

# ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-RA under section 408A of the Internal Revenue Code.

FORM (Rev. April 2017)

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

The custodian named on the application has given the depositor the disclosure statement required by Regulations section 1.408-6.

The depositor has assigned the custodial account the sum indicated on the application.

The depositor and the custodian make the following agreement:

## ARTICLE I

Except in the case of a qualified rollover contribution described in section 408A(e) 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 tax years 2013 through 2017. For years after 2017, these limits will be increased to reflect a cost-of-living adjustment, if any.

## ARTICLE II

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a depositor who is single or treated as a single, the annual contribution is phased out between adjusted gross income (AGI) of \$118,000 and \$133,000; for a married depositor filing jointly, between AGI of \$186,000 and \$196,000; and for a married depositor filing separately, between AGI of \$0 and \$10,000. These phase-out ranges are for 2017. For years after 2017, the phase-out ranges, except for the \$0 to \$10,000 range, will be increased to reflect a cost-of-living adjustment, if any. Adjusted gross income is defined in section 408A(c)(3).
2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the depositor and his or her spouse.

## ARTICLE III

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

## ARTICLE IV

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

## ARTICLE V

1. If the depositor dies before his or her entire interest is distributed to him or her and the depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with paragraph (a) below or, if elected or there is no designated beneficiary, in accordance with paragraph (b) below:
  - (a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the depositor's death, over the designated beneficiary's remaining life expectancy as determined in

the year following the death of the depositor.

- (b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the depositor's death.

2. The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the depositor's death and subtracting one from the divisor for each subsequent year.
3. If the depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as the depositor.

## ARTICLE VI

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

## ARTICLE VII

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

## ARTICLE VIII

This agreement will be amended as necessary to comply with the provisions of the Code, the related Regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear on the application.

## ARTICLE IX

- 9.01 **Definitions** — In this part of this agreement (Article IX), the words "you" and "your" mean the depositor. The words "we," "us," and "our" mean the custodian. The word "Code" means the Internal Revenue Code, and "regulations" means the Treasury regulations.
- 9.02 **Notices and Change of Address** — Any required notice regarding this Roth IRA will be considered effective when we send it to the intended recipient at the last address that we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.
- 9.03 **Representations and Responsibilities** — You represent and warrant to us that any information you have given or will give us with respect to this agreement is complete and accurate. Further, you agree that any directions you give us or action you take will be proper under this agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, if we receive ambiguous directions regarding any transaction, or if we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We will not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions, or failures

to act. We will not be responsible for any penalties, taxes, judgments, or expenses you incur in connection with your Roth IRA. We have no duty to determine whether your contributions or distributions comply with the Code, regulations, rulings, or this agreement.

We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this agreement (e.g., attorney-in-fact, executor, administrator, investment manager), but we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We will not be responsible for losses of any kind that may result from directions, actions, or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions, or failures to act by your authorized agent.

You will have 60 days after you receive any documents, statements, or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements, or other information. If you do not notify us within 60 days, the documents, statements, or other information will be deemed correct and accurate, and we will have no further liability or obligation for such documents, statements, other information, or the transactions described therein.

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

To the extent written instructions or notices are required under this agreement, we may accept or provide such information in any other form permitted by the Code or applicable regulations including, but not limited to, electronic communication.

**9.04 Disclosure of Account Information** — We may use agents and/or subcontractors to assist in administering your Roth IRA. We may release nonpublic personal information regarding your Roth IRA to such providers as necessary to provide the products and services made available under this agreement, and to evaluate our business operations and analyze potential product, service, or process improvements.

**9.05 Service Fees** — We have the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover, or termination fee) for maintaining your Roth 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 Roth IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your Roth IRA at our discretion. We reserve the right to charge any additional fee after giving you 30 days' notice. Fees such as subtransfer agent fees or commissions may be paid to us by third parties for assistance in performing certain transactions with respect to this Roth IRA.

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

**9.06 Investment of Amounts in the Roth IRA** — You have exclusive responsibility for and control over the investment of the assets of your Roth IRA. All transactions will be subject to any and all restrictions or limitations, direct or indirect, that are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages

of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this agreement. After your death, your beneficiaries will have the right to direct the investment of your Roth IRA assets, subject to the same conditions that applied to you during your lifetime under this agreement (including, without limitation, Section 9.03 of this article). We will have no discretion to direct any investment in your Roth IRA. We assume no responsibility for rendering investment advice with respect to your Roth 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 Roth IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we will have the right to hold any uninvested amounts in cash, and we will have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your Roth IRA unless you provide timely written directions acceptable to us.

You will select the investment for your Roth IRA assets from those investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for Roth IRAs (e.g., term share accounts, passbook accounts, certificates of deposit, money market accounts.) We may in our sole discretion make available to you additional investment offerings, which will be limited to publicly traded securities, mutual funds, money market instruments, and other investments that are obtainable by us and that we are capable of holding in the ordinary course of our business.

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

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

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

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

If we so choose, for any reason (e.g., due to limitations of our charter

or bylaws), we may require that a beneficiary of a deceased Roth IRA owner take total distribution of all Roth IRA assets by December 31 of the year following the year of death.

**9.08 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 send written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your Roth IRA to another financial organization. If you do not complete a transfer of your Roth IRA within 30 days from the date we send the notice to you, we have the right to transfer your Roth IRA assets to a successor Roth IRA trustee or custodian that we choose in our sole discretion, or we may pay your Roth IRA to you in a single sum. We will not be liable for any actions or failures to act on the part of any successor trustee or custodian, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

If this agreement is terminated, we may charge to your Roth 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 Roth IRA
- Any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your Roth IRA

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

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

**9.09 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 that includes your Roth IRA) is bought by another organization, that organization (or agency) will automatically become the trustee or custodian of your Roth IRA, but only if it is the type of organization authorized to serve as a Roth IRA trustee or custodian.

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

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

You are not required to take a distribution from your Roth IRA during your lifetime. At your death, however, your beneficiaries must begin taking distributions in accordance with Article V and section 9.07 of this article. We will make no distributions to you from your Roth IRA until you provide us with a written request for a distribution on a form

provided by or acceptable to us.

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

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

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

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

**9.15 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 will govern.

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

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## GENERAL INSTRUCTIONS

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

### PURPOSE OF FORM

Form 5305-RA is a model custodial account agreement that meets the requirements of section 408A. However, only Articles I through VIII have been reviewed by the IRS. A Roth individual retirement account (Roth IRA) is established after the form is fully executed by both the individual (depositor) and the custodian. This account must be created in the United States for the exclusive benefit of the depositor and his or her beneficiaries.

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

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

### DEFINITIONS

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

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

### TRADITIONAL IRA FOR NONWORKING SPOUSE

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse.

Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

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## SPECIFIC INSTRUCTIONS

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**Article I** — The depositor may be subject to a six percent tax on excess contributions if (1) contributions to other individual retirement arrangements of the depositor have been made for the same tax year, (2) the depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or (3) the depositor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year.

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

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

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## **Addendum to Roth Individual Retirement Custodial Account Agreement**

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To the extent that any amount of the Account is or becomes invested in any of the Standard Guaranteed Fixed Interest Funds (i.e., the Standard Guaranteed Fixed Interest Fund III – AdvisorTrust; the Standard Guaranteed Fixed Interest Fund IV – AdvisorTrust; or the Standard Guaranteed Fixed Interest Fund R – AdvisorTrust), the terms of the Standard Fund Addendum to AdvisorTrust Custodial Agreements for Individual Accounts (the “Standard Addendum – Individual”) shall apply. A copy of the Standard Addendum – Individual is available at [www.advisortrust.com/documentlibrary](http://www.advisortrust.com/documentlibrary) or upon request from the recordkeeper of the custodial account.

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# DISCLOSURE STATEMENT

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## RIGHT TO REVOKE YOUR IRA

You have the right to revoke your Roth IRA within seven days of the receipt of the disclosure statement. If revoked, you are entitled to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the custodian at the address listed on the application.

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

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

## REQUIREMENTS OF A ROTH IRA

- A. **Cash Contributions** — Your contribution must be in cash, unless it is a rollover or conversion contribution.
- B. **Maximum Contribution** — The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$6,000 for 2019 and 2020, with possible cost-of-living adjustments each year thereafter. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of Internal Revenue Code Sections (IRC Secs.) 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRAs. Your total annual contribution to all Roth IRAs and Traditional IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.

Your Roth IRA contribution is further limited if your modified adjusted gross income (MAGI) equals or exceeds \$193,000 (for 2019) or \$196,000 (for 2020) if you are a married individual filing a joint income tax return, or equals or exceeds \$122,000 (for 2019) or \$124,000 (for 2020) if you are a single individual. Married individuals filing a joint income tax return with MAGI equaling or exceeding \$203,000 (for 2019) or \$206,000 (for 2020) may not fund a Roth IRA. Single individuals with MAGI equaling or exceeding \$137,000 (for 2019) or \$139,000 (for 2020) may not fund a Roth IRA. Married individuals filing a separate income tax return with MAGI equaling or exceeding \$10,000 may not fund a Roth IRA. The MAGI limits described above are subject to cost-of-living increases for tax years beginning after 2020.

If you are married filing a joint income tax return and your MAGI is between the applicable MAGI phase-out range for the year, your maximum Roth IRA contribution is determined as follows. (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 with MAGI of \$201,000, your maximum Roth IRA contribution for 2020 is \$3,000  $([\$206,000 \text{ minus } \$201,000] \text{ divided by } \$10,000 \text{ and multiplied by } \$6,000)$ .

If you are single and your MAGI is between the applicable MAGI phase-out for the year, your maximum Roth IRA contribution is determined as follows. (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 with MAGI of \$127,000, your maximum Roth IRA contribution for 2020 is \$4,800  $([\$139,000 \text{ minus } \$127,000] \text{ divided by } \$15,000 \text{ and multiplied by } \$6,000)$ .

- C. **Contribution Eligibility** — You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in an employer-sponsored retirement plan, other than a Traditional IRA.
- D. **Catch-Up Contributions** — If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your Roth IRA. The maximum additional contribution is \$1,000 per year.
- E. **Nonforfeitable** — Your interest in your Roth IRA is nonforfeitable.
- F. **Eligible Custodians** — The custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.
- G. **Commingling Assets** — The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- H. **Life Insurance** — No portion of your Roth IRA may be invested in life insurance contracts.
- I. **Collectibles** — You may not invest the assets of your Roth IRA in collectibles (within the meaning of IRC Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum, or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as Roth IRA investments.
- J. **Beneficiary Distributions** — Upon your death, your beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulation 1.408-8. These requirements are described below.

1. **Death of Roth IRA Owner Before January 1, 2020** — Your designated beneficiary is determined based on the beneficiaries designated as of the date of your death, who remain your beneficiaries as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your designated beneficiaries, either
- a) be distributed by December 31 of the year containing the fifth anniversary of your death, or
  - b) be distributed over the remaining life expectancy of your designated beneficiaries.

If your spouse is your sole designated beneficiary, he or she must elect either option (a) or (b) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year life expectancy payments would be required to begin. Your designated beneficiaries, other than a spouse who is the sole designated beneficiary, must elect either option (a) or (b) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (b). In the case of distributions under option (b), distributions must commence by December 31 of the year following the year of your death. Generally, if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 72 (70½ if you would have attained 70½ before 2020), if later. If a beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no designated beneficiary of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

2. **Death of Roth IRA Owner On or After January 1, 2020** — The entire amount remaining in your account will generally be distributed by

December 31 of the year containing the tenth anniversary of your death unless you have an eligible designated beneficiary or you have no designated beneficiary for purposes of determining a distribution period.

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

An eligible designated beneficiary is any designated beneficiary who is

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

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

Generally, life expectancy distributions to an eligible designated beneficiary must commence by December 31 of the year following the year of your death. However, if your spouse is the eligible designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 72, if later. If your eligible designated beneficiary is your minor child, life expectancy payments must begin by December 31 of the year following the year of your death and continue until the child reaches the age of majority. Once the age of majority is reached, the beneficiary will have 10 years to deplete the account.

If a beneficiary other than a person (e.g., your estate, a charity, or a certain type of trust) is named, you will be treated as having no designated beneficiary of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

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

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

If your beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been

taken but was not. Your beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

- K. **Waiver of 2020 RMD** — In spite of the general rules described above, no beneficiary life expectancy payments are required for calendar year 2020. In addition, if the five-year rule applies to a Roth IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2020. For example, if a Roth IRA owner died in 2017, the beneficiary's five-year period ends in 2023 instead of 2022.

## INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

- A. **Contributions Not Deducted** — No deduction is allowed for Roth IRA contributions, including transfers, rollovers, and conversion contributions.
- B. **Contribution Deadline** — The deadline for making a Roth IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar-year taxpayer and you make your Roth IRA contribution on or before your tax filing deadline, your contribution is considered to have been made for the previous tax year if you designate it as such.

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

- C. **Tax Credit for Contributions** — You may be eligible to receive a tax credit for your Roth IRA contributions. This credit may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are

- age 18 or older as of the close of the taxable year,
- not a dependent of another taxpayer, and
- not a full-time student.

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

2019 Adjusted Gross Income*			Applicable Percentage
Joint Return	Head of a Household	All Other Cases	
\$1 through 38,500	\$1 through 28,875	\$1 through 19,250	50
\$38,501 through 41,500	\$28,876 through 31,125	\$19,251 through 20,750	20
\$41,501 through 64,000	\$31,126 through 48,000	\$20,751 through 32,000	10
Over \$64,000	Over \$48,000	Over \$32,000	0

2020 Adjusted Gross Income*			Applicable Percentage
Joint Return	Head of a Household	All Other Cases	
\$1 through 39,000	\$1 through 29,250	\$1 through 19,500	50
\$39,001 through 42,500	\$29,251 through 31,875	\$19,501 through 21,250	20
\$42,501 through 65,000	\$31,876 through 48,750	\$21,251 through 32,500	10
Over \$65,000	Over \$48,750	Over \$32,500	0

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

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

1. **Removal Before Your Tax Filing Deadline.** An excess contribution may be corrected by withdrawing the excess amount, along with the earnings attributable to the excess, before your tax filing deadline, including extensions, for the year for which the excess contribution was made. An excess withdrawn under this method is not taxable to you, but you must include the earnings attributable to the excess in your taxable income in the year in which the contribution was made. The six percent excess contribution penalty tax will be avoided.

2. **Removal After Your Tax Filing Deadline.** If you are correcting an excess contribution after your tax filing deadline, including extensions, remove only the amount of the excess contribution. The six percent excess contribution penalty tax will be imposed on the excess contribution for each year it remains in the Roth IRA. An excess withdrawal under this method is not taxable to you.

3. **Carry Forward to a Subsequent Year.** If you do not withdraw the excess contribution, you may carry forward the contribution for a subsequent tax year. To do so, you under-contribute for that tax year and carry the excess contribution amount forward to that year on your tax return. The six percent excess contribution penalty tax will be imposed on the excess amount for each year that it remains as an excess contribution at the end of the year.

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

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

F. **Taxation of Distributions** — The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a nonqualified distribution.

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

- Attainment of age 59½
- Disability
- First-time homebuyer purchase
- Death

For example, if you made a contribution to your Roth IRA for 2015, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2020.

2. **Nonqualified Distributions.** If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty tax. However, when you take a distribution, the amounts you contributed annually to any Roth IRA and any military death gratuity or Servicemembers' Group Life Insurance (SGLI) payments that you rolled over to a Roth IRA, will be deemed to be removed first, followed by conversion and employer-sponsored retirement plan rollover contributions made to

any Roth IRA on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions, rollovers of your military death gratuity or SGLI payments, and your conversions and employer-sponsored retirement plan rollovers.

G. **Income Tax Withholding** — Any nonqualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

H. **Early Distribution Penalty Tax** — If you are under age 59½ and receive a nonqualified Roth IRA distribution, an additional early distribution penalty tax of 10 percent generally will apply to the amount includible in income in the year of the distribution. If you are under age 59½ and receive a distribution of conversion amounts or employer-sponsored retirement plan rollover amounts within the five-year period beginning with the year in which the conversion or employer-sponsored retirement plan rollover occurred, an additional early distribution penalty tax of 10 percent generally will apply to the amount of the distribution. The additional early distribution penalty tax of 10 percent generally will not apply if one of the following exceptions apply. **1) Death.** After your death, payments made to your beneficiary are not subject to the 10 percent early distribution penalty tax. **2) Disability.** If you are disabled at the time of distribution, you are not subject to the additional 10 percent early distribution penalty tax. In order to be disabled, a physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration. **3) Substantially equal periodic payments.** You are not subject to the additional 10 percent early distribution penalty tax if you are taking a series of substantially equal periodic payments (at least annual payments) over your life expectancy or the joint life expectancy of you and your beneficiary. You must continue these payments for the longer of five years or until you reach age 59½.

**4) Unreimbursed medical expenses.** If you take payments to pay for unreimbursed medical expenses that exceed a specified percentage of your adjusted gross income, you will not be subject to the 10 percent early distribution penalty tax. For further detailed information and effective dates you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS. The medical expenses may be for you, your spouse, or any dependent listed on your tax return. **5) Health insurance premiums.** If you are unemployed and have received unemployment compensation for 12 consecutive weeks under a federal or state program, you may take payments from your Roth IRA to pay for health insurance premiums without incurring the 10 percent early distribution penalty tax. **6) Higher education expenses.** Payments taken for certain qualified higher education expenses for you, your spouse, or the children or grandchildren of you or your spouse, will not be subject to the 10 percent early distribution penalty tax. **7) First-time homebuyer.** You may take payments from your Roth IRA to use toward qualified acquisition costs of buying or building a principal residence. The amount you may take for this reason may not exceed a lifetime maximum of \$10,000. The payment must be used for qualified acquisition costs within 120 days of receiving the distribution. **8) IRS levy.** Payments from your Roth IRA made to the U.S. government in response to a federal tax levy are not subject to the 10 percent early distribution penalty tax. **9) Qualified reservist distributions.** If you are a qualified reservist member called to active duty for more than 179 days or an indefinite period, the payments you take from your Roth IRA during the active duty period are not subject to the 10 percent early distribution penalty tax. **10) Qualified birth or adoption.** Payments from your Roth IRA for the birth of your child or the adoption of an eligible adoptee will not be subject to the 10 percent early distribution penalty tax if the distribution is taken during the one-year period beginning on the date of birth of your child or the date on which your legal adoption of an eligible adoptee is finalized. An eligible adoptee means any individual (other than your spouse's child) who has not attained age 18 or is physically or mentally incapable of self-support. The aggregate amount you may take for this reason may not exceed \$5,000 for each birth or adoption.



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

- I. **Required Minimum Distributions** — You are not required to take distributions from your Roth IRA during your lifetime (as required for Traditional and savings incentive match plan for employees of small employers (SIMPLE) IRAs). However, your beneficiaries generally are required to take distributions from your Roth IRA after your death. See the section titled *Beneficiary Payouts* in this disclosure statement regarding beneficiaries' required minimum distributions.
- J. **Rollovers and Conversions** — Your Roth IRA may be rolled over to another Roth IRA of yours, may receive rollover contributions, or may receive conversion contributions, provided that all of the applicable rollover or conversion rules are followed. Rollover is a term used to describe a movement of cash or other property to your Roth IRA from another Roth IRA, or from your employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan. Conversion is a term used to describe the movement of Traditional IRA or SIMPLE IRA assets to a Roth IRA. A conversion generally is a taxable event. The general rollover and conversion rules are summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Roth IRA-to-Roth IRA Rollovers.** Assets distributed from your Roth IRA may be rolled over to the same Roth IRA or another Roth IRA of yours if the requirements of IRC Sec. 408(d)(3) are met. A proper Roth IRA-to-Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days. Roth IRA assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA), or employer-sponsored retirement plans.

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

2. **Traditional IRA-to-Roth IRA Conversions.** If you convert to a Roth IRA, the amount of the conversion from your Traditional IRA to your Roth IRA will be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax. If you are required to take a required minimum distribution for the year, you must remove your required minimum distribution before converting your Traditional IRA.
3. **SIMPLE IRA-to-Roth IRA Conversions.** You are eligible to convert all or any portion of your existing SIMPLE IRA into your Roth IRA, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. The amount of the conversion from your SIMPLE IRA to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax. If you are required to take a required minimum distribution for the

year, you must remove your required minimum distribution before converting your SIMPLE IRA.

4. **Rollovers of Roth Elective Deferrals.** Roth elective deferrals distributed from a 401(k) cash or deferred arrangement, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan, may be rolled into your Roth IRA.
5. **Employer-Sponsored Retirement Plan-to-Roth IRA Rollovers.** You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan to your Roth IRA. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan unless it is a required minimum distribution, hardship distribution, part of a certain series of substantially equal periodic payments, corrective distributions of excess contributions, excess deferrals, excess annual additions and any income allocable to the excess, deemed loan distribution, dividends on employer securities, or the cost of life insurance coverage.

If you are conducting an indirect rollover, your eligible rollover distribution generally must be rolled over to your Roth IRA not later than 60 days after you receive the distribution. In the case of a plan loan offset due to plan termination or severance from employment, the deadline for completing the rollover is your tax return due date (including extensions) for the year in which the offset occurs.

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

Although the rollover amount generally is included in income, the 10 percent early distribution penalty tax will not apply to rollovers from eligible employer-sponsored retirement plans to a Roth IRA or inherited Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax.

6. **Beneficiary Rollovers From 401(k), 403(b), or 457(b) Eligible Governmental Plans Containing Roth Elective Deferrals.** If you are a spouse beneficiary, nonspouse beneficiary, or the trustee of an eligible type of trust named as beneficiary of a deceased 401(k), 403(b), or 457(b) eligible governmental deferred compensation plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals and their earnings to an inherited Roth IRA, as permitted by the IRS. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements.
7. **Rollovers of Military Death Benefits.** If you receive or have received a military death gratuity or a payment from the SGLI program, you may be able to roll over the proceeds to your Roth IRA. The rollover contribution amount is limited to the sum of the death benefits or SGLI payment received, less any such amount that was rolled over to a Coverdell education savings account. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in your Roth IRA.
8. **Qualified HSA Funding Distribution.** If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-

time tax-free qualified HSA funding distribution from your Roth IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.

9. **Rollovers of Settlement Payments From Bankrupt Airlines.** If you are a qualified airline employee who has received a qualified airline settlement payment from a commercial airline carrier under the approval of an order of a federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, you are allowed to roll over any portion of the proceeds into your Roth IRA within 180 days after receipt of such amount, or by a later date if extended by federal law. For further detailed information and effective dates you may obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).
  10. **Rollovers of Exxon Valdez Settlement Payments.** If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the settlement, up to \$100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to a Traditional or Roth IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including extensions) for the year in which the qualified settlement income is received to make the rollover contribution. To obtain more information on this type of rollover, you may wish to visit the IRS website at [www.irs.gov](http://www.irs.gov).
  11. **Rollover of IRS Levy.** If you receive a refund of eligible retirement plan assets that had been wrongfully levied, you may roll over the amount returned up until your tax return due date (not including extensions) for the year in which the money was returned.
  12. **Repayment of Qualified Birth or Adoption Distribution.** If you have taken a qualified birth or adoption distribution, you may generally repay all or a portion of the aggregate amount of such distribution to a Roth IRA, as permitted by the IRS. For further information, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, by visiting [www.irs.gov](http://www.irs.gov) on the Internet.
  13. **Written Election.** At the time you make a rollover or conversion to a Roth IRA, you must designate in writing to the custodian your election to treat that contribution as a rollover or conversion. Once made, the election is irrevocable.
- K. **Transfer Due to Divorce** — If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another Roth IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.
- L. **Recharacterizations** — If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions) for the year for which the original contribution was made. You may not recharacterize a Roth IRA conversion or an employer-sponsored retirement plan rollover.

## LIMITATIONS AND RESTRICTIONS

A. **Spousal Roth IRA** — If you are married and have compensation, you may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has compensation. You must file a joint income tax return for the year for which the contribution is made.

The amount you may contribute to your Roth IRA and your spouse's Roth IRA is the lesser of 100 percent of your combined eligible compensation or \$12,000 for 2019 and 2020. This amount may be increased with cost-of-living adjustments each year. However, you may not contribute more than the individual contribution limit to each Roth IRA. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

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

B. **Gift Tax** — Transfers of your Roth IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under IRC Sec. 2501.

C. **Special Tax Treatment** — Capital gains treatment and 10-year income averaging authorized by IRC Sec. 402 do not apply to Roth IRA distributions.

D. **Prohibited Transactions** — If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in IRC Sec. 4975, your Roth IRA will lose its tax-deferred or tax-exempt status, and you generally must include the value of the earnings in your account in your gross income for that taxable year. The following transactions are examples of prohibited transactions with your Roth IRA. (1) Taking a loan from your Roth IRA (2) Buying property for personal use (present or future) with Roth IRA assets (3) Receiving certain bonuses or premiums because of your Roth IRA.

E. **Pledging** — If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution and may be included in your gross income for that year.

## Other

A. **IRS Plan Approval** — Articles I through VIII of the agreement used to establish this Roth IRA have been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

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

C. **Important Information About Procedures for Opening a New Account** — To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. Therefore, when you open a Roth IRA, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

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

E. **Qualified Charitable Distributions** — If you are age 70½ or older, you may be eligible to take tax-free Roth IRA distributions of up to \$100,000

per year and have these distributions paid directly to certain charitable organizations. Special tax rules may apply. For further detailed information and effective dates you may obtain IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

F. **Disaster Related Relief** — If you qualify (for example, you sustained an economic loss due to, or are otherwise considered affected by, certain disasters designated by Congress), you may be eligible for favorable tax treatment on distributions, rollovers, and other transactions involving your Roth IRA. Qualified disaster relief may include penalty-tax free early distributions made during specified timeframes for each disaster, the ability to include distributions in your gross income ratably over multiple years, the ability to roll over distributions to an eligible retirement plan without regard to the 60-day rollover rule, and more. For additional information on specific disasters, including a complete listing of disaster areas, qualification requirements for relief, and allowable disaster-related Roth IRA transactions, you may wish to obtain IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at [www.irs.gov](http://www.irs.gov).

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

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

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

# IRA Financial Disclosure for Roth IRAs Advisor Trust



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

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

## INVESTMENT OPTIONS

You may direct the investment of your funds within this IRA into any investment instrument offered by or through the Custodian. The Custodian will not exercise any investment discretion regarding your IRA, as this is solely your responsibility.

## FEES

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

- Sales Commissions
- Investment Management Fees
- Distribution Fees
- Set Up Fees
- Annual Maintenance Fees
- Surrender or Termination Fees

To find out what fees apply, refer to the investment prospectus or contract.

There may be certain fees and charges connected with the IRA itself. These include:

- Annual Maintenance Fee of: \$40.00
- Transfer-out Fee of: \$75.00
- Distribution Fee of: \$75.00
- Recurring Distribution Fee of: \$10.00 (after 1st occurrence)
- Annual Custody/Administration Fee of: 0.15% on the value of the account
- Statement Fee of: \$3.00 per periodic account statement, plus postage as incurred, for each hard copy statement printed and mailed. (Account holder may log into the account and elect to receive statements electronically. No fees apply for statements delivered electronically.)
- Other (Explain): Additional fees may apply for additional requested services such as stop payments and reissuance of tax forms.

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

## EARNINGS

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

# Aspire IRA Terms & Conditions

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## Definitions

Except where expressly defined otherwise, the following capitalized terms will have the following meanings:

- Account: the IRA(s) established through the execution of the IRA Account Application and Agreement (or, in the case of an Auto-Rollover IRA, established through the execution of the Automatic Rollover IRA Agreement and Employer-Directed IRA Form).
- Account Holder: the person for whose benefit the Account is established through execution of the IRA Account Application and Agreement (or, in the case of an Auto-Rollover IRA, established through the execution of the Automatic Rollover IRA Agreement and Employer-Directed IRA Form).
- Aspire: Aspire Financial Services, LLC.
- Auto-Rollover IRA: an IRA account established by a fiduciary of an employer-sponsored retirement plan ("Fiduciary") for the benefit of a participant in the employer-sponsored plan for the purpose of receiving a rollover distribution from the participant's employer-sponsored plan account.
- Fees: all amounts charged by Aspire and other service providers with regard to services related to the Account.
- Incorporating Agreement: the document that incorporates and makes these Aspire IRA Terms and Conditions a part of that document by reference. In the case of an Auto-Rollover IRA, the Incorporating Agreement is typically the Automatic Rollover IRA Agreement, and in the case of other IRAs, the Incorporating Agreement is typically the IRA Account Application and Agreement. Any reference in these Aspire IRA Terms and Conditions to the Incorporating Agreement is a reference to the entire Incorporating Agreement (including any documents incorporated into the Incorporating Agreement by reference). The Incorporating Agreement sets forth the terms and conditions under which Aspire agrees to perform recordkeeping and administrative services for the Account.
- Losses: all losses, including but not limited to claims, damages, actions, demands, investment losses, costs, charges, attorneys' fees, other fees, and expenses.

## Effective Date

The terms of the Incorporating Agreement shall become effective with regard to Account Holder when Aspire takes any action to provide recordkeeping services for the Account.

## True and Correct Information

Account Holder (or Fiduciary in the case of an Auto-Rollover IRA) represents and warrants that all information he/she provides to Aspire, whether in the IRA Account Application and Agreement, on any other form or document related to the Account, or in any other method, is true and correct to the best of his/her knowledge and agrees to promptly notify Aspire of any changes to the information provided. Account Holder authorizes Aspire to use the information provided to inquire and verify information about Account Holder regarding the identity and/or creditworthiness of Account Holder as Aspire deems necessary and as permitted and/or required by law.

Aspire is authorized to release, upon a request from the issuer of an investment option in the Account, in accordance with applicable rules and regulations, Account Holder's name and necessary information to the investment option issuer so that Account Holder might receive important information about the investment option and/or its issuer.

## Directions and Instructions

Account Holder authorizes and instructs Aspire to relay directions and instructions regarding the Account to the custodian of the Account. Aspire shall be entitled to rely on any directions and instructions given to Aspire by the Account Holder or other persons and/or entities appointed by Account Holder to provide directions and instructions regarding the Account. All directions and instructions must be provided in a form and manner acceptable to Aspire. Aspire's records of a transaction shall be conclusive as to the contents of any direction or instruction related to such transaction. If Aspire does not receive any directions or instructions regarding a transaction, or if directions or instructions are ambiguous or in dispute (as determined in good faith by Aspire), then Aspire reserves the right to take no action until further clarification acceptable to Aspire is provided. Account Holder agrees to indemnify Aspire and hold Aspire harmless with regard to any Loss that may occur as a result of the failure to provide directions and instructions in accordance with procedures established by Aspire, directions or instructions that are ambiguous or in dispute, and Aspire's exercise of its right to take no action until Aspire has received further clarification acceptable to Aspire.

## Account Monitoring

Account Holder is solely and exclusively responsible for reviewing all information related to the Account, and promptly reporting to Aspire any errors in information related to the Account. Information related to the Account will include, but is not limited to, all Account Holder information, contributions, transactions, beneficiary designations, fee assessments, dividend reinvestments, Account statements, confirmation statements, and the allocation and investment of all contributions and assets. Account Holder is deemed to be in agreement with, and have no objection to, any information provided by Aspire to the extent that Account Holder did not notify Aspire of any error within sixty (60) days of the information being provided by Aspire.

**No Advice**

Aspire does not provide any tax, legal, or investment advice. Account Holder may contract with other persons and/or entities for tax, legal, investment advice, and/or other services related to the Account. Aspire does not endorse any service providers or any products or services offered by any non-Aspire service providers. Account Holder is solely and exclusively responsible for the selection and monitoring of any such service providers and for any actions or inactions made in reliance on such service providers' products or services. The Account Holder represents that his or her independent judgment, or the judgment of someone other than Aspire, will serve as the primary basis for investment decisions with respect to the Account.

**Investment Decisions**

While Account Holder may contract with other persons and/or entities for services related to the Account, between Aspire and Account Holder, Account Holder is solely and exclusively responsible for all investment decisions related to the Account including, but not limited to, whether to buy or sell a particular investment option. Aspire has no responsibility or obligation to review investment instructions from Account Holder (or his/her authorized agent, if applicable) or to make any determination as to whether a particular transaction, strategy, purchase, or sale is suitable for Account Holder. Investment instructions will be processed either as soon as administratively practicable or, if later, on the scheduled date for processing. Between Aspire and Account Holder, Account Holder is solely and exclusively responsible for monitoring the assets in the Account and for instructing Aspire to make any changes Account Holder deems appropriate. Account Holder agrees to indemnify Aspire and hold Aspire harmless with regard to any Loss arising out of investment decisions and related instructions or a failure to provide instructions.

Account Holder (or Fiduciary, in the case of an Auto-Rollover IRA) represents and warrants that he/she has received and read the prospectus (or, in the case of an investment option that does not issue a prospectus, all applicable comparable information) for all investment options in which he instructs Aspire to invest Account contributions or assets and deems these investment options suitable for the Account Holder's investment purposes.

**Tax Implications and Compliance**

While Account Holder may contract with other persons and/or entities for services related to the Account, between Aspire and Account Holder, Account Holder is solely and exclusively responsible for all tax implications related to the Account including, but not limited to, contribution limits to the Account, tax deductibility of any contributions to the Account, and taxability of any distributions from the Account. Between Aspire and Account Holder, Account Holder is solely and exclusively responsible for determining whether any direction or instruction provided to Aspire would cause a prohibited transaction under section 4975 of the Internal Revenue Code of 1986, as amended. Between Aspire and Account Holder, Account Holder is solely and exclusively responsible for maintaining the five-year aging date(s) and related Internal Revenue Service (IRS) reporting information for qualified Roth distributions. Between Aspire and Account Holder, Account Holder is solely and exclusively responsible for ensuring that all transactions in the Account comply with all tax and other applicable laws and regulations and with any restrictions specific to the investment options in the Account. Account Holder agrees to indemnify and hold Aspire harmless with regard to any Loss arising out of any matters described above or otherwise related to tax law or other applicable laws.

**Fees**

Account Holder authorizes and instructs Aspire to assess fees and expenses against the Account, as described in the Incorporating Agreement. Further, if the Account Holder elects to obtain products or services from a Financial Professional, Investment Strategist, and/or other service providers with regard to the Account, Account Holder authorizes and instructs Aspire to assess the fees for those products or services against the Account. In the case of SEP and SIMPLE IRAs, the employer sponsoring the plan may have contracted with third parties for services to the plan. Aspire may pay a portion of the third parties' fees, but to the extent that any amount of the third parties' fees that is not paid by the sponsoring employer exceeds any amount paid by Aspire, Account Holder authorizes and instructs Aspire to assess the remaining amount against the Account.

Account Holder authorizes and instructs Aspire to sell sufficient shares of the investment options held in the Account, on a pro rata basis, to satisfy all fees assessed against the account without notice to, or further instruction or authorization from, Account Holder at the time of fee assessments. Account Holder agrees to indemnify Aspire and hold Aspire harmless with regard to any Losses related to the assessment of fees against the Account.

Account Holder acknowledges and agrees that, in addition to the Aspire fees that are assessed against the Account, in some circumstances, Aspire receives compensation from certain mutual funds, mutual funds' affiliates, and other third parties in consideration for services that Aspire provides, including but not limited to the administration of Account Holder statements and confirmations; maintaining fund accounting at the Account Holder level; transmitting and recording purchase and redemption instructions for mutual funds; transaction settlements; prospectus and fact sheet delivery; and Account Holder call center services. These amounts are paid to Aspire by the third party, not by the Account Holder (and not by the employer or employer-sponsored plan in the case of a SIMPLE or SEP IRA). The amount of this compensation may vary by investment option, but is generally an annual fee of between 0.00% and 0.25% of the amount invested (if based on asset value) or between \$10.00 and \$12.00 per account (if based on the number of accounts).

Account Holder acknowledges and agrees that, in addition to any amounts paid to the entity serving as custodian from the Custody/Administration Fee and/or the Account Maintenance Fee, the custodian for the Account and/or its affiliates may earn income and/or retain interest earned on amounts awaiting investment and/or pending distribution from the Account. The custodian is entitled to retain these amounts as part of its compensation for services to the account. These amounts are not and do not become part of the Account or applicable trust.

**Account Access**

Aspire may make access to the Account available to Account Holder through multiple methods including online access to the Account. Access to the Account will require the Account Holder to provide certain information to validate his/her identity, such as a username and password.

Account Holder is solely and exclusively responsible for maintaining the security and confidentiality of Account Holder's username and password and any other identifying information. When such information is used to access the Account, Aspire may rely on the provision of this information as proof of Account Holder's identity without further inquiry or verification. Account Holder agrees to promptly notify Aspire of any access to Account Holder's username and/or password by any other person and/or of any unauthorized access to the Account. Account Holder agrees to indemnify Aspire and hold Aspire harmless with regard to any Loss related to unauthorized Account access where Aspire used the procedures described above to verify the Account Holder's identity.

**Privacy**

Aspire's Privacy Statement explains how Aspire collects and protects Account Holder's information. The terms of Aspire's Privacy Statement is incorporated into this Aspire IRA Terms and Conditions by reference.

**ACH Authorization**

To the extent that Account Holder elects to fund the Account by ACH or other transfers from a bank account, Account Holder authorizes and instructs Aspire and the applicable bank to initiate credit or debit entries to the Account and applicable bank account and to take other steps as necessary to implement Account Holder's elections. Account Holder acknowledges and agrees that this authorization may be revoked only by providing Aspire and the applicable bank with signed, written notice and that revocation of this authorization will only be effective after Aspire and any applicable bank has had opportunity to act upon it.

**Closing the Account**

Account Holder may close the Account at any time, for any reason, by notifying Aspire in writing. Aspire may close an Account with a \$0.00 balance. Despite closure of the Account, Account Holder remains responsible for all transactions and fees initiated or authorized with regard to the Account, whether such transactions and fees arose before or after the Account is closed. Final disbursement of Account assets may be delayed until any outstanding issues have been resolved.

**Availability**

Aspire does not guarantee that all methods of Account access will be available at a particular time. Various methods of Account access may be limited or unavailable during periods of peak demand, market volatility, system upgrades, or other times. Online access to the Account is provided "as is" and "as available."

**DISCLAIMER OF WARRANTIES**

NEITHER Aspire, NOR ANY THIRD PARTY, MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY OF THE PRODUCTS OR SERVICES PROVIDED IN CONNECTION WITH THE ACCOUNT. IN NO EVENT WILL Aspire OR ANY THIRD PARTY BE LIABLE FOR DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY DEFECT IN OR USE OF THESE PRODUCTS OR SERVICES.

**LIMITS ON LIABILITIES**

ALTHOUGH Aspire STRIVES TO ENSURE THE QUALITY AND RELIABILITY OF Aspire's SERVICES, NEITHER Aspire NOR ANY THIRD PARTY WHOSE SERVICES Aspire MAKES AVAILABLE (INCLUDING BUT NOT LIMITED TO THE THIRD PARTY CUSTODIAN), IS RESPONSIBLE FOR THE AVAILABILITY, ACCURACY, TIMELINESS, COMPLETENESS, OR SECURITY OF ANY SERVICE RELATED TO THE ACCOUNT. ACCOUNT HOLDER ACKNOWLEDGES AND AGREES THAT Aspire IS NOT RESPONSIBLE FOR ANY LOSSES ACCOUNT HOLDER INCURS AS A RESULT OF ANY OF THE FOLLOWING: (1) CANCELLATION OF AN ACCEPTED TRADE IN WHICH Aspire REASONABLY DETERMINES, IN ITS SOLE DISCRETION, THAT THERE WAS A DATA, CLERICAL, OR OTHER SIMILAR ERROR IN THE HANDLING OR PROCESSING OF THE TRADE, INCLUDING BUT NOT LIMITED TO A SITUATION WHERE A THIRD PARTY CAUSED SUCH ERROR; (2) THE ACCEPTANCE AND PROCESSING OF ANY ORDER PLACED ON THE ACCOUNT, WHETHER RECEIVED ELECTRONICALLY OR THROUGH OTHER MEANS, AS LONG AS THE ORDER REASONABLY APPEARS TO BE AUTHENTIC; (3) INVESTMENT DECISIONS OR INSTRUCTIONS PLACED ON THE ACCOUNT OR OTHER SUCH ACTIONS ATTRIBUTABLE TO THE ACCOUNT HOLDER OR AN AUTHORIZED PERSON; (4) OCCURRENCES RELATED TO GOVERNMENTS OR MARKETS, SUCH AS RESTRICTIONS, SUSPENSIONS OF TRADING, OR HIGH MARKET VOLATILITY OR TRADING VOLUMES; (5) UNCONTROLLABLE CIRCUMSTANCES IN THE WORLD AT LARGE, SUCH AS WARS, EARTHQUAKES, POWER OUTAGES, OR UNUSUAL WEATHER CONDITIONS; (6) OCCURRENCES RELATED TO COMPUTERS AND COMMUNICATIONS, SUCH AS A NETWORK OR SYSTEMS FAILURE, A MESSAGE INTERCEPTION, OR AN INSTANCE OF UNAUTHORIZED ACCESS OR BREACH OF SECURITY; (7) WITH RESPECT TO ELECTRONICALLY PROVIDED MARKET DATA OR OTHER INFORMATION PROVIDED BY THIRD PARTIES, ANY FLAW IN THE TIMING, TRANSMISSION, RECEIPT, OR SUBSTANCE (SUCH AS INACCURACY, ERROR, DELAY, OMISSION, OR SEQUENCE ERROR, ANY NONPERFORMANCE, OR ANY INTERRUPTION OF INFORMATION), REGARDLESS OF WHO OR WHAT CAUSED IT TO OCCUR; (8) THE STORAGE AND USE OF INFORMATION ABOUT ACCOUNT HOLDER AND ACCOUNT BY Aspire's SYSTEMS AND TRANSMISSION OF THIS INFORMATION BETWEEN ACCOUNT HOLDER AND Aspire.

IN NO EVENT WILL Aspire BE LIABLE TO ACCOUNT HOLDER (OR FIDUCIARY IN THE CASE OF AN AUTO-ROLLOVER IRA) OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE PERFORMANCE OR BREACH OF THE INCORPORATING AGREEMENT OR FOR DAMAGES THAT EXCEED THE AMOUNT OF Aspire's FEES ASSESSED AGAINST THE ACCOUNT WITHIN THE PRECEDING TWO YEARS.

**Indemnification**

In addition to any other indemnification obligation referred to elsewhere in the Incorporating Agreement, Account Holder (or Fiduciary in the case of an Auto-Rollover IRA) agrees to indemnify Aspire and hold Aspire harmless with regard to any Loss arising out of any breach by Account Holder or Account Holder's agent (or, Fiduciary/Fiduciary's agent in the case of an Auto-Rollover IRA) of the Incorporating Agreement, or any provision thereof.

**ARBITRATION**

ANY AND ALL DISPUTES ARISING OUT OF OR IN CONNECTION WITH THE INCORPORATING AGREEMENT OR THE ACCOUNT SHALL BE SOLELY AND FINALLY SETTLED BY BINDING ARBITRATION WITH AN ARBITRATOR EXPERIENCED IN APPLICABLE TRANSACTIONS IN ACCORDANCE WITH THE COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("RULES"), PROVIDED, HOWEVER, THAT IN THE EVENT OF A CONFLICT BETWEEN THE RULES AND THE TERMS OF THE INCORPORATING AGREEMENT, THE TERMS OF THE INCORPORATING AGREEMENT SHALL GOVERN.

ARBITRATION SHALL BE IN TAMPA, FLORIDA. TO COMMENCE ARBITRATION OF ANY SUCH DISPUTE, THE PARTY DESIRING ARBITRATION SHALL NOTIFY THE OTHER PARTY IN WRITING IN ACCORDANCE WITH THE RULES. IN THE EVENT THAT THE PARTIES FAIL TO AGREE ON THE SELECTION OF AN ARBITRATOR WITHIN FIFTEEN (15) DAYS AFTER THE DELIVERY OF SUCH NOTICE, THE ARBITRATOR SHALL BE SELECTED BY THE AMERICAN ARBITRATION ASSOCIATION UPON THE REQUEST OF EITHER PARTY.

THE PARTIES AGREE THAT THE AWARD OF THE ARBITRATOR SHALL BE THE SOLE AND EXCLUSIVE REMEDY BETWEEN THEM REGARDING ANY CLAIMS, COUNTERCLAIMS, OR ISSUES PRESENTED TO THE ARBITRATOR. THE PARTIES AGREE THAT THE AWARD OF THE ARBITRATOR SHALL BE BINDING, FINAL, AND SUBJECT TO NO JUDICIAL REVIEW. JUDGMENT ON THE ARBITRATION AWARD MAY BE ENTERED AND ENFORCED IN ANY COURT HAVING JURISDICTION OVER THE PARTIES OR THEIR ASSETS.

EXCEPT AS PROVIDED HEREIN, EACH PARTY SHALL EACH BE RESPONSIBLE FOR HIS/HER/ITS OWN EXPENSES (INCLUDING LEGAL AND OTHER FEES) INCURRED IN THE COURSE OF ANY ARBITRATION PROCEEDINGS. THE FEES AND COSTS OF THE ARBITRATOR SHALL BE DIVIDED EVENLY BETWEEN THE PARTIES.

**Right to Modify**

Aspire may terminate the Incorporating Agreement at any time. Aspire may amend the Incorporating Agreement and these Aspire IRA Terms and Conditions pursuant to notice to and consent from the Account Holder. The Account Holder will be deemed to have consented to such amendment unless, within thirty (30) days from the date of notice of the amendment, the Account Holder closes the Account by (a) requesting a distribution of the Account to the Account Holder (which may subject the Account Holder to taxes and penalties) or (b) transferring the Account to another financial organization. Such Aspire amendments may include changing, dropping, or adding fees and/or policies; changing, dropping, or adding features, services, and/or the third party entities that provide such features or services; limiting the usage or availability of any features or services within the limits of applicable laws and regulations. Except for changes originating in these ways, no provision of the Incorporating Agreement may be amended or waived except in writing signed by an authorized representative of Aspire.

**Notices**

All notices required or allowed under the Incorporating Agreement will be considered sufficient if written and sent by U.S. Mail to the last address of the party to be notified (or such other address as the party may provide from time to time for such notices).

**Assignment**

Aspire may transfer its interest in the Account and/or in the Incorporating Agreement to any of its successors and assigns, whether by merger, consolidation, or otherwise. Account Holder may not transfer his/her/its interests in the Account or in the Incorporating Agreement except with the prior written approval of Aspire or through inheritance, divorce, or similar circumstances as allowed by law, in which case, any rights and obligations in existence at the time will accrue to, and be binding upon Account Holder's heirs, executors, administrators, successors, or assigns (each of which referred to as a "Transferee"). Aspire may enforce the Incorporating Agreement against Account Holder or any Transferee.

**No Waiver**

Regardless of whether Aspire consistently enforces certain provisions of the Incorporating Agreement, Aspire retains full rights to do so at any time.

**Entire Agreement**

The Incorporating Agreement, including all incorporated portions, constitutes the entire agreement between the parties with regard to the Account and supersedes all prior agreements, written or oral.

**Severability**

If any provision of the Incorporating Agreement is held invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and shall be interpreted, to the extent possible, to achieve the purposes as originally expressed with the invalid, illegal or unenforceable provisions. Each provision of the Incorporating Agreement is intended to be severable and the validity, legality or enforceability of any provisions of the Incorporating Agreement shall not affect the validity, legality or enforceability of the remainder hereof.



**Section Headings**

All section headings are inserted only for convenience of reference and are not to be considered in the interpretation or construction of these Aspire IRA Terms and Conditions or of the Incorporating Agreement.

**Force Majeure**

If the performance of the Incorporating Agreement or any obligation therein is prevented, restricted, or interfered with by reason of acts of God or other forces beyond the reasonable control of the affected party, the affected party shall be excused from such performance to the extent of such prevention, restriction, or interference, provided that the affected party uses its best efforts to avoid or eliminate the causes of nonperformance and continues to perform as soon as such causes are avoided or eliminated.

**Governing Law**

The Incorporating Agreement shall be construed and enforced in accordance with the laws of the State of Florida and United States federal law, to the extent applicable, irrespective of the principal place of business, residence, or domicile of the parties, and without giving effect to otherwise applicable principles of conflicts of law.

Transactions in the Account may also be subject to the rules and customs of the marketplaces where they are executed. Online services, including online access to the Account, is also subject to any applicable terms of use, license agreements, or other similar governing documents made available online with the online services.

**Jurisdiction and Venue**

Subject to the arbitration provisions included herein, exclusive venue for any action permitted shall be solely in an appropriate federal or state court located in Hillsborough County, Florida. The parties irrevocably consent to such jurisdiction and venue and waive all defenses inconsistent herewith.

**Validity of Electronic Copies**

Aspire may use the electronically stored copies of signatures, any written instructions or authorizations, the Incorporating Agreement, and any other forms, documents, or paperwork related to the Account as the true, complete, valid, authentic, and enforceable record, admissible in judicial, administrative, or arbitration proceedings, to the same extent as if the item was originally generated and maintained in its printed form. The parties agree not to contest the admissibility or enforceability of electronically stored copies in any proceeding.