electronic bill pay in eVantage. Visit <a href="http://www.equityinstitutional.com/account-access.aspx">www.equityinstitutional.com/account-access.aspx</a> to login.</i>	\$ 10 / each	\$ 10 / each
<b>Paper Statement Fee:</b> <i>This fee can be avoided by enrolling in E-Statements through Institutional eVantage.</i>	\$ 40 / year	\$ 40 / year
<b>Precious Metals Storage Fee:</b> <i>Charged at account establishment and each January thereafter.</i> Segregated \$150 Non-Segregated \$100		
Stop Payment/Return Check Fee	\$ 30 each	\$ 30 each
Special Document Processing	\$ 5 each	\$ 5 each
Wire Transfer Fee (Domestic) <i>Wire in fee associated with initial funding of the account is waived.</i>	\$ 30 each	\$ 30 each
Wire Transfer Fee (International) <i>Wire in fee associated with initial funding of the account is waived.</i>	\$ 50 each	\$ 50 each
990-T Processing Fee	N/A	See 990-T Fee Schedule
<b>Termination Fees:</b> <i>Charged at time service is rendered</i>		
Partial Termination Fee	\$ 75 / asset	\$ 75 / asset
Full Termination Fee	\$200	\$200
Distribution of Asset/Re-registration Fee	\$100	\$100
Special Handling Fee <i>(action on closed account)</i>	\$ 25	\$ 25

The above fees are effective from January to January of any given calendar year, and are subject to change. IRA maintenance fees are not prorated. Fee Schedule does not include brokerage commissions that may apply in the event you opt to include brokerage positions in your IRA through your designated broker-dealer or Equity Trust Company's broker-dealer affiliate. Cleared funds must be available in order to make an investment.

Make all checks (except annual fee) payable to: **Equity Trust Company Custodian,**  
**FBO (Account Holder Name), (Account Number)**

Make annual fee payment with check, automatic account deduction or





## OUR USA PATRIOT ACT DISCLOSURE

To help the government fight the funding of terrorism and money laundering activities, Federal law (Section 326 of the USA PATRIOT Act of 2001) requires all financial institutions to obtain, verify, and record information that identifies each individual or institution who opens an account or establishes a customer relationship with Equity Trust Company.

### **What this means for you:**

When you open an account, Equity Trust Company will ask for your name, address, date of birth and other information that will allow us to identify you. As appropriate, we may also ask to see your driver's license or other identifying documents.

This information may be compared to information obtained through third party sources, as permitted by law. If we cannot verify this information, your account may not be opened or it may be restricted and/or closed, and we will not be responsible for any losses nor damages including, but not limited to, lost opportunities, you may incur.

We thank you for your understanding and for joining us in securing a safer tomorrow.

## WHEN TO USE THIS FORM

When you need to update information on your institutional account with Equity Trust Company:

If the information you need to change is not listed below, please contact a Client Service Representative for assistance.

- Name
- Address (Physical or Mailing)
- Contact Information
- Social Security Number
- Interested Parties

This form is not to be used in order to change your security information. Instead you will need to fill out the Security Designation Form. This form can be found on our website at <http://www.EquityInstitutional.com/forms> or you may contact a Client Service Representative.

## INSTRUCTIONS & GUIDELINES

When completing the Account Maintenance form please follow these guidelines:

- If you are changing your name or social security number, you must fill out a new application and mail it with the required supporting documents. See Section 4 for a list of those documents.
- You may use this form to designate an interested party on your account. An interested party is a company or individual you designate to receive a copy of your statement. They do not have access to and cannot make changes to your account.
- If you are currently receiving periodic distributions by mail and wish to change the address that these checks are sent to, you will need to complete a new **Distribution Form** in its entirety, making sure to complete Section 6 to specify the new address if the "Method of Disbursement" is by check. Completing this form alone will not update the address associated with recurring payments.

## CONTACT INFORMATION

### PHYSICAL ADDRESS:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### WEBSITE:

[www.EquityInstitutional.com](http://www.EquityInstitutional.com)

**For assistance, please contact a Client Service Representative at:**

### PHONE:

800-955-3434 (option 2)

**Or e-mail questions to:**

### E-MAIL:

[IRAServices@EquityInstitutional.com](mailto:IRAServices@EquityInstitutional.com)

## SUBMISSION OPTIONS

### OVERNIGHT:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### REGULAR MAIL: (Required if changing Name or Social Security Number)

Equity Trust Company  
Attn: Institutional Accounts  
P. O. Box 451159  
Westlake, OH 44145

### FAX:

(440) 365-1444

\*Cannot be sent by fax if Name or Social Security Number is changing

### BY E-MAIL:

[IRAServices@EquityInstitutional.com](mailto:IRAServices@EquityInstitutional.com)

**DO NOT FAX OR MAIL THIS COVER PAGE**

**INVESTMENT PRODUCTS: NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE**

**1 CURRENT INFORMATION**

Your current name, as titled on your IRA, and account number are required so we can properly identify your account:

ACCOUNT HOLDER NAME	ACCOUNT NUMBER
EMAIL ADDRESS	

**2 INFORMATION TO UPDATE**

 Please fill in **ONLY** the information you wish to add or change on your account:

ACCOUNT OWNER NAME*	SOCIAL SECURITY NUMBER*
EMAIL ADDRESS	
PRIMARY DAYTIME PHONE NUMBER	CELL PHONE NUMBER
BUSINESS PHONE NUMBER	FAX NUMBER

 **PHYSICAL ADDRESS (NO P. O. BOXES)**

STREET ADDRESS			
CITY	COUNTY	STATE	ZIP CODE

 **MAILING ADDRESS**

STREET ADDRESS			
CITY	COUNTY	STATE	ZIP CODE

 Check here if you wish for notification of address change to be sent to your investment holdings

**3 ADD/CHANGE INTERESTED PARTIES (OPTIONAL)**

 An interested party is a company and/or an individual (including registered broker-dealers and investment advisors) that you can designate to receive or electronically view copies of your account statement. An interested party does not have access to and cannot make any changes to your account. Each account may have up to two interested parties, to add a second interested party, please fill out another *Account Maintenance Form*. Listed below is the name of the individual and company you are authorizing to have the authority to view and/or receive copies of your account statements.

 Add       Replace Existing       Remove

NAME	PHONE NUMBER	
COMPANY NAME		
ADDRESS		
CITY	STATE	ZIP CODE
EMAIL ADDRESS		

**4 SIGN & DATE**
**PLEASE READ BEFORE SIGNING:**

\*If you are submitting this form to change your name or your social security number, Equity Trust Company will require the following supporting documents to be mailed with this form:

- **Name Change:** Copy of legal documents supporting request.
- **Social Security Number Change:** W9 or Social Security Card.

✕

Account Holder's Signature \_\_\_\_\_

Date \_\_\_\_\_

## WHEN TO USE THIS FORM

This form should be completed when adding, replacing or updating credit card information to your institutional account for use when paying account fees to Equity Trust Company.

## INSTRUCTIONS & GUIDELINES

Please make sure to complete section two if you are adding or replacing a credit card on your account. Section three should only be completed if the information on file requires updating.

If the credit card holder and IRA account holder are different, both parties will need to sign and date the bottom of the form.

## CONTACT INFORMATION

### PHYSICAL ADDRESS:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### WEBSITE:

[www.EquityInstitutional.com](http://www.EquityInstitutional.com)

**For assistance, please contact a Client Service Representative at:**

### PHONE:

800-955-3434 (option 2)

**Or e-mail questions to:**

### E-MAIL:

[IRAServices@EquityInstitutional.com](mailto:IRAServices@EquityInstitutional.com)

## SUBMISSION OPTIONS

### OVERNIGHT:

Equity Trust Company  
Attn: Institutional Accounts  
1 Equity Way  
Westlake, OH 44145

### REGULAR MAIL:

Equity Trust Company  
Attn: Institutional Accounts  
P. O. Box 451159  
Westlake, OH 44145

### FAX:

(440) 365-1444

### BY E-MAIL:

[IRAServices@EquityInstitutional.com](mailto:IRAServices@EquityInstitutional.com)

**DO NOT FAX OR MAIL THIS COVER PAGE**

**INVESTMENT PRODUCTS: NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE**

**1 IRA ACCOUNT HOLDER INFORMATION**

ACCOUNT HOLDER NAME	ACCOUNT NUMBER
EMAIL ADDRESS	

**2 ADD/REPLACE CREDIT CARD INFORMATION**

Please choose whether you wish to add or replace a credit card on file.

 Add card listed below     Replace card on file    Please include the last 4 digits (\_\_\_\_\_) of card being replaced.

NAME OF CARDHOLDER <i>(as stated on front of card)</i>		CARD TYPE: <input type="checkbox"/> VISA <input type="checkbox"/> Mastercard	
BILLING ADDRESS			
CITY		STATE	ZIP CODE
HOME PHONE		MOBILE PHONE	
CREDIT CARD NUMBER			EXPIRATION DATE <i>(mm/yyyy)</i>
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			<input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
CVC CODE	<b>FOR INTERNAL USE ONLY</b>		APPROVAL CODE
<input type="text"/> <input type="text"/> <input type="text"/>			<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Credit Card is held by a Third Party

**3 UPDATE CREDIT CARD INFORMATION**
**Name, credit card number and card type required.**

NAME OF CARDHOLDER <i>(as stated on front of card)</i>		CARD TYPE: <input type="checkbox"/> VISA <input type="checkbox"/> Mastercard	
CREDIT CARD NUMBER		CVC CODE	EXPIRATION DATE <i>(mm/yyyy)</i>
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		<input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

**Complete only the information you would like to update.**

BILLING ADDRESS			
CITY		STATE	ZIP CODE
HOME PHONE		MOBILE PHONE	

**4 SIGNATURE**
**IMPORTANT -- Please read before signing.**

The signature below acknowledges that I have received, read and understand Equity Trust Company's *Terms of IRA Custodial Account Agreement, Disclosure Statement and IRA Fee Schedule*. The *Terms of IRA Custodial Account Agreement and Disclosure Statement* explains the duties, limitations on duties, and the rights of Equity Trust Company and depositor; and by signing this form below, the depositor assumes complete responsibility for determining contribution eligibility and tax consequences of any and all contributions or distributions. The Account Holder accepts and agrees to all of the terms and provisions set forth in the *Terms of IRA Custodial Account Agreement and Disclosure Statement* and has read and accepted the terms of Equity Trust Company's *IRA Fee Schedule*.

*My signature below acknowledges that I have read and agree with the Terms of IRA Custodial Account Agreement and Disclosure Statement.*

 \_\_\_\_\_  
 Credit Cardholder Signature

 \_\_\_\_\_  
 Date

 \_\_\_\_\_  
 IRA Account Holder Signature

 \_\_\_\_\_  
 Date