Trust Company of America
Institutional Advisor Services

# SIMPLE IRA APPLICATION

## General Instructions

Use these instructions to complete the SIMPLE IRA Application.

**Purpose of this form.** This form is required to open a managed account for a SIMPLE IRA through your designated investment advisor, with Trust Company of America acting as your IRA custodian providing custodial services to you and your investment advisor.

**All fields are required unless noted.** The only exceptions are if a section or entry is listed as 'optional' or 'if applicable'.

'Optional' indicates the section or entry is an elective and non-obligatory service or feature. By entering information in an optional section or entry, you are choosing to participate in the service or feature.

'If applicable' indicates the section or entry is required if certain conditions apply. These conditions are outlined in detail in these instructions.

You must **complete all required fields and provide all required additional forms and documentation** to expedite processing and to avoid requests for additional information.

**Print or type all entries.** Print clearly in all CAPITAL LETTERS to complete this form. To type entries, a fillable PDF of this form can be found online at www.trustamerica.com/advisor-forms.

**Unknown information.** If information is requested and you do not know where to obtain the requested information, contact your investment advisor or client representative for direction.

## Important New Account Information

To help the government fight the funding of terrorism and money-laundering activities, federal law requires Trust Company of America to verify your identity by obtaining your name, date of birth, address, and a government-issued identification number before opening your account. In certain circumstances, Trust Company requires this information for any person(s) authorized to effect transactions in an account. For certain entities, such as trusts, estates, corporations, partnerships, or other organizations, identification documentation is not required. However, Trust Company reserves the right to request identifying documentation in certain circumstances. Your account may be restricted and/or closed if Trust Company cannot verify this information. Trust Company will not be responsible for any losses or damages (including but not limited to lost opportunities) resulting from any failure to provide this information or from any restriction placed upon, or close of, your account.

## Additional Forms

The following list contains the additional forms associated with this account application. You must provide all required forms to expedite your application processing and to avoid requests for additional information. *Note: Additional documentation may also be required to complete the form.*

**Where to get additional forms.** If additional Trust Company forms are needed, you may either ask your investment advisor or client representative for a copy of the form or download the form online at www.trustamerica.com/advisor-forms.

**Additional Information Application Addendum.** Required to designate more than three beneficiaries or more than one interested party.

**Transfer Authorization.** Required if you are transferring assets from another custodian or other financial institution.

**IRA Distribution Request**. Required if you would like to set up a systematic distribution.

## Section 1: Account Type

### A. Account Type

This application is only for SIMPLE IRAs.

Definitions:
**SIMPLE Individual Retirement Account (IRA)** is an IRA for a Savings Incentive Match Plan for Employees (SIMPLE) of Small Employers IRA Plan. A SIMPLE IRA plan is a written arrangement that provides small employers and their employees with a simplified way to make contributions.

### B. SIMPLE IRA Establishment Date

Check the appropriate box for the account type that applies to your SIMPLE IRA. If transferring an account, provide the date of the first contribution in the account at the transferring financial institution.

Definitions:
**New Account** is a new account where the first contribution will be at Trust Company.
**Transferring Account** is an account transferring to Trust Company where the first contribution was made at another financial institution.

**IMPORTANT:** SIMPLE IRA funds may transfer to another SIMPLE IRA. During the first two years, distributions carry a 25% premature distribution penalty tax and funds may not transfer, convert, roll over, nor directly roll over to another plan type.

### C. Additional Documentation Requirements

This section outlines specific additional documentation requirements to complete an account application for each account type listed above. *Note: Additional information for beneficiaries, account funding, and systematic distributions may also be required to complete the application.*

*Read carefully.* You must **provide all required documentation** to expedite processing and to avoid requests for additional information.

**SIMPLE IRA.** Complete this application. No additional documentation is required. *Note: You should verify your employer has a valid, signed SIMPLE IRA Plan document. Your employer is required to provide you with the Plan document. You do not need to provide a copy of the Plan document with this application.*

*Note: Trust Company of America reserves the right to request additional information as required to carry out any instructions including but not limited to transfer or liquidation of securities owned by the account.*

## Section 2: Account Owner

### A. Account Owner

Enter the account owner information for this account.

**Name.** Enter the legal name of the individual applying for the account.

**Mailing address**. Enter the mailing address for account statements and account-related correspondence.

### B. Street Address, if applicable

'Check the My Mailing Address Is My Residential Street Address' box, if the two addresses are the same. If the mailing address above is a P.O. Box or is not your residential street address, your residential street address must be provided.

### C. Employer Information

Enter your employer's name and address.

## Section 3: Identification

Check the box of the type of identification you are providing. Enter the identification number in the space provided. Enter the state designation if applicable.

## Section 4: Beneficiary(ies)

Enter the primary beneficiary(ies) and any contingent beneficiary(ies) information for this account. For each entry, check the appropriate box to indicate if the designated beneficiary is a primary or contingent beneficiary.

*Note:*

- *The beneficiary must be an individual, trust, or entity. The beneficiary must be named on this form; 'spouse' or 'children' is not an acceptable designation.*
- *Beneficiary names provided without the social security number will be maintained on file. These names will not be displayed in your online account inquiry application.*
- *If more than one beneficiary is designated, each asset in the account will be divided based on the percent of account balance designation upon the account owner(s) death.*

**Important:** Due to the important tax consequences, if the residence of the account holder is located in a community property state, the account holder is married, and they are not naming their spouse as sole primary beneficiary, the beneficiary designations should be reviewed by a tax or legal advisor.

**Percent of account balance.** The percent of account balances must add up to 100% for the designated primary beneficiaries and 100% for the designated contingent beneficiaries. If the percentages do not add up to 100%, Trust Company will assume the beneficiaries own equal shares.

*Note: If any primary or contingent beneficiary dies before the account owner does, their interest and the interest of their heirs will terminate completely. The percentage of account balance of any remaining primary beneficiaries will be increased proportionately. If no primary beneficiaries survive the account owner, the contingent beneficiaries will acquire the IRA at their designated percentages.*

**More than three beneficiaries.** If you would like to designate additional beneficiaries, complete, sign, and provide an Additional Information Application Addendum form and check the 'Additional Beneficiary Information Provided' box at the end of the section.

**Trust as beneficiary**. To designate a trust as a beneficiary, enter the beneficiary information as follows.

**Name of beneficiary**. Provide the full legal title of the trust. Include a list of all trustees and the date of the trust.
**Social security number**. Provide the Tax Identification Number (TIN) or the social security number for the trust.
**Percent of account balance**. Provide the percentage allocated to the trust.

If you need more space for trust information, complete, sign, and provide an Additional Information Application Addendum form and check the 'Additional Beneficiary Information Provided' box at the end of the section.

*Note: If the Tax Identification Number (TIN) for a trust is the same as another beneficiary's social security number, the beneficiary information for the trust will be maintained on file. The trust will not be displayed in your online account inquiry application.*

**No beneficiaries.** If you do not designate a beneficiary with this application, check the 'No Beneficiaries Designated With This Application' box at the end of the section. If no valid beneficiary information is designated for your account, your estate will be the beneficiary.

*Note: Beneficiary information can be provided and/or modified at any time by completing and signing an IRA Beneficiary Designation Request form.*

## Section 5: Account Funding

Check the appropriate box(es) to indicate the methods by which this account will be funded. Select all that apply.

*Read carefully.* You must **provide all required information and/or documentation** to expedite account funding.

**By Check.** Make the check payable to Trust Company of America. Check the appropriate box to indicate if the check is a rollover from another SIMPLE IRA that was withdrawn in the past 60 days or a contribution check from your employer.

**IMPORTANT:** In the memo line on the front of the check, write the following information:
**Trust Company of America account number.** Write your new Trust Company of America account number, if available.
**Write 'Rollover'** for a rollover from a SIMPLE IRA, or
**Write 'Contribution' and the amount breakdown** of employee deferral (EE) to employer contribution (ER) amount of the check for a check from an employer. Example: 'EE = $1000, ER = $500'

**By federal wire.** Notify your investment advisor in advance. Wires may only be sent on or after the account open date.

**Transferring from another custodian or other financial institution.** Complete, sign, and provide a Transfer Request form for each transferring account.

## Section 6: Interested Third Party (optional)

If you would like other individuals to receive copies of your statements, deposit confirmations, or tax forms, enter their information and check the appropriate box(es) to indicate the information you want them to receive.

Examples of interested third parties are tax accountants, attorneys, and other types of personal representatives. *Note: An interested third party is not your investment advisor or your client representative.*

**More than one interested third party.** If you would like to designate additional interested third parties, complete, sign, and provide an Additional Information Application Addendum form and check the 'Additional Third Party Information Provided' box at the end of the section.

## Section 7: Account Management

### A. Investment Advisor

Enter the name of the advisory firm managing your account. *Note: As the account owner, you are granting the exclusive authority to your investment advisor to direct the investment activities of this account.*

### B. Client Representative

Enter the information for the client representative that is associated with or referring you to the Investment Advisor that will be managing your account.

## Section 8: Signature

It is important for you to read and understand the terms and conditions covering this application before you sign.

**Terms and conditions:**
☐ Account Agreement (Section 9)
☐ Trust Company of America Client Privacy (Section 10)
☐ Truth in Savings Disclosure – Institutional Clients (Section 11)
☐ Plan Agreement (Section 12)
☐ Disclosure Statement (Section 13)

**Sign and date.** Read over the signature section carefully, then sign and date the application.

## Final Checklist

You must complete all required fields and provide all required forms and documentation to expedite processing and to avoid unnecessary requests for additional information.

We recommend you use the following checklist to make sure you have completed the application.

**For all applications:**
☐ Enter all required account owner information
☐ Enter your identification information
☐ Enter beneficiary information OR check the 'No Beneficiaries Designated With This Application' box if no beneficiary information is being provided with this application
☐ Provide all account funding details
☐ Enter your investment advisor's firm name
☐ Enter your client representative's information
☐ Read terms and conditions
☐ Sign and date

**If providing a check to fund the account:**
☐ Enter the check amount in Section 5
☐ Specify if the check is a rollover or contribution on the application
☐ Write in the memo line on the front of the check 'rollover' or 'contribution'
☐ Write in the memo line on the front of the check the amount breakdown of employee deferral (EE) to employer contribution (ER)
☐ Write your new account number in the memo line on the front of the check, if available

**If transferring assets:**
☐ Enter the date of the first contribution in the account at the transferring financial institution in Section 1B
☐ Complete, sign, and provide a Transfer Authorization form for each transferring account

**If establishing a systematic distribution:**
☐ Complete, sign, and provide an IRA Distribution Request Form

**If electing optional services or features:**
☐ Enter interested third party information

**If enclosing additional information, such as additional beneficiary information or a voided check:**
☐ Check the appropriate box(es) indicating additional information is provided

Return your completed application as instructed by your investment advisor or your client representative. Questions regarding this form should be directed to your investment advisor.

Trust Company of America
Institutional Advisor Services

# SIMPLE IRA APPLICATION

Trust
Trust Company of America

## SECTION 1: Account Type

### A. ACCOUNT TYPE

**SIMPLE IRA**

### B. SIMPLE IRA ESTABLISHMENT DATE

Select one: ☐ New account ☐ Transferring account

If Transferring Account, Date of First Contribution

**IMPORTANT:** SIMPLE IRA funds may transfer to another SIMPLE IRA. During the first two years, distributions carry a 25% premature distribution penalty tax and funds may not transfer, convert, roll over, nor directly roll over to another plan type.

### C. ADDITIONAL DOCUMENTATION REQUIREMENTS

**SIMPLE IRA**. You should verify your employer has a valid, signed SIMPLE IRA Plan document. Your employer is required to provide you with the Plan document. Do not provide a copy of the Plan document with this application.

## SECTION 2: Account Owner

### A. ACCOUNT OWNER

First Name MI Last Name

Mailing Address

City State Zip+4

Social Security Number Date of Birth

Work Phone Home Phone

Email Address

### B. STREET ADDRESS, if applicable

☐ My mailing address is my residential street address

Residential Street Address (no P.O. Boxes)

City State Zip+4

### C. EMPLOYER INFORMATION

Employer Name

Employer Address

City State Zip+4

Trust Company Account Number

## SECTION 3: Identification

Select one type of identification, and then enter the ID number in below:

☐ Driver's license or ID card issued by a state or outlying possession of the United States
☐ ID card issued by a federal, state, or local government agency or entity
☐ U.S. Passport
☐ Certificate of U.S. Citizenship (INS Form N-560 or N-561)
☐ Unexpired foreign passport, with I-551 stamp or attached INS Form 1-94 indicating unexpired employment authorization
☐ Permanent Resident Card or Alien Registration Receipt Card with photograph (INS Form I-151 or I-551)

Identification Number State (if applicable)

## SECTION 4: Beneficiary(ies)

I hereby designate the following person(s) as my beneficiary(ies). If I live in a state with community property statutes and do not designate my spouse as the sole Primary Beneficiary, I represent and warrant that my spouse has consented to such designation.

1. Primary Beneficiary

Beneficiary Name

Social Security Number Date of Birth

Relationship Percent of Account Balance

2. Select one: ☐ Primary Beneficiary ☐ Contingent Beneficiary

Beneficiary Name

Social Security Number Date of Birth

Relationship Percent of Account Balance

3. Select one: ☐ Primary Beneficiary ☐ Contingent Beneficiary

Beneficiary Name

Social Security Number Date of Birth

Relationship Percent of Account Balance

☐ Additional beneficiary information provided

☐ No beneficiaries designated with this application. *Note: If there is no valid beneficiary information designated, your estate is the beneficiary.*

## SECTION 5: Account Funding

Select all that apply:

☐ **By check.** Enclose a check payable to Trust Company of America.

_____ ☐ Rollover or ☐ Contribution
Check Amount ($)

**IMPORTANT:** In the memo line on the front of the check, write your new Trust Company account number, if available. Write either 'Rollover' or 'Contribution' in the memo line on the front of the check. Checks from Employers must also include a breakdown of the Employer Contribution (ER) and the Employee Deferral (EE) amounts.

☐ **By federal wire.** Notify your investment advisor in advance. Wires may only be sent on or after the account open date.

☐ **Transferring from another custodian or other financial institution.** Complete, sign, and provide a Transfer Request form for each transferring account.

## SECTION 6: Interested Third Party (optional)

Select all that apply: ☐ Statements ☐ Deposit confirmations
☐ Tax forms

Interested Party Name

Mailing Address

City State Zip+4

☐ Additional interested third party information provided

## SECTION 7: Account Management

As account owner, I am granting the authority to the following investment advisor to direct the investment activities of this account.

### A. INVESTMENT ADVISOR

Investment Advisor Firm Name

### B. CLIENT REPRESENTATIVE

Client Representative Name

Client Representative Firm Name Work Phone

Mailing Address

City State Zip+4

## SECTION 8: Signature

By signing below I understand the eligibility requirements for the type of individual retirement account deposit I am making and I state that I do qualify to make the deposit.

Trust Company Account Number

## SECTION 8: Signature Continued

I have received, read, understood, and agree to the terms and conditions in Section 9: Account Agreement, Section 10: Customer Privacy, Section 11: Truth in Savings Disclosure, Section 12: Plan Agreement, Section 13: Disclosure Statement, and my Investment Advisor's Fee Disclosures.

I understand that the terms and conditions, which apply to the Individual Retirement Account, are contained in the Plan Agreement and Account Agreement. I agree to be bound by those terms and conditions and mutual promises and covenants. Within seven (7) days from the date I open this Individual Retirement Account, I may revoke it without penalty by mailing or delivering a written notice to Trust Company of America.

Account Holder Signature Date

Print Name

## SECTION 9: Account Agreement

I hereby request that Trust Company of America, ("Custodian"), a trust company organized under the laws of the State of Colorado and having its principal place of business in Centennial, Colorado, open a custodial account in the name(s) listed as account owner ("Owner") on this Trust Company of America account application ("Application"). The Owner has selected an investment advisor ("Investment Advisor") as indicated on the Application to manage the assets in the account. The Investment Advisor is an agent of the Owner and is not an agent of the Custodian. The Owner selects the Custodian to furnish system and account services to the Owner on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and Custodian agree with each other as follows:

1. A. Account Record Keeping – Custodian shall maintain the account on its computerized system, which provides within each account cash postings, investment activity, account assets, account contributions and account distribution records.

   B. Preparation of Statements and Reports – Custodian shall provide Owner and Investment Advisor with periodic statements of account activity and fee billings. Custodian shall provide such further statements and reports as reasonably requested by the Investment Advisor. Custodian provides account statements to assist the Owner and Investment Advisor in the monitoring of the account but the Custodian has no duty to supervise or monitor the account or the actions of the Owner or the Investment Advisor.

   C. Confirmations – Confirmations for securities transactions will be provided upon written request by the Owner or the Investment Advisor. Trust Company will provide this information for no additional cost.

   D. Safekeeping of Property – Custodian shall be responsible for the safekeeping of the assets in the account. Custodian shall not have any responsibility for assets contributed to the account until such assets are actually received by Custodian. Legal title to assets in Owner's account shall be held on behalf of Owner in the name of Custodian as nominee. Owner shall continue to be the beneficial owner of such assets, and as such may withdraw such assets from the account, vote any such assets constituting securities or delegate the authority to vote such securities to any other person and proceed directly as a

## SECTION 9: Account Agreement Continued

security holder against the issuer of any security in Owner's account without being obligated to join Investment Advisor or Custodian as a condition precedent to initiating such proceeding. Custodian shall provide to Owner periodic reporting of securities transactions.

E. Transactions – Owner grants the exclusive authority to the Investment Advisor to direct the investment activities of the account. Owner authorizes the Custodian to accept all investment instructions from the Investment Advisor and acknowledges that more than one party may be authorized to request purchases, redemptions and exchanges on the account. Owner acknowledges that if instructions to purchase, redeem or transfer shares are submitted by multiple parties authorized to provide such instructions on the same day or for the same shares, the Custodian is authorized to act on the instructions of either authorized party without having to call either party to confirm or clarify the instructions. Custodian is authorized to collect for the account all interest and other payments of income or principal pertaining to assets held in the account, and to hold, invest, disburse, or otherwise dispose of any and all assets of the account upon the direction of the Owner or the Investment Advisor. The Custodian shall not be responsible for money or other property paid or delivered to any other person upon direction of the Owner or Investment Advisor. All sales and all purchases of securities or other investments made for the account by the Custodian shall be made pursuant to the direction of the Investment Advisor and/or Owner. Custodian shall, unless otherwise instructed in writing by the Owner or the Investment Advisor, have the power to make all trades through broker/dealers it selects (including affiliates) and shall, in any case, have the power to perform any and all other acts that Custodian may deem necessary or appropriate in connection therewith (including paying commissions). Custodian may aggregate contemporaneous transaction orders, although Custodian's records will be kept on an account by account basis. Custodian shall have no responsibility for investment decisions and Custodian shall not be liable for any losses attributable to investments.

F. Disbursements – Owner hereby authorizes Custodian to pay investment advisory fees from the account as and when billed by the Investment Advisor. Custodian may be paid from the account as specified in Paragraph 3 of this Section 10 or directly by the Investment Advisor for custodial services it is providing hereunder.

G. Proxies – Custodian will facilitate all proxies and accompanying materials solicited by any entity, and all prospectuses issued by any company whose securities are held in the account. Shareholder communications to be mailed to the Owner within a reasonable period of time after the receipt of such Shareholder Communications by Custodian unless otherwise directed in writing either by the Owner or Investment Advisor. Either Owner or Investment Advisor will have the sole responsibility for voting and/or executing all Proxies. Custodian shall be under no duty to determine how, or if, Proxies are voted or to take any other action in connection with any Shareholder Communication. The Custodian will be under no obligation to forward or return any other corporate material received on behalf of the Plan unless required by law except to the extent outlined in this section.

H. Sweep Account – Uninvested cash, the investment of which has not been otherwise directed by the Owner or Investment Advisor, shall be invested in a "sweep account." The sweep account will be a savings account, certificate of deposit, time deposit, or similar investment of the Custodian (or an affiliate of the Custodian) which is insured by Federal Deposit Insurance up to $100,000 per client, "self-directed" retirement accounts, up to $250,000 per client and which bears a reasonable rate of interest for insured deposits. **Investment Products: Not FDIC Insured – No Bank Guarantee – May Lose Value.**

I. Availability of Funds – Deposits made by check may be held until the Custodian receives notification from the issuing Financial Institution that funds have cleared.

## SECTION 9: Account Agreement Continued

J. Federal Deposit Insurance – Federal Deposit Insurance, up to $100,000 per client, "self-directed" retirement accounts, up to $250,000 per client. **Investment Products: Not FDIC Insured – No Bank Guarantee – May Lose Value.**

2. Unless a separate designation of beneficiary is received by Trust Company of America, in the event any primary or contingent beneficiary dies before the Owner does, 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 pro rata basis. If no primary beneficiary(ies) survives the Owner, the contingent beneficiary(ies) shall acquire the designated share of this account.

3. In consideration for the services provided by the Custodian as described in the first paragraph, Owner agrees to pay Custodian fees and reimbursement for expenses for services rendered and any extraordinary expenses of Custodian, including legal fees incurred in the administration of the account(s). Owner authorizes Custodian to deduct fees from the account(s) or liquidate assets to pay for such fees. Custodian and Investment Advisor have entered into a separate arrangement that details the source of fee income to the Custodian. Owner hereby ratifies such fee arrangement, as it may be in effect from time to time. The Investment Advisor will provide to the Owner upon request a schedule of the fees Custodian charges for the services provided under this Agreement. Custodian reserves the right to modify the schedule of fees.

4. In addition to the payments under Paragraph 3 of this Section 10, Owner agrees that Custodian and/or its affiliates shall be entitled to receive (i) net interest income from the financial institutions into which "sweep account" deposits are made, (ii) 12b-1 fees, directed commissions, sub accounting fees and/or administrative fees from mutual funds in which assets of the account are invested and/or from other persons associated with such mutual funds, and (iii) securities broker/dealer commissions for executing trades of securities.

5. Owner will provide Custodian with any information Custodian may require in order to properly carry out its duties hereunder. Trade summaries, statements of account activity and fee billings and other reports shall be promptly reviewed by the person to whom sent and Custodian shall not be responsible for any discrepancies that are disclosed on such summaries, statements or reports unless the Custodian is notified within 10 days from the date mailed of the discrepancy by the person receiving such summary, statement or report. Notwithstanding anything herein to the contrary, it is understood and agreed that Custodian shall not be liable to Owner for any acts or omissions of Custodian so long as Custodian's conduct did not constitute gross negligence or willful misconduct nor shall Custodian be liable for undertaking any acts or instructions from the Owner, or Investment Advisor or for failing to undertake any act due to the absence of such instructions. Owner agrees to indemnify and hold Custodian harmless from and against any liabilities and expenses (including, without limitation, reasonable attorney's fees) arising out of or in connection with this Agreement (so long as Custodian's acts did not constitute gross negligence or willful misconduct).

6. This Agreement may be terminated by either party by giving to the other party written notice of intention to terminate at least thirty days before the termination date specified in such notice or on such earlier date as may be mutually agreed upon. In the event of any such termination, Custodian will deliver to Owner or as directed by Owner, or to any person to whom delivery may be ordered by any court having jurisdiction, a final accounting and any assets that it may hold pursuant to this Agreement, after deducting there from the amount of any fees payable to Custodian under the terms of this Agreement (if no cash is available to pay fees due and Owner does not pay such fees within twenty days after notice from Custodian, Custodian may sell assets for cash in order to pay fees due). Upon such termination, Custodian and Owner agree to cooperate with each other in the orderly transition of assets and account maintenance responsibilities.

7. Custodian shall not be obligated to commence or defend any legal action of Owner unless Custodian agrees thereto and Custodian is fully indemnified in connection therewith. Any associated legal fees will be the responsibility of the account owner.

## SECTION 9: Account Agreement Continued

8. All notices, instructions and other communications shall be in writing (or if verbal, followed promptly by written documentation) and shall be hand delivered or sent by first class mail, postage prepaid, or sent by facsimile, to the Custodian's principal place of business. Any party may change its address for notices hereunder by giving notice of such change to the other party.

9. Custodian may conclusively rely on the authenticity of any notice, instructions, or other communication received by it from Owner or the Investment Advisor so long as Custodian, acting in good faith, believes the notice, instruction, or communication to be genuine. This Agreement shall be binding upon, and inure to the benefit of, the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

10. It is mutually understood and agreed that this Agreement and all duties, obligations and rights created thereby shall be governed by the laws of the State of Colorado, applicable to contracts made and to be performed in that state.

11. Any controversy, claim or dispute arising out of or relating to this Agreement or any action taken pursuant to the Agreement or the performance, nonperformance, enforcement, operation or breach thereof shall be settled by arbitration in accordance with the rules then pertaining of the American Arbitration Association. Such arbitration proceedings shall take place in Denver, Colorado, and judgment upon award rendered may be entered in any court having jurisdiction thereof.

12. Any Investment Advisor advertisement appearing on Custodian's written materials, including Investment Advisor logos, is solely for the purpose of identification and clarification, and does not denote any affiliation or partnership. Further, Owner acknowledges that the Investment Advisor has disclosed to the Owner Investment Advisor's fees, and the fees may be used to pay Custodian Fees.

    In the event of termination of the Service agreement between Custodian and Investment Advisor, these fees will be charged to the Owner.

13. Custodian may modify or amend this Agreement upon 30 days' prior written notice to the Owner, but no such modification or amendment will affect obligations incurred by the Owner or the Investment Advisor prior to the effective date of such modification or amendment.

14. If any provision contained in the Agreement conflicts with any IRS, FDIC, NASD, or other regulatory agency rules and regulations, the applicable rules and regulations shall prevail.

15. Custodian may execute credit/debit transactions in the account via Automated Clearing House (ACH) credit/debit and origination of ACH transactions by owner will comply with the operating rules of the National Automated Clearing House Association (NACHA). Corporate account owners not subject to the Electronic Fund Transfer Act authorize the Custodian to execute credit/debit transactions in the account per the Uniform Commercial Code Article 4A as well as the operating rules of NACHA.

16. Owner acknowledges that this agreement and all transactions executed in the account shall be subject to all applicable federal and state laws and regulations, and the rules and regulations of the exchange, market or clearinghouse where such transactions are executed.

## SECTION 11: Trust Company of America Client Privacy

Trust Company of America (Trust Company) does not disclose any non-public information about you to non-affiliated third parties unless:

- Authorized by you;
- To protect the confidentiality or security of our records pertaining to you, service, product, or transaction;
- To protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability;
- To persons holding a legal or beneficial interest relating to you;
- To persons acting in a fiduciary or representative capacity on behalf of you;

## SECTION 11: Trust Company of America Client Privacy Continued

- To respond to judicial process or government regulatory authorities;
- To comply with Federal, State, or local laws, rules and other applicable legal requirements; and
- To comply with a properly authorized civil, criminal, or regulatory investigation, or subpoena or summons by Federal, State, or local authorities.

Trust Company collects non-public information from:

- You on applications or other forms;
- Information about your transactions with our affiliates, others, or us.

If you decide to close your account(s) or become an inactive client, we will adhere to the privacy policies and practices as described in this notice.

Trust Company restricts access to your personal and account information to persons who provide products or services to you. Trust Company maintains physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

## SECTION 12: Truth in Savings Disclosure – Institutional Client

An institutional account is defined as an account that is managed by an investment advisor who has an agreement with Trust Company of America.

VARIABLE RATE. At our discretion, interest rates and annual percentage yields may change. Contact our client service department for current interest rates.

COMPOUNDING AND CREDITING. Interest will be compounded daily. Interest will be credited to your account monthly.

EFFECT OF CLOSING AN ACCOUNT. If you close your account before interest is credited, you will not receive the accrued interest.

BALANCE COMPUTATION METHOD. We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day.

ACCRUAL OF INTEREST ON NON-CASH DEPOSITS. Interest begins to accrue no later than the business day we receive credit for non-cash items[1] (for example, checks.)

TRANSACTION LIMITATIONS. Withdrawals from IRA and qualified retirement plan accounts are subject to IRS and ERISA distribution regulations.

FEES. No fee is imposed to provide the cash deposit feature of your account, but if applicable, investment advisory fees, custodial fees, etc. may be charged against your account. (See your investment advisory agreement for fee information.)

[1] Item is defined in the Uniform Commercial Code as "an instrument or a promise or order to pay money handled by a bank for collection or payment."

## SECTION 12: Plan Agreement

Form 5305-SA under Section 408(p) of the Internal Revenue Code (REV. MARCH 2002)

The Participant named on the Application is establishing a savings incentive match plan for employees of small employers individual retirement account (SIMPLE IRA) under sections 408(a) and 408(p) 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 Participant the disclosure statement required by Regulations section 1.408-6.

The Participant and the Custodian make the following agreement:

## SECTION 12: Plan Agreement Continued

**ARTICLE I**
The Custodian will accept cash contributions made on behalf of the Participant by the Participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the Custodian will accept transfers or rollovers from other SIMPLE IRAs of the Participant. No other contributions will be accepted by the Custodian.

**ARTICLE II**
The Participant's interest in the balance in the custodial account is nonforfeitable.

**ARTICLE III**
1. No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

**ARTICLE IV**
1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Participant's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.

2. The Participant's entire interest in the custodial account must be, or begin to be, distributed not later than the Participant's required beginning date, April 1 following the calendar year in which the Participant reaches age 70½. By that date, the Participant may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in: (a) A single sum or (b) Payments over a period not longer than the life of the Participant or the joint lives of the Participant and his or her designated beneficiary.

3. If the Participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:

   (a) If the Participant dies on or after the required beginning date and:

      (i) the designated beneficiary is the Participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.

      (ii) the designated beneficiary is not the Participant's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.

      (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Participant as determined in the year of the Participant's death and reduced by 1 for each subsequent year.

   (b) If the Participant 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 Participant's death. If, however, the designated beneficiary is the Participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Participant would have reached age 70½. But, in such case, if the Participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (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 Participant's death.

4. If the Participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the Participant's surviving spouse, no additional contributions may be accepted in the account.

5. The minimum amount that must be distributed each year, beginning with the year containing the Participant's required beginning date is known as the "required minimum distribution" and is determined as follows:

   (a) the required minimum distribution under paragraph 2(b) for any year, beginning with the year the Participant reaches age 70½, is the Participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Participant's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Participant's (or, if applicable, the Participant and spouse's) attained age (or ages) in the year.

   (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 Participant's death (or the year the Participant 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 Participant 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 IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

**ARTICLE V**
1. The Participant agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.

2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Participant the reports prescribed by the IRS.

3. The Custodian also agrees to provide the Participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

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

**ARTICLE VII**
This Agreement will be amended as necessary to comply with the provisions of the Code and the related Regulations. Other amendments

## SECTION 12: Plan Agreement Continued

may be made with the consent of the persons whose signatures appear on the Application.

**ARTICLE VIII**

8.01 Definitions: In this part of this Agreement (Article VIII), the words "you" and "your" mean the Participant, 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 SIMPLE 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: You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, 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 SIMPLE IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to SIMPLE IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement.

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

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 SIMPLE IRA. In addition, we have the right to be reimbursed for all reasonable expenses, including legal expenses, we incur in connection with the administration of your SIMPLE 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 SIMPLE IRA at our discretion. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective. Fees such as subtransfer agent fees

## SECTION 12: Plan Agreement Continued

or commissions may be paid to us by third parties for assistance in performing certain transactions with respect to this SIMPLE IRA.

Any brokerage commissions attributable to the assets in your SIMPLE IRA will be charged to your SIMPLE IRA. You cannot reimburse your SIMPLE IRA for those commissions.

8.05 Investment of Amounts in the SIMPLE IRA: You have exclusive responsibility for and control over the investment of the assets of your SIMPLE IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the investment of your SIMPLE 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 shall have no discretion to direct any investment in your SIMPLE IRA. We assume no responsibility for rendering investment advice with respect to your SIMPLE IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your SIMPLE IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any uninvested amounts in cash, and we shall have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your SIMPLE IRA unless you provide timely written directions acceptable to us.

You will select the type of investment for your SIMPLE 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 do in fact offer for investment in SIMPLE IRAs. We may, in our sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are obtainable by us and that we are capable of holding in the ordinary course of our business.

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

You may designate one or more persons or entities as beneficiary of your SIMPLE 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 SIMPLE 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 SIMPLE IRA as his or her own.

We may allow, if permitted by state law, an original SIMPLE IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited SIMPLE IRA at the time of your death) to name a successor beneficiary(ies) for the inherited SIMPLE 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 SIMPLE IRA beneficiary's(ies') lifetime. Unless otherwise specified, each beneficiary designation form that the original SIMPLE 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 SIMPLE IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original SIMPLE 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 SIMPLE IRA beneficiary.

## SECTION 12: Plan Agreement Continued

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 SIMPLE IRA to you in a single sum payment; or
- determine your required minimum distribution from your SIMPLE IRA each year based on your life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.

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

8.08 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 SIMPLE IRA to another financial organization. If you do not complete a transfer of your SIMPLE IRA within 30 days from the date we mail the notice to you, we have the right to transfer your SIMPLE IRA assets to a successor SIMPLE IRA custodian or trustee that we choose in our sole discretion, or we may pay your SIMPLE IRA to you in a single sum. 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 SIMPLE IRA a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

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

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

We may establish a policy requiring distribution of the entire balance of your SIMPLE IRA to you in cash or property if the balance of your SIMPLE 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 SIMPLE IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your SIMPLE IRA, but only if it is the type of organization authorized to serve as a SIMPLE 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 the amendment, you notify us in writing that you do not consent.

## SECTION 12: Plan Agreement Continued

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 or rolled over to this SIMPLE IRA from the custodian or trustee of another SIMPLE IRA. We reserve the right not to accept any transfer or rollover.

8.13 Liquidation of Assets: We have the right to liquidate assets in your SIMPLE IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your SIMPLE IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.

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

The assets in your SIMPLE 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 and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the law of our domicile shall govern.

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

8.16 Summary Description Requirements: Notwithstanding Article V above, we will be deemed to have satisfied our summary description reporting requirements under Code section 408(l)(2) if either

a. we provide a summary description directly to you, or
b. we provide our name, address and withdrawal procedures to you, and your employer provides you with all other required information.

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

**Purpose of Form**
Form 5305-SA is a model custodial account agreement that meets the requirements of sections 408(a) and 408(p) and has been pre-approved by the IRS.

A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (Participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the Participant and his or her beneficiaries.

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

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

Definitions:

**Participant.** The participant is the person who establishes the custodial account.

## SECTION 12: Plan Agreement Continued

**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.

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

**Specific Instructions**

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

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

## Section 13: Disclosure Statement

**RIGHT TO REVOKE YOUR SIMPLE IRA**

You have the right to revoke your SIMPLE IRA within seven (7) days of the receipt of the Disclosure Statement. If revoked, you are entitled to a full return of the contribution you made to your SIMPLE 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 SIMPLE IRA, please call the Custodian at the telephone number listed on the Application.

**REQUIREMENTS OF A SIMPLE IRA**

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

**B. MAXIMUM CONTRIBUTION** – The only contributions which may be made to your SIMPLE IRA are employee elective deferrals under a qualified salary reduction agreement, employer contributions and other contributions allowed by Code or related Regulations, which are made under a SIMPLE IRA plan maintained by your employer. Employee elective deferrals shall not exceed the lesser of 100 percent of your compensation for the calendar year or $7,000 for 2002, $8,000 for 2003, $9,000 for 2004, and $10,000 for 2005 with possible cost-of-living adjustments in 2006 and thereafter. Your employer may make additional contributions to your SIMPLE IRA within the limits prescribed in Internal Revenue Code (Code) section 408(p). Your employer is required to provide you with information which describes the terms of its SIMPLE IRA plan.

**C. CATCH-UP CONTRIBUTIONS** – If you are age 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA. The maximum additional contribution is $500 for 2002, $1,000 for 2003, $1,500 for 2004, $2,000 for 2005, $2,500 for 2006 with possible cost-of-living adjustments in year 2007 and beyond.

**D. NONFORFEITABILITY** – Your interest in your SIMPLE IRA is nonforfeitable.

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

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

## Section 13: Disclosure Statement Continued

**G. LIFE INSURANCE** – No portion of your SIMPLE IRA may be invested in life insurance contracts.

**H. COLLECTIBLES** – You may not invest the assets of your SIMPLE 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 SIMPLE IRA investments.

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

1. You are required to take a minimum distribution from your SIMPLE 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 SIMPLE IRA to you in a single sum payment, or

   (c) determine your required minimum distribution each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.

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 SIMPLE IRA for purposes of determining the distribution period. If there is no designated beneficiary of your SIMPLE 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).

   If your spouse is your sole designated beneficiary, he or she must elect either option (i) or (ii) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is

**Section 13: Disclosure Statement Continued**

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

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

**J. WAIVER OF 2009 RMD** – If you are a SIMPLE IRA holder age 70½ or older, you are not required to remove an RMD for calendar year 2009. In addition, no beneficiary life expectancy payments are required for calendar year 2009. If the five year rule applies to a SIMPLE IRA with respect to any decedent, the five year period is determined without regard to calendar year 2009. For example, if a SIMPLE IRA owner died in 2007, the beneficiary's five year period ends in 2013 instead of 2012.

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

**A. DEDUCTIBILITY FOR SIMPLE IRA CONTRIBUTIONS** – You may not take a deduction for the amounts contributed to your SIMPLE IRA as either employee elective deferrals or employer contributions. However, employee elective deferrals to a SIMPLE IRA will reduce your taxable income. Further, employer SIMPLE IRA contributions, including earnings, will not be taxable to you until you take a distribution from your SIMPLE IRA.

Participation in your employer's SIMPLE IRA plan renders you an active participant for purposes of determining whether or not you can deduct contributions to a Traditional IRA.

**B. TAX CREDIT FOR CONTRIBUTIONS** – You may be eligible to receive a tax credit for your SIMPLE IRA deferrals. 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 deferrals made to your SIMPLE IRA and reduce these contributions by any distributions that you may 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.

| Adjusted Gross Income* | | | Applicable Percentage |
|---|---|---|---|
| Joint Return | Head of a Household | All Other Cases | |
| $1 - 30,000 | $1 – 22,500 | $1 – 15,000 | 50 |
| 30,001 – 32,500 | 22,501 – 24,375 | 15,001 – 16,250 | 20 |
| 32,501 – 50,000 | 24,376 – 37,500 | 16,251 – 25,000 | 10 |
| Over 50,000 | Over 37,500 | Over 25,000 | 0 |

*Adjusted gross income includes foreign earned income and income from Guam, America Samoa, North Mariana Islands and Puerto Rico. AGI limits are subject to cost-of-living adjustments for tax years beginning after 2006.

**C. TAX-DEFERRED EARNINGS** – The investment earnings of your SIMPLE IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).

**Section 13: Disclosure Statement Continued**

**D. ROLLOVERS AND CONVERSIONS** – Your SIMPLE IRA may be rolled over to a SIMPLE 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 from your SIMPLE IRA to either a Traditional IRA or another SIMPLE IRA. Conversion is a term used to describe the movement of 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. **SIMPLE IRA to SIMPLE IRA Rollovers** – Funds distributed from your SIMPLE IRA may be rolled over to a SIMPLE IRA of yours if the requirements of Code section 408(d)(3) are met. A proper SIMPLE IRA to SIMPLE IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
2. **SIMPLE IRA to Traditional IRA Rollovers** – Funds may be distributed from your SIMPLE IRA and rolled over to your Traditional IRA without IRS penalty, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with SIMPLE IRA to SIMPLE IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to Traditional 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 Traditional IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.
3. **SIMPLE IRA to Employer-Sponsored Retirement Plans** – As permitted by Code or applicable Regulations, you may roll over, directly or indirectly, any eligible rollover distribution from a SIMPLE IRA to an employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. However, the employer-sponsored retirement plan must allow for such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from a SIMPLE IRA that is not a part of a required minimum distribution. An employer-sponsored retirement plan may not be rolled over to a SIMPLE IRA.
4. **SIMPLE IRA to Roth IRA Conversions** – If your modified adjusted gross income is not more than $100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing 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. Beginning in 2010, the $100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your 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 includible 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.
5. **Written Election** – At the time you make a proper rollover to a SIMPLE IRA, you must designate in writing to us, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

**E. RECHARACTERIZATIONS** – If you have converted from a SIMPLE IRA to a Roth IRA, you may recharacterize the conversion along with net income attributable back to the SIMPLE IRA. The deadline for completing a recharacterization is your tax filing

**Section 13: Disclosure Statement Continued**

deadline (including any extensions), for the year in which the conversion was completed.

**LIMITATIONS AND RESTRICTIONS**

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

**B. GIFT TAX** – Transfers of your SIMPLE 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 SIMPLE IRA distributions.

**D. INCOME TAX TREATMENT** – Any withdrawal from your SIMPLE IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE 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 engage in a prohibited transaction with your SIMPLE IRA, as described in Code section 4975, your SIMPLE 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 SIMPLE IRA: (1) taking a loan from your SIMPLE IRA; (2) buying property for personal use (present or future) with SIMPLE IRA funds; or (3) receiving certain bonuses or premiums because of your SIMPLE IRA.

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

**FEDERAL TAX PENALTIES**

**A. EARLY DISTRIBUTION PENALTY** – If you are under age 59½ and receive a SIMPLE IRA distribution, an additional tax of 10 percent will apply, unless made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of $10,000), 10) a levy issued by the IRS, or 11) active military duty (see Qualified Reservist Distributions, below). This additional tax will apply only to the portion of a distribution which is includible in your taxable income. If less than two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer, the additional tax shall be increased from 10 percent to 25 percent.

**B. EXCESS CONTRIBUTION PENALTY** – An additional tax may be assessed against you by the IRS for contributions which exceed the permissible limits under Code section 408(a) and 408(p).

**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.

**OTHER**

**A. IRS PLAN APPROVAL** – The Agreement used to establish this SIMPLE IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

**B. ADDITIONAL INFORMATION** – You may obtain further information on SIMPLE 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.

**Section 13: Disclosure Statement Continued**

**C. IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** – To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. 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.

**D. HURRICANE-RELATED RELIEF –** If you are an individual who sustained an economic loss due to, or are otherwise considered affected by, hurricane Katrina, Rita or Wilma, you may be eligible for favorable tax treatment on distributions and rollovers from your SIMPLE IRA. Qualified distributions include SIMPLE IRA distributions made on or after specified dates for each hurricane and before January 1, 2007 to a qualified individual. For a complete definition of what constitutes a qualified individual and a qualified hurricane distribution for purposes of hurricane relief, refer to IRS Publication 4492, Information for Taxpayers Affected by Hurricanes Katrina, Rita and Wilma.

1. **10 Percent Penalty Exception on Qualified Distributions** – Qualified hurricane distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first $100,000 of qualified distributions to each individual.
2. **Taxation May be Spread Over Three Years** – If you receive qualified hurricane distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.
3. **Repayment of Qualified Hurricane Distributions** – You may roll over qualified hurricane distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

For further detailed information on tax relief granted for hurricanes Katrina, Rita and Wilma, and other exceptions which may be granted in the future by the IRS, you may wish to obtain IRS Publication 590, Individual Retirement Arrangements, by calling 1-800-TAXFORM, or by visiting www.irs.gov on the Internet.

**E. QUALIFIED RESERVIST DISTRIBUTIONS** – If you are a qualified reservist called to active duty, you may be eligible to take penalty-free distributions from your SIMPLE IRA and recontribute those amounts to an IRA generally within a two-year period from your date of return. For further detailed information you may wish to obtain IRS Publication 590, Individual Retirement Arrangements from the IRS.

**F. HEARTLAND DISASTER RELATED TAX RELIEF** – If you are an individual who has sustained an economic loss due to, or are otherwise considered affected by, the severe storms, tornadoes and flooding that occurred in the Midwestern disaster area, you may be eligible for favorable tax treatment on distributions and rollovers from your SIMPLE IRA. Qualified disaster recovery assistance distributions include SIMPLE IRA distributions made on or after specified dates for each disaster, and before January 1, 2010 to a qualified individual. For more information on this tax relief, refer to IRS Publication 4492-B, Information for Affected Taxpayers in the Midwestern Disaster Area.

1. **10 Percent Penalty Exception on Qualified Distributions** – Qualified disaster recovery assistance distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first $100,000 of qualified distributions to each individual.
2. **Taxation May be Spread Over Three Years** – If you received qualified disaster recovery assistance distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.
3. **Repayment of Qualified Disaster Recovery Assistance** Distributions – You may roll over qualified disaster recovery assistance distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

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**-End of Form-**