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The following information is the Disclosure Statement required by federal tax regulations. You should read this Disclosure Statement and the Custodial Account Agreement for the Individual Retirement Accounts ("IRA"). The rules governing IRAs are subject to change. The contribution limit information is based on federal law as stated in the Internal Revenue Code, and is believed to be accurate as of January 1, 2024. However, eligibility to contribute is dependent on your tax filing status and personal situation. Please consult a tax advisor concerning your specific contribution eligibility, and any applicable state laws which may differ from federal law.

You should consult Internal Revenue Service ("IRS") Publication 590-A/B or the IRS website [www.irs.gov](http://www.irs.gov) for updated rules and requirements. You should also consult with a tax advisor concerning the tax rules that apply to your specific situation.

### Important Information About U.S. Government Requirements That May Affect Your Account

Forge Trust Co., ("we" or "us"), provides custodial and administrative services for your retirement or savings account. As a result of this role, persons who open a retirement or savings account are considered 'customers' of Forge Trust Co. ("you" or "your").

To help the U.S. Government fight the funding of terrorism and money laundering activities, Federal law requires Forge Trust Co., as a non-depository trust company regulated by the State of South Dakota Division of Banking, to obtain, verify, and record information that identifies each person who opens an account. All accounts we open are opened on a conditional basis — conditioned on our ability to verify your identity in accordance with Federal law.

When establishing an account, you are required to provide your full legal name, address, government issued identification number (e.g. social security number), date of birth, and other information within your account-opening application that will allow us to identify you. We may also request a copy of your driver's license or other identifying documents and may consult third-party databases to help verify your identity. If the account you are opening will be registered in the name of a beneficiary, trust, or estate or charity, we may require additional identifying documentation.

**If you fail to provide any requested identifying information or documentation when opening your account, your new account application may be rejected.**

**If we open your account, and you subsequently fail to provide all identification materials we request or if we are subsequently unable to adequately verify your identity as required by U.S. Government regulations, we reserve the right to take any one or more of the following actions:**

- We may place restrictions on your account which block all purchase and investment transactions and we may place additional restrictions on your account blocking other transactional activities if we determine such additional restrictions are appropriate under Federal law or regulation.
- We may close your account, sell (i.e., "liquidate") the assets in your account in the prevailing market at the time, and send you a check representing the cash proceeds of your account or we may transfer all your assets in kind to your name. This distribution will be reported to the Internal Revenue Service and may result in negative tax consequences to you under Federal and state tax laws.

### You May Incur Losses

Despite being opened as a conditional account, your account will be invested as you instruct and you will be subject to all market risks during the period between account opening and any liquidation necessitated by your failure to furnish requested identifying information or by an inability to adequately verify your identity. You may also be subject to additional market risks if the additional transactional restrictions discussed above are placed on your account. In addition, the closing of your account may subject you to fees and charges imposed by a sponsor, issuer, depository or other person or entity associated with one or more of the assets in which you are invested, and any sales charges you may have paid in connection with your purchases will not be refunded.

### You Assume All Responsibility For These Losses

Forge Trust Co. expressly disclaims any responsibility or liability for losses you incur as result of your failure to furnish identification materials we request, including investment losses and any other loss or damage (including but not limited to lost opportunities and adverse tax consequences). If you proceed with the account opening process, you accept all risks of loss resulting from any failure of yours to furnish the identification materials we request or from a subsequent inability to adequately verify your identity in accordance with Federal law or regulation.

### State Unclaimed Property Law Disclosure

The assets in your custodial account are subject to state unclaimed property laws which provide that if no activity occurs in your account within the time period specified by state law, your assets must be transferred to the state, based on your primary residence. We are required by law to advise you that your assets may be subject to escheatment in compliance with these laws.

### Revocation of Your IRA

You have the right to revoke your IRA and receive the entire amount of your initial investment by notifying the Custodian in writing within seven (7) days of establishing your IRA (account open date). If you revoke your IRA within seven days, you are entitled to a return of the entire amount of the contributions or the actual property, without adjustment for such items as administrative expenses. If you decide to revoke your IRA, notice should be delivered or mailed to the address listed in the application instructions. This notice should be signed by you and include the following:

1. The date.
2. A statement that you elect to revoke your IRA.
3. Your IRA account number.
4. The date your IRA was established.
5. Your signature and your name printed or typed.

Mailed notice will be deemed given on the date that it is postmarked, if it is properly addressed and deposited either in the United States mail, first class postage prepaid, or with an IRS approved overnight service. This means that when you mail your notice, it must be postmarked on or before the seventh day after your IRA was opened. A revoked IRA will be reported to the IRS and the Depositor on IRS Forms 1099-R and 5498.

## Contributions

The maximum allowable contribution to your individual retirement accounts (deductible, non-deductible, and Roth) for each tax year is the lesser of (a) \$7,000 or (b) 100% of your compensation or earnings from self-employment. For years after 2024, consult IRS Publication 590-A or [irs.gov](https://www.irs.gov) for current contribution limits.

## Age 50 or Above Catch-Up Contributions

For those who have attained the age of 50 before the close of the taxable year, the annual IRA contribution limit is increased by \$1,000.

The above limits may be subject to Internal Revenue Service ("IRS") cost-of-living adjustments, if any. Please consult IRS Publication 590-A or [irs.gov](https://www.irs.gov) for current contribution limits. Please read the Traditional Individual Retirement Account (IRA) Disclosure Statement carefully or consult IRS Publication 590A/B or a qualified tax professional for more information about eligibility requirements and contribution restrictions.

Making an IRA contribution on behalf of your spouse — If you have earned compensation, are married and file a joint federal income tax return, you may make an IRA contribution on behalf of your working or nonworking spouse. The total annual contribution limit for both IRAs may not exceed the lesser of the combined compensation of both spouses or the annual IRA contribution limits as set forth by the IRS. Contributions made on behalf of a spouse must be made to a separate IRA account established by your spouse. More information about eligibility requirements and contribution restrictions can be found in IRS Publication 590A/B.

**Rollover Contributions.** You may also make a rollover contribution to your account of certain distributions from eligible employer-sponsored retirement plans (such as a 401(k) or 403(b) plan).

Any contribution made to your IRA will be treated as a contribution for the year it is received, unless the contribution is made between January 1 and the April 15th postmark deadline and you have identified the contribution as a prior year contribution.

## Description of Available Options For Your Contributions

The assets in your custodial account will be invested in accordance with instructions communicated by you (or following your death, by your beneficiary) or by your (or following your death, your beneficiary's) authorized agent. Account contributions are eligible for investment under section 408(a) of the Internal Revenue Code that are acceptable to the Custodian as investments under the Individual Retirement Account (IRA) Application and Agreement. Forge Trust Co. does not recommend any particular investment or asset class, nor do we perform due diligence or determine the suitability of any investment or asset category for our account holders and your investments are neither guaranteed nor protected.

## Fees and Charges

There is a custodial maintenance fee for each IRA account and asset held per calendar quarter. The Custodian may also charge other fees in connection with any transaction, distribution or activity within your IRA. Please refer to the current fee schedule.

# TRADITIONAL INDIVIDUAL RETIREMENT ACCOUNT DISCLOSURE

You have opened an Individual Retirement Account (IRA), which is a Traditional IRA or SEP IRA for the exclusive benefit of you and your beneficiaries, created by a written instrument (the Custodial Account Agreement). The following requirements apply to your IRA:

1. Contributions, transfers and rollovers may be made only in "cash" by check, draft, or other form acceptable to the Custodian.
2. The Custodian must be a bank, trust company, savings and loan association, credit union or a person who is approved to act in such capacity by the Secretary of the Treasury.
3. No part may be invested in life insurance contracts.
4. No part may be invested in collectibles such as artwork, coins, stamps, rugs, antiques, beverages, and other personal property.
5. No part may be invested in S-corp stock.
6. No part may be invested in gemstones and metals (except for certain coins and bullion which are allowed).
7. Your interest must be nonforfeitable.
8. The assets of the custodial account may not be mixed with other property except in a common investment fund.
9. You must begin receiving distributions from your account no later than your "required beginning date" (for those born after 1950, the April 1 following your attainment of age 73\*) attain; and distributions must be completed over a period that is not longer than the joint life expectancy of you and your beneficiary. \*For those born 7/1/49-12/31/50, the required beginning date is the April 1 following the year you turn 72, and for those born 6/30/49 or earlier the required beginning date is the April 1 following the year you turn 70 ½. Please see IRS Publication 590-B.

## Traditional IRA Eligibility

You are permitted to make a regular contribution to your traditional IRA for any taxable year, if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employment. The amount which is deductible depends upon whether or not you are an active participant in a retirement plan maintained by your employer, your modified adjusted gross income, your marital status, and your tax filing status.

## Traditional IRA Income Tax Deduction

Your contribution to a traditional IRA may be deductible on your federal income tax return. However, there is a phase-out of the IRA deduction if you are an active participant in an employer-sponsored retirement plan. The IRA deduction is reduced proportionately as adjusted gross income increases. Adjusted gross income levels are subject to change each year. Please consult IRS Publication 590A/B for calculating your deductible contribution as it pertains to individual income and employer-sponsored retirement plan circumstances. Your contributions in excess of the permitted deduction will be considered non-deductible contributions.

A deductible IRA contribution can be made to your spouse's IRA even if you are an active participant in an employer-sponsored retirement plan, if your joint adjusted gross income for the tax year does not exceed the limits as set forth by the IRS. The IRA deduction is reduced proportionally as your joint adjusted gross income increases. Please refer to IRS Publication 590A/B for current year phase-out limits.

## **Traditional IRA Taxation and Taxation of Rollover Contributions**

The income of your IRA is not taxed until the money is distributed to you. Distributions are taxable as ordinary income when received, except the amount of any distribution representing non-deducted contributions or the return of an excess contribution is not taxed.

In general, you may "roll over" certain distributions from another IRA, an eligible rollover distribution from your employer's qualified plan, or distributions from certain tax deferred annuities or accounts. If a distribution is rolled over (i.e. deposited in your IRA within 60 calendar days of the date of receipt), the amount rolled over is not taxable. The IRS strictly enforces the 60-day time limit. You may rollover a portion of a distribution in which case the remainder will be subject to tax. The IRS requires 20% of any eligible rollover distribution from your employer's qualified plan to be withheld for federal income tax unless your distribution is transferred (as a direct rollover) to an eligible retirement plan such as another qualified plan or IRA.

If you make a tax-free rollover of any part of a distribution from a traditional IRA, you cannot, within a 1-year period, make a tax-free rollover of any later distribution from that same or any other traditional IRA including from the traditional IRA into which you made the tax-free rollover. Please consult IRS Publication 590A/B for more information pertaining to rollover contributions.

*Note: The rules regarding tax-free rollovers are complex and subject to frequent change; you should consult a professional tax advisor if you are considering a rollover.*

## **Converting to a Roth IRA**

You may also "convert" all or a portion of your traditional, SEP or SIMPLE (after the required two year holding period) IRA to a Roth IRA. A conversion is a type of distribution and is not tax-free. You may not convert any portion of a required minimum distribution (RMD). Distributions are taxable as ordinary income when received, except the amount of any distribution representing the return of non-deducted contributions is not taxed. The 10% penalty tax on early distributions does not apply to conversion amounts unless an amount attributable to a conversion is distributed from the Roth IRA prior to five years from the date of the conversion. Your traditional IRA may be converted to a Roth IRA by means of an in-house direct transfer (within the same financial institution) or as a direct transfer between two different financial institutions.

A conversion is reported as a distribution from your traditional IRA (IRS Form 1099-R) and a conversion contribution to your Roth IRA (IRS Form 5498). The rules regarding conversions to Roth IRAs are complex and you should consult a professional tax advisor prior to a conversion. You will generally need to make provision for payment of taxes (including any required estimated taxes) due upon conversion of your traditional IRA from other assets.

## **Recharacterizing Traditional IRA Contributions**

If you are eligible to contribute to a Roth IRA, all or part of a contribution you make to your traditional IRA, along with allocable earnings or losses, may be recharacterized and treated as if made to your Roth IRA on the date the contribution was originally made to your traditional IRA. Recharacterization of a contribution is irrevocable and must be completed on or before the due date, including extensions, for filing your federal income tax return for the tax year for which the contribution was originally made. Please refer to IRS Publication 590A/B for more information.

A recharacterized contribution is reported as a distribution from the first IRA (IRS Form 1099-R) and a recharacterization contribution to the second IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a professional tax advisor prior to any recharacterization.

## **Excess Contributions**

Amounts contributed to your traditional IRA in excess of the allowable limit will be subject to a non-deductible excise tax of 6% for each year until the excess is used up (as an allowable contribution in a subsequent year) or returned to you. The 6% excise tax will not apply if the excess contribution and earnings allocable to it are distributed by your federal income tax return due date, including extensions. If such a distribution is made, only the earnings are considered taxable income for the tax year in which the excess was contributed to the IRA. If you make an excess contribution to your IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess that remains in your account.

Earnings will be removed with the excess contribution, if corrected before your federal income tax return due date (including extensions), pursuant to Internal Revenue Code Section 408(d)(4) and IRS Publication 590A/B an IRS Form 1099-R will be issued for the year in which the distribution occurred, not the year in which the excess contribution was made. Consult IRS Publication 590A/B for more information pertaining to excess contributions. If you are subject to a federal penalty tax due to an excess contribution, you must file IRS Form 5329.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or "NIA") using the method provided for in the IRS Final Regulations for Earnings Calculation for Returned or Recharacterized Contributions. This method calculates the NIA based on the actual earnings and losses of the IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution.

Excess contributions (plus or minus the NIA) that are distributed by your federal income tax return due date (including extensions) will be considered corrected, thus avoiding an excess contribution penalty.

## **Early Distributions From a Traditional IRA**

Your receipt or use of any portion of your account (excluding any amount representing a return of non-deducted contributions) before you attain age 59½ is considered an early or premature distribution. The distribution is subject to a penalty tax equal to 10% of the distribution unless one of the following exceptions applies to the distribution:

1. due to your death, or
2. made because you are disabled, or
3. used specifically for deductible medical expenses which exceed 7.5% of your adjusted gross income, or

4. used for health insurance cost due to your unemployment, or
5. used for higher education expenses defined in section 529(e) (3) of the Internal Revenue Code, or
6. used toward the expenses of a first time home purchase up to a lifetime limit of \$10,000, or
7. part of a scheduled series of substantially equal periodic payments over your life, or over the joint life expectancy of you and a beneficiary. If you request a distribution in the form of a series of substantially equal periodic payments, and you modify the payments before 5 years have elapsed and before attaining age 59½, the penalty tax will apply retroactively to the year payments began through the year of such modification, or
8. required because of an IRS levy, or
9. the distribution is a Qualified Reservist Distribution, or
10. the distribution is a qualified birth or adoption distribution, or
11. the distribution is in connection with qualified federally declared disasters, or
12. the distribution is to an individual with a terminal illness

The 10% penalty tax is in addition to any federal income tax that is owed at distribution. For more information on the 10% penalty tax and the exceptions listed above, consult IRS Publication 590A/B. If you are subject to a federal penalty tax due to a premature distribution, you must file IRS Form 5329.

## Required Distributions From a Traditional IRA

You are required to begin receiving minimum distributions from your IRA by your required beginning date (see above). Your required minimum distribution for each year, beginning with the calendar year you attain age 73 (or earlier required beginning age if you were born before 1951), is generally based upon the value of your account at the end of the prior year divided by the factor for your age (derived from the IRS Uniform Lifetime Distribution Period Table). This table assumes you have a designated spouse beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum distribution amount is the prior year end fair market value (value as of December 31st), adjusted for outstanding rollovers, transfers and recharacterizations (that relate to a conversion or failed conversion made in the prior year). You are responsible for notifying the Custodian of any outstanding amounts.

If the amount distributed during a taxable year is less than the minimum amount required to be distributed, you will be subject to a penalty tax equal to 25% of the difference between the amount distributed and the amount required to be distributed. If the minimum distribution is taken within the following year, that 25% penalty is reduced to 10%. You are responsible for monitoring this schedule from year to year to make sure that you are withdrawing the required minimum amount. If you are subject to a federal penalty tax due to a missed required minimum distribution, you must file IRS Form 5329.

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

## Traditional IRA Distributions Due to Death

If you die, your account must generally be distributed within 10 years, except if your named beneficiary is your surviving spouse, a minor child, a disabled or chronically ill person or a person not more than 10 years younger than you. These "eligible designated beneficiaries" generally have the option to take distributions over their life expectancy. Please see IRS Publication 590B.

## Traditional IRA — IRS Approved Form

Your traditional IRA is the Internal Revenue Service's model custodial account contained in IRS Form 5305-A. Certain additions have been made in Article VIII of the form. By following the form, your traditional IRA meets the requirements of the Internal Revenue Code. However, the IRS has not endorsed the merits of the investments allowed under the IRA. Form 5305-A may also be used by qualifying employers in conjunction with Form 5305-SEP to establish a Simplified Employee Pension plan (SEP) on behalf of employees. If your IRA is part of a SEP, details regarding the plan should also be provided by your employer. IRS Form 5305-A cannot be used in connection with SIMPLE or Roth IRAs or Coverdell Education Savings Accounts.

## Tax Refund Direct Deposit IRA Contributions

Taxpayers who qualify for a tax refund may elect to directly deposit their refund into their IRA account. The amount of the refund deposited to your IRA cannot exceed annual IRA limits as set forth by the Internal Revenue Service. You must contact the Custodian in advance of completing IRS Form 8888 to obtain the proper routing instructions. All tax refund contributions will be recorded as current year contributions for the year received.

## Health Savings Account ("HSA") Funding Distribution

You are allowed a one-time, tax-free transfer from an IRA (other than a SEP or SIMPLE IRA) to use toward your annual Health Savings Account ("HSA") contribution. Eligible individuals may make an irrevocable one-time, tax-free "qualified HSA funding distribution" from an IRA and move it directly into an HSA, subject to strict requirements. The HSA funding distribution must be directly transferred from the IRA custodian or trustee to the HSA custodian or trustee. The amount of the transfer cannot exceed the maximum HSA contribution limit for the year that the amount is transferred. The deposited amount is counted toward the individual's total HSA annual contribution limit.

## Non-Spouse Beneficiaries of Employer Plans

Eligible non-spouse beneficiary distributions from an employer's retirement plan can be directly rolled over into a beneficiary/ inherited IRA. To accomplish the direct rollover, the plan administrator must distribute the benefit payable to the trustee or custodian and mail it directly to the receiving institution. If the distribution is paid directly to the non-spouse beneficiary, a rollover will not be permitted.

The beneficiary/inherited IRA account must be registered in both the non-spouse beneficiary's name and the decedent's name. A non-spouse beneficiary may include a trust beneficiary that meets the special "look through" rules under the IRS regulations. Non-qualified trusts, estates or charities are not eligible for the direct rollover provision.

## Qualified Reservist Distributions

Early distributions paid to military reservists called to active duty after September 11, 2001 ("Qualified Reservist Distributions") are eligible to be repaid to an IRA within a two-year period after the end of active duty. This provision applies to distributions made after September 11, 2001. Repayments cannot exceed the amount of your Qualified Reservist Distributions. Repayment cannot be made after the later of either the date that is two years after your active duty period ends, or August 16, 2008. The repayments are not treated as rollovers. For additional information refer to IRS Publication 590A/B under the heading "Qualified reservist repayments."

## Qualified Charitable Distributions

Qualified charitable distributions. A qualified charitable distribution (QCD) is generally a nontaxable distribution made directly by the trustee of your IRA (other than a SEP or SIMPLE IRA) to an organization eligible to receive tax-deductible contributions. You must be at least age 70½ when the distribution was made. Also, you must have the same type of acknowledgment of your contribution that you would need to claim a deduction for a charitable contribution. See Records To Keep in Pub. 526.

The maximum annual exclusion for QCDs is \$100,000. Any QCD in excess of the \$100,000 exclusion limit is included in income as any other distribution. If you file a joint return, your spouse can also have a QCD and exclude up to \$100,000. The amount of the QCD is limited to the amount of the distribution that would otherwise be included in income. If your IRA includes nondeductible contributions, the distribution is first considered to be paid out of otherwise taxable income.

## Prohibited Transactions

If you or your beneficiary engages in any prohibited transaction as described in the Internal Revenue Code (IRC) Section 4975(c) (such as any sale, exchange, borrowing, or leasing of any property between you and your IRA; or any other interference with the independent status of the account), the account will lose its exemption from tax and be treated as having been distributed to you on first day of the tax year in which you or your beneficiary engaged in the prohibited transaction. The distribution may also be subject to additional penalties including a 10% penalty tax if you have not attained age 59½. See Publication 590A/B for further instructions on calculating taxable gain, reporting amounts in income and prohibited transaction penalty taxes. In addition, if you or your beneficiary use (pledge) all or any part of your IRA as security for a loan, then the portion so pledged will be treated as if distributed to you, and will be taxable to you. Your distribution may also be subject to a 10% penalty tax if you have not attained age 59½ during the year which you make such a pledge.

## Estate Tax

Amounts payable to your spouse, as your named beneficiary, may qualify for a marital tax deduction for federal estate tax purposes.

## Income Tax Withholding

The Custodian is required to withhold federal income tax from any taxable distribution from your IRA at the rate of 10% unless you choose not to have tax withheld. You may elect out of withholding by advising the Custodian in writing, prior to the distribution, that you do not want tax withheld from the distribution. This election may be made on any distribution request form provided by the Custodian. If you do not elect out of tax withholding, you may direct the Custodian to withhold an additional amount of tax in excess of 10%.

State income tax withholding may also apply to distributions from your IRA account when federal income tax is withheld. Please contact your tax advisor or state tax authority for information about your state's income tax withholding requirements.

## Additional Information

Distributions under \$10 will not be reported on IRS Form 1099-R (as allowed under IRS regulations). However, you must still report these distributions to the IRS on your Form 1040 (as well as other forms that may be required to properly file your tax return).

For more detailed information, you may obtain IRS Publication 590A/B, Individual Retirement Accounts (IRAs) from any district office of the Internal Revenue Service or by calling 1-800-TAX-FORM.

## Filing With the IRS

Contributions to your IRA must be reported on your tax return (Form 1040 or 1040A, and Form 8606 for nondeductible traditional IRA contributions) for the taxable year contributed. If you are subject to any of the federal penalty taxes due to excess contributions, premature distributions, or missed required minimum distributions, you must file IRS Form 5329.

## Simplified Employee Pension

This Disclosure Statement and accompanying Custodial Agreement may be used for an IRA established in connection with a simplified employee pension (SEP). A SEP is a written arrangement that allows your employer to make deductible contributions to a traditional IRA (a SEP IRA) set up for you to receive such contributions. The contribution limits from the employer to a SEP IRA are different and more than the limits for contribution to a traditional IRA from an individual. Generally, distributions from SEP IRAs are subject to the withdrawal and tax rules that apply to traditional IRAs. Your employer is required to provide you with specific information related to the consequences of establishing a SEP IRA. Please reference IRS Publication 560 for more information about SEPs.

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**Form 5305-A (Revised April 2017) under section 408(a) of the Internal Revenue Code Department of the Treasury—Internal Revenue Service**

The Depositor whose name appears on the attached 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, Forge Trust Co. (the "Custodian"), has given the Depositor the disclosure statement required under Regulations section 1.408-6. The Depositor and the Custodian make the following agreement:

**Article I**

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the custodian will accept only cash contributions up to \$5,500 per year for 2013 through 2017. For individuals who have reached the age of 50 by the end of the year, the contribution limit is increased to \$6,500 per year for 2013 through 2017. For years after 2017, these limits will be increased to reflect a cost-of-living adjustment, if any.

**Article II**

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

**Article III**

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

**Article IV**

- 4.01 Notwithstanding any provision of this agreement to the contrary, the distribution of the 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.
- 4.02 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 end 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.
- 4.03 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;
    - 1) 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)(3) 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)(3) below, over such period.
    - 2) 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)(3) below if longer.
    - 3) 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 (1) below or, if elected or there is no designated beneficiary, in accordance with (2) below
    - 1) The remaining interest will be distributed in accordance with paragraphs (a)(1) and (a)(2) above (but not over the period in paragraph (a)(3), 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 73. 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)(2) above (but not over the period in paragraph (a)(3), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (2) below if there is no such designated beneficiary.
    - 2) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
- 4.04 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.
- 4.05 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 4.02(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 4.03(a) and 4.03(b)(1) 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 4.03(b)(1)) 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 4.03(a) and 4.03(b)(1).
- (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.

4.06 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

- 5.01 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.
- 5.02 The Custodian agrees to submit to the Internal Revenue Service and the 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 that are not consistent 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 below.

## Article VIII

8.01 *Definitions:* In this part of this Agreement (Article VII), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian (including its subsidiaries, agents and administrator), "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations. The term "Broker" means the broker-dealer/financial representative selected by you to provide investment services to your Traditional IRA.

8.02 *Notices and Change of Address:* Any account statement or notice regarding this Traditional IRA will be considered effective when we mail it to the last address of the intended recipient which we have in our records, or deliver it to the email address on file, based on your electronic document delivery preference. Any account statement or notice to be given to us will be considered effective when we actually receive it. You must notify us in writing of a change of address or email.

With respect to any periodic account statement or written notice Custodian provides to you, if you do not object in writing within 60 days after the account statement or notice has been sent, you are deemed to have approved or agreed with the accuracy of the information or content in the account statement or notice, and Custodian, absent its fraud, intentional misrepresentation or material omission, is released and discharged from any and all liability as to all matters set forth in the account statement or notice.

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 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 such information or directions.

We acknowledge and agree we are acting as an "excluded fiduciary" under § 55-1B-2 of the South Dakota Codified Laws, as amended or restated from time to time, and as a result we shall have no duty or responsibility to question any of your directions, review any securities or other property held in the Traditional IRA, or make any suggestions to you with respect to the investment, retention or disposition of any asset held in the Traditional IRA. We do not independently value or appraise account assets. We are entitled to act upon any instrument, certificate or form we believe is genuine and believe is signed or presented by the proper person or persons and we need not investigate or inquire as to any statement contained in any such document, but may accept it as true and accurate. We will not provide any tax, legal or investment advice.

Further, we shall have no duty to monitor the sufficiency or adequacy of your actions or duties or those of your heirs, successors, agents, or assigns, nor shall we be required to monitor the acts of any paid consultant to whom we may have contractually delegated any duties or responsibilities pursuant to you or your agent's direction. Except as expressly directed by you, we have no duty to notify or apprise any primary or contingent beneficiary or other third party of any directions you provide to us, or of any actions or inactions you take, with respect to account assets.

In addition, 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, even if such directions, actions or inactions are inconsistent with your fiduciary duties, 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 the Traditional IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement.

(a) **Rollovers and Tax Consequences** - You are responsible for determining whether a distribution from another Traditional IRA or Qualified Retirement Plan may be rolled over to this Traditional IRA.

You understand that we do not make any representation or warranty that any rollover contribution will be excludable from income for Federal or State income tax purposes.

(b) **Custodial-Account** - We shall maintain a custodial account for your benefit. The custodial account will consist of an interest-bearing account with us and all other investments purchased at your direction. All assets in the custodial account will be registered in our name as custodian or in the name of our nominee. We may, by or through a Broker, or other such firm, hold any securities in bearer form or deposit them with a central clearing corporation or depository approved by the Securities and Exchange Commission; provided that our records show that all such investments are part of the custodial account.

(c) **Custodian's Reservation of Rights** - Notwithstanding any other provision of this Article VIII, we reserve the right to refuse to follow any investment direction by you which we determine violates any Federal or State Law.

8.04 **Service Fees:** We have the right to charge an annual service fee or other designated fees (for example, a transfer, rollover, transaction, or termination fee) for maintaining this Traditional IRA. In addition, we have the right to be reimbursed or reserve funds for all reasonable expenses we incur in connection with the administration of the Traditional IRA. For more information on our fees, please refer to section 8.05(c) and (k) and the current separate Schedule of Fees. Any brokerage commissions attributable to the assets in the Traditional IRA will be charged to the Traditional IRA. You cannot reimburse the Traditional IRA for those commissions. If a third-party has agreed to pay the fees associated with your Traditional IRA and such third-party fails to pay such fees timely, you acknowledge that you are responsible to pay all fees then due on the account and going forward.

8.05 **Your Investment Powers and Our Custodial Powers/Rights**

(a) **Investment of Traditional IRA** - Subject to Section 7.05(f) and Section 7.05(m), you have sole authority and discretion, fully and completely, to select and to direct the investment of all assets in the Traditional IRA. You accept full and sole responsibility for the success or failure of any selection made. We shall have no discretion to direct any investment in the Traditional IRA. We will not act as investment advisor or counselor to you and will not advise you or offer any opinion or judgment on any matter pertaining to the nature, value, potential value or suitability of any investment or potential investment of the assets of the Traditional IRA, and are merely authorized to acquire and hold the particular investments specified by you. We shall not have any responsibility nor any liability for any loss of income or of capital, nor for any unusual expense which we may incur, relating to any investment, or to the sale or exchange of any asset which you or your authorized agent directs us to make.

After your death, your beneficiary(ies) shall have the right to direct the investment of the Traditional IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitations, Section 8.03 and 8.05). All transactions shall be subject to any and all applicable Federal and State laws and regulations and the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed and to our policies and practices.

(b) **Limitation of Investment Powers** - We, as Custodian of the Traditional IRA assets entrusted to us under the Traditional IRA, shall not commingle the Traditional IRA with any other property we hold except in a common trust fund or common investment fund, although as noted below in section 7.05(d) we will hold your publicly traded securities in an omnibus account with the designated broker for those securities. We retain the power to take such actions as are reasonable and necessary to carry out our duties under the Traditional IRA. We are under no duty to take any action other than as specified under this Agreement unless you provide us with instructions and agree to indemnify and hold us harmless from any claims arising out of such instructions. Without modifying the limitation of duties or responsibilities we have as a Custodian or excluded fiduciary as described herein, solely upon clear written investment directions given by you or your authorized agent, we are authorized and empowered with the following powers and rights:

- 1) To hold or invest any part or all of the Traditional IRA in any asset permissible under law as an investment for an individual retirement account;
- 2) To manage, sell, contract to sell, grant options to purchase, convey, petition, divide, subdivide, exchange, transfer, abandon, improve, repair, insure, lease for any term even though commencing in the future or extending beyond the term of the Traditional IRA, and otherwise deal with all property, real or personal, in such manner for such considerations and on such terms and conditions as are in accordance with the written direction we receive;
- 3) To borrow money, to lend money, to assume indebtedness, extend mortgages and encumber by mortgage or pledge;
- 4) To retain in cash so much of the Traditional IRA assets as you or your authorized agent direct, or pending other instructions from you or your authorized agent and take such actions as described in Section 8.05(k);
- 5) To transfer all or any part of the Traditional IRA funds from one type of savings instrument offered by us to another type of savings instrument offered by us, to the extent permitted by the applicable governmental regulations and our procedures;
- 6) To purchase and to hold annuity contracts and exercise all rights of ownership of the contracts; and
- 7) To make, execute and deliver as Custodian contracts, waivers, releases or other written instruments necessary to exercise the powers enumerated above.

(c) **Custodian's Powers - We shall have the power:**

- 1) To hold any securities or other property in the Traditional IRA in the name of the Custodian or its nominee, or in another form as we may deem best, with or without disclosing the custodial relationship;
- 2) To appoint an affiliated or unaffiliated sub-custodian to hold some or all of the securities or other property in the Traditional IRA, provided however, and subject to the liability limitation in Section 8.16 below, that the appointment of any sub-custodian shall not relieve the Custodian of its obligations to the Depositor under this Agreement.
- 3) To retain any funds or property subject to any dispute without liability for the payment of interest and to decline to make payment or delivery of the funds or property until a court of competent jurisdiction makes final adjudication.
- 4) To charge against and pay from the Traditional IRA all taxes of any nature levied, assessed, or imposed upon the Traditional IRA, and to pay all reasonable expenses and attorney fees which may be necessarily incurred by us with respect to the Traditional IRA;
- 5) To file any tax or information return required of us, and to pay any tax, interest or penalty associated with any such tax return;
- 6) To act pursuant to written blanket settlement authorization given by you on transactions executed by your designated agent. We are authorized to honor all trade confirmations received from such agent;
- 7) To furnish or cause to be furnished to you an annual calendar year report concerning the status of the Traditional IRA, including a statement of the assets of the Traditional IRA held at the end of the calendar year;
- 8) To begin, maintain or defend any litigation necessary in connection with the administration of the Traditional IRA, except that we shall not be obliged or required to do so unless indemnified to our satisfaction, including, without limitation, payment of such expenses out of Traditional IRA assets;
- 9) To exercise the voting rights and other shareholder rights with respect to securities in the Traditional IRA but only in accordance with the instructions you give to us;
- 10) To employ and pay from the Traditional IRA reasonable compensation to agents, attorneys, accountants and other professional persons for advice that in our opinion may be necessary. We may delegate to any agent, attorney, accountant and other persons selected by us any power or duty vested in us by this Agreement; and
- 11) To charge you separately for any fees or expenses or deduct the amount of the fees or expenses from the assets in the Traditional IRA at our discretion. We are also entitled to be reimbursed for any taxes and other expenses we assume or incur on behalf of your account. Our right to compensation and reimbursement from the account shall constitute a first prior lien against your account. We have the right to change our fee upon 30 days notice to you. We are authorized to liquidate assets of the Traditional IRA for any unpaid fee balance and can, at our discretion,

require you to retain uninvested cash in the Traditional IRA in an amount not less than one year's annual fees and termination fees and not more than \$1,000. The choice of the selling broker and assets to be sold shall be at our sole discretion. Should fees or expenses not be collected, we shall have the option to cease performing any functions, including, but not limited to, processing investment transactions until such time as all fees and expenses charged against the account are fully paid.

In addition, the Custodian may receive commissions, 12(b)1 fees, sub-transfer agent fees, marketing fees and other types of compensation from various entities (including without limitation, entities in which the Traditional IRA invests) relating to investments held in the Traditional IRA which may, or may not, be directly or indirectly distributed, allocated or otherwise paid to or retained by third-parties providing services with respect to your Traditional IRA.

- (d) **Publicly-Traded Securities** - If publicly-traded securities are to be included in the specified investments, orders shall be executed through a securities broker-dealer registered under the Securities Exchange Act of 1934. The Custodian may designate one or more such broker-dealers for trade execution and for the holding of publicly-traded securities. For operational reasons, the Custodian currently maintains, and is likely in the future to maintain, accounts with a limited number of broker-dealers. Those broker-dealers are selected by the Custodian in its own discretion. There is no commitment that the commission rates or transaction fees charged for purchase and sale transactions by broker-dealers selected by the Custodian will be the best available commission or fees available in the market. Any brokerage account maintained in connection herewith shall be in our name as the Custodian of your account.

We shall be authorized to honor transactions within the brokerage account without obligation to verify prior authorization of same by you. Any cash received by the brokerage account, whether as income or proceeds of transactions, may be held by the brokerage account pending directions, and we shall have no obligation to direct the broker to remit such cash until directed to do so by you, but may receive remittances without direction if the same are made by the broker. Investments outside the brokerage account shall be made in accordance with the other provisions of this Article.

Investment directions may be given by you directly to the designated broker (in such manner as the broker may require) and the broker shall be responsible for the execution of such orders.

When securities are purchased within your brokerage account requiring that funds be remitted by us to make settlement, you agree to telephonically notify us or instruct your broker or agent to telephonically notify us on the trade date of the pending securities transaction, and to request delivery of the Traditional IRA account assets necessary to settle the trade. You agree to hold us harmless for any losses resulting from your failure to notify us of the pending trade and request for settlement in the above-prescribed manner.

- (e) **Alternative Investments** - You may, at your discretion, direct us to purchase "alternative" investments which shall include, but not be limited to, investments which are individually negotiated by you or your agent, or part of a private placement of securities offered in reliance upon exemptions provided by Sections 3(B) and 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder. It is your sole responsibility to determine whether or not your selected investment(s) is required to be registered as a security with any applicable federal and/or state regulatory authority. We reserve the right to not follow such direction or process such investment(s) for administrative reasons. Such action should not be construed as investment advice or an opinion by us as to the investment's prudence or viability. If you or your agent should direct us to purchase an alternative investment, as defined above, the following special certifications and provisions shall apply:
- 1) You agree to submit or cause to be submitted all offering documentation related to the alternative investment for an administrative review by us, if so requested. We reserve the right to charge a reasonable fee for such administrative review.
  - 2) If the alternative investment(s) contains a provision for future contractual payments or assessments, including margin calls, you acknowledge that such payments shall be borne solely by the Traditional IRA account, that authorization to make such payments shall come from you or your agent, and that making such payments may reduce or exhaust the value of the Traditional IRA account. You further agree to maintain sufficient liquid funds in the Traditional IRA account to cover any such payments or assessments, and agree that we are not responsible for monitoring the balance of the account to verify compliance with this Section
  - 3) If the alternative investment(s) contain administrative and/or management requirements or duties beyond our capabilities or expertise to provide, then you agree to seek out suitable agents or counsel necessary to perform such duties and deliver a written service agreement acceptable to us for execution on behalf of the Traditional IRA account.
  - 4) You attest that assets to be transferred into the account do not include any illegal or impermissible investments under South Dakota or federal law, including, but not limited to, marijuana-related holdings or holdings related to illegal substances, illegal gambling, or illegal artifacts. You further confirm that the account will not hold or engage in transactions involving illegal holdings, and should the account ever come to hold an illegal or impermissible investment under South Dakota or federal law, you will immediately notify the Custodian. If we identify assets in the account as illegal, we will require that you transfer the assets and/or we will resign from the account, and if necessary, file corresponding Suspicious Activity Reports (SAR).
  - 5) If you direct us to enter into an individually-negotiated debt instrument, including a promissory note, deed of trust, real estate contract, mortgage note or debenture, we strongly encourage you retain the services of a third-party agent pursuant to a note servicing agent agreement, on a form acceptable to us. The note servicing agent shall be your agent and not ours, and shall be responsible for administering the terms of the debt instrument on behalf of the Traditional IRA account. Should the note servicing agent ever become unwilling or unable to perform the duties outlined in the note servicing agent agreement, then you understand and agree that all duties of the note servicing agent shall revert to you until a successor agent is named. We will not act as a note servicing agent, including monitoring your account to ensure receipt of note payments, notify you in the event of default, prepare or compute payoff balances, or prepare or file Form 1098.
  - 6) We are responsible for safekeeping only those documents which you or your agent deliver to us.
  - 7) You agree to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and bring any other suits or actions which may become necessary to protect the rights of the account as a result of the operation or administration of the investment(s).
  - 8) Once you or your agent authorize funds to be distributed from your account for purposes of investment, you agree to be responsible for the following:
    - a) verifying that the individual or investment company that you selected placed your funds into the proper investment;
    - b) obtaining the necessary documentation from the individual or investment company to verify that the funds were correctly invested, including, but not limited to, shares or units, proper recordation, loan to value ratio, etc.; and
    - c) sending the original documentation evidencing the investment to us or, in the case of a promissory note investment, to a third party servicing agent. We will not monitor the account to ensure receipt of such documentation and will rely solely on you to provide this information.
- (f) **Delegation of Investment Responsibility** - We may, but are not required to, permit you to delegate investment responsibility for the Traditional IRA to another party. On a form or format acceptable to us, you may designate a representative for the purpose of communicating investment directions to

us and receiving information from us regarding your account. Said representative may be a registered representative of a broker-dealer organization, a financial advisor or other person as may be acceptable to you. Such person shall be your authorized agent, and not ours. We shall construe any and all investment directions given by such person, whether written or oral, as having been authorized by you. You may appoint and/or remove such a person only by written notice to us provided that their removal shall not have the effect of canceling any notice, instruction, direction or approval received by us from the removed person before we receive notice of removal from you. We shall follow the proper written direction of any such party who is properly appointed, and we shall be under no duty to review or question, nor shall we be responsible for, any of that party's directions, actions or failures to act. That party's instructions to us shall be deemed to be instructions by you for all purposes of this Article VIII.

- (g) **Authorization** - On a form or in a format acceptable to us, you may authorize us to accept written, verbal, fax, e-mail and other means of communication for investment directions from you or your designated representative. You agree that we are not responsible for verifying the propriety of any investment direction and that we are not responsible for unauthorized trades in your account that may be affected under this Section.
- (h) **Valuation of Assets** - We shall update values on assets upon receipt of valuation information from various outside sources. Valuation updates shall be submitted at least annually. However, we do not guarantee the accuracy of prices obtained from quotation services, independent appraisal services, investment sponsors, or parties related thereto or other outside sources. Values for investment accounts held by third parties shall be equal to the total equity value of the account and shall reflect only those assets that are priced by the investment firm. Valuation of individual assets held within your investment account such as stocks, bonds, Exchange-Traded Products (ETPs), foreign exchange, commodity exchange, etc., may not be listed individually on our statements, but can be obtained directly from your investment account statement.

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 us a qualified valuation of the asset. If you do not provide such a qualified valuation, we may report the asset's value at its last known fair market value or at its acquisition cost. If you do not provide this information, we may require you to remove the asset from your account by transfer or distribution. If you do not remove the asset from your account as directed, we may distribute the asset to you at the last reported value or resign and distribute the entire account to you.

For all custodial assets, we neither provide a guarantee of value nor an opinion regarding 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.

If you do not object in writing within 60 days after an account statement has been provided to you, you are deemed to have approved the account statement, and Custodian, absent its fraud, intentional misrepresentation or material omission, is released and discharged from any and all liability as to all matters set forth in the account statement.

- (i) **Unrelated Business Taxable Income** - Certain investments may generate taxable income within the Traditional IRA account. This is referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all the Traditional IRA accounts and may be taxable to your account(s) to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS. In such instances, the IRS requires that a Form 990-T be filed for the Traditional IRA account along with the appropriate amount of tax. We do not monitor the amount of UBTI in the Traditional IRA account with us and do not prepare Form 990-T. Therefore, you must monitor UBTI for this and any other Traditional IRA account which you may hold and prepare, or have prepared, the proper 990-T tax form and forward it to us, along with authorization to pay any tax due from the Traditional IRA account.
- (j) **Life Insurance and Collectible** - You may not direct the purchase of a life insurance contract or a "collectible" as defined in Code Section 4011(m).
- (k) **Cash Assets** - The Depositor will receive a custodial cash rate on uninvested cash assets that will vary from time to time and shall be set by the Custodian's Board of Directors or its delegee, in its discretion, at least annually. This amount will be paid monthly, and only to Depositors that have accounts as of the last day of any month. By choosing to leave cash uninvested, the Depositor shall be deemed to have agreed to the custodial cash rate and to Custodian's receipt of the income attributable to the uninvested cash. The custodial cash rate determined by the Custodian may be less than what the Depositor could obtain for a direct cash deposit with the depository institution or direct investment. The Custodian is under no obligation to maximize the custodial cash rate on uninvested cash. Further, the cash administration fee retained or earned by the Custodian may be greater than the custodial cash rate that the Depositor will receive on any uninvested cash. Depositor may confirm the custodial cash rate applicable to Depositor's account by referring to Depositor's account statement or by going to <https://app.forgetrust.com/client-portal/>. Depositor will be notified via the website at least 30 days' before the custodial cash rate is changed.

We will ordinarily perform sub-accounting and administrative functions related to the management of uninvested cash with a depository institution or in other savings instruments. Consistent with its authority under Section 8.05(b)(4) above, the Custodian will hold uninvested cash in an account or product of a financial institution or other United States Government security, or security that is guaranteed by the United States government, and other cash equivalent products, to such income attributable to uninvested cash (if any) as a custodial fee. For these sub-accounting and administration services, we will be entitled to (i) retain the interest earned on deposited cash. This is in addition to the fees and charges reflected on the most recent fee schedule.

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

You may designate one or more persons or entities as beneficiary of your Traditional 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 or after as provided by law. 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 Traditional IRA.

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 or after as provided by law. 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. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original IRA beneficiary.

If no beneficiary is designated by you at account opening or thereafter, upon your death, the distribution of the amounts in your Traditional IRA will be made in the following order: first to your spouse, second, if no spouse is then alive, to your then living children divided equally among such children, third, if no spouse or children are then living, to your estate.

8.07 **Termination:** 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 the Traditional IRA to another financial organization. If you do not complete a transfer of the Traditional IRA within 30 days from the date we mail the notice to you, we have the right to transfer the Traditional IRA assets to a successor Traditional IRA Custodian or Trustee that we choose in our sole discretion or we may assign the entire Traditional IRA to you as a full distribution. We shall not be liable for any actions or failures to act on the part of the successor Custodian or Trustee nor for tax consequences you may incur that result from the transfer or distribution of the Traditional IRA assets pursuant to this section.

If this Agreement is terminated, we may hold back from the Traditional IRA a reasonable amount of money which we believe is necessary to cover any one or more of the following:

- (a) any fees, expenses or taxes chargeable against the Traditional IRA;
- (b) any penalties associated with the early withdrawal of any savings instrument or other investment in the Traditional IRA.

If our organization is merged with another organization (or comes under the control of any Federal or State agency) or if our entire organization (or any portion which includes the Traditional IRA) is bought by another organization, that organization (or agency) shall automatically become the Trustee or Custodian of the Traditional IRA, but only if it is the type of organization authorized to serve as a Traditional IRA Trustee or Custodian.

If we are required to comply with Section 1.408-2(e) of the Treasury Regulations 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 that a substitute Trustee or Custodian be appointed.

8.08 **Amendments:** We have the right to amend this Agreement at any time and we will amend this Agreement as necessary to comply with the provisions of the Code and other applicable government regulations. We may charge a fee for IRS mandated amendments. Any amendment we make to comply with the Code and other applicable 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. Depositor may not seek to amend this Agreement without our prior written consent. The provisions of Section 8.08 remain subject to the provisions of Article VII above.

8.09 **Withdrawals:** All requests for withdrawal 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.

8.10 **Required Minimum Distributions:** You may make an election to begin receiving payments from your IRA in a manner that satisfies the required minimum distribution rules no later than April 1st of the year following the year you reach age 73 (this is called the "required beginning date") or your applicable earlier required beginning date. If you fail to make such an election by your required beginning date, we can, at our complete and sole discretion, do any one of the following:

- (a) make no payment until you give us a proper payment request;
- (b) pay your entire IRA to you in a single sum payment or distribution in kind; or
- (c) calculate your required minimum distribution each year for your IRA based on an IRS approved method 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 distribution.

8.11 **Transfers From Other Plans:** We can receive amounts transferred to the Traditional IRA from the custodian or trustee of another Traditional IRA. We reserve the right not to accept any transfer or rollover.

8.12 **Liquidation of Assets:** We have the right to liquidate assets in the Traditional IRA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against the Traditional 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.

8.13 **Restrictions On The Account:** Neither you nor any beneficiary may sell, transfer or pledge any interest in the Traditional IRA in any manner whatsoever, except as provided by law or this Agreement.

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

8.14 **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 the state of South Dakota shall govern.

If any part of this Agreement is determined by a court of competent jurisdiction to be 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 the parties' right thereafter to enforce each and every such provision. These rights and liabilities are continuous, covering individually and collectively, all accounts you may open with us or our agent for the same Traditional IRA, and inure to the benefit of us, our successors or assigns and are binding on you and your heirs, successors or assigns.

8.15 **Indemnity of Custodian:** To the extent not prohibited by Federal or State law, you agree to indemnify, defend and hold the Custodian, its subsidiaries and administrator (including their officers, agents and employees) harmless against and from any and all claims, demands, liabilities, costs and expenses (including reasonable attorneys' fees and expenses), arising in connection with this agreement, except those caused by (A) any gross negligence by the Custodian, its subsidiaries and administrator (including its officers, agents and employees), or (B) any material breach by the Custodian, its subsidiaries and administrator (including their officers, agents and employees) of any responsibilities under this Agreement. You further agree to pay for the defense of the Custodian, its subsidiaries and administrator (including their officers, agents and employees) by independent counsel of the Custodian's choice against any such claims, demands, liabilities or costs referred to in the preceding sentence.

You agree to indemnify, defend and hold the Custodian, its subsidiaries and administrator (including their officers, agents and employees) harmless against and from any and all payments or assessments which may result from holding any publicly-traded security or alternative investment within the Traditional IRA account, and further agree that the Custodian, its subsidiaries and administrator (including their officers, agents and employees) shall be under no obligation whatsoever to extend credit or otherwise disburse payment beyond the cash balance of your account for any payment or assessment related to such investment(s).

8.16 **Liability for Acts of Third Parties:** The Custodian shall not be liable for losses (including all claims, demands, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) suffered by the Traditional IRA resulting from the acts or failure to act by third-party services providers, including but not limited to affiliated or unaffiliated sub-custodians and broker-dealers selected by the Custodian to provide services to the Traditional IRA except to the extent that the Custodian was grossly negligent in the selection and retention of such service providers.

- 8.17 *Adverse Claims:* If we receive any claim to the assets held in the Traditional IRA which is adverse to your interest or the interest of your beneficiary, and we in our absolute discretion decide that the claim is, or may be, meritorious, we may withhold distribution until the claim is resolved or until instructed by a court of competent jurisdiction. As an alternative, we may deposit all or any portion of the assets in the Traditional IRA into the court through a motion of interpleader. Deposit with the court shall relieve us of any further obligation with respect to the assets deposited.
- We have the right to be reimbursed from the funds deposited for our legal fees and costs incurred.
- 8.18 *Account Not Guaranteed:* We do not guarantee the Traditional IRA account from loss or depreciation. Our liability to make payment to you at any time and all times is limited to the available assets of the account.
- 8.19 **Arbitration: Any controversy (i) arising out of or relating to this Agreement or the breach thereof, or to the Traditional IRA or any transactions authorized by you and/or your agent, or (ii) as to the arbitrability of such a controversy, shall be settled by arbitration in Minnehaha County, South Dakota, according to the rules of The American Arbitration Association. Arbitration is final and binding on the parties, and judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction. The parties are waiving their right to seek remedies in court, including the right to jury trial. The pre-arbitration discovery is generally more limited than and different from court proceedings.**
- 8.20 *Attorneys' Fees*
- (a) If a party files suit instead of arbitrating a controversy as required by this Agreement or fails to proceed with arbitration, the other party is entitled to reasonable attorneys' fee for having to compel arbitration.
- (b) If either party to this Agreement commences any legal action, suit, counterclaim, appeal, arbitration, or other proceeding (an "Action") against the other party to this Agreement to enforce or interpret any of the terms of this Agreement, because of an alleged breach, default, or misrepresentation in connection with any of the terms of this Agreement, or because of a claim arising out of the terms of this Agreement, the losing or defaulting party shall pay to the prevailing party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such Action.
- (c) If the prevailing party shall obtain a judgment in its favor arising out of any Action against the other party to this Agreement, the party against whom such judgment is rendered shall pay to the prevailing party the attorneys' fees incurred by the prevailing party in the collection or enforcement of such judgment. The provisions of this paragraph (b) shall be severable from the other provisions of this Agreement, shall survive any judgment, and shall not be deemed merged into such judgment.
- 8.21 *Custodian's Affiliation:* Forge Trust Co. is wholly owned by Forge Services, Inc., which is wholly owned by Forge Global, Inc., which in turn is wholly owned by the public company The Charles Schwab Corporation (NYSE: SCHW).

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.**