TRADITIONAL IRA
CUSTODIAL AGREEMENT & DISCLOSURE STATEMENT

Form 5305-A
(Rev. April 2017)
Department of the Treasury
Internal Revenue Service
TKTC Revised 05/18/2021

Traditional Individual Retirement Custodial Account
(Under Section 408A of the Internal Revenue Code)

The Applicant/Depositor named on the first page of this Application and Custodial Agreement is establishing a Traditional Individual Retirement Account (hereinafter "IRA") under Section 408 of the Internal Revenue Code (26 USC 408) to provide for his or her retirement and for the support of his or her beneficiaries after the applicant's death.

By executing the Application, the Applicant/Depositor acknowledges that he or she has named The Kingdom Trust Company (hereinafter "Kingdom" or "custodian") as the custodian for his or her IRA and has received from Kingdom, the following Custodial Agreement and Disclosure Statement required by Treasury Regulation 1.408-6 and that he or she has read and understood the same.

Applicant/Depositor and the custodian do hereby agree as follows:

ARTICLE I

1.01 Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the custodian will accept only cash contributions up to $6,000 per year for 2019 through 2021. For individuals who have reached the age of 50 by the end of the year, the contribution limit is $7,000 per year for 2019 through 2021. Future contribution limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

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

ARTICLE III

3.1 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)).

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

ARTICLE IV

4.1 Notwithstanding any provision of this agreement to the contrary, the distribution of the depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations there under, the provisions of which are herein incorporated by reference.

4.2 The depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the depositor's required beginning date, April 1following the calendar year in which the depositor reaches age 70 ½ or 72 (see 4.4 below). By that date, the depositor may elect, in a manner acceptable to the custodian, to have the balance in the custodial account distributed in:

(a) A single sum; or

(b) Payments over a period not longer than the life of the depositor or the joint lives of the depositor and his or her designated beneficiary.

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

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

(i) the designated beneficiary is the depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy, as determined each year until such spouse's death, or over the period in paragraph 4.03(a)(iii) below, if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph 4.03(a)(iii) below, over such period.

(ii) the designated beneficiary is not the depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the depositor and reduced by 1 for each subsequent year, or over the period in paragraph 4.03(a)(iii) below if longer.

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

(b) If the depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:

(i) The remaining interest will be distributed in accordance with paragraphs 4.03 (a)(i) and 4.03 (a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), starting by the end of the calendar year following the year of the depositor's death. If, however, the designated beneficiary is the depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the depositor would have reached age 70 ½ or 72 (see 4.4 below). But, in such case, if the depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with paragraph 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with 4.03(b)(ii) below if there is no such designated beneficiary.

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

4.4 If the depositor dies before his or her entire interest has been distributed and if the designated beneficiary is other than the depositor's surviving spouse, no additional contributions may be accepted in the account.

If the Applicant/Plan Participant has reached age 70 1/2 prior to December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 70 1/2 , distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. If the Applicant/Plan Participant has reached age 72 after December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 72, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. However, in either event, no payment will be made until the Applicant/Plan Participant provides the Custodian with a proper distribution request in form and substance acceptable to the Custodian. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account. Upon receipt of such distribution request, the Applicant/Plan Participant may switch to a joint life expectancy in determining the required minimum distribution if the Applicant/Plan Participant's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Applicant/Plan Participant.

4.5 The owner of two or more Traditional IRAs may satisfy the minimum distribution requirements described above by taking from one Traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

ARTICLE V

5.1 The depositor agrees to provide the custodian with all information necessary to prepare any reports required by section 408(i) and Regulation sections 1.408-5 and 1.408-6.

5.2 The custodian agrees to submit to the Internal Revenue Service (IRS) and depositor the reports prescribed by the IRS.

ARTICLE VI

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

ARTICLE VII

7.01 This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the adoption agreement.

ARTICLE VIII

8.1 Applicable Law: This custodial agreement is subject to all applicable Federal Statutes and Regulations and shall be governed by and construed under all applicable Statutes and regulations of the state of South Dakota.

If any provision of this custodial agreement is determined to be invalid or illegal, those provisions shall be stricken, and the remaining provisions shall remain fully enforceable. A failure to enforce any of the provisions of this agreement by either you or custodian shall not be construed as a waiver of such provisions or of any right to enforce such provisions thereafter.

Any suit filed against custodian arising out of or in connection with this custodial agreement shall only be instituted in the Federal District Court for the District of South Dakota, Southern Division in Sioux Falls, South Dakota or, lacking Federal Jurisdiction, in the county courts of Minnehaha County, South Dakota in Sioux Falls, South Dakota where custodian maintains its principal place of business and you agree to submit to such jurisdiction both in connection with any such suit you may file and in any such suit custodian may file against you.

8.2 Annual Accounting: The custodian shall, at least annually, provide the depositor or beneficiary (in the case of depositor's death) with an accounting of such depositor's account. Such accounting shall be deemed to be accepted by the depositor or the beneficiary, if the depositor or beneficiary does not object in writing within 60 days after the mailing of such accounting statement. This annual accounting may be delivered electronically.

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

8.4 Resignation and Removal of the Custodian:

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

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

(c) The Custodian may resign and demand that the Depositor appoint a successor Trustee or Custodian of this IRA by giving the Depositor written notice at least 30 days prior to the effective date of such resignation. The Depositor shall then have 30 days from the date of such notice to designate a successor Trustee or Custodian, notify the Custodian of the name and address of the successor Trustee or Custodian, and provide the Custodian with appropriate evidence that such successor has accepted the appointment and is qualified to serve as Trustee or Custodian of an Individual Retirement Account under the Internal Revenue Code.

(i) If the Depositor designates a successor trustee or custodian and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor Trustee or Custodian, subject to 8(b) above.

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

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

8.5 Fees and Expenses:

(a) The Depositor agrees to pay the any and all fees specified in the fee schedule published by Kingdom Trust as in effect and as modified from time to time for establishing and maintaining this IRA, including but not limited to any Custodian fees, and fees for distributions from, transfers to or from, and terminations of this IRA. Kingdom Trust may change the fee schedule at any time by giving the depositor 30 days prior written notice.

(b) The Depositor agrees to pay any expenses incurred by the Custodian in the performance of its duties in connection with the account. Such expenses include, but are not limited to, administrative expenses, such as legal and accounting fees, a valuation fee from a qualified independent third party appraiser, and any taxes of any kind whatsoever that may be levied or assessed with respect to such account.

(c) All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the depositor by the due date for same, but the depositor shall be responsible for any deficiency. To effectuate this clause 8.5, depositor does hereby authorize the Custodian to liquidate such assets as are required to satisfy any delinquency caused by depositor’s failure to pay any fee by due date for the same.

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

8.6 Withdrawal Requests: All requests for withdrawal shall be in writing and in form and substance acceptable to Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested. Custodian shall also have the right to reject any withdrawal request it may deem appropriate and to apply to a court of competent jurisdiction to make a determination with respect to the proper party eligible to receive a distribution from the account and to charge the custodial funds and/or the Depositor for any expenses incurred in obtaining such legal determination, including attorneys' fees.

8.7 Required Minimum Distributions: If the Depositor has reached age 70 1/2 prior to December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Depositor reaches age 70 1/2 , distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. If the Depositor has reached age 72 after December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Depositor reaches age 72 , distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. However, in either event, no payment will be made until the Depositor provides the Custodian with a proper distribution request in form and substance acceptable to the Custodian. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account. Upon receipt of such distribution request, the Depositor may switch to a joint life expectancy in determining the required minimum distribution if the Depositor's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Depositor.

8.8 Death Benefit Default Provisions:

(a) If the Depositor dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the designated beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides Custodian with a proper distribution request in form and substance acceptable to Custodian and other documentation that may be required by Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the custodial account. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

(b) If the Depositor dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03 (a). However, no payment will be made until the beneficiary provides custodian with a proper distribution request in form and substance acceptable to Custodian and other documentation that may be required by Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the custodial account. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

8.9 Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002: Unless the Custodian provides otherwise, if a Depositor (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.

8.10 Responsibilities: Depositor agrees that all information and instructions given by the depositor is complete and accurate and that the custodian shall not be responsible for any incomplete or inaccurate information provided by the depositor, the depositor's beneficiary(ies) or the account designated representative (as described below and in the Traditional IRA adoption agreement). Depositor, on behalf of the depositor and the depositor's beneficiary(ies), agrees to be responsible for all tax consequences arising from contributions to and distributions from this custodial account (including but not limited to all interest, penalties and penalty taxes), and acknowledges that no tax advice has been or will be provided by the custodian.

8.11 Designation of Beneficiary:

(a) Except as may be otherwise required by State law, in the event of the Depositor's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Depositor on a beneficiary designation form acceptable to and filed with Custodian. The Depositor may change the Depositor's beneficiary or beneficiaries at any time by filing a new beneficiary designation with Custodian. If no acceptable beneficiary designation is in effect, if none of the named beneficiaries survive the Depositor, or if Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Depositor's estate.

(b) In the event of the Depositor's death, any beneficiary may name a subsequent beneficiary or beneficiaries to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a subsequent beneficiary designation form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event may any subsequent beneficiary, be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies), if any, designated by the original spouse beneficiary where the Depositor dies before his or her required beginning date and his/her spouse was named as beneficiary. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

ARTICLE IX
SELF-DIRECTED IRA PROVISIONS

9.1 Investment of Contributions: In accordance with instructions given to the Custodian, the Custodian shall invest and reinvest all contributions to the account and earnings thereon as directed by the Depositor (or the direction of the beneficiary(ies) upon the Depositor's death) in investments that the Custodian, at Custodian's sole discretion, determines it can feasibly administer, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the custodian), options, mutual funds, common trust funds or other common investment funds that qualify under Section 408(b)(5) (including without limitation qualifying pooled custodial accounts and pooled custodial funds), certificates of deposit, real estate, real estate contracts, mortgages, leases, mortgage notes, debentures, individually negotiated debt instruments, promissory notes, private equity investments in closely held businesses, tax liens and tax anticipation warrants, deeds of trust, and other public, private or alternative investments that the Custodian determines it can feasibly administer, in such amounts as are specifically selected and specified by the Depositor in orders to the Custodian in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment or IRA investment or even if such investment will result in a prohibited transaction, unrelated business taxable income ("UBTI") or a reportable transaction. In addition, the account designated representative (as described below and in the Traditional IRA adoption agreement) may give the Custodian directions to have the Custodian buy, sell or reinvest public securities, digital assets and investments that are traded on a recognized exchange or ”over the counter" (excluding any securities issued by the custodian). The account designated representative may not direct the Custodian with regard to any alternative or private investments. The Custodian shall be responsible only for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received in a form acceptable to the Custodian as required, or, if received, are unclear or administratively unfeasible in the sole opinion of the Custodian, all or a portion of the account may be held in its current investments or remain un-invested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification as are acceptable to the Custodian in its sole discretion, or if a new contribution, the contribution may be returned. The Custodian may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing investment funds. The Custodian shall have no duty other than to follow the written investment directions of the Depositor, which duty shall be subject to the other terms and conditions of this agreement. The Custodian shall be under no duty to question said instructions and shall not be liable for any investment losses or adverse tax consequences of any kind whatsoever sustained by the Depositor. In addition, the Custodian reserves the right to not follow a direction or process any investment for administrative or cost related reasons. Execution of Depositor's instructions or refusal to execute same does not constitute investment advice or an opinion by the Custodian as to the investment's prudence or viability. Depositor agrees that the Custodian shall have no discretionary power, authority or control with respect to the management, investment or disposition of the Depositor's assets or any discretionary authority with regard to the management of the Depositor's account. Depositor agrees and acknowledges that Custodian is not a fiduciary with respect to the depositor, the Depositor's account or any investment.

9.2 Registration: All assets of the account shall be registered in the name of the Custodian or of a suitable nominee. The same nominee may be used with respect to assets of other investors or other custodians, whether or not held under agreements similar to this one or in any capacity whatsoever. However, each Depositor's account shall be separate and distinct; a separate account therefore shall be maintained by the Custodian, and evidence of the assets thereof shall be held by the Custodian in individual or bulk segregation either in the Custodian's vaults, whether owned or leased by Custodian or, in the case of marketable securities, in depositories approved by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

9.3 Account Designated Representative/Investment Advisor: The Depositor may appoint an account designated representative who may, but is not required to be, an investment advisor qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of his/her IRA. The Depositor shall notify the Custodian in writing of any such appointment. If the account designated representative is an investment advisor, then the Depositor shall provide the Custodian a copy of the instruments appointing the investment advisor and evidencing the investment advisor's acceptance of such appointment, an acknowledgment by the investment advisor that the investment advisor is a fiduciary of the account, and a certificate evidencing the investment advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to the Custodian by the account designated representative, but only with regard to public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), and will do so until the Custodian receives written notification from the Depositor that the account designated representative's appointment has been terminated. The Custodian shall have no duty other than to follow the written investment directions of such account designated representative subject to the provisions of this Agreement, shall be under no duty to question said instructions, and shall not be liable for any investment losses or adverse tax consequences sustained by the Depositor.

9.4 No Investment Advice: Custodian shall have no responsibility for rendering advice with respect to the investment and reinvestment of Depositor's account and shall not be liable for any loss which result from Depositor's exercise of control over his/her account. Depositor shall have and exercise exclusive responsibility for control over all the investment decisions concerning the assets of his/her account, and the Custodian shall have no duty to question his/her investment directives. Custodian reserves the right, in its sole discretion, to deny any investment direction that it cannot feasibly administer, which is violative of Custodian’s policy or which might result in a violation of Federal, State or Local laws. Depositor hereby agrees that the exercise of such right shall not be construed as Custodian providing investment or legal advice.

9.5 Prohibited Transactions: Notwithstanding anything contained herein to the contrary, the Depositor shall not direct the Custodian to engage in or make any investment that Depositor knows or should know involves or facilitates any criminal activity, nor shall the Depositor direct the Custodian to lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to the Depositor, any member of Depositor's family, or any entity controlled by Depositor through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of ownership entitled to vote, or of 50 percent or more of the total value of all ownership interests of such entity. Generally, if a Depositor engages in or directs the engagement in a prohibited transaction as described in Section 4975 of the Code, the Depositor's account ceases to be an IRA as of the first day of the year in which the prohibited transaction takes place, and the account is treated as having distributed all its assets to the depositor or beneficiary at their fair market values on the first day of that year which may result in taxes and penalties. Depositor hereby agrees to be solely responsible for determining and avoiding prohibited transactions and reportable events and will indemnify and hold Custodian harmless should Depositor engage in a prohibited transaction or other transaction described in this paragraph.

9.6 Unrelated Business Taxable Income ("UBTI"): Investments may generate taxable income within the IRA account, referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all IRA accounts and may be taxable to the IRA account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS. If the Depositor directs investment of the account in any investment which results in unrelated business taxable income, it shall be the responsibility of the Depositor to so advise the Custodian and to provide the Custodian with all forms necessary to file any required returns or reports for the account. All forms, returns and reports must be completed by the Depositor and delivered in a timely manner to Custodian for signature and filing. In such instances, the IRS requires that a Form 990-T be filed for the IRA account along with the appropriate amount of tax.

The Depositor, by signing this agreement, understands the Custodian:

1. does not make any determination of UBTI;
2. does not monitor whether the account has UBTI; and
3. does not prepare Form 990-T or other necessary forms, returns or reports.

Therefore, the Depositor must monitor UBTI for this and any other IRA account which he/she may hold and prepare, or have prepared at their expense, the proper 990-T tax form, along with any other necessary forms, returns or reports and forward it to Custodian for signatures and filing, along with authorization to pay any tax due from the IRA account.

9.7 Disclosures and Voting: The Custodian shall deliver to Depositor, or cause to be executed and delivered to Depositor all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of written instructions from Depositor that the Custodian, in its sole discretion, finds to be adequate.

9.8 Miscellaneous Expenses: In addition to those expenses set out in Article VIII, section 8.5 of this plan, the Depositor agrees to pay any and all expenses incurred by the Custodian in connection with the account, including, but not limited to, expenses of valuation of account assets, tax payments, and filing of any returns and reports with regard to UBTI. Moreover, all estimated taxes, together with any transfer and other taxes, including any interest and penalties thereon, as well as any expenses incurred in connection with the investment or reinvestment of the assets of the account shall be paid by the Depositor. The Custodian may, at the Depositor's expense, retain suitable accountants, attorneys, or other agents to advise and assist the custodian in performing their respective duties under this agreement.

9.9 Indemnification of Custodian: To the extent not prohibited by Federal or State law, the depositor agrees to indemnify and hold harmless Kingdom Trust, its respective subsidiaries and administrators, officers, directors, managers, members, representatives, agents, employees, affiliates, successors and assigns from and against any and all claims, demands, liabilities, damages, costs, expenses, attorneys' fees, payments and assessments arising in connection with the depositor or the depositor's IRA or which may result from any good faith actions, errors or omissions and from following or attempting to follow any directions of the depositor (or the beneficiary(ies), or an account designated representative), and further agrees that the custodian shall not be subject to margin calls or have any other obligation to extend credit or otherwise disburse payment beyond the cash balance of depositor's account for any reason whatsoever.

General Instructions - Section references are to the Internal Revenue Code unless otherwise noted. Regulation references are to U.S. Treasury Regulations.

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

Do not file Form 5305-A with the IRS. Instead, keep it with your records. For more information on IRAs, including the required disclosures the custodian must give the depositor, see **Pub. 590-A**, Contributions to Individual Retirement Arrangements (lRAs), 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. The term custodian includes Kingdom Trust and any successor thereto who serves under this custodial agreement.

Depositor: The depositor is the person who establishes the custodial account. The term depositor also includes the depositor's beneficiary(ies) in the case of the depositor's death.

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

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

Specific Instructions -

Article IV: Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the depositor reaches age 70 ½ or 72 (See Article 4.4 above) to ensure that the requirements of section 408(a)(6) have been met.

Article VIII: Article VIII and any that follow it may incorporate additional provisions that are agreed to by the depositor and the 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.

TRADITIONAL IRA DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR IRA ACCOUNT

You may revoke your IRA within 7 days after you sign the IRA adoption agreement by hand-delivering or mailing a written notice to Kingdom Trust at the address indicated on the IRA adoption agreement. If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the adoption agreement. If you revoke your IRA within the 7-day period you will receive a refund of the entire amount of your contributions to the IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report the contribution on Form 5498 (except transfers) and the revoked distribution on Form 1099-R.

GENERAL REQUIREMENTS OF A TRADITIONAL IRA

- Your contributions must be made in cash, unless you are making a rollover or transfer contribution and the Custodian accepts non-cash rollover or transfer contributions.
- The annual contributions you make on your behalf may not exceed the lesser of 100% of your compensation or the "applicable annual dollar limitation" (defined below), unless you are making a rollover, transfer, or SEP contribution. If contributions are being made under an employer's SIMPLE Retirement Plan, you must establish a separate SIMPLE-IRA document to which only SIMPLE contributions may be made. This type of IRA is called a "SIMPLE-IRA". "SIMPLE-IRA" contributions may not be made into this account. Roth IRA contributions may not be made into this account.
- Regular, annual contributions cannot be made for any year beginning the year you attain the age of 70½.
- Your regular annual contributions for any taxable year may be deposited at any time during that taxable year and up to the due date for the filing of your Federal income tax return for that taxable year, no extensions. This generally means April 15th of the following year.
- The Custodian of your IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
- No portion of your IRA funds may be invested in life insurance contracts.
- Your interest in your IRA is nonforfeitable at all times.
- The assets in your IRA may not be commingled with other property except in a common trust fund or common investment fund.
- You may not invest the assets of your IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code.) A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the Custodian permits, specially minted US gold, silver and platinum coins and certain state-issued coins are permissible IRA investments. You may also invest in certain gold, silver, platinum or palladium bullion. Such bullion must be permitted by the Custodian and held in the physical possession of the IRA Custodian.
- Your interest in your IRA must begin to be distributed to you by the April 1st following the calendar year you attain the age of 70½. The methods of distribution, election deadlines, and other limitations are described in detail below.

WHO IS ELIGIBLE TO MAKE A REGULAR TRADITIONAL IRA CONTRIBUTION?

You are permitted to make a regular contribution to your IRA for any taxable year prior to the taxable year you attain age 70 1/2, and if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of the self-employed. Members of the Armed Forces who serve in combat zones who receive compensation that is otherwise nontaxable, are considered to have taxable compensation for purposes of making regular IRA contributions. The amount of your regular, annual contribution that is deductible depends upon whether or not you are an active participant in a retirement plan maintained by your employer; your modified adjusted gross income (Modified AGI); your marital status; and your tax filing status. **(NOTE: that pursuant to the SECURE Act, individuals with earned income can make Traditional IRA Contributions at any age. The above restriction no longer applies.)**

ACTIVE PARTICIPANT

You are considered an active participant if you participate in your employer's qualified pension, profit-sharing, or stock bonus plan qualified under Section 401(a) of the Internal Revenue Code ("the Code"); qualified annuity under Section 403(a) of the Code; a simplified employee pension plan (SEP) under Section 408(k) of the Code; a retirement plan established by a government for its employees (this does not include a Section 457 plan); Tax-Sheltered Annuities (TSA) or custodial accounts under Section 403(b) of the Code; pre-1959 pension trusts under Section 501(c)(18) of the Code; and SIMPLE IRA plans under Section 408(p) of the Code.

If you are not sure whether you are covered by an employer-sponsored retirement plan, check with your employer or check your Form W-2 for the year in question. The W-2 form will have a check in the "retirement plan" box if you are covered by a retirement plan. You can also obtain IRS Notice 87-16 for more information on active participation in retirement plans for IRA deduction purposes.

CONTRIBUTIONS

Regular Contributions -

The maximum amount you may contribute for any one year is the lesser of 100% of your compensation or the "applicable annual dollar limitation" described below. This is your contribution limit. The deductibility of regular IRA contributions depends upon your marital status, tax filing status, whether or not you are an "active participant" and your Modified AGI.

Applicable Annual Dollar Limitation

Tax Year	Contribution Limit
2001	$2,000
2002 through 2004	$3,000
2005 through 2007	$4,000
2008 through 2012	$5,000
2013 through 2018	$5,500
2019-2021	$6,000

The $6,000 annual limit is subject to cost-of living increases in increments of $500, rounded to the lower increment. This means that it may take several years beyond 2020 for the $6,000 annual limit to increase to $6,500.

Catch-up Contributions -

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

Tax Year	Normal Limit	Additional Catch-up	Total Contribution
2002	$3,000	$500	$3,500
2003	$3,000	$500	$3,500
2004	$3,000	$500	$3,500
2005	$4,000	$500	$4,500
2006	$4,000	$1,000	$5,000
2007	$4,000	$1,000	$5,000
2008-2012	$5,000	$1,000	$6,000
2013-2018	$5,500	$1,000	$6,500
2019-2021	$6,000	$1,000	$7,000

The additional catch-up amount for Traditional IRAs is not subject to COLAs. Therefore, after 2020 when the $6,000 normal limit increases to $6,500 due to COLAs, the additional catch-up amount will remain at $1,000 with no further increases to the catch-up amount.

Special IRA Catch-up Contributions for Certain Section 401(k) Participants -
Special IRA catch-up contributions are permitted for each of years 2007, 2008 and 2009 equal to the applicable year's age-50 catch-up limit multiplied by 3. To be eligible for this special catch-up IRA contribution, the individual must have been a participant in an employer's §401(k) plan where employer-matching contributions were being made at the rate of at least 50% of the participant's deferrals with employer stock and such employer is in bankruptcy and is subject to an indictment or conviction. The individual is not required to be age 50 in order to take advantage of this rule. However, if the individual is age 50 or over, he or she may not contribute the age-50 catch-up amount in addition to this special catch-up.

The deadline for making such special catch-up contributions was the normal deadline for the applicable year. For example, an eligible individual took advantage of this rule for calendar year 2008. The normal regular IRA contribution limit for 2008 was $5,000 and the normal age-50 catch-up contribution limit for 2008 was $1,000. The eligible individual was able to contribute the $5,000 normal limit plus a special catch-up contribution of $3,000 for a total of $8,000. The deadline for making this contribution was the 2008 tax filing deadline, no extensions.

Deductibility for Non-active Participants -

If you (and your spouse) are not an active participant, then the applicable annual dollar limitation is also your deduction limit for Federal income tax purposes.

Deductibility for Active Participants –

Unmarried Active Participant (or a Married Person filing a separate tax return who did not live with their spouse at any time during the year) - The amount of your IRA deduction depends upon your Modified Adjusted Gross Income (MAGI) for the taxable year. If your MAGI is below a certain amount, you can deduct the entire contribution. If your MAGI is above a certain amount, you cannot deduct any of the contribution. If your MAGI is between certain amounts, you are entitled to a partial deduction. Any contributions that you cannot deduct because of the active participation rules are called nondeductible contributions and you must report these contributions to the IRS on Form 8606. Refer to the chart below for the MAGI ranges. Also refer to IRS Publication 590 for additional information.

Married Active Participant Filing a Joint Tax Return -

The amount of your IRA deduction depends upon your Modified Adjusted Gross Income (MAGI) for the taxable year. If your MAGI is below a certain amount, you can deduct the entire contribution. If your MAGI is above a certain amount, you cannot deduct any of the contribution. If your MAGI is between certain amounts, you are entitled to a partial deduction. Any contributions that you cannot deduct because of the active participation rules are called nondeductible contributions and you must report these contributions to the IRS on Form 8606. Refer to the chart below for the MAGI ranges. Also refer to IRS Publication 590 for additional information.

Married Active Participant Filing a Separate Return (who lived together at any time during the year) -

If you have a separate Modified AGI of more than $10,000 no deduction is permitted if either you or your spouse was an active participant for the year. If you or your Spouse's separate Modified AGI is more than $0 but less than $10,000, then each spouse's deductible limit is reduced for every $1 of Modified AGI between $0 and $10,000.

Deductibility of Regular Contributions - The AGI dollar ranges for certain active participants in employer-sponsored plans are as follows:

	Married Participants Filing Jointly	Unmarried Participants	Married Participants Filing Separately*
1998	$50,000 - $ 60,000	$30,000 - $40,000	$0 - $10,000
1999	$51,000 - $ 61,000	$31,000 - $41,000	$0 - $10,000
2000	$52,000 - $ 62,000	$32,000 - $42,000	$0 - $10,000
2001	$53,000 - $ 63,000	$33,000 - $43,000	$0 - $10,000
2002	$54,000 - $ 64,000	$34,000 - $44,000	$0 - $10,000
2003	$60,000 - $ 70,000	$40,000 - $50,000	$0 - $10,000
2004	$65,000 - $ 75,000	$45,000 - $55,000	$0 - $10,000
2005	$70,000 - $ 80,000	$50,000 - $60,000	$0 - $10,000
2006	$75,000 - $ 85,000	$50,000 - $60,000	$0 - $10,000
2007	$83,000 - $103,000	$52,000 - $62,000	$0 - $10,000
2008	$85,000 - $105,000	$53,000 - $63,000	$0 - $10,000
2009	$89,000 - $109,000	$55,000 - $65,000	$0 - $10,000
2010	$89,000 - $109,000	$56,000 - $66,000	$0 - $10,000
2011	$90,000 - $110,000	$56,000 - $66,000	$0 - $10,000
2012	$92,000 - $112,000	$58,000 - $68,000	$0 - $10,000
2013	$95,000 - $115,000	$59,000 - $69,000	$0 - $10,000
2014	$96,000 - $116,000	$60,000 - $70,000	$0 - $10,000
2015 – 2016	$98,000 - $118,000	$61,000 - $71,000	$0 - $10,000
2017	$99,000 - $119,000	$62,000 - $72,000	$0 - $10,000
2018	$101,000 - $121,000	$63,000 - $73,000	$0 - $10,000
2019-2020	$103,000-$123,000	$64,000-$74,000	$0 - $10,000

* This AGI dollar range also applies to a nonactive participant spouse who files separately, where his or her spouse is an active participant.

Special Deduction Rule for Spouse Who Is not an Active Participant -

In the case where an IRA participant is not an active participant in an employer plan at any time during a taxable year but whose spouse is an active participant, a special AGI range applies in calculating the non-active participant's IRA deduction. In order to use this special deduction rule, such spouse must file a joint income tax return with their spouse who is the active participant. In this case, the AGI range for deductible IRA contributions is $150,000 - $160,000 for years prior to 2007. For years beginning in 2007, the AGI dollar ranges for the spouse who is not an Active Participant are as follows:

2007	$156,000 - $166,000
2008	$159,000 - $169,000
2009	$166,000 - $176,000
2010	$167,000 - $177,000
2011	$169,000 - $179,000
2012	$173,000 - $183,000
2013	$178,000 - $188,000
2014	$181,000 - $191,000
2015	$183,000 - $193,000
2016	$184,000 - $194,000
2017	$186,000 - $196,000
2018	$189,000 - $199,000
2019-2020	$193,000-$203,000

Spousal IRAs

If during any year you receive compensation and your spouse receives no compensation (or chooses to be treated as receiving no compensation), you may make contributions to both your IRA and your spouse's IRA. If you are eligible then you may contribute 100% of your combined compensation not to exceed the applicable annual dollar limitation divided any way you wish so long as no more than the applicable annual dollar limitation is contributed into either account. You and your spouse must file a joint tax return and have unequal compensations to take advantage of this spousal contribution limit.

If you are over the age of 70 1/2 and your spouse is under age 70 1/2, then a regular contribution may still be made for the year into the IRA established by your spouse. Such contribution, however, is limited to the lesser of 100% of your combined compensation or the applicable annual dollar limitation. **(NOTE: that pursuant to the SECURE Act, individuals with earned income can make Traditional IRA Contributions at any age. The above restriction no longer applies.)**

If you or your spouse are an active participant in an employer-sponsored plan, then the IRA deduction for your IRA and your spouse's IRA contribution is based upon the AGI "phase-out" ranges in exactly the same manner as the phase-out under the "Married Active Participant Filing Joint Tax Returns" or under the "Special Deduction Rule for Spouse Who is not an Active Participant", whichever applies, as explained above.

$200 Minimum Deduction –

If you fall into any of the categories listed above, your minimum allowable deduction will be $200 until phased out under the appropriate marital status. In other words, if your deductible amount calculated under the appropriate dollar amounts above results in a deduction between $0 and $200, your permitted deduction is $200 instead of the calculated deduction.

Nondeductible IRA Contributions –

You may make a nondeductible IRA contribution in one of two ways. First, you are permitted to treat any regular IRA contributions that are not deductible due to your active participation status as explained above as nondeductible contributions. Secondly, you are permitted to treat an otherwise deductible IRA contribution as a nondeductible contribution. Your total contribution for the year, however, is still limited to the lesser of 100% of your compensation or the applicable annual dollar limitation.

Nondeductible IRA contributions represent money in your IRA which has already been taxed. Therefore, when you receive a distribution from any of your traditional IRAs (including SEP IRAs and SIMPLE IRAs), a portion of each distribution will be treated as a tax-free return of your nondeductible contributions. You are responsible for indicating the amount of nondeductible IRA contributions you make for a year on IRS Form 8606 which is attached to your Federal income tax return. You should also be aware that there is a penalty of $100 if you should overstate the nondeductible amount unless you can show it was due to a reasonable cause. There is also a $50 penalty if you do not file the IRS Form 8606 for years that you are required to do so.

If you make a nondeductible IRA contribution for a year and you decide not to treat it as a nondeductible contribution, you must withdraw the contribution plus earnings attributable to the nondeductible contribution on or before the tax filing deadline, including extensions, for the year during which the contribution was made. You may not take a deduction for such amounts. Such earnings will be taxable to you in the year in which the contribution was made and may be subject to the 10% additional tax if you are under the age of 59 1/2.

Special Rules for Qualified Reservist Distributions –

Qualified Reservist Distributions are eligible to be repaid to an IRA within a 2-year period after the end of active duty. A Qualified Reservist Distribution is a distribution received from an IRA by members of the National Guard or reservists who are called to active duty for a period of at least 180 days and such distribution is taken during the period of such active duty. This provision is retroactively effective with respect to distributions after September 11, 2001, for individuals called to active duty after September 11, 2001. The repayments are not treated as tax-free rollovers. Instead, these repayments become basis in the IRA.

Simplified Employee Pension Plan (SEP) Contributions

Your employer may make a SEP contribution on your behalf into this IRA up to 25% of your compensation not to exceed a specified dollar limit. This limit is a per employer limit. Therefore, if you work for more than one employer who maintains a SEP plan, you may receive up to 25% of your compensation from each employer not to exceed a specified dollar limit. Your employer may contribute to this IRA or any other IRA on your behalf under a SEP plan even if you are age 70 1/2 or older, and even if you are covered under a qualified plan for the year.

In calculating a SEP contribution, there is a maximum compensation limit that can be considered, and this compensation limit is subject to cost-of-living adjustments. For 2013, the compensation limit was $255,000; for 2014 it was $260,000; for 2015 and 2016 it is $265,000. Also, there is a maximum SEP contribution limit for each year that is subject to cost-of-living adjustments. For 2013, the maximum SEP contribution limit was $51,000; for 2014 it was $52,000; it was $53,000 2015 and 2016; and for 2017 it is $54,000.

EXCESS CONTRIBUTIONS

Generally, an excess IRA contribution is any contribution which exceeds the applicable contribution limits, and such excess contribution is subject to a 6% excise tax penalty on the principal amount of the excess each year until the excess is corrected. You must file IRS Form 5329 to report this excise tax.

Method #1: Withdrawing Excess in a Timely Manner (For Years Prior to 2018)

This 6% penalty may be avoided if the excess amount plus the earnings attributable to the excess are distributed by your tax filing deadline including extensions for the year during which the excess contribution was made, and you do not take a deduction for such excess amount. If you decide to correct your excess in this manner, the principal amount of the excess returned is not taxable, however, the earnings attributable to the excess are taxable to you in the year in which the contribution was made. In addition, if you are under age 59 1/2, the earnings attributable are subject to a 10% premature distribution penalty. This is the only method of correcting an excess contribution that will avoid the 6% penalty.

Method #1: Withdrawing Excess in a Timely Manner (For Years After 2017)

This 6% penalty may be avoided if the excess amount plus the earnings attributable to the excess are distributed by your tax filing deadline including extensions *for the year for which the excess contribution was made*, and you do not take a deduction for such excess amount. If you decide to correct your excess in this manner, the principal amount of the excess returned is not taxable; however, the earnings attributable to the excess are taxable to you in the year in which the contribution was made. In addition, if you are under age 59 1/2, the earnings attributable are subject to a 10% premature distribution penalty. This is the only method of correcting an excess contribution that will avoid the 6% penalty.

Method #2: Withdrawing Excess After Tax Filing Due Date

If you do not correct your excess contribution under Method #1 prescribed above, then you may withdraw the principal amount of the excess (no earnings need be distributed). The 6% penalty will, however, apply first to the year in which the excess was made and each subsequent year until it is withdrawn.

Excess Amount May be Taxable

If the principal amount of your excess contribution is withdrawn after your tax filing deadline for the year during which the contribution was made in accordance with Method #2, it is not taxable unless the total amount of contributions you made during the year the excess was made exceeded the applicable annual dollar limitation. If the aggregate contribution is greater than the applicable annual dollar limitation, the principal amount of the excess withdrawn under Method #2 is taxable and is subject to the 10% additional tax if you are not yet age 59 1/2. There are exceptions to this rule if the excess was due to a rollover where the taxpayer received erroneous information or if the contribution was a SEP contribution.

Method #3: Under-contributing in a Subsequent Year

Another method of correcting an excess contribution is to treat a prior year excess as a regular contribution in a subsequent year where you have an unused contribution limit for such subsequent year. Basically, all you do is under-contribute in the first subsequent year where you have an unused contribution limit until your excess amount is used up. However, once again, you will be subject to the 6% penalty in the first year and each subsequent year on any excess contribution that remains as of the end of each year.

ROLLOVERS AND RECHARACTERIZATIONS

Rollover Contribution from Another Traditional IRA

A rollover from another traditional IRA is any amount you receive from one traditional IRA and redeposit (roll over) some or all of it over into another traditional IRA. You are not required to roll over the entire amount received from the first traditional IRA. However, any amount you do not roll over will be taxed at ordinary income tax rates for Federal income tax purposes.

The following special rules also apply to rollovers between IRAs:

- The rollover must be completed no later than the 60th day after the day the distribution was received by you. However, if the reason for distribution was for qualified first-time home buyer expenses and there has been a delay or cancellation in the acquisition of such first home, the 60-day rollover period is increased to 120 days. This 60-day rollover period may also be extended in cases of disaster or casualty beyond the reasonable control of the taxpayer.
- Beginning in 2015, you can make only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. The limit will apply by aggregating all of an individual's IRAs, including SEP and SIMPLE IRAs as well as traditional and Roth IRAs, effectively treating them as one IRA for purposes of the limit. (See IRS Publication 590-A for more information).
- The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be the property that is rolled over into the second IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- If you are age 70 ½ (or 72 - see Article IV 4.4 above) or older and wish to roll over to another IRA, you must first satisfy the required minimum distribution for that year and then the rollover of the remaining amount may be made.
- Rollovers from a SEP IRA or an Employer IRA follow the IRA to IRA rollover rules since your contributions under these types of plans are funded directly into your own traditional IRA.

Special Rollover Rules for Qualified Hurricane Distributions

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

Special Rules for Other Qualified Disaster Distributions

Qualified Wildfire Distributions (QWDs) follow the same rules as above for QHDs. The maximum amount of a QWD is $100,000 per taxpayer, the 10% premature penalty does not apply; the distribution is taxed pro rata over a 3-year period unless the taxpayer elects to include the entire distribution in income for the year of the distribution; and they will have 3 years to roll the amount back to an IRA or another eligible retirement plan. Refer to IRS Publication 976 for more information.

2016 Presidentially Declared Disaster Areas where distributions occurred either in 2016 or 2017 will be reported on Form 8915A. The form contains a chart of all of the disaster areas (45) that the form can be used for. Same pro rata taxation and rollover rules as described above apply. See Publication 976 for more information

Special Rules for Qualified Settlement Income Received from Exxon Valdez Litigation

Any qualified taxpayer who receives qualified settlement income during the taxable year, at any time before the end of the taxable year in which such income was received, make one or more contributions to an eligible retirement plan of which such qualified taxpayer is a beneficiary in an aggregate amount not to exceed the lesser of: (a) $100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior taxable years); or (b) the amount of qualified settlement income received by the individual during the taxable year.

The contribution will be deemed made on the last day of the taxable year in which such income is received if the contribution is made on account of such taxable year and is made not later than the deadline for filing the income tax return for such year, not including extensions thereof.

If the settlement income is contributed to a traditional IRA such income is not currently includible in the taxpayer's gross income.

A qualified taxpayer means:

1. Any individual who is a plaintiff in the civil action In Re Exxon Valdez, No. 89-095-CV (HRH) (Consolidated) (D. Alaska); or
2. Any individual who is a beneficiary of the estate of such a plaintiff who acquired the right to receive qualified settlement income from that plaintiff and was the spouse or an immediate relative of that plaintiff.

Special Rules for Rollovers/Recharacterizations of Amounts Received in Airline Carrier Bankruptcy

Effective December 11, 2008, a "qualified airline employee" may contribute any portion of an "airline payment" amount to a Roth IRA within 180 days of receipt of such payment (or, if later, within 180 days of the enactment of the Worker, Retiree and Employer Recovery Act of 2008). Such contribution is treated as a qualified rollover contribution to the Roth IRA, and as such, the airline payment is includible in gross income of the recipient to the extent it would be so includible were it not part of the rollover contribution.

An "airline payment" means any payment by a commercial airline carrier to a "qualified airline employee" that is paid: (1) under an order of a Federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007; and (2) in respect of the employee's interest in a bankruptcy claim against the airline carrier.
In determining the amount that may be contributed to a Roth IRA, any reduction in the airline payment on account of employment tax withholding is disregarded. A "qualified airline employee" is an employee or former employee of a commercial passenger airline who was a participant in a qualified defined benefit plan maintained by the airline carrier that was terminated or became subject to the benefit accrual and other restrictions applicable to plans maintained by commercial passenger airlines.

Effective February 14, 2012, under the FAA Modernization and Reform Act of 2012 ("The Act") certain qualified airline employees may rollover or recharacterize to a Traditional IRA in lieu of a Roth IRA. The Act permits 'qualified airline employees' and their surviving spouses, who received an 'airline payment amount', and did *not* roll over any portion of such payment to a Roth IRA:

- To rollover now to a Traditional IRA 90% of the payment received, and the amount rolled over is excludible from income in the taxable year payment was made.
- The rollover must take place within 180 days after the receipt of the 'airline payment amount' or within 180 days of February 14, 2012, the date of enactment i.e. August 13, 2012, whichever is later.

Additionally, the Act permits 'qualified airline employees' and their surviving spouses who contributed all or a portion of an 'airline payment amount' previously to a Roth IRA:

- To recharacterize up to 90% of such amounts, to a traditional IRA,
- The recharacterization transfer must be made within 180 days of February 14, 2012, the date of enactment i.e. August 13, 2012,
- The IRA owner can then claim a refund of the Federal taxes they previously paid on such transferred funds if made under certain time frames,
- The amount rolled over will be excluded from income in the taxable year payment was made,
- The transfer must be 'trustee to trustee, and
- The contribution amount (including any net income allocable to it), rolled into the traditional IRA, will be deemed to have been rolled over at the time of the rollover to the ROTH.

The Act does *not* apply to employees who in the taxable year or any preceding years, when payment were made, were chief executive officers ("CEO") or one of the 4 highest compensated officers (other than the CEO), whose total compensation had to be reported to shareholders (as required by Securities and Exchange Commission Act of 1934).

The PATH Act of 2015 extended this rollover deadline to 180 after enactment or until June 15, 2016.

Rollovers from SIMPLE IRA Plans

Prior to December 19, 2015, a SIMPLE IRA is a separate IRA that may only receive contributions under an Employer-sponsored SIMPLE IRA Retirement Plan. These contributions must remain segregated in a SIMPLE IRA account for a two-year period measured from the initial contribution made into your SIMPLE IRA under the Employer's SIMPLE IRA plan. A rollover or transfer from a SIMPLE IRA to any other IRA may not occur until this initial two-year period has been satisfied. Rollovers or transfers between SIMPLE IRA plans are permitted without waiting the two-year period. All IRA to IRA rollover rules generally apply to rollovers between SIMPLE IRAs.

Rollover Contributions from Another Plan into a SIMPLE IRA

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

Recharacterizations

You may be able to recharacterize certain contributions under the following two different circumstances:

1. By recharacterizing a current year regular contribution plus earnings explained in this section; or
2. Prior to 1/1/2018, by recharacterizing a conversion made to a Roth IRA by transferring the amount plus earnings back to a traditional IRA discussed in the next section under the heading "Conversion from a Traditional IRA to a Roth IRA". Beginning 1/1/2018, recharacterizations of conversions are no longer permitted.

If you decide by your tax filing deadline (including extensions) of the year for which the contribution was made to transfer a current year contribution plus earnings from your traditional IRA to a Roth IRA, no amount will be included in your gross income as long as you did not take a deduction for the amount of the contribution. You may also recharacterize a current year contribution plus earnings from your Roth IRA to a traditional IRA by your tax filing deadline including extensions of the year for which the contribution was made. A regular contribution that is appropriately recharacterized from your Roth IRA to a traditional IRA may be deductible depending upon the deductibility rules previously discussed. In order to recharacterize a regular contribution from one type of IRA to another type of IRA, you must be eligible to make a regular contribution to the IRA to which the contribution plus earnings is recharacterized. All recharacterizations must be accomplished as a direct transfer, rather than a distribution and subsequent rollover. You are also required to report recharacterizations to the IRS in accordance with the instructions to IRS Form 8606. Any recharacterized contribution (whether a regular contribution or a conversion) cannot be revoked after the transfer. You are required to notify both trustees (and custodians) and to provide them with certain information in order to properly effectuate such a recharacterization.

Conversion from a Traditional IRA to a Roth IRA

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

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

Taxation in Completing a Conversion from a Traditional IRA to a Roth IRA

If you complete a conversion from a traditional IRA to a Roth IRA, the conversion amount (to the extent taxable) is generally included in your gross income for the year during which the distribution is made from your traditional IRA that is converted to a Roth IRA. However, the 10% additional income tax for premature distributions does not apply.

Reconversions

Once an amount has been properly converted, and is then recharacterized back to a traditional IRA, any subsequent conversion of that amount is called a "reconversion". In general, for reconversions beginning in 2000 and ending for 2017 conversions, you may reconvert an amount at any time after the later of (1) the tax year following the tax year during which the original conversion of that amount occurred; or (2) 30 days following the date that the original conversion of that amount was recharacterized back to a traditional IRA. Since adverse tax consequences could arise, it is recommended that you seek the advice of your own tax advisor. Since recharacterizations of IRA conversions are no longer permitted beginning with 2018 conversions, reconversions will no longer apply, unless it is a 2017 conversion that was recharacterized in 2018.

Qualified Rollover Contribution

This term includes: (a) Rollovers between Roth IRA accounts; (b) Traditional IRA converted to a Roth IRA; (c) Direct Rollover from an Employer's plan of funds other than a Designated Roth Contribution Account; and (d) a rollover from a Designated Roth Contribution Account to a Roth IRA. Qualified Rollover Contributions must meet the general IRA rollover rules, except that the 12-month rollover restriction does not apply to rollovers (conversions) between a traditional IRA and a Roth IRA. However, the 12- month rule does apply to rollovers between Roth IRAs. Beginning in 2008, rollovers from employer-sponsored plans, such as qualified plans and 403(b)s, to a Roth IRA are permitted. You could also roll over from the employer's plan to a traditional IRA, and then roll over (convert) to a Roth IRA.

Rollovers from Employer-Sponsored Plans to a Traditional IRA

The rules discussed in this section apply only to amounts under an employer's plan, other than Designated Roth Contribution Accounts. An eligible rollover distribution from a Designated Roth Contribution Account can be rolled over only to a Roth IRA or another accepting employer's plan. Rollovers to traditional IRAs are permitted if you have received an eligible rollover distribution from one of the following:

- A qualified plan under Section 401(a),
- A qualified annuity under Section 403(a),
- A Tax-Sheltered Annuity (TSA) or Custodial Account under Section 403(b),
- A governmental section 457(b) plan, or
- The Federal Employees' Thrift Savings Plan.

Eligible Rollover Distributions

An eligible rollover distribution from one of the employer-sponsored plans listed above generally include any distribution that is not:

- part of a series of substantially equal payments that are made at least once a year and that will last for:
  - your lifetime (or your life expectancy), or
  - your lifetime and your beneficiary's lifetime (or joint life expectancies), or
  - a period of ten years or more.
- attributable to your required minimum distribution for the year
- amounts attributable to any hardship distribution
- deemed distributions of any defaulted participant loan
- certain corrective distributions and ESOP dividends

Rollovers of After-Tax Employee Contributions

Beginning for eligible rollover distributions you receive after December 31, 2001, you can roll over your after-tax employee contributions to a traditional IRA either as a 60-day rollover or as a direct rollover. If you roll over your after-tax employee contributions to a traditional IRA, you are required to keep track of these amounts as required by the IRS according to their instructions. This will enable you to calculate the nontaxable amount of any future distributions from your traditional IRAs. Once you roll over your after-tax employee contributions to a traditional IRA, it becomes basis in the IRA, and these amounts cannot later be rolled over to an employer plan.

Direct Rollover to Another Plan

You can elect a direct rollover of all or any portion of your payment that is an "eligible rollover distribution ", as described above. In a direct rollover, the eligible rollover distribution is paid directly from the Plan to a traditional IRA or another employer plan that accepts rollovers. If you elect a direct rollover, you are not taxed on the payment until you later take it out of the IRA or the employer plan, and you will not be subject to the 20% mandatory Federal income tax withholding otherwise applicable to Eligible Rollover Distributions that are paid directly to you. Your employer is required to provide you with a Notice regarding the effects of electing or not electing a direct rollover to an IRA or another employer plan. Although a direct rollover is accomplished similar to a transfer, the IRA Custodian must report the direct rollover on Form 5498 as a rollover contribution.

Eligible Rollover Distribution Paid to You

If you choose to have your eligible rollover distribution paid to you (instead of electing a direct rollover), you will receive only 80% of the payment, because the plan administrator is required to withhold 20% of the payment and send it to the IRS as Federal income tax withholding to be credited against your taxes. However, you may still roll over the payment to an IRA within 60 days after receiving the distribution. The amount rolled over will not be taxed until you take it out of the IRA. If you want to roll over 100% of the payment to an IRA, you must replace the 20% that was withheld from other sources. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over. In either event, the 20% that was withheld can be claimed on your Federal income tax return as a credit toward that year's tax liability.

Conduit Rollover IRAs

A direct rollover (or rollover within 60 days) of any eligible rollover distribution may generally be treated as a "Conduit IRA", provided that a separate IRA is established for purposes of retaining the ability to later roll these funds back into an employer's plan that accepts the rollover. The conduit IRA need not be completely distributed in order for a rollover back to an employer's plan that accepts rollovers. In addition, a surviving spouse may also treat such conduit IRA for purposes of rolling over into the surviving spouse's employer plan that accepts rollovers.

Rollovers from Traditional IRAs into Employer-Sponsored Plans

Beginning for distributions made after December 31, 2001, traditional IRAs are permitted to be rolled over into an employer's plan. The employer's plan must accept these types of rollovers. The maximum amount that can be rolled over from a traditional IRA to an employer's plan that accepts these rollovers cannot exceed the amount that would be taxable. Any amount in a traditional IRA that represents the principal amount of a nondeductible IRA contribution or a rollover of after-tax employee contributions to a traditional IRA or any other basis amount may not be rolled over to an employer's plan. The types of IRAs that can be rolled over to an employer's plan that accepts these rollovers include regular traditional IRAs, rollover "conduit" IRAs, SEP IRAs and SIMPLE IRAs (after the two-year waiting period has been satisfied applicable to SIMPLE IRAs). In determining the maximum amount eligible to be rolled over from an IRA to an employer's plan, you must treat all of these types of IRAs as one IRA. Only the taxable amount is eligible to be rolled over. If you are interested in rolling over your traditional IRAs into your employer's plan, you should contact the plan administrator of your employer's plan for additional information.

Special Rules for Surviving Spouses, Alternate Payees, and Other Beneficiaries

If you are a surviving spouse, you may choose to have an eligible rollover distribution paid in a direct rollover to your own traditional IRA, an inherited traditional IRA, your own employer's plan that accepts rollovers, or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or to your employer's plan that accepts rollovers. If you are the spouse or former spouse alternate payee with respect to a Qualified Domestic Relations Order (QDRO), you may have the payment paid as a direct rollover or paid to you which you may roll over to your own traditional IRA or your own employer's plan that accepts rollovers.

Special Rules for Non-spouse Beneficiaries

For distributions prior to 2007, any distribution to a beneficiary other than a surviving spouse was not eligible to be rolled over to an IRA. Beginning in 2007, eligible rollover distributions payable from an employer’s plan to a non-spouse beneficiary is eligible for direct rollover into an Inherited IRA. Such amounts must be paid in the form of a direct rollover, rather than a distribution and subsequent rollover. Thus, if the distribution is paid directly by the employer’s plan to the non-spouse beneficiary, no rollover is permitted. Also, the IRA receiving the direct rollover must be an Inherited IRA, rather than an IRA owned by the non-spouse beneficiary. The Inherited IRA is subject to the same required minimum distributions that apply to beneficiaries under the employer’s plan and carries over to the Inherited IRA. The IRA must be established and titled in a manner that identifies it as an IRA with respect to a deceased individual and must also identify the deceased individual and the beneficiary, for example, “Tom Smith as beneficiary of John Smith”.

For these purposes, a non-spouse beneficiary includes an individual beneficiary and a trust beneficiary that meets the special “look through” rules under the IRS regulations. A nonindividual beneficiary (such as an estate or charity) or a non-look through trust is not eligible for direct rollover. Any required minimum distributions applicable to the employer’s plan for the year in which the direct rollover occurs and any prior year is not eligible for direct rollover.

The following additional rules apply to a rollover from an employer-sponsored plan to a traditional IRA:

- The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to roll over the entire amount you received from the employer's plan.
- If you are age 70 ½ (or 72 – see Article IV 4.4 above) or older and wish to roll over your employer's plan to a traditional IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.
- If your distribution consists of property (i.e., stocks) you may either roll over the same property (the same stock) or you may sell the distributed property and roll over the proceeds from the sale. This is true whether the proceeds from the sale are more or less than the fair market value of the property on the date of distribution. You may not keep the property received in the distribution and roll over cash which represents the fair market value of the property.

DISTRIBUTIONS

Taxation of Distributions

When you start withdrawing from your IRA, you may take the distributions in periodic payments, random withdrawals or in a single sum payment. Generally, all amounts distributed to you from your IRA are included in your gross income in the taxable year in which they are received. However, if you have made nondeductible contributions to your IRA, rolled over after-tax employee contributions from your employer's plan or repaid a Qualified Reservist Distribution (collectively referred to as "basis"), the nontaxable portion of any distribution from any of your IRAs (except Roth IRAs), if any, will be a percentage based upon the ratio of your unrecovered "basis" to the aggregate of all IRA balances, including SEP, SIMPLE and rollover contributions, as of the end of the year in which you take the distribution, plus distributions from the account during the year. All taxable distributions from your IRA are taxed at ordinary income tax rates for Federal income tax purposes and are not eligible for any favorable tax treatment. You must file Form 8606 to calculate the portion of any IRA distribution that is not taxable.

Premature Distributions

If you are under age 59 1/2 and receive a distribution from your IRA account, a 10% additional income tax will apply to the taxable portion of the distribution unless the distribution is received due to death; disability; a series of substantially equal periodic payments at least annually over your life expectancy or the joint life expectancy of you and your designated beneficiary; medical expenses in excess of 7.5% (applies for 2017 and 2018) of your adjusted gross income; health insurance premiums paid by certain unemployed individuals; qualified acquisition costs of a first time homebuyer; qualified higher education expenses; a qualifying rollover distribution; the timely withdrawal of the principal amount of an excess or nondeductible contribution; due to an IRS levy; Qualified Hurricane Distributions; Qualified Wildfire Distributions and 2016 Disaster Distributions, or qualified reservist distributions.

If you request a distribution in the form of a series of substantially equal payments and you modify the payments before 5 years have elapsed and before attaining age 59 1/2, the 10% additional income tax will apply retroactively to the year payments began through the year of such modification.

Age 70 1/2 Required Minimum Distributions

You are required to begin receiving minimum distributions from your IRA by your required beginning date (the April 1 of the year following the year you attain age 70 1/2). The year you attain age 70 1/2 is referred to as your "first distribution calendar year". The required minimum for your first distribution calendar year must be withdrawn no later than your required beginning date. The required minimum distribution for your second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year. Your minimum distribution for each year beginning with the calendar year you attain the age of 70 1/2 is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st and recharacterizations that relate to a conversion or failed conversion made in the prior year. **(NOTE: The SECURE Act has changed the RMD age to 72. See Article IV 4.4 above.)**

However, no payment will be made from this IRA until you provide the Custodian with a proper distribution request acceptable by the Custodian. Upon receipt of such distribution request, you may switch to a joint life expectancy in determining the required minimum distribution if your spouse was your sole beneficiary as of the January 1st of the relevant distribution calendar year and such spouse is more than 10 years younger than you. In any distribution calendar year you may take more than the required minimum. However, if you take less than the required minimum with respect to any distribution calendar year, you are subject to a Federal excise tax penalty of 50% of the difference between the amount required to be distributed and the amount actually distributed. If you are subject to that tax, you are required to file IRS Form 5329.

Reporting the Required Minimum Distribution

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

Death Distributions

If you die before your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70 ½ or 72 (see Article IV 4.4 above), if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

If you die on or after your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the longer of the beneficiary's single life expectancy or your remaining life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. If you die on or after your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed over a period that does not exceed your remaining single life expectancy determined in the year of your death reduced by one each year thereafter. However, the required minimum distribution for the calendar year that contains the date of your death is still required to be distributed. Such amount is determined as if you were still alive throughout that year. If your spouse is your sole beneficiary, your spouse may elect to treat your IRA as his or her own IRA, whether you die before or after your required beginning date. If you die after your required beginning date and your spouse elects to treat your IRA as his or her own IRA, any required minimum that has not been distributed for the year of your death must still be distributed to your surviving spouse and then the remaining balance can be treated as your spouse's own IRA.

PROHIBITED TRANSACTIONS

If you or your beneficiary engage in a prohibited transaction (as defined under Section 4975 of the Internal Revenue Code) with your IRA, it will lose its tax exemption and you must include the value of your account in your gross income for that taxable year. If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year.

PENALTIES

If you are under age 59 1/2 and receive a premature distribution from your IRA, an additional 10% income tax will apply on the taxable amount of the distribution unless an exception applies. If you make an excess contribution to your IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess which remains in your account. If you are age 70 ½ or 72 (See Article IV 4.4 above) or over or if you should die, and the appropriate required minimum distributions are not made from your IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

You must file IRS Form 5329 with the Internal Revenue Service for any year an additional tax is due. You must file IRS Form 8606 for any year you make a nondeductible IRA contribution, rollover after-tax employee contributions from your employer's plan, convert from your Traditional IRA to a Roth IRA or re characterize a contribution to your Traditional IRA. The penalty for not filing Form 8606, when required, is $50.

INCOME TAX WITHHOLDING

All withdrawals from your IRA (except certain transfers and any recharacterization) are subject to Federal income tax withholding. You may, however, elect not to have withholding apply to your IRA distribution in most cases. If withholding does apply to your distribution, the applicable rate of withholding is 10% of the amount of the distribution. In addition to Federal income tax withholding, distributions from IRAs may also be subject to state income tax withholding.

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

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

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

TRANSFERS

Transfers Between “Like” IRAs - A direct transfer of all or a portion of your funds is permitted from this IRA to another traditional IRA or visa versa. Transfers do not constitute a distribution since you are never in receipt of the funds. The monies are transferred directly to the new trustee or custodian. If you should transfer all or a portion of your IRA to your former spouse's IRA under a divorce decree (or under a written instrument incident to divorce) or separation instrument, you will not be deemed to have made a taxable distribution, but merely a transfer. The portion so transferred will be treated at the time of the transfer as the IRA of your spouse or former spouse. If your spouse is the beneficiary of your IRA, in the event of your death, your spouse may "assume" your IRA. The assumed IRA is then treated as your surviving spouse's IRA.

Qualified Charitable Distributions - If an IRA owner is exactly age 70½ or over, the IRA owner may direct the IRA trustee or custodian to transfer up to $100,000 per year from the IRA to a qualified charity. Such transfer will not be subject to Federal income taxes. Qualified Charitable Distributions may also be made by a beneficiary who is exactly age 70½ or over. Qualified Charitable Distributions are not subject to Federal income tax withholding. SEP IRAs or SIMPLE IRAs are <u>not</u> permitted to be transferred under this rule. **(NOTE: The SECURE Act has changed this age to 72 effective in 2020.)**

The amount transferred will be treated as coming from the taxable portion of the IRA and will be an exception to the pro-rata basis recovery rules applicable to traditional IRAs. The tax-free transfer to a qualified charity applies only if the IRA owner could otherwise receive a charitable deduction with respect to the transferred amount. In other words, it must be made to a qualified charitable organization that the taxpayer would have otherwise been able to take a tax deduction for making the charitable contribution. However, since such transfer will be tax-free, the taxpayer may not also take a charitable deduction on his or her tax return.

Since the eligible individual must be at least exactly age 70½ or over, the taxpayer is also subject to required minimum distributions with respect to his or her traditional IRA. However, any amount transferred to the qualified charity under this rule from a traditional IRA will be treated toward satisfying the individual's required minimum distribution for the year, even though the transferred amount is tax-free.

This provision is effective with respect to distributions transferred directly to a qualified charity beginning in 2006, through the end of 2009. The Tax Relief, Unemployment Compensation Reauthorization, and Job Creation Act of 2010 extended Qualified Charitable Distributions for 2010 and 2011 under the same rules that originally applied. Eligible taxpayers who make a Qualified Charitable Distribution during January 2011 may elect to treat such Qualified Charitable Distribution as made on December 31, 2010. On January 2, 2013, the President signed the American Taxpayer Relief Act of 2012 ("ATRA") which extended QCDs through the end of 2013, and on December 16, 2014, the President signed the Tax Increase Prevention Act of 2014 to extend QCDs through the end of 2014 only. On December 18, 2015, the Protecting Americans from Tax Hikes Act of 2015 ("PATH") was signed into law and extended QCDs permanently retroactively for the 2015 year.

Although the IRA trustee or custodian must pay the Qualified Charitable Distribution directly to the qualified charity, the taxpayer is responsible for substantiating and reporting the Qualified Charitable Distribution on his or her Federal income tax return. The trustee or custodian of the IRA will report the amount transferred on IRS Form 1099-R as if the IRA owner withdrew the money. After the IRA trustee or custodian issues the payment in the name of the charity, the trustee or custodian may deliver the payment to the IRA owner, who then would deliver the payment to the charity.

Qualified HSA Funding Distribution - Beginning for contributions made for 2007 and thereafter, a special one-time, tax-free transfer from an IRA to an HSA is permitted. This one-time transfer counts toward the eligible individual's HSA contribution limit for the year of the transfer.

Prior to 2007, if an IRA owner wanted to use the money in an IRA to make an annual HSA contribution, the distribution from the IRA was taxable and subject to the 10% additional tax if the individual was under the age of 59 ½ . Prior law did not provide for a tax-free transfer from an IRA to an HSA.

Beginning for annual HSA contributions made for 2007 or thereafter, an HSA–eligible individual may make an irrevocable once-in-a-lifetime, tax-free "qualified HSA Funding distribution" from an IRA to an HSA, subject however to strict requirements. The amount of the HSA funding distribution must be made in the form of a trustee-to-trustee transfer from the IRA to the HSA. The amount of the transfer cannot exceed the maximum HSA contribution limit for the year that the amount is transferred. Consequently, this one-time transfer from an IRA to an HSA counts toward the individual's total HSA contribution limit for the year depending upon the type of coverage under the HDHP (self-only or family).

FEDERAL ESTATE AND GIFT TAXES

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

IRS APPROVAL AS TO FORM

This IRA Custodial Agreement has been approved by the Internal Revenue Service as to form. This is not an endorsement of the plan in operation or of the investments offered.

ADDITIONAL INFORMATION

You may obtain further information on IRAs from your District Office of the Internal Revenue Service. In particular you may wish to obtain IRS Publication 590-A Contributions to Individual Retirement Arrangements (IRAs), and 590-B Distributions from Individual Retirement Arrangements (IRAs).

AIRDROPS & BLOCKCHAIN FORKS

If you hold digital assets inside your IRA, you may be the recipient of additional digital assets through airdrops or blockchain network forks from time to time. Kingdom Trust aims to support these events provided it has the technology and resources to do so and has been examined in accordance with Kingdom Trust's policy regarding decisions on digital assets to be custodied.

However, Kingdom Trust does not control these events, and may not be able to store, access and/or provide a trading venue for the new asset(s) resulting from an airdrop or fork. Furthermore, these capabilities may take an undefined amount of time to develop and are not guaranteed to be developed.

Support for airdrops and forks are evaluated on a case-by-case basis on many factors, including but not limited to: 1) client interest in the new asset(s); 2) value, liquidity and market structure of the new asset(s); 3) regulatory, legal and compliance considerations surrounding the new asset(s); and 4) administrative feasibility of supporting the airdrop or fork and associated asset(s) for clients.

You understand this policy and acknowledge that by holding digital assets inside your IRA you are not guaranteed to receive additional digital assets through airdrops or blockchain forks, and hereby indemnify and hold Kingdom Trust harmless from any and all damages and claims arising from or in connection with airdrops or blockchain forks or similar events involving the distribution of digital assets and the associated asset(s).

FINANCIAL DISCLOSURE

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

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

- the type and amount of each charge
- the method of computing and allocating earnings, and
- any portion of the contribution, if any, which may be used for the purchase of life insurance.

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

Non-Interest-Bearing Accounts: You hereby appoint Kingdom Trust as your attorney-in-fact with respect to investments and distributions concerning your account at Kingdom Trust. As part of this, among other things, you direct Kingdom Trust:

1. to deposit all cash for which you have not already provided investment instructions into a pooled custodial deposit account or accounts with one or more third party financial organizations selected by Kingdom Trust at Kingdom's sole discretion and without any further approval from you or other Account Holders provided that any and all such accounts qualify as common investment funds under IRC Section 408(a)(5), such deposit accounts may include without limitation negotiable order of withdrawal accounts, checking accounts, savings accounts, money market accounts, certificates of deposit or similar accounts,
2. to retain such interest as further compensation for the services it renders to its Account Holders and, in its sole discretion, place the funds in a non-interest-bearing pooled deposit account or accounts,
3. to enter into such sub-accounting agreements as may be required by the nature of the deposit accounts between the selected financial organizations and Kingdom Trust under which Kingdom Trust may receive a fee from the selected financial organizations to keep all records pertaining to the Account Holder's share of the pooled custodial accounts which fees will be retained by Kingdom Trust, and
4. to sign checks from time to time on the pooled custodial accounts which are to be honored by the financial organizations for withdrawal of Account Holder's funds from such pooled custodial accounts for distributions, investments, fees and other disbursements directed or agreed to by the Account Holder, and
5. to retain digital assets resulting from any distribution event that are administratively unfeasible as further compensation for the services it renders to Account Holders and, in its sole discretion, liquidate these holdings if possible.

You hereby indemnify and agree to hold such financial organization(s) harmless from following the directions received from Kingdom Trust on your behalf including but not limited to honoring checks drawn on the Account Holder's portion of the pooled custodial accounts that are written by Kingdom Trust.

ROTH IRA
CUSTODIAL AGREEMENT & DISCLOSURE STATEMENT

Form 5305-RA
Account (Rev. April 2017)
Department of the Treasury
Internal Revenue Service
TKTC Revised 05/18/2021

Roth Individual Retirement Custodial

(Under Section 408A of the Internal Revenue Code)

The Applicant/Depositor named on the first page of this Application and Custodial Agreement is establishing a Roth Individual Retirement Account under Section 408A of the Internal Revenue Code (26 USC 408A) to provide for his or her retirement and for the support of his or her beneficiaries after the applicant's death.

By executing the Application, the Applicant/Depositor acknowledges that he or she has received from Kingdom Trust (hereinafter referred to as Custodian), the Custodian hereunder, the following Custodial Agreement and Disclosure Statement required by Treasury Regulation 1.408-6 and that he or she has read and understood the same.

Applicant/Depositor and the Custodian do hereby agree as follows:

Article I

1.01 Except in the case of a rollover contribution described in section 408A(e), a re-characterized contribution described in section 408A (d)(6), or an IRA Conversion Contribution, the custodian will accept only cash contributions up to $6,000 per year for 2019 through 2021. For individuals who have reached the age of 50 by the end of the year, the contribution limit is $7,000 per year for 2019 through 2021. Future contribution limits may be increased to reflect a cost-of-living adjustment, if any.

Article II

2.01 The annual contribution limit described in Article I is gradually reduced to $0 for higher income levels. For a single depositor, the annual contribution is phased out between adjusted gross income (AGI) of $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 2107. 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). Please see the Disclosure Statement or the Internal Revenue Service website for updated AGI information.

2.02 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

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

Article IV

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

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

Article V

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

5.2 The minimum amount that must be distributed each year under paragraph 5.01(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the depositor's death and subtracting 1 from the divisor for each subsequent year.

5.3 If the depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as the depositor.

Article VI

6.01 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).

6.02 The custodian agrees to submit to the IRS and depositor the reports prescribed by the IRS.

Article VII

7.01 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

8.01 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 Roth IRA adoption agreement.

Article IX

9.1 **Applicable Law**: This custodial agreement is subject to all applicable Federal Statutes and Regulations and shall be governed by and construed under all applicable Statutes and regulations of the state of South Dakota.

If any provision of this custodial agreement is determined to be invalid or illegal, those provisions shall be stricken and the remaining provisions shall remain fully enforceable. A failure to enforce any of the provisions of this agreement by either you or custodian shall not be construed as a waiver of such provisions or of any right to enforce such provisions thereafter.

Any suit filed against custodian arising out of or in connection with this custodial agreement shall only be instituted in the Federal District Court for the District of South Dakota, Southern Division in Sioux Falls, South Dakota or, lacking Federal Jurisdiction, in the county courts of Minnehaha County, South Dakota in Sioux Falls, South Dakota where custodian maintains its principal place of business and you agree to submit to such jurisdiction both in connection with any such suit you may file and in any such suit custodian may file against you.

9.2 **Annual Accounting**: The custodian shall, at least annually, provide the depositor or beneficiary (in the case of depositor's death) with an accounting of such depositor's account. Such accounting shall be deemed to be accepted by the depositor or the beneficiary, if the depositor or beneficiary does not object in writing within 60 days after the mailing of such accounting statement. This annual accounting may be delivered electronicall.

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

9.4 **Resignation and Removal of the Custodian.**

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

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

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

(1) If the Depositor designates a successor and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets and necessary records assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor Trustee or Custodian, subject to 9(b) above.

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

(d) In any case listed above, the Custodian may expend any assets in the account to pay expenses of valuation and transfer (including but not limited to re-registering the assets and preparation of deeds, assignments, and other instruments of transfer or conveyance) to the successor Trustee or Custodian, or the Depositor, as the case may be. In addition, the Custodian may retain a portion of the assets as a reserve for payment of any anticipated remaining fees and expenses. Upon satisfaction of such fees and expenses, as determined by the Custodian, the Custodian shall pay over any remainder of the reserve to the successor Trustee or Custodian or to the Depositor, as the case may be.

9.5 **Fees and Expenses**:

(a) The Depositor agrees to pay the any and all fees specified in the fee schedule published by Kingdom Trust as in effect and as modified from time to time for establishing and maintaining this IRA, including but not limited to any Custodian fees, and fees for distributions from, transfers to or from, and terminations of this IRA. Kingdom Trust may change the fee schedule at any time by giving the depositor 30 days prior written notice.

(b) The Depositor agrees to pay any expenses incurred by the Custodian in connection with the account. Such expenses include, but are not limited to, administrative expenses, such as legal and accounting fees, a valuation fee from a qualified independent third party appraiser, and any taxes of any kind whatsoever that may be levied or assessed with respect to such account.

(c) All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the depositor by the due date for same, but the Depositor shall be responsible for any deficiency. To effectuate this clause 9.5, Depositor does hereby authorize the Custodian to liquidate such assets as are required to satisfy any delinquency caused by Depositor’s failure to pay any fee by due date for the same.

(d) In the event that for any reason the Custodian is not certain as to who is entitled to receive all or part of the custodial funds, the Depositor hereby authorizes the Custodian to withhold such custodial funds, to request, at Depositor’s expense, a court ruling to determine the disposition of the custodial funds, and to charge the Custodial account for any expenses incurred in obtaining such legal determination.

9.6 **Withdrawal Requests**: All requests for withdrawal shall be in writing and in form and substance acceptable to Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested. Custodian shall also have the right to reject any withdrawal request it may deem appropriate and to apply to a court of competent jurisdiction to make a determination with respect to the proper party eligible to receive a distribution from the account and to charge the custodial funds and/or the Depositor for any expenses incurred in obtaining such legal determination, including attorneys' fees.

9.7 **Responsibilities**: Depositor agrees that all information and instructions given by the Depositor will be complete and accurate and that Kingdom Trust shall not be responsible for any incomplete or inaccurate information provided by the Depositor, the Depositor's beneficiary(ies), or the account designated representative (as described below and in the Roth IRA adoption agreement). Depositor, on behalf of the Depositor and the Depositor's beneficiary(ies), agrees to be responsible for all tax consequences arising from contributions to and distributions from this custodial account (including but not limited to all interest, penalties and penalty taxes), and hereby acknowledges that no tax advice has been or will be provided by the Kingdom Trust.

9.8 **Designation of Beneficiary**:

(a) Except as may be otherwise required by State law, in the event of the Depositor's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Depositor on a beneficiary designation form acceptable to and filed with Custodian. The Depositor may change the Depositor's beneficiary or beneficiaries at any time by filing a new beneficiary designation with Custodian. If no acceptable beneficiary designation is in effect, if none of the named beneficiaries survive the Depositor, or if Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Depositor's estate.

(b) In the event of the Depositor's death, any beneficiary may name a subsequent beneficiary or beneficiaries to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a subsequent beneficiary designation form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event may any subsequent beneficiary, be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies), if any, designated by the original spouse
beneficiary where the Depositor dies before his or her required beginning date and his/her spouse was named as beneficiary. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

9.9 **Spousal Beneficiary Provisions**: Notwithstanding the provisions of Article 5.03, if the Depositor's only primary beneficiary is the surviving spouse, such spouse may elect to be treated as a non-spouse beneficiary for purposes of the provisions of Articles 5.01 and 5.02, but including the special rule provided under section 401(a)(9)(B)(iv) of the Code. Thus, a surviving spouse beneficiary may remain the beneficiary of the deceased spouse's Roth IRA and be able to take death distributions under the five year rule or the exception to the five year rule, including the ability to wait to begin receiving distributions over his or her single life expectancy until December 31 of the year the deceased spouse would have attained the age of 70½ had he or she lived, if this date is later than the December 31 immediately following the year of death. In addition, if the surviving spouse is not the sole beneficiary of the Roth IRA, in addition to the provisions of Articles 5.01 and 5.02, the surviving spouse beneficiary may elect to treat his or her beneficial portion of the deceased spouse's Roth IRA as his or her own Roth IRA.

9.10 **Responsibility for Determining Eligibility for Conversion Contributions**: Notwithstanding the provisions of the third sentence of Article II, the Depositor agrees to be solely responsible for determining eligibility to convert any of the depositor's traditional IRAs or an employer's plan to a Roth IRA.

9.11 **Combining Regular Roth IRA Contributions with Roth Conversion Contributions**: The Depositor may combine regular Roth IRA contributions in the same Roth IRA account as Roth IRA conversion contributions. The Depositor agrees to designate each deposit as either a regular Roth IRA contribution (and the tax year to which it relates) or a Roth IRA conversion contribution. The Depositor further agrees that he/she will be solely responsible for any record keeping of such deposits as determined or required by the Internal Revenue Service, including but not limited to, the timing, ordering and taxation of any distributions.

9.12 **Death Benefit Default Provisions**: If the Depositor dies and the beneficiary does not select a method of distribution described in Article V, Section 5.01(a) or (b) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the designated beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides Kingdom Trust with a proper distribution request acceptable in form and substance to Kingdom Trust and other documentation that may be required by Kingdom Trust. A beneficiary may at any time request a complete distribution of his or her remaining interest in the custodial account. Kingdom Trust reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

ARTICLE X

SELF-DIRECTED IRA PROVISIONS

10.1 **Investment of Contributions**: In accordance with the instructions given to the Custodian shall invest and reinvest all contributions to the account and earnings thereon as directed by the Depositor (or the direction of the beneficiary(ies) upon the Depositor's death) in investments that Custodian determines it can feasibly administer, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), options, mutual funds, common trust funds or other common investment funds that qualify under Section 408(b)(5) (including without limitation pooled custodial accounts and pooled custodial funds), certificates of deposit, real estate, real estate contracts, mortgages, leases, mortgage notes, debentures, individually negotiated debt instruments, promissory notes, private equity investments in closely held businesses, tax liens and tax anticipation warrants, deeds of trust, and other public , private or alternative investments that the Custodian determines it can feasibly administer, in such amounts as are specifically selected and specified by the Depositor in orders to Custodian in such form as may be acceptable to Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a custodial investment or IRA investment and even if such investment will result in a prohibited transaction, unrelated business taxable income ("UBTI") or a reportable transaction. In addition, the account designated representative (as described below and in the Roth IRA adoption agreement) may give Custodian directions to have the Custodian buy, sell or reinvest public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian). The account designated representative may not direct Custodian with regard to any alternative or private investment. The Custodian shall be responsible only for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received as required, or, if received, are unclear or administratively unfeasible in the sole opinion of Custodian, all or a portion of the account may be held in its current investments or remain un- invested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification as are acceptable to Custodian in its sole discretion, or if a new contribution, the contribution may be returned. Custodian may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing investment funds. The Custodian shall have no duty other than to follow the written investment directions of the Depositor, which duty shall be subject to the other terms and conditions of this agreement. The Custodian shall be under no duty to question said instructions and shall not be liable for any investment losses or adverse tax consequences of any kind whatsoever sustained by the depositor. In addition, the Custodian reserves the right to not follow Depositor's (or an account designated representative's or beneficiary's) direction or process any investment for administrative or cost-related reasons. Execution of Depositor's instructions or refusal to execute same does not constitute investment advice or an opinion by the Custodian as to the investment's prudence or viability. Depositor agrees that the Custodian shall have no discretionary power, authority or control with respect to the management, investment or disposition of the Depositor's assets or any discretionary authority with regard to the management of the Depositor's account. Depositor agrees and acknowledges that the Custodian is not a fiduciary with respect to the Depositor, the Depositor's account or any investment.

10.2 **Registration**: All assets of the account shall be registered in the name of the account, the Custodian, or of a suitable nominee. The same nominee may be used with respect to assets of other investors or other custodians, including but not limited to the trust subsidiary, whether or not held under agreements similar to this one or in any capacity whatsoever. However, each Depositor's account shall be separate and distinct; a separate account therefore shall be maintained by the TPA on behalf of the Custodian, and evidence of the assets thereof shall be held by the Custodian in individual or bulk segregation either in the Custodian's vaults or in depositories approved by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

10.3 **Account Designated Representative/Investment Advisor**: The Depositor may appoint an account designated representative who may, but is not required to be, an investment advisor qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of his/her IRA. The Depositor shall notify the Custodian in writing of any such appointment. If the account designated representative is an investment advisor, then the Depositor shall provide the Custodian a copy of the instruments appointing the investment advisor and evidencing the investment advisor's acceptance of such appointment, an acknowledgment by the investment advisor that the investment advisor is a fiduciary of the account, and a certificate evidencing the investment advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to the Custodian by the account designated representative, but only with regard to public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), and will do so until the Custodian receives written notification from the Depositor that the account designated representative's appointment has been terminated. The Custodian shall have no duty other than to follow the written investment directions of such account designated representative subject to the provisions of this Agreement, shall be under no duty to question said instructions, and shall not be liable for any investment losses or adverse tax consequences sustained by the Depositor.

10.4 **No Investment Advice**: Custodian shall have no responsibility for rendering advice with respect to the investment and reinvestment of Depositor's account and shall not be liable for any loss which result from Depositor's exercise of control over his/her account. Depositor shall have and exercise exclusive responsibility for control over all the investment decisions concerning the assets of his/her account, and the Custodian shall have no duty to question his/her investment directives. Custodian reserves the right, in its sole discretion, to deny any investment direction that it cannot feasibly administer, which is violative of Custodian's policy or which might result in a violation of Federal, State or Local laws. Depositor hereby agrees that the exercise of such right shall not be construed as Custodian providing investment or legal advice.

10.5 **Prohibited Transactions**: Notwithstanding anything contained herein to the contrary, the Depositor shall not direct Custodian to engage in or make any investment that Depositor knows or should know involves or facilitates any criminal act, nor shall the Depositor direct the custodian to lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to; any Depositor, any member of Depositor's family, or any entity controlled by Depositor through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of ownership entitled to vote, or of 50 percent or more of the total value of all ownership interests of such entity. Generally, if a Depositor engages in or directs engagement in a prohibited transaction as described in Section 4975 of the Code, the Depositor's account stops being an IRA as of the first day of that year, and the account is treated as distributing all its assets to the Depositor or beneficiary at their fair market values on the first day of the year which may result in taxes and penalties. Depositor hereby agrees to be solely responsible for determining and avoiding prohibited transactions and reportable events and will indemnify and hold Custodian harmless should Depositor engage in a prohibited transaction or other transaction described in this paragraph.

10.6 **Unrelated Business Taxable Income ("UBTI")**: Certain investments may generate taxable income within the IRA account, referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all IRA accounts and may be taxable to the IRA account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS. If the Depositor directs investment of the account in any investment which results in unrelated business taxable income, it shall be the responsibility of the Depositor to so advise the Custodian and to provide the Custodian with all forms necessary to file any required returns or reports for the account. All forms, returns and reports must be completed by the Depositor and delivered in a timely manner to Custodian for signature and filing. In such instances, the IRS requires that a Form 990-T be filed for the IRA account along with the appropriate amount of tax.

The Depositor, by signing this agreement, understands the Custodian:

1. does not make any determination of UBTI;
2. does not monitor whether the account has UBTI; and
3. does not prepare Form 990-T or other necessary forms, returns or reports.

Therefore, the Depositor must monitor UBTI for this and any other IRA account which he/she may hold and prepare, or have prepared at their expense, the proper 990-T tax form, along with any other necessary forms, returns or reports and forward it to Custodian for signatures and filing, along with authorization to pay any tax due from the IRA account.

10.7 **Disclosures and Voting**: The Custodian shall deliver to Depositor, or cause to be executed and delivered to Depositor all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of written instructions from Depositor that the Custodian, in its sole discretion, finds to be adequate.

10.8 **Miscellaneous Expenses**: In addition to those expenses set out in Section 9.05 of this plan, the Depositor agrees to pay any and all expenses incurred by the Custodian in connection with the account, including, but not limited to, expenses of valuation of account assets, tax payments, and preparation and filing of any returns and reports with regard to UBTI. Moreover, all estimated taxes, together with any transfer and other taxes, including any interest and penalties thereon, as well as any expenses incurred in connection with the investment or reinvestment of the assets of the account shall be paid by the Depositor. The Custodian may, at the Depositor's expense, retain suitable accountants, attorneys, or other agents to advise and assist the Custodian in performing their respective duties under this agreement.

10.9 **Indemnification of Custodian**: To the extent not prohibited by Federal or State law, the Depositor agrees to indemnify, defend and hold harmless Custodian, its respective subsidiaries and administrators, officers, directors, managers, members, representatives, agents, employees, affiliates, successors and assigns from and against any and all claims, demands, liabilities, damages, costs, expenses, attorneys' fees, payments and assessments arising in connection with the Depositor or the Depositor's IRA or which may result from any good faith actions, errors or omissions and from following or attempting to follow any directions of the Depositor (or the beneficiary(ies), or an account designated representative), and further agrees that the Custodian shall not be subject to margin calls or have any other obligation to extend credit or otherwise disburse payment beyond the cash balance of Depositor's account for any reason whatsoever.

General Instructions

(Section references are to the Internal Revenue Code unless otherwise noted. Regulation references are to U.S. Treasury Regulations.)

Purpose of Form

Form 5305-RA is a model custodial account agreement that meets the requirements of section 408A and has been pre-approved by the IRS. ARoth individual retirement account (Roth IRA) is established after the applicable adoption agreement is fully executed by the individual (depositor) and the custodian. This account must be created in the United States for the exclusive benefit of the depositor and his or her beneficiaries.

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

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

Definitions

Custodian. The Custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian. The term custodian includes Kingdom Trust, a South Dakota Chartered Trust Company, and any successor thereto who serves under this Custodial Agreement under the circumstances described in 9.04(d) above.

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

Specific Instructions

Article I. The Depositor may be subject to a 6% tax on excess contributions if

1. contributions to other individual retirement arrangements of the Depositor have been made for the same tax year,
2. the Depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or
3. the Depositor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year. The Depositor should see the disclosure statement or Pub. 590 for more information.

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

Article IX. Article IX and any that follow it may incorporate additional provisions that are agreed to by the Depositor, Third Party Administrator, if applicable, and the 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.

ROTH IRA DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR ROTH IRA ACCOUNT

You may revoke your Roth IRA within 7 days after you sign the Roth IRA adoption agreement by hand-delivering or mailing a written notice to Kingdom Trust at the address indicated on the Roth IRA adoption agreement. If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the adoption agreement. If you revoke your Roth IRA within the 7 day period you will receive a refund of the entire amount of your contributions to the Roth IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report the contribution on Form 5498 (except transfers) and the revoked distribution on Form 1099-R.

GENERAL REQUIREMENTS OF A ROTH IRA

- Your contributions must be made in cash, unless you are making a qualified rollover or transfer contribution.
- The annual contributions you make on your behalf to all of your Roth IRAs and traditional IRAs may not exceed the lesser of 100% of your compensation or the "applicable annual dollar limitation" (defined below), unless you are making a rollover or transfer contribution from a traditional IRA or another Roth IRA.
- Your regular annual Roth IRA contributions for any taxable year may be deposited at any time during that taxable year and up to the due date for the filing of your Federal income tax return for that taxable year, no extensions. This generally means April 15th of the following year.
- The custodian of your Roth IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
- No portion of your Roth IRA funds may be invested in life insurance contracts.
- Your interest in your Roth IRA is nonforfeitable at all times.
- The assets in your Roth IRA may not be commingled with other property except in a common custodial fund or common investment fund as defined in Section 408(b)(5) of the Internal Revenue Code.
- You may not invest the assets of your Roth IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code.) A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the TPA and the custodian permit, specially minted US gold, silver, and platinum coins and certain state-issued coins are permissible Roth IRA investments. Beginning on 1/1/98, you may also invest in certain gold, silver, platinum or palladium bullion, if the TPA and the custodian permit. Such bullion must be in the physical possession of the Roth IRA trustee or custodian.

WHO IS ELIGIBLE TO MAKE A REGULAR ROTH IRA CONTRIBUTION?

You are permitted to make regular contributions to your Roth IRA for any taxable year if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employees. Members of the Armed Forces who serve in combat zones who receive compensation that is otherwise non-taxable, are considered to have taxable compensation for purposes of making regular Roth IRA contributions. The amount which is permitted to be contributed depends upon your modified adjusted gross income (Modified AGI); your marital status; and your tax filing status discussed below.

CONTRIBUTIONS TO A ROTH IRA

Regular Roth IRA Contributions - The maximum amount you may contribute for any year is the lesser of 100% of your compensation or the "applicable annual dollar limitation" (described below). Your actual contribution limit depends upon your marital status, tax filing status, and your Modified AGI.

Applicable Annual Dollar Limitation

Tax Year	Contribution Limit
2001	$2,000
2002 through 2004	$3,000
2005 through 2007	$4,000
2008 through 20012	$5,000
2013 through 2018	$5,500
2019 through 2021	$6,000

After 2008, the $5,000 annual limit will be subject to cost-of living increases in increments of $500, rounded to the lower increment. This means that it may take several years beyond 2008 for the $5,000 annual limit to increase to $5,500.

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

Tax Year	Normal Limit	Additional Catch-up	Total Contribution
2002	$3,000	$ 500	$3,500
2003	$3,000	$ 500	$3,500
2004	$3,000	$ 500	$3,500
2005	$4,000	$ 500	$4,500
2006	$4,000	$1,000	$5,000
2007	$4,000	$1,000	$5,000
2008-2012	$5,000	$1,000	$6,000
2013-2018	$5,500	$1,000	$6,500
2019-2021	$6,000	$1,000	$7,000

The additional catch-up amount for Roth IRAs is not subject to COLAs.

Special IRA Catch-up Contributions for Certain Section 401(k) Participants - Special Roth IRA catch-up contributions are permitted for each of years 2007, 2008 and 2009 equal to the applicable year's age-50 catch-up limit multiplied by 3. To be eligible for this special catch-up Roth IRA contribution, the individual must have been a participant in an employer's §401(k) plan where employer-matching contributions were being made at the rate of at least 50% of the participant's deferrals with employer stock and such employer is in bankruptcy and is subject to an indictment or conviction. The individual is not required to be age 50 in order to take advantage of this rule. However, if the individual is age 50 or over, he or she may not contribute the age-50 catch-up amount in addition to this special catch-up.

The deadline for making such special catch-up contributions is the normal deadline for the applicable year. For example, an eligible individual takes advantage of this rule for calendar year 2009. The normal regular Roth IRA contribution limit for 2009 is $5,000 and the normal age-50 catch-up contribution limit for 2009 is $1,000. The eligible individual could contribute the $5,000 normal limit plus a special catch-up contribution of $3,000 for a total of $8,000. The deadline for making this contribution is the 2009 tax filing deadline, no extensions.

Modified Adjusted Gross Income - The amount of your regular annual Roth IRA contribution depends upon your Modified Adjusted Gross Income (MAGI) for the taxable year and your marital status. If your MAGI is below a certain amount, you can contribute the entire contribution subject to the dollar limit. If your MAGI is above a certain amount, you cannot make any regular contribution to a Roth IRA. If your MAGI is between certain amounts, you are entitled to making a partial Roth IRA contribution. You are responsible for keeping track of your Roth IRA contributions so that you can report Roth IRA distributions on IRS Form 8606. Refer to the chart below for the MAGI ranges. Beginning in 2007, the MAGI ranges are subject to cost-of-living adjustments. Also refer to IRS Publication 590 for additional information.

	Married Participants Filing Jointly	Unmarried Participants	Married Participants Filing Separately
1998 - 2006	$150,000 - $160,000	$ 95,000 - $110,000	$0 - $10,000
2007	$156,000 - $166,000	$ 99,000 - $114,000	$0 - $10,000
2008	$159,000 - $169,000	$101,000 - $116,000	$0 - $10,000
2009	$166,000 - $176,000	$105,000 - $120,000	$0 - $10,000
2010	$167,000 - $177,000	$105,000 - $120,000	$0 - $10,000
2011	$169,000 - $179,000	$170,000 - $122,000	$0 - $10,000
2012	$173,000 - $183,000	$110,000 - $125,000	$0 - $10,000
2013	$178,000 - $188,000	$112,000 - $127,000	$0 - $10,000
2014	$181,000 - $191,000	$114,000 - $129,000	$0 - $10,000
2015	#183,000 - $193,000	$116,000 - $131,000	$0 - $10,000
2016	$184,000 - $194,000	$117,000 - $132,000	$0 - $10,000
2017	$186,000 - $196,000	$118,000 - $133,000	$0 - $10,000
2018	$189,000 - $199,000	$120,000 - $135,000	$0 - $10,000
2019	$193,000 - $203,000	$122,000 - $137,000	$0 - $10,000
2020	$196,000 - $206,000	$124,000 - $139,000	$0 - $10,000
2021	$198,000 - $208,000	$125,000 - $140,000	$0 - $10,000

Spousal Roth IRAs - If you and your spouse file a joint tax return and have unequal compensation (including no compensation for one spouse or one spouse who chooses to be treated as receiving no compensation) you may establish separate Roth IRAs for each spouse. The total annual contribution limit for both Roth IRAs may not exceed 100% of the combined compensation for both spouses, but neither Roth IRA may accept more than the Applicable Annual Dollar Limitation per spouse, plus the additional catch-up amount, if applicable.

The maximum Roth IRA contribution for the spouse is then reduced by:

1. Regular traditional IRA contributions made on behalf of such spouse; and
2. Roth IRA contributions made on behalf of such spouse.

This annual limit may be further reduced if the Modified AGI exceeds the levels discussed above.

$200 Minimum Roth IRA Contribution - If you fall into any of the categories listed above, your minimum allowable Roth IRA contribution will be $200 until phased out under the appropriate marital status. In other words, if your Roth IRA contribution amount calculated under the appropriate dollar amounts discussed above results in a contribution between $0 and $200, your permitted contribution is $200 instead of the calculated amount. If the result is not a multiple of $10, round up to the nearest $10.

Modified AGI - Modified AGI does not include any distributions from a traditional IRA that are converted to a Roth IRA and included in income. Modified AGI is determined before deductible traditional IRA contributions. Effective for distributions after December 31, 2004, Modified AGI does not include any amounts that are required minimum distributions pursuant to section 408(a)(6) only for purposes of determining eligibility for conversion contributions.

Miscellaneous Contribution Rules - Contributions are permitted after you attain age 70½, so long as you have compensation and meet the AGI limits described above. Contributions are permitted regardless of whether you are an active participant in an employer-sponsored plan.

Special Rules for Qualified Reservist Distributions - Qualified Reservist Distributions withdrawn from a Roth IRA are eligible to be repaid to a Roth IRA within a 2-year period after the end of active duty. A Qualified Reservist Distribution is a distribution received from a Roth IRA by members of the National Guard or reservists who are called to active duty for a period of at least 180 days and such distribution is taken during the period of such active duty. This provision is retroactively effective with respect to distributions after September 11, 2001, for individuals called to active duty after September 11, 2001. The repayments are not treated as tax-free rollovers. Instead, the repayments become basis in the Roth IRA.

EXCESS CONTRIBUTIONS TO A ROTH IRA

Generally, an excess Roth IRA contribution is any contribution which exceeds the contribution limits. Such excess amount is subject to a 6% excise tax on the principal remaining amount of the excess each year until the excess is corrected.

Method of Withdrawing Excess in a Timely Manner - This 6% excise tax may be avoided, if the excess amount plus the earnings attributable to the excess are distributed to you by your tax filing deadline including extensions for the year during which the excess contribution was made. If you decide to correct your excess in this manner, the principal amount of the excess returned to you is not taxable; however, the earnings attributable to the excess are taxable to you in the year in which the contribution was made. In addition, if you are under age 59½, the earnings attributable to the excess amount are subject to a 10% additional income tax. This is the only method of correcting an excess contribution that will avoid the 6% excise tax. The earnings attributable to an excess contribution will always be taxable, even if you would otherwise meet the definition of a “qualified distribution” discussed later.

Under-contribution Method - If an excess is not corrected by the tax filing deadline, including extensions, for the year during which the excess contribution was made, such excess contribution may be applied, on a year-by-year basis, against the annual limit for regular Roth IRA contributions. However, in order to "carry over" the excess contribution and treat it as a contribution made for a subsequent year, the participant must meet the eligibility requirements for the subsequent year. In addition, the taxpayer is subject to the 6% excise tax for the initial year and each subsequent year until the excess is used up.

CONTRIBUTION RECHARACTERIZATIONS

You may be able to re-characterize certain contributions under the following two different circumstances:

1. By re-characterizing a current year regular contribution plus earnings explained in this section; or
2. By re-characterizing a conversion made to a Roth IRA by transferring the amount plus earnings back to a traditional IRA discussed in the next section under the heading "Conversion from a Traditional IRA to a Roth IRA". Beginning 1/1/2018, recharacterizations of conversions made after 12/31/2017 are no longer permitted.

If you decide by your tax filing deadline (including extensions) of the year for which the contribution was made to transfer a current year contribution plus earnings from your traditional IRA to a Roth IRA, no amount will be included in your gross income as long as you did not take a deduction for the amount of the contribution. You may also re-characterize a current year contribution plus earnings from your Roth IRA to a traditional IRA by your tax filing deadline including extensions of the year for which the contribution was made.

In order to re-characterize a regular contribution from one type of IRA to another type of IRA, you must be eligible to make a regular contribution to the IRA to which the contribution plus earnings is re-characterized. All re-characterizations must be accomplished as a direct transfer, rather than a distribution and subsequent rollover.

You are also required to report re-characterizations to the IRS in accordance with the instructions to IRS Form 8606. Prior year excess contributions made to an IRA that are carried over to a subsequent year cannot be re-characterized as a current year contribution to another IRA. Only actual contributions made for a taxable year may be re-characterized. Any re-characterized contribution (whether a regular contribution or a conversion) cannot be revoked after the transfer. You are required to notify both custodians and to provide them with certain information in order to properly effectuate such a re-characterization.

ROLLOVER ROTH IRAs

Rollover Contribution from Another Roth IRA - A rollover contribution from another Roth IRA is any amount you receive from one Roth IRA and within 60 days roll some or all of it over into another Roth IRA. You are not required to roll over the entire amount received from the first Roth IRA. However, any taxable amount (generally earnings) you do not roll over will be taxed at ordinary income tax rates for Federal income tax purposes and may be subject to the 10% additional income tax.

The following special rules also apply to rollovers between Roth IRAs:

- The rollover must be completed no later than the 60th day after the day the distribution was received by you from the first Roth IRA. However, if the reason for distribution was for qualified first time home buyer expenses and there has been a delay or cancellation in the acquisition of such first home, the 60 day rollover period is increased to 120 days. This 60 day rollover period is also extended in cases of disaster or casualty beyond the reasonable control of the taxpayer.
- You may have only one Roth IRA to Roth IRA rollover during a 12 consecutive month period measured from the date you received a distribution from a Roth IRA which was rolled over to another Roth IRA. (See IRS Publication 590 for more information.)
- The same property you receive in a distribution from the first Roth IRA must be the same property you roll over into the second Roth IRA. For example, if you receive a distribution from a Roth IRA of property, such as stocks, that same stock must be the property rolled over into the second Roth IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to receive a complete distribution from your Roth IRA in order to make a rollover contribution into another Roth IRA, nor are you required to roll over the entire amount you received from the first Roth IRA into the second Roth IRA.
- If you inherit a Roth IRA due to the death of the participant, you may not roll this Roth IRA into your own Roth IRA unless you are the spouse of the deceased Roth IRA participant.

Rollovers From a Designated Roth Contribution Account Under Employer-Sponsored Plans - Effective for Eligible Rollover Distributions after December 31, 2005, amounts attributable to the participant's Designated Roth Contribution Account under an employer's §401(k) plan or §403(b) plan are eligible to roll over to a Roth IRA as either a direct rollover or a 60-day rollover. After such amounts have been rolled over to a Roth IRA, these amounts cannot be subsequently rolled back to an employer's plan.

Effect of 5-Year Aging - If the Roth IRA owner has already started the 5-year aging on any Roth IRA, the rollover of the Designated Roth Contribution Account under the employer's plan has the same 5-year period start date. However, if the Roth IRA owner establishes a Roth IRA for the first time with the rollover of the Designated Roth Contributions Account under the employer's plan, a new 5-year aging period starts with respect to the rollover amount, regardless of the period of participation in the employer's plan.

Effect on Ordering Rules for Subsequent Distributions from the Roth IRA - If a Roth IRA owner rolls over his or her Designated Roth Contributions Account under an employer's plan, the Roth IRA owner is responsible for keeping track of the rollover in the following manner for purposes of determining taxable distributions from the Roth IRA:

- If the distribution from the employer's plan is a “nonqualified distribution”, the Roth IRA owner adds the basis amount (contributions) to his or her other regular Roth IRA contributions, and adds the earnings to the earnings.
- If the distribution from the employer's plan is a “qualified distribution”, the Roth IRA owner adds the entire amount of the rollover to his or her other regular Roth IRA contributions.

Partial Rollovers - If a distribution representing the participant's Designated Roth Contribution Account is eligible to roll over and it is paid to the participant, and the participant rolls over to a Roth IRA only a portion of the distribution, the amount not rolled over is treated as first consisting of the nontaxable portion (the contributions). Thus, the amount rolled over is treated first as the taxable earnings and no amount is taxable to the participant if the amount of the rollover is equal to or greater than the amount of the earnings attributable to the distribution received by the employee. Proper adjustments to the ordering rules explained above are necessary in the case of a partial rollover.

Special Rollover Rules for Qualified Hurricane Distributions, Qualified Wildfire Distributions and Certain Other Presidentially Declared Disaster Areas - Qualified Disaster Distributions (QDDs) include Qualified Hurricane Distributions, Qualified Wildfire Distributions and other disaster areas as declared by the President. Qualified Disaster Distributions withdrawn from a Roth IRA are eligible to be rolled over to a Roth IRA within a 3-year period after the eligible individual received such distribution. More information on Qualified Hurricane Distributions and other tax relief provisions applicable to affected individuals of Hurricanes Harvey, Irma and Maria as well as other disaster relief can be found on the IRS website at https://www.irs.gov/newsroom/around-the-nation. Taxpayers using these tax relief provisions must file Form 8915 with his or her Federal income tax return. The maximum amount of a QHD is $100,000 per taxpayer; is not subject to the premature distribution penalty tax of 10%, and will be taxed pro rata over a 3 year period unless the taxpayer elects to pay all of the taxes in the year of the distribution. See the instructions to Form 8915 for more information.

Special Rules for Qualified Settlement Income Received from Exxon Valdez Litigation - Any qualified taxpayer who receives qualified settlement income during the taxable year, at any time before the end of the taxable year in which such income was received, make one or more contributions to an eligible retirement plan of which such qualified taxpayer is a beneficiary in an aggregate amount not to exceed the lesser of: (a) $100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior taxable years); or (b) the amount of qualified settlement income received by the individual during the taxable year.

The contribution will be deemed made on the last day of the taxable year in which such income is received if the contribution is made on account of such taxable year and is made not later than the deadline for filing the income tax return for such year, not including extensions thereof.

If the settlement income is contributed to a Roth IRA such income is not currently includible in the taxpayer's gross income and becomes basis in such Roth IRA.

A qualified taxpayer means:

1. Any individual who is a plaintiff in the civil action In re Exxon Valdez, No. 89-095-CV (HRH) (Consolidated) (D. Alaska); or
2. Any individual who is a beneficiary of the estate of such a plaintiff who acquired the right to receive qualified settlement income from that plaintiff and was the spouse or an immediate relative of that plaintiff.

Special Rollover Rules for Military Death Gratuity and SGLI Payments - In general the beneficiary of Death Gratuity and the SGLI (Servicemember's Group Life Insurance) may roll these payments into a Roth IRA in the name of the recipient of such payments, without regard to any adjusted gross income limitations. Such Roth IRA will not be an inherited IRA but rather in the Roth IRA will be in the beneficiary's own name. Such rule is effective with deaths occurring after June 17, 2008. However, if the payment was made due to a death that occurred after October 7, 2001, and before June 17, 2008, a recipient can still roll such amounts over to a Roth IRA as long as the rollover is completed by June 17, 2009.

The rollover to the Roth IRA must generally be completed within one year following the receipt of the payment. These payments are not taxable to the recipient. The trustee, custodian or issuer of the Roth IRA is not required to independently verify that such amounts are eligible to roll over to the Roth IRA. It is also important to note that recipients these amounts may be a spouse or other family member, and the rollover would go into the Roth IRA as the recipient's own Roth IRA, not an inherited Roth IRA. Whether or not distributions from the Roth URA are “qualified distributions” where the earnings would be tax-free would depend upon the 5-year aging period and reason for distribution applicable to any Roth IRA distribution that is a “qualified distribution”.

For purposes of the ordering rules applicable to nonqualified distributions from Roth IRAs, these amounts are treated as contributions to the Roth IRA, not as conversions. This means that these amounts may be immediately withdrawn for any purpose and not be taxed or subject to penalty.

Rollover of Amounts Received in Airline Carrier Bankruptcy - Effective December 11, 2008, a “qualified airline employee” may contribute any portion of an “airline payment” amount to a Roth IRA within 180 days of receipt of such payment (or, if later, within 180 days of the enactment of the Worker, Retiree and Employer Recovery Act of 2008). Such contribution is treated as a qualified rollover contribution to the Roth IRA, and as such, the airline payment is includible in gross income of the recipient to the extent it would be so includible were it not part of the rollover contribution.

An “airline payment” means any payment by a commercial airline carrier to a “qualified airline employee” that is paid: (1) under an order of a Federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007; and (2) in respect of the employee's interest in a bankruptcy claim against the airline carrier.

In determining the amount that may be contributed to a Roth IRA, any reduction in the airline payment on account of employment tax withholding is disregarded. A “qualified airline employee” is an employee or former employee of a commercial passenger airline who was a participant in a qualified defined benefit plan maintained by the airline carrier that was terminated or became subject to the benefit accrual and other restrictions applicable to plans maintained by commercial passenger airlines.

Effective February 14, 2012, under the FAA Modernization and Reform Act of 2012 ("The Act") certain qualified airline employees may rollover or recharacterize to a Traditional IRA in lieu of a Roth IRA. The Act permits 'qualified airline employees' and their surviving spouses, who received an 'airline payment amount', and did *not* roll over any portion of such payment to a Roth IRA:

1. To rollover now to a Traditional IRA 90% of the payment received, and the amount rolled over is excludible from income in the taxable year payment was made;

2. The rollover must take place within 180 days after the receipt of the 'airline payment amount' or within 180 days of February 14, 2012, the date of enactment i.e. August 13, 2012, whichever is later.

Additionally, the Act permits 'qualified airline employees' and their surviving spouses who contributed all or a portion of an 'airline payment amount' previously to a Roth IRA:

- To recharacterize up to 90% of such amounts, to a traditional IRA;
- The recharacterization transfer must be made within 180 days of February 14, 2012, the date of enactment i.e. August 13, 2012;
- The IRA owner can then claim a refund of the Federal taxes they previously paid on such transferred funds if made under certain time frames;
- The amount rolled over will be excluded from income in the taxable year payment was made;
- The transfer must be 'trustee to trustee';
- The contribution amount (including any net income allocable to it), rolled into the traditional IRA, will be deemed to have been rolled over at the time of the rollover to the ROTH.

The Act does *not* apply to employees who in the taxable year or any preceding years, when payment were made, were chief executive officers ("CEO") or one of the 4 highest compensated officers (other than the CEO), whose total compensation had to be reported to shareholders (as required by Securities and Exchange Commission Act of 1934). The PATH Act of 2015 extended this rollover deadline to 180 days after enactment or until June 15, 2016.

Special Rules for Non-spouse Beneficiaries - For distributions prior to 2007, any distribution from a Designated Roth Contribution Account to a beneficiary other than a surviving spouse was not eligible to be rolled over to a Roth IRA. Beginning in 2007, eligible rollover distributions from a Designated Roth Contribution Account payable to a non-spouse beneficiary are eligible for direct rollover into an Inherited Roth IRA. Such amounts must be paid in the form of a direct rollover, rather than a distribution and subsequent rollover. Thus, if the distribution is paid directly by the plan to the non-spouse beneficiary, no rollover is permitted. Also, the Roth IRA receiving the direct rollover must be an Inherited Roth IRA, rather a Roth IRA owned by the non-spouse beneficiary. The Inherited Roth IRA is subject to the same required minimum distributions that apply to beneficiaries under the employer's plan and carries over to the Inherited Roth IRA. The Roth IRA must be established and titled in a manner that identifies it as a Roth IRA with respect to a deceased individual and also identifies the deceased individual and the beneficiary, for example, "Tom Smith as beneficiary of John Smith".

For these purposes, a non-spouse beneficiary includes an individual beneficiary and a trust beneficiary that meets the special "look through" rules under the IRS regulations. A non-individual beneficiary (such as an estate or charity) or a non-look through trust is not eligible for direct rollover. Any required minimum distributions applicable to the employer's plan for the year in which the direct rollover occurs and any prior year is not eligible for direct rollover.

Conversion from a Traditional IRA or an Employer Plan to a Roth IRA - Prior to 2010, you are permitted to make a qualified rollover contribution from a traditional IRA or an employer plan to a Roth IRA if your Modified AGI (not including the taxable amount converted) for the year during which the distribution is made does not exceed $100,000 and you are not a married person filing a separate tax return. This is called a "conversion" and may be done at any time without waiting the usual 12 months. After 2009, the conversion eligibility requirements are eliminated. For conversions that occurred no later than 12/31/2017, you are also permitted to recharacterize a conversion made to a Roth IRA if the amount plus earnings is transferred back to a traditional IRA before your tax filing deadline including extensions for the year the amount was distributed from the traditional IRA that was converted to the Roth IRA. Recharacterizations were repealed beginning with conversions that occur in 2018 and subsequent years.

Taxation in Completing a Conversion from a Traditional IRA or an Employer Plan to a Roth IRA - If you complete a conversion from a traditional IRA or an employer plan to a Roth IRA, the conversion amount (to the extent taxable) is generally included in your gross income for the year during which the distribution is made that is converted to a Roth IRA. However, the 10% additional income tax for premature distributions does not apply. For taxable conversions made during 1998, you may include the taxable amount of the traditional IRA distribution in income "ratably" over a four-tax-year period beginning in 1998, or include the entire taxable amount of the traditional IRA distribution in income the year of the conversion. Any taxable conversions from a traditional IRA to a Roth IRA after 1998 will be fully includible in income the year in which you receive the distribution that is converted to a Roth IRA. If a taxpayer converts an eligible plan to a Roth IRA in 2010, the entire taxable amount of the conversion can be either: (a) included in gross income for the year of the conversion or (b) included in gross income by including only ½ of the taxable amount the year following the conversion and the remaining ½ of the taxable amount the next year.

Reconversions - Once an amount has been properly converted and then is recharacterized back to a traditional IRA, any subsequent conversion of that amount is called a "reconversion". Effective January 1, 2000 through 2017, an IRA owner who converts an amount from a traditional IRA to a Roth IRA during any taxable year and then recharacterizes that amount back to a traditional IRA may not reconvert that amount from the traditional IRA to a Roth IRA before the later of: (a) the taxable year following the taxable year in which the amount was first converted to a Roth IRA; or, (b) the end of the 30-day period beginning on the day on which the IRA owner recharacterizes the amount from the Roth IRA back to a traditional IRA. Any amount previously converted is adjusted for subsequent net income in determining the amount subject to the limitation on subsequent reconversions. Since adverse tax consequences could arise, it is recommended that you seek the advice of your own tax advisor. Beginning in 2018, since recharacterizations of conversions no longer apply, reconversions will also no longer apply.

Death of Taxpayer - With respect to 1998 conversions to which the 4-year income spread applied, if the taxpayer dies before including the taxable amounts in income over a 4-year period, all remaining taxable amounts will be included in gross income on the return filed on behalf of the decedent for the taxable year of death. However, if the surviving spouse of such deceased Roth IRA participant is the sole beneficiary of all of the decedent's Roth IRAs, the surviving spouse may elect to continue including the remaining amount in income over the 4-year period as if the surviving spouse were the Roth IRA owner. Conversions in 2010 that are subject to the 2-year income spread are treated in this same manner.

Income Acceleration - If a distribution is deemed from a 1998 conversion amount and the taxpayer is spreading the distribution over four years, a special rule applied. If such distribution occurred before all taxable conversion amounts have been included in income, such distribution is accelerated in gross income for that year in addition to that year's one-fourth amount until the original taxable conversion amount has been includible in gross income. These same rules applied to 2010 conversions subject to the 2-year income spread.

Change in Status - A change in filing status or a divorce does not affect the application of the 4-year spread for 1998 conversions. Thus, if a married Roth IRA participant who is using the 4-year spread and who was married in 1998 subsequently files separately or divorces before the full taxable conversion has been included in gross income, the remainder of the taxable conversion must be included in the owner's gross income over the remaining years in the 4-year period, unless accelerated due to a distribution or death. These same rules apply to 2010 conversions subject to the 2-year income spread.

Substantially Equal Payments - If a taxpayer converts a traditional IRA to a Roth IRA where the traditional IRA was subject to the substantially equal periodic payment exception, the same periodic payments must continue from the Roth IRA. However, for 1998 conversions where the taxpayer is using the 4-year spread rule, the payments from the Roth IRA will be subject to the income acceleration rule. Thus, in addition to the normal 1/4th amount, the substantially equal amount is also includible in the participant's gross income for each year until the full taxable conversion has been so included. This rule also applies to 2010 conversions subject to the 2-year income spread.

Types of Plans Permitted to be Converted - Traditional regular IRAs, Rollover "conduit" IRAs, and SEP IRAs may be converted to a Roth IRA, so long as the taxpayer meets the eligibility requirements until 2010 when the conversion eligibility rules were eliminated. A SIMPLE IRA may also be converted to a Roth IRA, but only after such SIMPLE IRA is no longer subject to the 2-year holding period applicable to SIMPLE IRAs. Also, qualified plans, §403(b) plans and governmental §457(b) plans may be converted to a Roth IRA.

Required Minimum Distributions - Any required minimum amount must first be distributed before any of the remaining amount can be converted to the Roth IRA.

DISTRIBUTIONS FROM A ROTH IRA

Taxation of Distributions - "Qualified distributions" are neither subject to Federal income tax nor the 10% additional income tax for premature distributions. Nonqualified distributions are taxable to the extent such distribution is attributable to the income earned in the account. When you start withdrawing from your Roth IRA, you may take the distributions in regular payments, random withdrawals or in a single sum payment.

Qualified Distributions - A Qualified Distribution is one that is both made:

1. on or after you attain age 59½;
2. to a beneficiary after your death;
3. on account of you becoming disabled (defined under Section 72(m)(7) IRC); or
4. for qualified first time homebuyer expenses.

AND made after the end of the five year period beginning with the taxable year for which you first make any contribution to a Roth IRA.

If your first contribution is a conversion from a traditional IRA to a Roth IRA, the five year period begins with the year in which the conversion was made from the traditional IRA. If your first contribution is a regular contribution, the five year period begins with the year for which the contribution was made. You may maintain only one Roth IRA plan which accepts regular contributions and conversions. Additional contributions or conversions in subsequent years will not start the running of another five year period for purposes of determining whether or not you have received a "Qualified Distribution". If the entire Roth IRA account balance is distributed before any other Roth IRA contributions are made, the 5-year aging period does not start over when future contributions are made.

However, if any of the following situations occur, the 5-year aging period has not yet started:

a. the initial Roth IRA contribution is revoked within its first 7-day period;
b. the initial Roth IRA contribution is re-characterized to a traditional IRA; or
c. an excess contribution, plus earnings, is timely distributed in accordance with section 408(d)(4), by the tax filing deadline including extensions, unless other eligible contributions were made.

Nonqualified Distributions - Distributions from a Roth IRA which are made as a nonqualified distribution are treated as made from contributions to the Roth IRA to the extent that such distribution, when added to all previous distributions from the Roth IRA (whether or not they were qualified distributions), and reduced by the taxable amount of such previous distributions, does not exceed the aggregate amount of contributions to the Roth IRA.

In other words, nonqualified distributions are treated as taken from the nontaxable portion first (the contributions) until the aggregate distributions exceed the aggregate contributions. When the aggregate distributions exceed the aggregate contributions, then the earnings will be treated as part of the distribution for taxation purposes. The portion of the nonqualified distribution that represents earnings will be taxable and subject to the 10% additional income tax for premature distributions, unless an exception applies. You are responsible for keeping records on the contributions you make to your Roth IRA and for figuring any taxable, nonqualified distributions from your Roth IRA.

Distributions Made Before the End of the Five Year Period - Distributions taken before the end of the five year period are taxable (to the extent you receive the earnings attributable) and are subject to the 10% additional income tax if the participant is not age 59½. However, the 10% additional income tax is avoided if the distribution meets any one of the exceptions under Section 72(t).

Recapture of the 10% Additional Tax - The 10% additional tax on early distributions will apply to conversions if the taxpayer is deemed to withdraw any portion of the taxable conversion amount before the end of the five year period commencing the year of conversion contribution, unless an exception under Section 72(t) applies. This is true even if none of the distribution is otherwise taxable.

Basis Recovery Rules for Distributions from Different IRA Plans - The taxation of distributions from a Roth IRA shall be treated separately from the taxation of a distribution from other IRA plans. In other words, nondeductible contributions made to your traditional IRA will continue to be recovered tax-free on a ratable basis.

Ordering Rules - Distributions from any of your Roth IRAs are to be "deemed" withdrawn in the following order: first from regular Roth IRA contributions; second from converted amounts on a first-in, first-out basis (with the taxable conversion amount first and then the nontaxable conversion amount); and last from the earnings. In determining these ordering rules, any amount distributed from an individual's Roth IRA is determined as of the end of a taxable year and exhausting each category before moving to the next category. The taxpayer will be required to keep track of these ordering provisions by using IRS Form 8606.

Multiple Beneficiaries - At the Roth IRA owner's death and where multiple beneficiaries are named, each type of contribution must be allocated to each beneficiary on a pro-rata basis. Thus, for example, if a Roth IRA owner dies when the Roth IRA contains a regular contribution of $2,000, a conversion contribution of $6,000 and earnings of $1,000, and the owner leaves his Roth IRA equally to four children, each child will receive one quarter of each type of contribution. Pursuant to the ordering rules, an immediate distribution of $2,000 to one of the children will be deemed to consist of $500 of regular contributions, and $1,500 of conversion contributions.

For purposes of the ordering rules upon distribution, a beneficiary's inherited Roth IRAs may not be aggregated with any other Roth IRAs maintained by such beneficiary, except for other Roth IRAs that the beneficiary inherited from the same decedent. However, if the surviving spouse is the sole beneficiary of a Roth IRA and such surviving spouse elects to treat the Roth IRA as his or her own Roth IRA, the spouse can aggregate contributions with his or her other Roth IRAs for purposes of determining the ordering rules when distributions are taken. The term "spouse as sole beneficiary" means either the only primary beneficiary of the entire plan, or the only primary beneficiary of a segregated portion of the plan.

Premature Distributions - If you are under age 59½ and receive a "nonqualified" distribution from your Roth IRA, a 10% additional income tax will apply to the taxable portion (generally the earnings portion) of the distribution unless the distribution is received due to death; disability; a qualifying rollover distribution; the timely withdrawal of the principal amount of an excess; substantially equal periodic payments; certain medical expenses; health insurance premiums paid by certain unemployed individuals; qualified higher education expenses; qualified first time homebuyer expenses; due to an IRS levy; qualified disaster distributions (QDDs); qualified disaster recovery assistance distributions;

or qualified reservist distributions.

Required Distributions - Unlike a traditional IRA, you are not required to begin distributions when you attain age 72. Also, the incidental death benefit requirements (referred to as MDIB) do not apply to the Roth IRA.

Death Distributions - If you die and you have a designated beneficiary, the balance in your Roth IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70½, if that date is later than the required commencement date in the previous sentence. If you die and you do not have a designated beneficiary, the balance in your Roth IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

PROHIBITED TRANSACTIONS WITH A ROTH IRA

If you or your beneficiary engage in a prohibited transaction (as defined under Section 4975 of the Internal Revenue Code) with your Roth IRA, it will lose its tax exemption and you must include the taxable portion of your account in your gross income for that taxable year and may also be subject to the 10% additional tax. 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 the taxable portion will be included in your gross income for that year and may also be subject to the 10% additional tax.

ADDITIONAL TAXES AND PENALTIES

If you are under age 59½ and receive a nonqualified premature distribution from your Roth IRA, an additional 10% income tax will apply on the taxable amount of the distribution (generally the earnings portion only), unless an exception under Section 72(t) applies. A 10% additional tax will be assessed if you are under age 59½ if you are deemed to withdraw any portion of a conversion that you made from your traditional IRA to your Roth IRA before five years have lapsed from the conversion year, even if such distribution is otherwise nontaxable. If you make an excess contribution to your Roth IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess which remains in your account.

If you should die, and the appropriate required death distributions are not made from your Roth IRA, an excise tax of 50% is assessed to your beneficiary based upon the difference between the amount that should have been distributed and the amount that was actually distributed. You may be required to file IRS Form 5329 with the Internal Revenue Service for any year an additional tax is due.

INCOME TAX WITHHOLDING

All withdrawals from your Roth IRA (except the earnings attributable to a return of excess contributions) are not subject to Federal income tax withholding.

TRANSFERS

A direct transfer of all or a portion of your funds is permitted from this Roth IRA to another Roth IRA or visa versa. Transfers do not constitute a distribution since you are never in receipt of the funds. The monies are transferred directly to the new trustee or custodian. Transfers are neither subject to the 12-month restriction nor the 60 day rollover period usually associated with rollovers.

If you should transfer all or a portion of your Roth IRA to your former spouse's Roth IRA under a divorce decree (or under a written instrument incident to divorce) or separation instrument, you will not be deemed to have made a taxable distribution, but merely a transfer. The portion so transferred will be treated at the time of the transfer as the Roth IRA of your spouse or former spouse.

If your spouse is the beneficiary of your Roth IRA, in the event of your death, your spouse may "assume" your Roth IRA. The assumed Roth IRA is then treated as your surviving spouse's Roth IRA.

Qualified Charitable Distributions - If a Roth IRA owner is exactly age 70½ or over, the Roth IRA owner may direct the Roth IRA trustee or custodian to transfer up to $100,000 per year from the Roth IRA to a qualified charity. Such transfer will not be subject to Federal income taxes. Qualified Charitable Distributions may also be made by a beneficiary who is exactly age 70½ or over. Qualified Charitable Distributions are not subject to Federal income tax withholding. SEP IRAs or SIMPLE IRAs are not permitted to be transferred under this rule.

The amount transferred will be treated as coming from the taxable portion of Roth IRA and will be an exception to the ordering rules applicable to distributions from Roth IRAs. The tax-free transfer to a qualified charity applies only if the Roth IRA owner could otherwise receive a charitable deduction with respect to the transferred amount. In other words, it must be made to a qualified charitable organization that the taxpayer would have otherwise been able to take a tax deduction for making the charitable contribution. However, since such transfer will be tax-free, the taxpayer may not also take a charitable deduction on his or her tax return.

This provision is effective with respect to distributions transferred directly to a qualified charity beginning in 2006 through the end of 2009. The Tax Relief, Unemployment Compensation Reauthorization, and Job Creation Act of 2010 extended Qualified Charitable Distributions for 2010 and 2011 under the same rules that originally applied. Eligible taxpayers who make a Qualified Charitable Distribution during January 2011 may elect to treat such Qualified Charitable Distribution as made on December 31, 2010. On January 2, 2013, the President signed the American Taxpayer Relief Act of 2012 ("ATRA") which extended QCDs through the end of 2013 and on December 16, 2014, the President signed the Tax Increase Prevention Act of 2014 to extend QCDs through the end of 2014 only. On December 18, 2015, the Protecting Americans from Tax Hikes Act of 2015 ("PATH") was signed into law and extended QCDs permanently retroactively for the 2015 year.

Although the Roth IRA trustee or custodian must pay the Qualified Charitable Distribution directly to the qualified charity, the taxpayer is responsible for substantiating and reporting the Qualified Charitable Distribution on his or her Federal income tax return. The trustee or custodian of the Roth IRA will report the amount transferred on IRS Form 1099-R as if the Roth IRA owner withdrew the money. After the Roth IRA trustee or custodian issues the payment in the name of the charity, the trustee or custodian may deliver the payment to the Roth IRA owner, who then would deliver the payment to the charity.

Qualified HSA Funding Distribution - Beginning for contributions made for 2007 and thereafter, a special one-time, tax-free transfer from a Roth IRA to an HSA is permitted. This one-time transfer counts toward the eligible individual's HSA contribution limit for the year of the transfer.

Prior to 2007, if a Roth IRA owner wanted to use the money in a Roth IRA to make an annual HSA contribution, any nonqualified distribution from the Roth IRA was taxable (to the extent attributable to the earnings) and subject to the 10% additional tax if the individual was under the age of 59½ . Prior law did not provide for a tax-free transfer from a Roth IRA to an HSA.

Beginning for annual HSA contributions made for 2007 or thereafter, an HSA -eligible individual may make an irrevocable once-in-a-lifetime, tax-free "qualified HSA Funding distribution" from a Roth IRA to an HSA, subject however to strict requirements. The amount of the HSA funding distribution must be made in the form of a custodian-to-custodian transfer from the IRA to the HSA. The amount of the transfer cannot exceed the maximum HSA contribution limit for the year that the amount is transferred. Consequently, this one-time transfer from a Roth IRA to an HSA counts toward the individual's total HSA contribution limit for the year depending upon the type of coverage under the HDHP (self-only or family).

FEDERAL ESTATE AND GIFT TAXES

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

IRS APPROVAL AS TO FORM

This Roth IRA custodial agreement has been approved by the Internal Revenue Service as to form. This is not an endorsement of the plan in operation or of the investments offered.

ADDITIONAL INFORMATION

You may obtain further information on Roth IRAs and traditional IRAs from your District Office of the Internal Revenue Service. In particular, you may wish to obtain IRS Publication 590 (Individual Retirement Arrangements).

AIRDROPS & BLOCKCHAIN FORKS

If you hold digital assets inside your IRA, you may be the recipient of additional digital assets through airdrops or blockchain network forks from time to time. Kingdom Trust aims to support these events provided it has the technology and resources to do so and has been examined in accordance with Kingdom Trust's policy regarding decisions on digital assets to be custodied.

However, Kingdom Trust does not control these events, and may not be able to store, access and/or provide a trading venue for the new asset(s) resulting from an airdrop or fork. Furthermore, these capabilities may take an undefined amount of time to develop and are not guaranteed to be developed.

Support for airdrops and forks are evaluated on a case-by-case basis on many factors, including but not limited to: 1) client interest in the new asset(s); 2) value, liquidity and market structure of the new asset(s); 3) regulatory, legal and compliance considerations surrounding the new asset(s); and 4) administrative feasibility of supporting the airdrop or fork and associated asset(s) for clients.

You understand this policy and acknowledge that by holding digital assets inside your IRA you are not guaranteed to receive additional digital assets through airdrops or blockchain forks, and hereby indemnify and hold Kingdom Trust harmless from any and all damages and claims arising from or in connection with airdrops or blockchain forks or similar events involving the distribution of digital assets and the associated asset(s).

ROTH IRA FINANCIAL DISCLOSURE

In General IRS regulations require the custodian to provide you with a financial projected growth of your Roth IRA account based upon certain assumptions.

Growth in the Value of Your Roth IRA Growth in the value of your Roth IRA is neither guaranteed nor projected. The value of your Roth IRA will be computed by totaling the fair market value of the assets credited to your account. At least once a year the custodian will send you a written report stating the current value of your Roth IRA assets.

The custodian shall disclose separately a description of:

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

Custodian Fees Kingdom Trust may charge reasonable fees or compensation for their services and may deduct from your Roth IRA all reasonable expenses incurred by it in the administration of your Roth IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the custodian will be separately disclosed on an attachment hereto. Such fees may be charged to you or directly to your Roth IRA account. In addition, depending on your choice of investment vehicles, you may incur brokerage commissions attributable to the purchase or sale of assets.

Non-Interest-Bearing Accounts: You hereby appoint Kingdom Trust as your attorney-in-fact with respect to investments and distributions concerning your account at Kingdom Trust. As part of this, among other things, you direct Kingdom Trust:

1. to deposit all cash for which you have not already provided investment instructions into a pooled custodial deposit account or accounts with one or more third party financial organizations selected by Kingdom Trust at Kingdom's sole discretion and without any further approval from you or other Account Holders provided that any and all such accounts qualify as common investment funds under IRC Section 408(a)(5), such deposit accounts may include without limitation negotiable order of withdrawal accounts, checking accounts, savings accounts, money market accounts, certificates of deposit or similar accounts,
2. to retain such interest as further compensation for the services it renders to its Account Holders and, in its sole discretion, place the funds in a non-interest-bearing pooled deposit account or accounts,
3. to enter into such sub-accounting agreements as may be required by the nature of the deposit accounts between the selected financial organizations and Kingdom Trust under which Kingdom Trust may receive a fee from the selected financial organizations to keep all records pertaining to the Account Holder's share of the pooled custodial accounts which fees will be retained by Kingdom Trust, and
4. to sign checks from time to time on the pooled custodial accounts which are to be honored by the financial organizations for withdrawal of Account Holder's funds from such pooled custodial accounts for distributions, investments, fees and other disbursements directed or agreed to by the Account Holder, and
5. to retain digital assets resulting from any distribution event that are administratively unfeasible as further compensation for the services it renders to Account Holders and, in its sole discretion, liquidate these holdings if possible.

You hereby indemnify and agree to hold such financial organization(s) harmless from following the directions received from Kingdom Trust on your behalf including but not limited to honoring checks drawn on the Account Holder's portion of the pooled custodial accounts that are written by Kingdom Trust.

SEP IRA
CUSTODIAL AGREEMENT & DISCLOSURE STATEMENT

Form 5305A-SEP
(Rev. March 2006)
Department of the Treasury
Internal Revenue Service
TKTC Revised 05/18/2021

Simplified Employee Pension Custodial Account
(Under Section 408A of the Internal Revenue Code)

By executing the Application, the Applicant/Applicant/Plan Participant acknowledges that he or she has received from Kingdom Trust, the custodian hereunder, the following Custodial Agreement and Disclosure Statement required by Treasury Regulation 1.408-6 and that he or she has read and understood the same.

Applicant/Applicant/Plan Participant and the custodian do hereby agree as follows:

Article I
Adoption and Purpose of The Plan

1.1 **Adoption of Plan**: By completing and signing the Adoption Agreement, the Employer adopts the Sponsoring Organization's Prototype Simplified Employee Pension Plan. This Agreement must be used with an Internal Revenue Service Model traditional IRA (Form 5305 or Form 5305-A) or an IRS approved Master or Prototype traditional IRA.

1.2 **Purpose**: The purpose of this Plan is to provide benefits for the individuals who are eligible to participate hereunder. It is intended that this Plan be for the exclusive benefit of the Employer's Employees, and that the Plan qualify under Section 408(k) of the Code.

1.3 **Limitation**: If the Employer amends this plan other than by making an election permitted in the Adoption Agreement, the Employer will no longer participate in the Sponsoring Organization's Prototype Simplified Employee Pension Plan, the Employer will be considered to have an individually designed SEP Plan, and the Employer may no longer rely on the IRS opinion letter received in connection with this Prototype Simplified Employee Pension Plan

Article II
Eligibility and Participation

2.01. **Eligible Employees**: All Employees of the Employer shall be eligible to participate in this Plan except for Excludible Employees as defined under Section 2.02 of this Plan.

2.02. **Excludible Employees**: If the Employer elects in the Adoption Agreement, the following Employees shall be excluded from eligibility:

(a) Employees included in a unit of employees covered by a collective bargaining agreement between employee representatives and the Employer, provided that there is evidence that retirement benefits were the subject of good faith bargaining between such parties, unless such agreement provides that some or all of such covered employees are to be covered by this Plan. For purposes of this paragraph, the term "employee representatives" does not include any organization more than half of whose members are employees who are owners, officers, or executives of the Employer.

(b) Non-resident alien employees who receive no earned income from the Employer which constitutes income from sources within the United States.

(c) Employees who have not met the age and service requirements specified in the Adoption Agreement.

(d) Employees who did not earn at least $450 (as adjusted for cost of living increases in accordance with Code §408(k)(8)) of Compensation from the Employer during the Plan Year.

2.03. **Participation**:

(a) Each Employee who meets the eligibility requirements as specified in the Adoption Agreement shall, as a condition for further employment, become a Participant under this SEP Plan.

(b) Each eligible Employee shall establish an IRA in order to receive Employer contributions under this Agreement, and any Employer contributions shall be made directly to such IRA plan. Unless otherwise elected in the Adoption Agreement, such IRA shall be established with the Trustee.

(c) If a Participant fails to timely establish or to maintain an IRA in which SEP contributions may be made on such Participant's behalf, the Employer may execute any necessary documents to establish an IRA with the Trustee into which such contributions shall be made on behalf of the Participant.

(d) In an Employer maintained a SEP Plan and desires to Change to a Plan Year other than a calendar year, an Employee who has any service during the short Plan Year must be given credit for that service in three of the last five years. Such an Employee must also receiver a contribution for the short Plan Year if such Employee would have been entitled to a contribution for the calenda year in which the short Plan year begins if there had been no change.

Article III
Written Allocation Formula

3.01. **Amount of Contribution**: The Employer agrees to contribute on behalf of each eligible Employee for the Plan Year an amount determined under the written allocation formula specified in the Adoption Agreement.

3.02. **Uniform Relationship to Compensation**:

(a) All Employer contributions to this Plan shall bear a uniform relationship to the total Compensation (not to exceed $200,000, or such higher amount as may be permitted under law) of each Participant.

(b) If the Employer elects the Flat Dollar Contribution allocation in the Adoption Agreement, such contributions shall be deemed to bear a uniform relationship to the total compensation of each Participant.

3.03. **Limitation on Employer Contributions**: The maximum employer contribution which may be made for any one Plan Year with respect to any Participant and allocated to each Participant's IRA is the lesser of 25% of such Participant's Compensation for the Plan Year or $40,000 as adjusted under Code § 415(d). For purposes of the 25% limitation described in the preceding sentence, a participant's compensation does not include any elective deferral described in Code § 402(g)(3) or any amount that is contributed by the employer at the election of the employee and that is not includible in the gross income of the employee under Code §§ 125, 132(f)(4) or 457.

3.04**. Permitted Disparity for Certain Contributions**:

(a) Definite Integrated Contribution Formula: If elected in the Adoption Agreement, the Employer will contribute an amount equal to the Base Contribution Percentage selected in the Adoption Agreement (but not less than 3%) of each Participant's Compensation (as defined in Section 4.04 of the Plan) for the Plan Year, up to the Integration Level plus an amount equal to the Excess Contribution Percentage selected in the Adoption Agreement (but not less than 3% and not to exceed the Base Contribution Percentage by more than the lesser of: (i) the Base Contribution Percentage, or (ii) the Maximum Disparity Rate) of such Participant's Excess Compensation.

(b) Discretionary Integrated Contribution Formula: If elected in the Adoption Agreement, Employer contributions for the Plan Year will be allocated to Participants' accounts as follows:

STEP 1: Contributions will be allocated to each Participant's account in the ratio that each Participant's total Compensation bears to the total Compensation of all Participants, at a rate not in excess of 3% of each Participant's Compensation.

STEP 2: Any contributions remaining after the allocation in Step One will be allocated to each Participant's account in the ratio that each Participant's Excess Compensation bears to the Excess Compensation of all Participants, at a rate not in excess of 3% of such Excess Compensation. For purposes of this Step Two, in the case of any Participant who has exceeded the Cumulative Permitted Disparity Limit described below, such Participant's total Compensation for the calendar year will be taken into account.

STEP 3: Any contributions remaining after the allocation in Step Two will be allocated to each Participant's account in the ratio that the sum of each Participant's total Compensation and Excess Compensation bears to the sum of all Participants' total Compensation and Excess Compensation, at a rate not in excess of the Maximum Disparity Rate. For purposes of this Step Three, in the case of any Participant who has exceeded the Cumulative Permitted Disparity Limit described below, 2 times such Participant's total Compensation for the calendar year will be taken into account.

STEP 4: Any remaining Employer contributions will be allocated to each Participant's account in the ratio that each Participant's total Compensation bears to the total Compensation of all Participants.

(c) For purposes of the allocations made pursuant to this Section 3.04, in no event can the amount allocated to each Participant's IRA exceed the lesser of 25% of the first $200,000 (or such higher amount, as may be permitted under law) of compensation or $40, 000, as adjusted under Code §415(d). For purposes of the 25% limitation described in the preceding sentence, a Participant's compensation does not include any elective deferral described in Code §402(g)(3) or any amount that is contributed by the employer at the election of the employee and that is not includible in the gross income of the employee under Code §§125, 132(f)(4) or 457.

(d) Annual Overall Permitted Disparity Limit: Notwithstanding the preceding paragraphs, for any calendar year this SEP benefits any Participant who benefits under another SEP or qualified plan described in Code Section 401(a) maintained by the Employer that provides for Permitted Disparity (or imputes disparity), Employer contributions will be allocated to each Participant's IRA in the ratio that the participant's total compensation for the calendar year bears to all Participants' total Compensation for that year.

(e) Cumulative Permitted Disparity Limit: Effective for calendar years beginning on or after January1, 1995, the Cumulative Permitted Disparity Limit for a Participant is 35 total Cumulative Permitted Disparity Years. Total Cumulative Permitted Disparity Years means the number of years credited to the Participant for allocation or accrual purposes under this SEP or any other SEP or any qualified plan described in Code Section 401(a) (whether or not terminated) ever maintained by the Employer. For purposes of determining the Participant's Cumulative Permitted Disparity Limit, all years ending in the same Calendar Year are treated as the same year. If the Participant has not benefited under a defined benefit or target benefit plan for any year beginning on or after January 1, 1994, the Participant has no Cumulative Permitted Disparity Limit.

Article IV
Glossary of Plan Terms

4.01 **Adoption Agreement**: The document executed by the Employer through which it adopts the Plan and agrees to be bound by all terms and conditions of the Plan.

4.02 **Base Contribution Percentage**: The percentage of Compensation contributed under the Plan (but in no event less than 3%) with respect to that portion of each Participant's Compensation not in excess of the Integration Level.

4.03 **Code**: The Internal Revenue Code of 1986 and the regulations issued thereunder as heretofore or hereafter amended. Reference to a section of the Code shall include that section and any comparable section or sections of future legislation that amends, supplements or supersedes that section.

4.04 **Compensation; 415 Safe Harbor Compensation:** Compensation is defined as wages, salaries, and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the employer maintaining the plan to the extent that the amounts are includible in gross income (including but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements, or other expense allowances under a nonaccountable plan (as described in Section 1.61-2(c) IRC), and excluding the following:

(a) Employer contributions to a plan of deferred compensation which are not includible in the employee's gross income for the taxable year in which contributed, or employer contributions under a simplified employee pension plan, or any distributions from a plan of deferred compensation;

(b) Amounts realized from the exercise of a nonqualified stock option, or when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;

(c) Amounts realized from the sale, exchange or other disposition of stock, acquired under a qualified stock option; and

(d) Other amounts which received special tax benefits, such as premiums for group-term life insurance (but only to the extent the premiums are not includible in the gross income of the employee).

For any Self-Employed individual covered under the plan, Compensation will mean Earned Income.

Compensation shall include only that compensation which is actually paid or made available to the Participant during the year.

Except where specifically stated otherwise in this plan, a Participant's Compensation shall include any elective deferral described in Code § 402(g)(3) or any amount that is contributed by the employer at the election of the employee and that is not includible in the gross income of the employee under Code §§ 125, 132(f)(4) or 457.

The annual compensation of each participant taken into account under the SEP for any year shall not exceed $200,000, as adjusted for increases in the cost of living in accordance with Code § 401(a)(17)(B). If the SEP determines compensation for a period of time that contains fewer than 12 calendar months, then the annual compensation limit is an amount equal to the annual compensation limit for the calendar year in which the compensation period begins multiplied by a fraction, the numerator of which is the number of full months in the short compensation period, and the denominator of which is 12.

4.05 **Custodian**. The Kingdom Trust Company or any success custodian of the Plan Participant’s custodial account.

4.06 **Earned Income**: The net earnings from self-employment in the trade or business with respect to which the Plan is established, for which personal services of the individual are a material income-producing factor. Net earnings will be determined without regard to items not included in gross income and the deductions allocable to such items. Net earnings are reduced by contributions by the Employer to qualified plans or to a SEP plan to the extent deductible under Section 404 of the Code. Net earnings shall be determined with regard to the deduction allowed to the Employer by Section 164(f) of the Code.

4.07 **Employee**: An individual, including a Self-Employed, employed by the Employer, who performs services with respect to the trade or business of the Employer. Also any employee of any other employer required to be aggregated under Section 414(b), (c) or (m) of the Code; any leased employee within the meaning of Section 414(n) of the Code shall be considered an Employee; and all Employees required to be aggregated under section 414(o) of the Code. Also called Plan Participant herein

4.08 **Employer**: The sole proprietorship, partnership, corporation or other entity identified as such in the Adoption Agreement.

4.09 **Excess Compensation**: A Participant's Compensation in excess of the Integration Level.

4.10 **Excess Contribution Percentage**: The percentage of Compensation contributed under the Plan with respect to each Participant's Excess Compensation.

4.11 **Integration Level**: The taxable wage base, or such lesser amount elected by the Employer in the Adoption Agreement. The taxable wage base is the maximum amount of earnings which may be considered wages for a year under section 3121(a)(1) of the Code in effect as of the beginning of the Plan Year.

4.12 **Maximum Disparity Rate**:

(a) If the Definite Integrated Contribution Formula is selected by the Employer under Section 3.04(a) above, the Maximum Disparity Rate is equal to the lesser of:

(i) 5.7%; or

(ii) the applicable percentage determined in accordance with Table I below.

Table I

If the Integration Level is more than	But not more than	the applicable percentage is:
$0	X*	5.7%
X* of Taxable Wage Base	80% of Taxable Wage Base	4.3%
80% of Taxable Wage Base	Y**	5.4%
Equal to the Taxable Wage Base	N/A	5.7%

*X = the greater of $10,000 or 20% of the Taxable Wage Base.

**Y = any amount more than 80% of the Taxable Wage Base but less than 100% of the Taxable Wage Base.

b. If the Discretionary Integrated Contribution Formula is selected by the Employer under Section 3.04(b) above, the Maximum Disparity Rate is equal to the lesser of:

(i) 2.7%; or
(ii) the applicable percentage determined in accordance with Table II below:

Table II

If the Integration Level is more than	But not more than	the applicable percentage is:
$0	X*	2.7%
X* of Taxable Wage Base	80% of Taxable Wage Base	1.3%
80% of Taxable Wage Base	Y**	2.4%
Equal to the Taxable Wage Base	N/A	2.7%

*X = the greater of $10,000 or 20% of the Taxable Wage Base

**Y = any amount more than 80% of the Taxable Wage Base but less than 100% of the Taxable Wage Base.

c. In no event can the amount allocated to each participant's IRA exceed the lesser of 25% of the participant's compensation or $40,000, as adjusted under Code § 415(d). For purposes of the 25% limitation described in the preceding sentence, a participant's compensation does not include any elective deferral described in Code § 402(g)(3) or any amount that is contributed by the employer at the election of the employee and that is not includible in the gross income of the employee under Code §§ 125, 132(f)(4) or 457.

4.13 **Participant**: Any Employee who has met the eligibility requirements of this Plan and who is eligible to receive an Employer contribution.

4.14 **Plan**: The Sponsoring Organization's Prototype Simplified Employee Pension Plan consisting of this plan document and the Adoption Agreement as completed and signed by the Employer.

4.15 **Plan Year**: The 12-consecutive month period specified by the Employer in the Adoption Agreement.

4.16 **Self-Employed**: An individual who has Earned Income for a Plan Year from the trade or business for which the Plan is established. A Self-Employed also includes an individual who would have had Earned Income but for the fact that the trade or business had no net profits for the Plan Year.

4.17 **Sponsoring Organization**: The entity specified in the Adoption Agreement.

4.18 **Trustee:** The financial institution or other organization specified in the Adoption Agreement which qualifies under section 408(a) of the Code and is serving as Trustee or Custodian of the IRA plan to which an Employer contribution is made.

Article V
Amended to Comply with Internal Revenue Code

5.01. This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the adoption agreement.

Article VI
General Custodial Account Provisions for Plan Participants

6.01. **Applicable Law**: This custodial agreement is subject to all applicable Federal Statutes and Regulations and shall be governed by and construed under all applicable Statutes and regulations of the state of South Dakota.

If any provision of this custodial agreement is determined to be invalid or illegal, those provisions shall be stricken, and the remaining provisions shall remain fully enforceable. A failure to enforce any of the provisions of this agreement by either you or custodian shall not be construed as a waiver of such provisions or of any right to enforce such provisions thereafter.

Any suit filed against custodian arising out of or in connection with this custodial agreement shall only be instituted in the Federal District Court for the District of South Dakota, Southern Division in Sioux Falls, South Dakota or, lacking Federal Jurisdiction, in the county courts of Minnehaha County, South Dakota in Sioux Falls, South Dakota where custodian maintains its principal place of business and you agree to submit to such jurisdiction both in connection with any such suit you may file and in any such suit custodian may file against you.

6.02. **Annual Accounting**: The custodian shall, at least annually, provide the Applicant/Plan Participant or beneficiary (in the case of Applicant/Plan Participant's death) with an accounting of such Applicant/Plan Participant's account. Such accounting shall be deemed to be accepted by the Applicant/Plan Participant or the beneficiary, if the Applicant/Plan Participant or beneficiary does not object in writing within 60 days after the mailing of such accounting statement. This annual accounting may be delivered electronically.

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

6.04. **Resignation and Removal of the Custodian**:

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

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

(c) The Custodian may resign and demand that the Applicant/Plan Participant appoint a successor Trustee or Custodian of this IRA by giving the Applicant/Plan Participant written notice at least 30 days prior to the effective date of such resignation. The Applicant/Plan Participant shall then have 30 days from the date of such notice to designate a successor Trustee or Custodian, notify the Custodian of the name and address of the successor Trustee or Custodian, and provide the Custodian with appropriate evidence that such successor has accepted the appointment and is qualified to serve as Trustee or Custodian of an Individual Retirement Account under the Internal Revenue Code.

(i) If the Applicant/Plan Participant designates a successor trustee or custodian and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor Trustee or Custodian, subject to 6(b) above.

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

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

6.05. Fees and Expenses:

(a) The Applicant/Plan Participant agrees to pay the any and all fees specified in the fee schedule published by Kingdom Trust as in effect and as modified from time to time for establishing and maintaining this IRA, including but not limited to any Custodian fees, and fees for distributions from, transfers to or from, and terminations of this IRA. Kingdom Trust may change the fee schedule at any time by giving the Applicant/Plan Participant 30 days prior written notice.

(b) The Applicant/Plan Participant agrees to pay any expenses incurred by the Custodian in the performance of its duties in connection with the account. Such expenses include, but are not limited to, administrative expenses, such as legal and accounting fees, a valuation fee from a qualified independent third party appraiser, and any taxes of any kind whatsoever that may be levied or assessed with respect to such account.

(c) All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the Applicant/Plan Participant by the due date for same, but the Applicant/Plan Participant shall be responsible for any deficiency. To effectuate this clause 6.5, Applicant/Plan Participant does hereby authorize the Custodian to liquidate such assets as are required to satisfy any delinquency caused by Applicant/Plan Participant's failure to pay any fee by due date for the same.

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

6.06.Withdrawal Requests: All requests for withdrawal shall be in writing and in form and substance acceptable to Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested. Custodian shall also have the right to reject any withdrawal request it may deem appropriate and to apply to a court of competent jurisdiction to make a determination with respect to the proper party eligible to receive a distribution from the account and to charge the custodial funds and/or the Applicant/Plan Participant for any expenses incurred in obtaining such legal determination, including attorneys' fees.

6.07.Required Minimum Distributions: If the Applicant/Plan Participant has reached age 70 1/2 prior to December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 70 1/2, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. If the Applicant/Plan Participant has reached age 72 after December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 72, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. However, in either event, no payment will be made until the Applicant/Plan Participant provides the Custodian with a proper distribution request in form and substance acceptable to the Custodian. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account. Upon receipt of such distribution request, the Applicant/Plan Participant may switch to a joint life expectancy in determining the required minimum distribution if the Applicant/Plan Participant's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Applicant/Plan Participant.

6.08. Death Benefit Default Provisions:

(a) If the Applicant/Plan Participant dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Applicant/Plan Participant's death, then distributions will be made pursuant to the single life expectancy of the designated beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides Custodian with a proper distribution request in form and substance acceptable to Custodian and other documentation that may be required by Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the custodial account. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

(b) If the Applicant/Plan Participant dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03 (a). However, no payment will be made until the beneficiary provides custodian with a proper distribution request in form and substance acceptable to Custodian and other documentation that may be required by Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the custodial account. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

6.09. Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002: Unless the Custodian provides otherwise, if a Applicant/Plan Participant (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.

6.10. Responsibilities: Applicant/Plan Participant agrees that all information and instructions given by the Applicant/Plan Participant is complete and accurate and that the custodian shall not be responsible for any incomplete or inaccurate information provided by the Applicant/Plan Participant, the Applicant/Plan Participant's beneficiary(ies) or the account designated representative (as described below and in the SEP IRA adoption agreement. Applicant/Plan Participant, on behalf of the Applicant/Plan Participant and the Applicant/Plan Participant's beneficiary(ies), agrees to be responsible for all tax consequences arising from contributions to and distributions from this custodial account (including but not limited to all interest, penalties and penalty taxes), and acknowledges that no tax advice has been or will be provided by the custodian.

6.11. Designation of Beneficiary:

(a) Except as may be otherwise required by State law, in the event of the Applicant/Plan Participant's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Applicant/Plan Participant on a beneficiary designation form acceptable to and filed with Custodian. The Applicant/Plan Participant may change the Applicant/Plan Participant's beneficiary or beneficiaries at any time by filing a new beneficiary designation with Custodian. If no acceptable beneficiary designation is in effect, if none of the named beneficiaries survive the Applicant/Plan Participant, or if Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Applicant/Plan Participant's estate.

(b) In the event of the Applicant/Plan Participant's death, any beneficiary may name a subsequent beneficiary or beneficiaries to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a subsequent beneficiary designation form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event may any subsequent beneficiary, be treated as a designated beneficiary of the Applicant/Plan Participant. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies), if any, designated by the original spouse beneficiary where the Applicant/Plan Participant dies before his or her required beginning date and his/her spouse was named as beneficiary. In this case, the original spouse beneficiary is treated as the Applicant/Plan Participant. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

ARTICLE VII
SELF-DIRECTED ACCOUNT PROVISIONS

7.01.Investment of Contributions: In accordance with instructions given to the Custodian, the Custodian shall invest and reinvest all contributions to the account and earnings thereon as directed by the Applicant/Plan Participant (or the direction of the beneficiary(ies) upon the Applicant/Plan Participant's death) in investments that the Custodian, at Custodian's sole discretion, determines it can feasibly administer, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the custodian), options, mutual funds, common trust funds or other common investment funds that qualify under Section 408(b)(5) (including without limitation qualifying pooled custodial accounts and pooled custodial funds), certificates of deposit, real estate, real estate contracts, mortgages, leases, mortgage notes, debentures, individually negotiated debt instruments, promissory notes, private equity investments in closely held businesses, tax liens and tax anticipation warrants, deeds of trust, and other public, private or alternative investments that the Custodian determines it can feasibly administer, in such amounts as are specifically selected and specified by the Applicant/Plan Participant in orders to the Custodian in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment or IRA investment or even if such investment will result in a prohibited transaction, unrelated business taxable income ("UBTI") or a reportable transaction. In addition, the account designated representative (as described below and in the SEP IRA adoption agreement) may give the Custodian directions to have the Custodian buy, sell or reinvest public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the custodian). The account designated representative may not direct the Custodian with regard to any alternative or private investments. The Custodian shall be responsible only for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received in a form acceptable to the Custodian as required, or, if received, are unclear or administratively unfeasible in the sole opinion of the Custodian, all or a portion of the account may be held in its current investments or remain un-invested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification as are acceptable to the Custodian in its sole discretion, or if a new contribution, the contribution may be returned. The Custodian may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing investment funds. The Custodian shall have no duty other than to follow the written investment directions of the Applicant/Plan Participant, which duty shall be subject to the other terms and conditions of this agreement. The Custodian shall be under no duty to question said instructions and shall not be liable for any investment losses or adverse tax consequences of any kind whatsoever sustained by the Applicant/Plan Participant. In addition, the Custodian reserves the right to not follow a direction or process any investment for administrative or cost related reasons. Execution of Applicant/Plan Participant's instructions or refusal to execute same does not constitute investment advice or an opinion by the Custodian as to the investment's prudence or viability. Applicant/Plan Participant agrees that the Custodian shall have no discretionary power, authority or control with respect to the management, investment or disposition of the Applicant/Plan Participant's assets or any discretionary authority with regard to the management of the Applicant/Plan Participant's account. Applicant/Plan Participant agrees and acknowledges that Custodian is not a fiduciary with respect to the Applicant/Plan Participant, the Applicant/Plan Participant's account or any investment.

7.02.Registration: All assets of the account shall be registered in the name of the Custodian or of a suitable nominee. The same nominee may be used with respect to assets of other investors or other custodians, whether or not held under agreements similar to this one or in any capacity whatsoever. However, each Applicant/Plan Participant's account shall be separate and distinct; a separate account therefore shall be maintained by the Custodian, and evidence of the assets thereof shall be held by the Custodian in individual or bulk segregation either in the Custodian's vaults, whether owned or leased by Custodian or, in the case of marketable securities, in Applicant/Plan Participant's account, approved by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

7.03.Account Designated Representative/Investment Advisor: The Applicant/Plan Participant may appoint an account designated representative who may, but is not required to be, an investment advisor qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of his/her IRA. The Applicant/Plan Participant shall notify the Custodian in writing of any such appointment. If the account designated representative is an investment advisor, then the Applicant/Plan Participant shall provide the Custodian a copy of the instruments appointing the investment advisor and evidencing the investment advisor's acceptance of such appointment, an acknowledgment by the investment advisor that the investment advisor is a fiduciary of the account, and a certificate evidencing the investment advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to the Custodian by the account designated representative, but only with regard to public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), and will do so until the Custodian receives written notification from the Applicant/Plan Participant that the account designated representative's appointment has been terminated. The Custodian shall have no duty other than to follow the written investment directions of such account designated representative subject to the provisions of this Agreement, shall be under no duty to question said instructions, and shall not be liable for any investment losses or adverse tax consequences sustained by the Applicant/Plan Participant.

7.04.No Investment Advice: Custodian shall have no responsibility for rendering advice with respect to the investment and reinvestment of Applicant/Plan Participant's account and shall not be liable for any loss which result from Applicant/Plan Participant's exercise of control over his/her account. Applicant/Plan Participant shall have and exercise exclusive responsibility for control over all the investment decisions concerning the assets of his/her account, and the Custodian shall have no duty to question his/her investment directives. Custodian reserves the right, in its sole discretion, to deny any investment direction that it cannot feasibly administer, which is violative of Custodian's policy or which might result in a violation of Federal, State or Local laws. Applicant/Plan Participant hereby agrees that the exercise of such right shall not be construed as Custodian providing investment or legal advice.

7.05.Prohibited Transactions: Notwithstanding anything contained herein to the contrary, the Applicant/Plan Participant shall not direct the Custodian to engage in or make any investment that Applicant/Plan Participant knows or should know involves or facilitates any criminal activity, nor shall the Applicant/Plan Participant direct the Custodian to lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to the Applicant/Plan Participant, any member of Applicant/Plan Participant's family, or any entity controlled by Applicant/Plan Participant through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of ownership entitled to vote, or of 50 percent or more of the total value of all ownership interests of such entity. Generally, if a Applicant/Plan Participant engages in or directs the engagement in a prohibited transaction as described in Section 4975 of the Code, the Applicant/Plan Participant's account ceases to be an IRA as of the first day of the year in which the prohibited transaction takes place, and the account is treated as having distributed all its assets to the Applicant/Plan Participant or beneficiary at their fair market values on the first day of that year which may result in taxes and penalties. Applicant/Plan Participant hereby agrees to be solely responsible for determining and avoiding prohibited transactions and reportable events and will indemnify and hold Custodian harmless should Applicant/Plan Participant engage in a prohibited transaction or other transaction described in this paragraph.

7.06. Unrelated Business Taxable Income ("UBTI"): Investments may generate taxable income within the IRA account, referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all IRA accounts and may be taxable to the IRA account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS. If the Applicant/Plan Participant directs investment of the account in any investment which results in unrelated business taxable income, it shall be the responsibility of the Applicant/Plan Participant to so advise the Custodian and to provide the Custodian with all forms necessary to file any required returns or reports for the account. All forms, returns and reports must be completed by the Applicant/Plan Participant and delivered in a timely manner to Custodian for signature and filing. In such instances, the IRS requires that a Form 990-T be filed for the IRA account along with the appropriate amount of tax.

The Applicant/Plan Participant, by signing this agreement, understands the Custodian:

7.06.1.1.does not make any determination of UBTI;
7.06.1.2.does not monitor whether the account has UBTI; and
7.06.1.3.does not prepare Form 990-T or other necessary forms, returns or reports.

Therefore, the Applicant/Plan Participant must monitor UBTI for this and any other IRA account which he/she may hold and prepare, or have prepared at their expense, the proper 990-T tax form, along with any other necessary forms, returns or reports and forward it to Custodian for signatures and filing, along with authorization to pay any tax due from the IRA account.

7.07. Disclosures and Voting: The Custodian shall deliver to Applicant/Plan Participant, or cause to be executed and delivered to Applicant/Plan Participant all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of written instructions from Applicant/Plan Participant that the Custodian, in its sole discretion, finds to be adequate.

7.08. Miscellaneous Expenses: In addition to those expenses set out in Article VIII, section 6.5 of this plan, the Applicant/Plan Participant agrees to pay any and all expenses incurred by the Custodian in connection with the account, including, but not limited to, expenses of valuation of account assets, tax payments, and filing of any returns and reports with regard to UBTI. Moreover, all estimated taxes, together with any transfer and other taxes, including any interest and penalties thereon, as well as any expenses incurred in connection with the investment or reinvestment of the assets of the account shall be paid by the Applicant/Plan Participant. The Custodian may, at the Applicant/Plan Participant's expense, retain suitable accountants, attorneys, or other agents to advise and assist the custodian in performing their respective duties under this agreement.

7.09. Indemnification of Custodian: To the extent not prohibited by Federal or State law, the Applicant/Plan Participant agrees to indemnify and hold harmless Kingdom Trust, its respective subsidiaries and administrators, officers, directors, managers, members, representatives, agents, employees, affiliates, successors and assigns from and against any and all claims, demands, liabilities, damages, costs, expenses, attorneys' fees, payments and assessments arising in connection with the Applicant/Plan Participant or the Applicant/Plan Participant's IRA or which may result from any good faith actions, errors or omissions and from following or attempting to follow any directions of the Applicant/Plan Participant (or the beneficiary(ies), or an account designated representative), and further agrees that the custodian shall not be subject to margin calls or have any other obligation to extend credit or otherwise disburse payment beyond the cash balance of Applicant/Plan Participant's account for any reason whatsoever.

SIMPLIFIED EMPLOYEE PLAN DISCLOSURE STATEMENT

INFORMATION FOR THE EMPLOYEE

The information provided below explains what a Simplified Employee Pension (SEP) plan is, how contributions are made, and how to treat your employer's contributions for tax purposes. Please read the questions and answer carefully. For more specific information, see the Prototype SEP Plan document and Adoption Agreement executed by your Employer. Also, see IRS Publication 560.

QUESTIONS AND ANSWERS

Q1 What is a Simplified Employee Pension, or SEP?

A1 A SEP is a written arrangement (a plan) that allows an employer to make contributions toward your retirement. Contributions are made to a traditional individual retirement account/annuity (IRA).

Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA.

All amounts contributed to your IRA by your employer belong to you even after you stop working for that employer.

Q2 Must my employer contribute to my IRA under the SEP?

A2 No. An employer is not required to make SEP contributions. If a contribution is made, it must be allocated to all the eligible employees according to the SEP agreement. The Prototype SEP Plan specifies that the contribution for each eligible employee will be the same percentage of compensation (excluding compensation higher than a specified dollar limit that is subject to cost-of-living adjustments) for all employees. The compensation limit is:

2006	$220,000
2007	$225,000
2008	$230,000
2009	$245,000
2010	$245,000
2011	$245,000
2012	$250,000
2013	$255,000
2014	$260,000
2015	$265,000
2016	$265,000
2017	$270,000
2018	$275,000
2019	$280,000
2020	$285,000

Q3 How much may my employer contribute to my SEP IRA in any year?

A3 Your employer will determine the amount to be contributed to your traditional IRA each year. However, the amount for any year is limited to the smaller of $40,000 or 25% of your compensation for that year. The $40,000 maximum SEP contribution limit is subject to cost-of-living adjustments. Compensation does not include any amount that is contributed by your employer to your traditional IRA under the SEP. Your employer is not required to make contributions every year or to maintain a particular level of contributions. See Question 5. The SEP contribution limit is:

2006	$44,000
2007	$45,000
2008	$46,000
2009	$49,000
2010	$49,000
2011	$49,000
2012	$50,000
2013	$51,000
2014	$52,000
2015	$53,000
2016	$53,000

2017	$54,000
2018	$55,000
2019	$56,000
2020	$57,000

Q4 How do I treat my employer's SEP contributions for my taxes?

A4 Employer contributions to your SEP IRA are excluded from your income unless there are contributions in excess of the applicable limit. See Question 3. Employer contributions within these limits will not be included on your Form W-2.

Q5 May I also contribute to my IRA if I am a participant in a SEP?

A5 Yes. You may contribute the smaller of the annual regular IRA contribution limit or 100% or your compensation to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan. See Question 11.

Q6 Are there any restrictions on the IRA I select to have my SEP contributions deposited?

A6 Contributions must be made to either a Model traditional IRA executed on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter.

Q7 What if I do not want to participate in a SEP?

A7 If your employer does not require you to participate in a SEP as a condition of employment, and you elect not to participate, all other employees of your employer may be prohibited from participating. If one or more eligible employees do not participate and the employer fails to establish a SEP IRA for the remaining eligible employees, it could cause adverse tax consequences for the participating employees.

Q8 Can I move funds from my SEP IRA to another traditional IRA?

A8 Yes. You can withdraw or receive funds from your SEP IRA if within 60 days of receipt, you place those funds in the same or another traditional IRA or SEP IRA. This is called a "rollover" and can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

Q9 Can I move my funds from my SEP IRA to another employer plan?

A9 Yes. Beginning with distributions received in 2002, you may also roll over to a qualified plan (under section 401(a)), a qualified annuity, a 403(b) tax-sheltered annuity or custodial agreement, or an eligible 457(b) plan of a state or local government.

Q10 Are there any restrictions to rollovers from my IRA?

A10 Yes. You may not roll over to an employer plan (See Question 9) any basis in your IRA. Basis includes nondeductible IRA contributions, after-tax monies that were rolled into the IRA from an employer plan, or repayments of qualified reservist distributions.

Q11 What happens if I withdraw my employer's contribution from my IRA?

A11 You may withdraw your employer's contribution at any time, but any amount withdrawn is includible in your income unless rolled over. Also, if withdrawals occur before you reach age 59½, you may be subject to an additional tax on early withdrawal.

Q12 Are there any restrictions in withdrawing the funds in my SEP IRA?

A12 You may withdraw the funds in your IRA at any time. However, a withdrawal from a certificate of deposit prior to maturity may result in a forfeiture of principal or interest. These penalties, as well as any fees which may be charged, are set forth in the IRA disclosure statement you received when you opened your account and/or any specific disclosure accompanying your certificate of deposit (including rules of class) or other investment.

An IRA with another institution may have different terms concerning transfers, withdrawals, rates of return, etc. It is possible that the terms offered at another institution may be more advantageous.

Q13 May I participate in a SEP even though I am covered by another plan?

A13 An employer may adopt this Prototype SEP in conjunction with any qualified plan, including a defined benefit plan. Also, if your employer maintained in the past a defined benefit plan, which is now terminated the employer may adopt this Prototype SEP.

Q14 What happens if too much is contributed to my SEP IRA in one year?

A14 Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includible in your gross income. Excess contributions left in your SEP IRA account after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

Q15 Is my employer required to provide me with information about SEP IRAs and the SEP agreement?

A15 Yes. Your employer must provide you with a copy of the executed SEP Plan agreement with Adoption Agreement and a yearly statement showing any SEP contributions to your traditional IRA.

Q16 Is the financial institution where my traditional IRA is established required to provide me with information?

A16 Yes. It must provide you with a disclosure statement that contains the following information in plain, nontechnical language.

(1) The law that relates to your traditional IRA.
(2) The tax consequences of various options concerning your traditional IRA.
(3) Participation eligibility rules, and rules on the deductibility of retirement savings.
(4) Situations and procedures for revoking your traditional IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. This information must be clearly displayed at the beginning of the disclosure statement.
(5) A discussion of the penalties that may be assessed because of prohibited activities concerning your traditional IRA.
(6) Financial disclosure that provides the following information:

    (a) Projects value growth rates of your traditional IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
    (b) Describes whether, and for when, the growth projections are guaranteed, or a statement of the earnings rate and the terms on which the projections are based.
    (c) States the sales commission for each year expressed as a percentage of $1,000.

In addition, the financial institution must provide you with a financial statement each year. You may want to keep these statements to evaluate your traditional IRA's investment performance.

See IRS Publication 590-A and 590-B, Individual Retirement Arrangements (IRAs), available at most IRS offices, for a more complete explanation of the IRA disclosure requirements.

In addition to this disclosure statement, the financial institution is required to provide you with a financial statement each year. It may be necessary to retain and refer to statements for more than one year in order to evaluate the investment performance of the traditional IRA and in order that you will know how to report traditional IRA distributions for tax purposes.

ADDITIONAL DISCLOSURES

FEDERAL ESTATE AND GIFT TAXES

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

ADDITIONAL INFORMATION

You may obtain further information on IRAs from your District Office of the Internal Revenue Service. In particular you may wish to obtain IRS Publication 590-A Contributions to Individual Retirement Arrangements (IRAs), 590-B Distributions from Individual Retirement Arrangements (IRAs), and 560 Retirement Plans for Small Business (SEP, SIMPLE and Qualified Plans).

AIRDROPS & BLOCKCHAIN FORKS

If you hold digital assets inside your IRA, you may be the recipient of additional digital assets through airdrops or blockchain network forks from time to time. Kingdom Trust aims to support these events provided it has the technology and resources to do so and has been examined in accordance with Kingdom Trust's policy regarding decisions on digital assets to be custodied.

However, Kingdom Trust does not control these events, and may not be able to store, access and/or provide a trading venue for the new asset(s) resulting from an airdrop or fork. Furthermore, these capabilities may take an undefined amount of time to develop and are not guaranteed to be developed.

Support for airdrops and forks are evaluated on a case-by-case basis on many factors, including but not limited to: 1) client interest in the new asset(s); 2) value, liquidity and market structure of the new asset(s); 3) regulatory, legal and compliance considerations surrounding the new asset(s); and 4) administrative feasibility of supporting the airdrop or fork and associated asset(s) for clients.

You understand this policy and acknowledge that by holding digital assets inside your IRA you are not guaranteed to receive additional digital assets through airdrops or blockchain forks, and hereby indemnify and hold Kingdom Trust harmless from any and all damages and claims arising from or in connection with airdrops or blockchain forks or similar events involving the distribution of digital assets and the associated asset(s).

FINANCIAL DISCLOSURE

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

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

- the type and amount of each charge
- the method of computing and allocating earnings, and
- any portion of the contribution, if any, which may be used for the purchase of life insurance.

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

Non-Interest-Bearing Accounts: You hereby appoint Kingdom Trust as your attorney-in-fact with respect to investments and distributions concerning your account at Kingdom Trust. As part of this, among other things, you direct Kingdom Trust:

1. to deposit all cash for which you have not already provided investment instructions into a pooled custodial deposit account or accounts with one or more third party financial organizations selected by Kingdom Trust at Kingdom's sole discretion and without any further approval from you or other Account Holders provided that any and all such accounts qualify as common investment funds under IRC

Section 408(a)(5), such deposit accounts may include without limitation negotiable order of withdrawal accounts, checking accounts, savings accounts, money market accounts, certificates of deposit or similar accounts,

2. to retain such interest as further compensation for the services it renders to its Account Holders and, in its sole discretion, place the funds in a non-interest-bearing pooled deposit account or accounts,
3. to enter into such sub-accounting agreements as may be required by the nature of the deposit accounts between the selected financial organizations and Kingdom Trust under which Kingdom Trust may receive a fee from the selected financial organizations to keep all records pertaining to the Account Holder’s share of the pooled custodial accounts which fees will be retained by Kingdom Trust, and
4. to sign checks from time to time on the pooled custodial accounts which are to be honored by the financial organizations for withdrawal of Account Holder’s funds from such pooled custodial accounts for distributions, investments, fees and other disbursements directed or agreed to by the Account Holder, and
5. to retain digital assets resulting from any distribution event that are administratively unfeasible as further compensation for the services it renders to Account Holders and, in its sole discretion, liquidate these holdings if possible.

You hereby indemnify and agree to hold such financial organization(s) harmless from following the directions received from Kingdom Trust on your behalf including but not limited to honoring checks drawn on the Account Holder’s portion of the pooled custodial accounts that are written by Kingdom Trust.

SIMPLE IRA
CUSTODIAL AGREEMENT & DISCLOSURE STATEMENT

Form **5305-SA**
(April 2017)
Department of the Treasury
Internal Revenue Service
TKTC Revised 05/18/2021

SIMPLE Individual Retirement Custodial Account

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

Article I

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

Article II

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

Article III

3.1 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 custodial fund or common investment fund (within the meaning of section 408 (a)(5)).

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

Article IV

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

4.2 The participant's entire interest in the custodial account must be, or begin to be, distributed not later than the participant's required beginning date, April 1 following the calendar year in which the participant reaches age 70 ½ or 72 (See 4.4 below). By that date, the participant may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in:

(a) A single sum or

(b) Payments over a period not longer than the life of the participant or the joint lives of the participant and his or her designated beneficiary.

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

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

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

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

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

(b) If the participant dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with 4.03(b)(ii) below:

(i) The remaining interest will be distributed in accordance with paragraphs 4.03(a)(i) and 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), starting by the end of the calendar year following the year of the participant's death. If, however, the designated beneficiary is the participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the participant would have reached age 70 ½ or 72 (See 4.4 below). But, in such case, if the participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with 4.03(b)(ii) below if there is no such designated beneficiary.

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

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

4.5 If the Applicant/Plan Participant has reached age 70 1/2 prior to December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 70 1/2 , distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. If the Applicant/Plan Participant has reached age 72 after December 31, 2019 and has not chosen any of the distribution methods under Article IV of this custodial agreement by the April 1st following the calendar year in which the Applicant/Plan Participant reaches age 72, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Treasury Regulation Section 1.401 (a)(9)-9. However, in either event, no payment will be made until the Applicant/Plan Participant provides the Custodian with a proper distribution request in form and substance acceptable to the Custodian. Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account. Upon receipt of such distribution request, the Applicant/Plan Participant may switch to a joint life expectancy in determining the required minimum distribution if the Applicant/Plan Participant's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Applicant/Plan Participant.

4.6 The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408 (a)(6).

Article V

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

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

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

Article VI

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

Article VII

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

Article VIII

8.1 **Applicable Law**: This custodial agreement is subject to all applicable Federal Statutes and Regulations and shall be governed by and construed under all applicable Statutes and regulations of the state of South Dakota.

If any provision of this custodial agreement is determined to be invalid or illegal, those provisions shall be stricken, and the remaining provisions shall remain fully enforceable. A failure to enforce any of the provisions of this agreement by either you or custodian shall not be construed as a waiver of such provisions or of any right to enforce such provisions thereafter.

Any suit filed against custodian arising out of or in connection with this custodial agreement shall only be instituted in the Federal District Court for the District of South Dakota, Southern Division in Sioux Falls, South Dakota or, lacking Federal Jurisdiction, in the county courts of Minnehaha County, South Dakota in Sioux Falls, South Dakota where custodian maintains its principal place of business and you agree to submit to such jurisdiction both in connection with any such suit you may file and in any such suit custodian may file against you.

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

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

8.4 **Resignation and Removal of Custodian**:

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

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

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

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

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

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

8.5 **Custodian's Fees and Expenses**:

(a) This Section 8.5 of the Custodial Agreement shall be governed by the requirements of Section 408(p)(7) and IRS Notice 98-4, Section J, and is further explained in the accompanying SIMPLE IRA Disclosure Statement.

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

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

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

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

8.6 **Withdrawal Requests**: All requests for withdrawal shall be in writing on the form provided by the Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested.

8.7 **Age 70 1/2 Default Provisions**: If the Depositor does not choose any of the distribution methods under Article IV of this Trust Agreement by the April 1st following the calendar year in which the Depositor reaches age 70 1/2, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Regulation section 1.401(a)(9)-9. However, no payment will be made until the Depositor provides the Custodian with a proper distribution request acceptable to the Custodian. Upon receipt of such distribution request, the Depositor may switch to a joint life expectancy in determining the required minimum distribution if the Depositor's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Depositor. **(NOTE: The SECURE Act has changed the RMD age to 72. See Article IV 4.4 above.)**

8.8

8.9 **Death Benefit Default Provisions**:

(a) If the Depositor dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the Designated Beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

(b) If the Depositor dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03(a). However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.

8.10 **Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002:** Unless the Custodian provides otherwise, if a Depositor (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.

8.11 **Investment Provisions**: All contributions shall be invested and reinvested by the Custodian as directed by the Participant (or the direction of the beneficiary upon the Depositor's death)(1) in a class or classes of savings accounts with the Custodian, which the Custodian shall designate as the class or classes of savings accounts to be offered for investment of SIMPLE IRA funds, (2) if the Custodian consents in a class or classes of savings accounts in another insured institution, or (3) other investments agreed to from time to time by the Custodian, including but not limited to US Series EE Savings Bonds. Pursuant to IRS Notice 98-4, Q&A J-4, if the Custodian is the Designated Financial Institution (DFI) and the Participant timely elects that his or her balance be transferred without cost or penalty to another SIMPLE IRA in accordance with the provisions described in the accompanying SIMPLE IRA Disclosure Statement, the Custodian reserves the right to restrict the participant's choice of investment alternatives as determined by the Custodian.

8.12 **Responsibilities**: Participant agrees that all information and instructions given to the Custodian by the Participant is complete and accurate and that the Custodian shall not be responsible for any incomplete or inaccurate information provided by the Participant or Participant's beneficiary(ies). Participant agrees to be responsible for all tax consequences arising from contributions to and distributions from this Custodial Account and acknowledges that no tax advice has been provided by the Custodian.

8.13 **Designation of Beneficiary**:

(a) Except as may be otherwise required by State law, in the event of the Participant's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Participant on a beneficiary designation form acceptable to and filed with the Custodian. The Participant may change the Participant's beneficiary or beneficiaries at any time by filing a new beneficiary designation with the Custodian. If no beneficiary designation is in effect, if none of the named beneficiaries survive the Participant, or if the Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Participant's estate.

(b) If the Custodian permits, in the event of the Depositor's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies) if any, designated by the original spouse beneficiary where the Depositor dies before his or her required beginning date. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

ARTICLE IX SELF-DIRECTED SIMPLE IRA PROVISIONS

9.1 **Investment of Contributions**: At the direction of the Participant, the Custodian shall invest and reinvest all contributions to the account and earnings thereon as directed by the Participant (or the direction of the beneficiary(ies) upon the Participant 's death) in investments that the Custodian, at Custodian’s sole discretion, determines it can feasibly administer, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the custodian), options, mutual funds, common trust funds or other common investment funds that qualify under Section 408(b)(5) (including without limitation qualifying pooled custodial accounts and pooled custodial funds), certificates of deposit, real estate, real estate contracts, mortgages, leases, mortgage notes, debentures, individually negotiated debt instruments, promissory notes, private equity investments in closely held businesses, tax liens and tax anticipation warrants, deeds of trust, and other public, private or alternative investments that the Custodian determines it can feasibly administer, in such amounts as are specifically selected and specified by the Participant in orders to the Custodian in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment or IRA investment or even if such investment will result in a prohibited transaction, unrelated business taxable income ("UBTI") or a reportable transaction. In addition, the account designated representative (as described below and in the SIMPLE IRA adoption agreement) may give the Custodian directions to have the Custodian buy, sell or reinvest public securities, digital assets and investments that are traded on a recognized exchange or “over the counter” (excluding any securities issued by the custodian). The account designated representative may not direct the Custodian with regard to any alternative or private investments. The Custodian shall be responsible only for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received in a form acceptable to the Custodian as required, or, if received, are unclear or administratively unfeasible in the sole opinion of the Custodian, all or a portion of the account may be held in its current investments or remain un-invested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification as are acceptable to the Custodian in its sole discretion, or if a new contribution, the contribution may be returned. The Custodian may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing investment funds. The Custodian shall have no duty other than to follow the written investment directions of the Participant, which duty shall be subject to the other terms and conditions of this agreement. The Custodian shall be under no duty to question said instructions and shall not be liable for any investment losses or adverse tax consequences of any kind whatsoever sustained by the Participant. In addition, the Custodian reserves the right to not follow a direction or process any investment for administrative or cost related reasons. Execution of Participant 's instructions or refusal to execute same does not constitute investment advice or an opinion by the Custodian as to the investment's prudence or viability. Participant agrees that the Custodian shall have no discretionary power, authority or control with respect to the management, investment or disposition of the Participant 's assets or any discretionary authority with regard to the management of the Participant 's account. Participant agrees and acknowledges that Custodian is not a fiduciary with respect to the Participant, the Participant 's account or any investment.

9.2 **Registration**: All assets of the account shall be registered in the name of the Custodian or of a suitable nominee. The same nominee may be used with respect to assets of other investors whether or not held under agreements similar to this one or in any capacity whatsoever. However, each Participant's account shall be separate and distinct; a separate account therefor shall be maintained by the Custodian, and the assets thereof shall be held by the Custodian in individual or bulk segregation either in the Custodian's vaults or in depositories approved by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

9.3 **Account Designated Representative/Investment Advisor**: The Participant may appoint an account designated representative who may, but is not required to be, an investment advisor qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of his/her IRA. The Participant shall notify the Custodian in writing of any such appointment. If the account designated representative is an investment advisor, then the Depositor shall provide the Custodian a copy of the instruments appointing the investment advisor and evidencing the investment advisor's acceptance of such appointment, an acknowledgment by the investment advisor that the investment advisor is a fiduciary of the account, and a certificate evidencing the investment advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to the Custodian by the account designated representative, but only with regard to public securities, digital assets and investments that are traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), and will do so until the Custodian receives written notification from the Participant that the account designated representative's appointment has been terminated. The Custodian shall have no duty other than to follow the written investment directions of such account designated representative subject to the provisions of this Agreement, shall be under no duty to question said instructions, and shall not be liable for any investment losses or adverse tax consequences sustained by the Participant.

9.4 **No Investment Advice**: Custodian shall have no responsibility for rendering advice with respect to the investment and reinvestment of Participant 's account and shall not be liable for any loss which result from Participant 's exercise of control over his/her account. Participant shall have and exercise exclusive responsibility for control over all the investment decisions concerning the assets of his/her account, and the Custodian shall have no duty to question his/her investment directives. Custodian reserves the right, in its sole discretion, to deny any investment direction that it cannot feasibly administer, which is violative of Custodian's policy or which might result in a violation of Federal, State or Local laws. Participant hereby agrees that the exercise of such right shall not be construed as Custodian providing investment or legal advice.

9.5 **Prohibited Transactions**: Notwithstanding anything contained herein to the contrary, the Participant shall not direct the Custodian to engage in or make any investment that Participant knows or should know involves or facilitates any criminal activity, nor shall the Participant direct the Custodian to lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to the Participant, any member of Participant 's family, or any entity controlled by Depositor through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of ownership entitled to vote, or of 50 percent or more of the total value of all ownership interests of such entity. Generally, if a Participant engages in or directs the engagement in a prohibited transaction as described in Section 4975 of the Code, the Participant 's account ceases to be an IRA as of the first day of the year in which the prohibited transaction takes place, and the account is treated as having distributed all its assets to the Participant or beneficiary at their fair market values on the first day of that year which may result in taxes and penalties. Participant hereby agrees to be solely responsible for determining and avoiding prohibited transactions and reportable events and will indemnify and hold Custodian harmless should Participant engage in a prohibited transaction or other transaction described in this paragraph.

9.6 **Unrelated Business Taxable Income ("UBTI"):** Investments may generate taxable income within the IRA Account, referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all IRA accounts and may be taxable to the IRA account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS. If the Depositor directs investment of the account in any investment which results in unrelated business taxable income, it shall be the responsibility of the Depositor to so advise the Custodian and to provide the Custodian with all forms necessary to file any required returns or reports for the account. All forms, returns and reports must be completed by the Depositor and delivered in a timely manner to Custodian for signature and filing. In such instances, the IRS requires that a Form 990-T be filed for the IRA account along with the appropriate amount of tax.

The Depositor, by signing this agreement, understands the Custodian:

1. does not make any determination of UBTI;
2. does not monitor whether the account has UBTI; and
3. does not prepare Form 990-T or other necessary forms, returns or reports.

Therefore, the Depositor must monitor UBTI for this and any other IRA account which he/she may hold and prepare, or have prepared at their expense, the proper 990-T tax form, along with any other necessary forms, returns or reports and forward it to Custodian for signatures and filing, along with authorization to pay any tax due from the IRA account.

9.7 **Disclosures and Voting**: The Custodian shall deliver, or cause to be executed and delivered, to Participant all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of adequate written instructions from Participant.

9.8 **Miscellaneous Expenses**: In addition to those expenses set out in Article VIII, section 8.5 of this plan, the Depositor agrees to pay any and all expenses incurred by the Custodian in connection with the account, including, but not limited to, expenses of valuation of account assets, tax payments, and filing of any returns and reports with regard to UBTI. Moreover, all estimated taxes, together with any transfer and other taxes, including any interest and penalties thereon, as well as any expenses incurred in connection with the investment or reinvestment of the assets of the account shall be paid by the Depositor. The Custodian may, at the Depositor's expense, retain suitable accountants, attorneys, or other agents to advise and assist the custodian in performing their respective duties under this agreement.

9.9 **Indemnification of Custodian:** To the extent not prohibited by Federal or State law, the depositor agrees to indemnify and hold harmless Kingdom Trust, its respective subsidiaries and administrators, officers, directors, managers, members, representatives, agents, employees, affiliates, successors and assigns from and against any and all claims, demands, liabilities, damages, costs, expenses, attorneys' fees, payments and assessments arising in connection with the depositor or the depositor's IRA or which may result from any good faith actions, errors or omissions and from following or attempting to follow any directions of the depositor (or the beneficiary(ies), or an account designated representative), and further agrees that the custodian shall not be subject to margin calls or have any other obligation to extend credit or otherwise disburse payment beyond the cash balance of depositor's account for any reason whatsoever.

General Instructions

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

Purpose of Form

Form 5305-SA is a model custodial account agreement that meets the requirements of sections 408(a) and 408(p). However, only Articles I through VII have been reviewed by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the participant or his or her beneficiaries. Do not file Form 5305-SA with the IRS. Instead, keep it for record purposes.
For more information on SIMPLE IRAs, including the required disclosures the Custodian must give the participant, see Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs); Pub. 590-B, Distributions from Individual Retirement Arrangements (IRAs); and Pub 560, Retirement Plans for Small Business (SEP,SIMPLE, and Qualified Plans).

Definitions

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

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

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

Transfer SIMPLE IRA

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

Specific Instructions

Article IV.-Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the participant reaches age 70 ½ or 72 (See Article IV 4.4 above) -to ensure that the requirements of section 408(a)(6) have been met.

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

FINANCIAL DISCLOSURE In General IRS regulations require the Custodian to provide you with a financial projected growth of your SIMPLE IRA account based upon certain assumptions.
Growth in the Value of Your SIMPLE IRA Growth in the value of your SIMPLE IRA is neither guaranteed nor projected. The value of your SIMPLE IRA will be computed by totaling the fair market value of the assets credited to your account. At least once a year the Custodian will send you a written report stating the current value of your SIMPLE IRA assets. The Custodian shall disclose separately a description of:

(a) The type and amount of each charge; (b) the method of computing and allocating earnings, and (c) any portion of the contribution, if any, which may be used for the purchase of life insurance. **Custodian Fees** The **Custodian** may charge reasonable fees or compensation for its services and it may deduct all reasonable expenses incurred by it in the administration of your SIMPLE IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the **Custodian** will be separately disclosed on an attachment hereto. Such fees may be charged to you or directly to your custodial account. In addition, depending on your choice of investment vehicles, you may incur brokerage commissions attributable to the purchase or sale of assets.

FINANCIAL DISCLOSURE

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

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

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

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

SIMPLE IRA DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR SIMPLE IRA ACCOUNT: You may revoke your SIMPLE IRA within 7 days after you sign the SIMPLE IRA Adoption Agreement by hand-delivering or mailing a written notice to the name and address indicated on the SIMPLE IRA Adoption Agreement. If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the Adoption Agreement. If you revoke your SIMPLE IRA within the 7 day period you will receive a refund of the entire amount of your contributions to the SIMPLE IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report certain information to the IRS.

GENERAL REQUIREMENTS OF A SIMPLE IRA:

1. All SIMPLE contributions must be made in cash, unless you are making a rollover contribution or transfer, and the Custodian accepts such non-cash assets.
2. Prior to December 19, 2015, the only types of contributions permitted to be made to this SIMPLE IRA are salary reduction contributions and employer contributions under the employer's SIMPLE Retirement Plan. Beginning December 19, 2015, if your Employer’s Plan permits, your SIMPLE IRA will accept rollover contributions from a qualified plan, a qualified annuity, a 403(b) plan, a 457(b) plans or from a traditional IRA, but only after you have maintained the SIMPLE IRA for 2 years, measured from the first contribution made to your SIMPLE IRA.
3. The Custodian of your SIMPLE IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
4. No portion of your SIMPLE IRA funds may be invested in life insurance contracts.
5. Your interest in your SIMPLE IRA must be fully vested and is nonforfeitable at all times.
6. The assets in your SIMPLE IRA may not be commingled with other property except in a common trust fund or common investment fund.
7. You may not invest the assets of your SIMPLE IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code.) A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the Custodian permits, specially minted US Gold and Silver bullion coins and certain state-issued coins are permissible SIMPLE IRA investments.
8. Your interest in your SIMPLE IRA must begin to be distributed to you by the April 1st following the calendar year you attain the age of 70 ½ or 72 (See Article IV 4.4 above). The methods of distribution, election deadlines, and other limitations are described in detail below.
9. For purposes of the SIMPLE Plan rules, in the case of an individual who is not a self-employed individual, compensation means the amount described in section 6051(a)(3) which includes wages, tips and other compensation from the employer subject to income tax withholding under section 3401(a), and amounts described in section 6051(a)(8), including elective contributions made under a SIMPLE plan, and compensation deferred under a section 457 plan. In the case of a self-employed individual, compensation means net earnings from self-employment determined under section 1402(a), prior to subtracting any contributions made under the SIMPLE plan on behalf of the individual.
10. Contributions to a SIMPLE IRA are excludible from federal income tax and not subject to federal income tax withholding when made to the SIMPLE IRA. Salary reduction contributions are subject to FICA, FUTA or RRTA tax when made and must be reported on the employee's Form W-2 wage statement. Matching and nonelective employer contributions made to a SIMPLE IRA are not subject to FICA, FUTA or RRTA and are not required to be reported on Form W-2.
11. A SIMPLE IRA must be established by or on behalf of an employee prior to the first date by which a contribution is required to be deposited into the SIMPLE IRA.

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

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

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

ELIGIBLE EMPLOYERS: SIMPLE plans may be established by employers (including tax-exempt employers and governmental entities) that had no more than 100 employees who earned $5,000 or more in compensation during the preceding calendar year. For purposes of the 100-

employee limitation, all employees employed at any time during the calendar year are taken into account, regardless of whether they are eligible to participate in the SIMPLE plan. This means that otherwise excludible employees (i.e. certain union employees, nonresident aliens with no U.S. source income, and those employees who have not met the plan's minimum eligibility requirements) must be taken into account.

SIMPLE PLAN CONTRIBUTIONS:

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

Applicable Annual Dollar Limitation

Tax Year	Contribution Limit	Tax Year	Contribution Limit
2001	$ 6,500	2010 - 2012	$11,500
2002	$ 7,000	2013 - 2014	$12,000
2003	$ 8,000	2015 - 2018	$12,500
2004	$ 9,000	2019	$13,000
2005 - 2006	$10,000	2020	$13,500
2007 - 2009	$10,500		

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

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

Tax Year	Normal Limit	Additional Catch-up	Total Contribution
2002	$7,000	$500	$7,500
2003	$8,000	$1,000	$9,000
2004	$9,000	$1,500	$10,500
2005	$10,000	$2,000	$12,000
2006	$10,000	$2,500	#12,500
2007	$10,500	$2,500	$13,000
2008	$10,500	$2,500	$13,000
2009 - 2012	$11,500	$2,500	$14,000
2013 - 2014	$12,000	$2,500	$14,500
2015 - 2018	$12,500	$3,000	$15,500
2019	$13,000	$3,000	$16,000
2020	$13,500	$3,000	$16,500

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

Employer Contributions - 2 Options

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

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

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

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

$220,000 for 2006	$245,000 for 2011	$270,000 for 2017
$225,000 for 2007	$250,000 for 2012	$275,000 for 2018
$230,000 for 2008	$255,000 for 2013	$280,000 for 2019
$245,000 for 2009	$260,000 for 2014	$285,000 for 2020
$245,000 for 2010	$265,000 for 2015-2016	

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

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

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

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

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

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

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

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

ROLLOVERS:

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

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

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

Special Rules that Apply to Rollovers -

- The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- Beginning in 2015, you can make only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. The limit will apply by aggregating all of an individual's IRAs, including SEP and SIMPLE IRAs as well as traditional and Roth IRAs, effectively treating them as one IRA for purposes of the limit. (See IRS Publication 590-A for more information).
- The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be rolled over into the second IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- If you are age 70 ½ or 72 (See Article IV 4.4 above) or older and wish to roll over to another IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.

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

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

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

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

EXCESS DEFERRALS: Excess elective deferrals (amounts in excess of the "applicable") SIMPLE elective deferral limit for the year) are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE-IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE-IRA. If you fail to withdraw excess elective deferrals, and any allocable income, by the following April 15th, the excess elective deferrals will be subject to the IRA contribution limitations of sections 219 and 408 of the Code and thus may be considered an excess contribution to your IRA. Such excess deferrals may be subject to a 6% excise tax for each year they remain in your SIMPLE-IRA. Income on excess elective deferrals is includible in your gross income in the year you withdraw it from your IRA and must be withdrawn by April 15 following the calendar year to which the deferrals relate. Income withdrawn from the IRA after that date may be subject to a 10% tax (or 25% if withdrawn within the first 2 years of participation) on early distributions. The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE-IRA will inform you of the income allocable to such excess amounts.

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

Premature Distributions - In general, if you are under age 59 1/2 and receive a distribution from your SIMPLE IRA account, a 10% additional income tax will apply to the taxable portion of the distribution, unless the distribution is received due to death; disability; a series of substantially equal periodic payments at least annually over your life expectancy or the joint life expectancy of you and your designated beneficiary; medical expenses that exceed 7.5% of your adjusted gross income; health insurance premiums paid by certain unemployed individuals; qualified acquisition costs of a first time home buyer; qualified higher education expenses; a qualifying rollover distribution; the timely withdrawal of an excess deferral plus income attributable; due to an IRS Levy; qualified hurricane distributions received prior to January 1, 2007; or qualified reservist distributions. If you request a distribution in the form of a series of substantially equal payments, and you modify the payments before 5 years have elapsed and before attaining age 59 1/2, the 10% additional income tax will apply retroactively to the year payments began through the year of such modification. In addition, if you request a distribution from your SIMPLE IRA within your first 2 years of participation in the SIMPLE plan and none of the exceptions listed above applies to the distribution, the normal 10% additional income tax referred to earlier is increased to 25%.

Age 70 1/2 Required Minimum Distributions - You are required to begin receiving minimum distributions from your SIMPLE IRA by your required beginning date (the April 1 of the year following the year you attain age 70 1/2). The year you attain age 70 1/2 is referred to as your "first distribution calendar year". Your minimum distribution for each year beginning with the calendar year you attain the age of 70 1/2 is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st. **(NOTE: The SECURE Act has changed the RMD age to 72. See Article IV 4.4 above.)**

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

The required minimum distribution for the second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year.

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

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

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

Death Distributions - If you die before your required beginning date and you have a designated beneficiary, the balance in your SIMPLE IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70 ½ or 72 (See Article IV 4.4 above), if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your SIMPLE IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

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

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

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

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

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

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

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

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

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

1. The employer and the financial institution must agree that the financial institution will be a DFI for the employer's SIMPLE plan;

2. The DFI must agree that, if a participant elects before the expiration of the employee's 60-day election period, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies, to any IRA) to a financial institution selected by the participant; and

3. Each participant is given written notification describing the procedures under which, if a participant so elects, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies, to any IRA) to a financial institution selected by the participant.

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

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

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

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

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

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

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

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

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

PENALTIES: If you are under age 59 1/2 and receive a premature distribution from your SIMPLE IRA, an additional 10% (or 25% for certain SIMPLE IRA distributions) income tax will apply on the taxable amount of the distribution. If you make an excess deferral to your SIMPLE IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess which remains in your account. If you are age 70 ½ or 72 (See Article IV 4.4 above) or over or if you should die, and the appropriate required minimum distributions are not made from your SIMPLE IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

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

ADDITIONAL INFORMATION: You may obtain further information on IRAs from your District Office of the Internal Revenue Service. In particular you may wish to obtain IRS Publication 590-A Contributions to Individual Retirement Arrangements (IRAs), 590-B Distributions from Individual Retirement Arrangements (IRAs), and 560 Retirement Plans for Small Business (SEP, SIMPLE and Qualified Plans).

AIRDROPS & BLOCKCHAIN FORKS: If you hold digital assets inside your IRA, you may be the recipient of additional digital assets through airdrops or blockchain network forks from time to time. Kingdom Trust aims to support these events provided it has the technology and resources to do so and has been examined in accordance with Kingdom Trust's policy regarding decisions on digital assets to be custodied.

However, Kingdom Trust does not control these events, and may not be able to store, access and/or provide a trading venue for the new asset(s) resulting from an airdrop or fork. Furthermore, these capabilities may take an undefined amount of time to develop and are not guaranteed to be developed.

Support for airdrops and forks are evaluated on a case-by-case basis on many factors, including but not limited to: 1) client interest in the new asset(s); 2) value, liquidity and market structure of the new asset(s); 3) regulatory, legal and compliance considerations surrounding the new asset(s); and 4) administrative feasibility of supporting the airdrop or fork and associated asset(s) for clients.

You understand this policy and acknowledge that by holding digital assets inside your IRA you are not guaranteed to receive additional digital assets through airdrops or blockchain forks, and hereby indemnify and hold Kingdom Trust harmless from any and all damages and claims arising from or in connection with airdrops or blockchain forks or similar events involving the distribution of digital assets and the associated asset(s).

FINANCIAL DISCLOSURE

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

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

- the type and amount of each charge
- the method of computing and allocating earnings, and
- any portion of the contribution, if any, which may be used for the purchase of life insurance.

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

Non-Interest-Bearing Accounts: You hereby appoint Kingdom Trust as your attorney-in-fact with respect to investments and distributions concerning your account at Kingdom Trust. As part of this, among other things, you direct Kingdom Trust:

1. to deposit all cash for which you have not already provided investment instructions into a pooled custodial deposit account or accounts with one or more third party financial organizations selected by Kingdom Trust at Kingdom's sole discretion and without any further approval from you or other Account Holders provided that any and all such accounts qualify as common investment funds under IRC Section 408(a)(5), such deposit accounts may include without limitation negotiable order of withdrawal accounts, checking accounts, savings accounts, money market accounts, certificates of deposit or similar accounts,
2. to retain such interest as further compensation for the services it renders to its Account Holders and, in its sole discretion, place the funds in a non-interest-bearing pooled deposit account or accounts,
3. to enter into such sub-accounting agreements as may be required by the nature of the deposit accounts between the selected financial organizations and Kingdom Trust under which Kingdom Trust may receive a fee from the selected financial organizations to keep all records pertaining to the Account Holder's share of the pooled custodial accounts which fees will be retained by Kingdom Trust, and
4. to sign checks from time to time on the pooled custodial accounts which are to be honored by the financial organizations for withdrawal of Account Holder's funds from such pooled custodial accounts for distributions, investments, fees and other disbursements directed or agreed to by the Account Holder, and
5. to retain digital assets resulting from any distribution event that are administratively unfeasible as further compensation for the services it renders to Account Holders and, in its sole discretion, liquidate these holdings if possible.

You hereby indemnify and agree to hold such financial organization(s) harmless from following the directions received from Kingdom Trust on your behalf including but not limited to honoring checks drawn on the Account Holder's portion of the pooled custodial accounts that are written by Kingdom Trust.