FIRST TRUST RETIREMENT

Combined Traditional/Roth IRA Kit

First Trust Retirement, Custodian

For Investments In
Bluerock

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ARTICLE I

1.01 **Purpose of the Agreement –** The purpose of this Agreement is to establish a Traditional IRA under Code Section 408(a) or a Roth IRA under Code Section 408A, as indicated on the Adoption Agreement, to provide for the IRA Owner's retirement and for the support of his or her Beneficiary(ies) after death. The account is established for the exclusive benefit of the IRA Owner or his or her Beneficiary(ies). If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) maintained for the benefit of a Designated Beneficiary of a deceased individual, references in this document to the "IRA Owner" are to the deceased individual.

1.02 **Intent to Qualify –** It is the intent of the IRA Owner that this Agreement shall qualify for approval under Code Section 408A if Roth IRA is selected on the Adoption Agreement or under Code Section 408(a) if Traditional IRA is selected on the Adoption Agreement. In no event will the custodial account established under this Agreement operate as both a Traditional IRA and a Roth IRA.

1.03 **For More Information –** To obtain more information concerning the rules governing this Agreement, contact the Prototype Sponsor or Custodian listed on the Adoption Agreement.

ARTICLE II – DEFINITIONS

The following words and phrases when used in this Agreement with initial capital letters shall, for the purpose of this Agreement, have the meanings set forth below unless the context indicates that other meanings are intended:

2.01 **Adoption Agreement –** Means the document executed by the IRA Owner through which the individual adopts this Agreement and thereby agrees to be bound by all terms and conditions of this Agreement.

2.02 **Agreement –** Means this IRA prototype plan Agreement, including the Adoption Agreement.

2.03 **Beneficiary –** Means the individual(s) or entity(ies) properly named to receive any remaining IRA benefits upon the death of the IRA Owner.

2.04 **Code –** Means the Internal Revenue Code of 1986, as amended from time to time.

2.05 **Compensation –** For purposes of Sections 3.01(A) and 4.01(A) of this Agreement, compensation means wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to commissions paid salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income, as defined in Code Section 401(c)(2) (reduced by the deduction the self-employed IRA Owner takes for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Section 1402(c)(6). Compensation shall include any amount includible in the IRA Owner's gross income under Code Section 71 with respect to a divorce or separation instrument. Compensation also includes any differential wage payments as defined in Code Section 3401(h)(2).

Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income (determined without regard to Code Section 112). Compensation also does not include any amount received as a pension or annuity or as deferred compensation. In the case of a married individual filing a joint return, the greater Compensation of his or her spouse is treated as his or her own Compensation, but only to the extent that such spouse's Compensation is not being used for purposes of the spouse making a contribution to an IRA.

2.06 **Conversion Contribution –** Means a contribution described in Code Section 408A(e) from a Traditional or SIMPLE IRA to a Roth IRA.

2.07 **Custodian –** Means the bank or savings and loan association, as defined in Code Section 408(n), or any person who has the approval of the Internal Revenue Service (IRS) to act as Custodian which is named on the Adoption Agreement, or their successor.

2.08 **Designated Beneficiary –** Means the Beneficiary named as of the date of the IRA Owner's death who remains Beneficiary as of September 30 of the year following the year of the IRA Owner's death.

2.09 **IRA –** Means either Traditional IRA or Roth IRA unless otherwise indicated.

2.10 **IRA Owner –** Means the individual whose name appears on the Adoption Agreement, who is establishing the IRA.

2.11 **Prototype Sponsor –** Means the entity specified on the Adoption Agreement which sponsors this prototype plan.

2.12 **Regulations –** Means the Treasury Regulations.

2.13 **Roth IRA –** Means an individual retirement account as defined in Code Section 408A.

2.14 **SIMPLE IRA –** Means the individual retirement account which satisfies the requirements of Code Sections 408(p) and 408(a).

2.15 **Traditional IRA –** Means an individual retirement account as defined in Code Section 408(a).

ARTICLE III – PROVISIONS GOVERNING TRADITIONAL IRAS

This Article III shall only apply if this IRA has been designated by the IRA Owner on the Adoption Agreement as a Traditional IRA.

3.01 **Contribution Rules –**

A. **Maximum Permissible Amount.** Except in the case of a rollover contribution (as permitted by Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), and 457(e)(16)) or a contribution made in accordance with the terms of a simplified employee pension (SEP) plan as described in Code Section 408(k), no contributions will be accepted unless they are in cash, and the total of such contributions shall not exceed the lesser of 100 percent of the Traditional IRA Owner's Compensation, or $5,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of $500.

If the Traditional IRA Owner makes regular contributions to both Traditional and Roth IRAs for a taxable year, the maximum regular contribution that can be made to all the Traditional IRA Owner's Traditional IRAs for that taxable year is reduced by the regular contributions made to the Traditional IRA Owner's Roth IRAs for the taxable year.

B. **Catch-Up Contributions.** In the case of a Traditional IRA Owner who is age 50 or older by the close of the taxable year, the annual cash contribution limit is increased by $1,000 for any taxable year beginning in 2006 and years thereafter.

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C. **Additional Contributions.** In addition to the amounts described in Sections 3.01(A) and (B), a Traditional IRA Owner may make additional contributions specifically authorized by statute – such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation.

D. **Employees of Certain Bankrupt Employers.** In addition to the amounts described in Sections 3.01(A) and (B) of this Agreement, a Traditional IRA Owner who was a participant in a Code Section 401(k) plan of a certain employer in bankruptcy described in Code Section 219(b)(5)(C) may contribute up to $3,000 for taxable years beginning after 2006 and before 2010 only. An individual who makes contributions under this paragraph may not also make age 50 catch-up contributions under Section 3.01(B) of this Agreement.

E. **SIMPLE IRA.** No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two-year period beginning on the date the employee first participated in that employer's SIMPLE IRA plan.

F. **Inherited IRA.** If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C), no contributions will be accepted.

3.02 **Traditional IRA Owner Distributions –**

A. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Traditional IRA Owner's interest in this Traditional IRA shall be made in accordance with the requirements of Code Section 408(a)(6) and the Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Q&A-4 of Regulations Section 1.401(a)(9)-6, rather than Section 3.02(B), (C), and (D) and Section 3.03 of this Agreement. The required minimum distributions calculated for this Traditional IRA may be withdrawn from another Traditional IRA of the Traditional IRA Owner in accordance with Q&A-9 of Regulations Section 1.408-8. If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C), the preceding sentence and Section 3.02(B), (C), and (D) of this Agreement do not apply.

B. The entire value of the account of the Traditional IRA Owner for whose benefit the account is maintained will begin to be distributed no later than the first day of April following the calendar year in which such Traditional IRA Owner attains age 70½ (the required beginning date) over the life of such Traditional IRA Owner or the lives of such Traditional IRA Owner and his or her Designated Beneficiary.

C. The amount to be distributed each year, beginning with the calendar year in which the Traditional IRA Owner attains age 70½ and continuing through the year of death, shall not be less than the quotient obtained by dividing the value of the Traditional IRA (as modified by Section 3.03(C) of this Agreement) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Regulations Section 1.401(a)(9)-9, using the Traditional IRA Owner's age as of his or her birthday in the year. However, if the Traditional IRA Owner's sole Designated Beneficiary is his or her surviving spouse and such spouse is more than 10 years younger than the Traditional IRA Owner, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Regulations Section 1.401(a)(9)-9, using the ages as of the Traditional IRA Owner's and spouse's birthdays in the year.

D. The required minimum distribution for the year the Traditional IRA Owner attains age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

E. If the IRA Owner fails to request his or her required minimum distribution by his or her required beginning date, the Custodian can, at its complete and sole discretion, do any one of the following:

- make no distribution until the IRA Owner provides a proper withdrawal request to the Custodian;
- distribute the entire Traditional IRA to the IRA Owner in a single sum payment; or
- determine the IRA Owner's required minimum distribution from the Traditional IRA each year based on the IRA Owner's life expectancy, calculated using the Uniform Lifetime Table in Regulations Section 1.401(a)(9)-9, and pay those distributions to the IRA Owner until directed otherwise.

The Custodian will not be liable for any penalties or taxes related to the Traditional IRA Owner's failure to take a required minimum distribution.

3.03 **Beneficiary Rights –** If the Traditional IRA Owner dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows.

A. **Death on or After Required Beginning Date.** If the Traditional IRA Owner dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows.

1. If the Designated Beneficiary is someone other than the Traditional IRA Owner's surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the Beneficiary's age as of his or her birthday in the year following the year of the Traditional IRA Owner's death, or over the period described in Section 3.03(A)(3) of this Agreement if longer.

2. If the Traditional IRA Owner's sole Designated Beneficiary is the Traditional IRA Owner's surviving spouse, the remaining interest will be distributed over such spouse's life expectancy or over the period described in Section 3.03(A)(3) of this Agreement if longer. Any interest remaining after such spouse's death will be distributed over such spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death, or, if the distributions are being made over the period described in Section 3.03(A)(3) of this Agreement, over such period.

3. If there is no Designated Beneficiary, or if applicable by operation of Section 3.03(A)(1) or (A)(2) of this Agreement, the remaining interest will be distributed over the Traditional IRA Owner's remaining life expectancy determined in the year of the Traditional IRA Owner's death.

4. The amount to be distributed each year under Section 3.03(A)(1), (2), or (3) of this Agreement, beginning with the calendar year following the calendar year of the Traditional IRA Owner's death, is the quotient obtained by dividing the value of the Traditional IRA as of the end of the preceding year by the remaining life expectancy specified in Section 3.03 of this Agreement. Life expectancy is determined using the Single Life Table in Q&A-1 of Regulations Section 1.401(a)(9)-9. If distributions are being made to a surviving

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spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's or Traditional IRA Owner's age in the year specified in Section 3.03(A)(1), (2), or (3) of this Agreement and reduced by one for each subsequent year.

B. **Death Before Required Beginning Date.** If the Traditional IRA Owner dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows.

1. If the Designated Beneficiary is someone other than the Traditional IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Traditional IRA Owner's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Traditional IRA Owner's death, or, if elected, in accordance with Section 3.03(B)(3) of this Agreement. If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a nonspouse Designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the nonspouse Designated Beneficiary may elect to have distributions made under this Section if the transfer is made no later than the end of the year following the year of death.

2. If the Traditional IRA Owner's sole Designated Beneficiary is the Traditional IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Traditional IRA Owner's death (or by the end of the calendar year in which the Traditional IRA Owner would have attained age 70½, if later), over such spouse's life expectancy, or, if elected, in accordance with Section 3.03(B)(3) of this Agreement. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with Section 3.03(B)(3) of this Agreement. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

3. If there is no Designated Beneficiary, or if applicable by operation of Section 3.03(B)(1) or (B)(2) of this Agreement, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Traditional IRA Owner's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Section 3.03(B)(2) of this Agreement).

4. The amount to be distributed each year under Section 3.03(B)(1) or (B)(2) of this Agreement is the quotient obtained by dividing the value of the Traditional IRA as of the end of the preceding year by the remaining life expectancy specified in Section 3.03 of this Agreement. Life expectancy is determined using the Single Life Table in Q&A-1 of Regulation section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in Section 3.03(B)(1) or (2) of this Agreement and reduced by one for each subsequent year.

C. The value of the Traditional IRA for purposes of this Section is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers, and recharacterizations under Q&As-7 and -8 of Regulations Section 1.408-8.

D. If the Designated Beneficiary is the Traditional IRA Owner's surviving spouse, the spouse may elect to treat the Traditional IRA as his or her own Traditional IRA. This election will be deemed to have been made if such surviving spouse, who is the sole Beneficiary of the Traditional IRA, makes a contribution to the Traditional IRA or fails to take required distributions as a Beneficiary.

E. The required minimum distributions payable to a Designated Beneficiary from this Traditional IRA may be withdrawn from another IRA the Beneficiary holds from the same decedent in accordance with Q&A-9 of Regulations Section 1.408-8.

If the Beneficiary fails to request a distribution by December 31 of the year following the year the Traditional IRA Owner dies, the Custodian reserves the right to elect, in its complete and sole discretion, to do any one of the following:

- make no distribution until the Beneficiary(ies) provides the Custodian a proper withdrawal request;
- distribute the entire Traditional IRA to the Beneficiary(ies) in a single sum payment; or
- distribute the entire remaining interest to the Beneficiary(ies) pursuant to the applicable option in Section 4.03(A) or (B) of this Agreement.

The Custodian will not be liable for any penalties or taxes related to the Beneficiary's failure to take a required minimum distribution.

3.04 **Transfers and Rollovers –** The Custodian can receive amounts transferred to this Traditional IRA from the trustee or custodian of another Traditional IRA. In addition, the Custodian can accept direct rollovers of eligible rollover distributions from employer-sponsored retirement plans as permitted by the Code and applicable Regulations. The Custodian reserves the right not to accept any transfer or rollover.

ARTICLE IV – PROVISIONS GOVERNING ROTH IRAS

This Article IV shall only apply if this IRA has been designated by the IRA Owner on the Adoption Agreement as a Roth IRA.

4.01 **Contribution Rules –**

A. **Maximum Permissible Amount.** Except in the case of a qualified rollover contribution (as defined in 4.01(G) of this Agreement, or a recharacterization (as defined in 4.01(F) of this Agreement, no contributions will be accepted unless they are in cash, and the total of such contributions shall not exceed the applicable amount (as defined in 4.01(B) of this Agreement), or the Roth IRA Owner's Compensation (as defined in Section 2.05 of this Agreement), if less, for that taxable year. The contribution described in the previous sentence that may not exceed the lesser of the applicable amount of the Roth IRA Owner's Compensation is referred to as a regular contribution. However,

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notwithstanding the preceding limits on contributions, a Roth IRA Owner may make additional contributions specifically authorized by statute – such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation. Contributions may be limited under Sections 4.01(C) through (E) of this Agreement.

B. **Applicable Amount.** The applicable amount is determined below:

1. If the Roth IRA Owner is under age 50, the applicable amount is $5,000 for any taxable year beginning in 2008 and years thereafter. After 2008, the applicable contribution limit may be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of $500.

2. If the Roth IRA Owner is 50 or older, the applicable amount under Section 4.01(B)(1) of this Agreement is increased by $1,000 for any taxable year beginning in 2006 and years thereafter.

3. If the Roth IRA Owner was a participant in a Code Section 401(k) plan of a certain employer in bankruptcy described in Code Section 219(b)(5)(C), then the applicable amount under Section 4.01(B)(1) of this Agreement is increased by $3,000 for taxable years beginning after 2006 and before 2010 only. A Roth IRA Owner who makes contributions under this Section may not also make contributions under Section 4.01(B)(2) of this Agreement.

C. **Regular Contribution Limit.** The maximum regular contribution that can be made to all the Roth IRA Owner's Roth IRAs for a taxable year is the smaller amount determined under Section 4.01(C)(1) or (2) of this Agreement.

1. The maximum regular contribution is phased out ratably between certain levels of modified adjusted gross income in accordance with the following table.

Filing Status	Full Contribution	Phase-Out Range Modified AGI	No Contribution
Single or Head of Household	$95,000 or less	Between $95,000 and $110,000	$110,000 or more
Joint Return or Qualifying Widow(er)	$150,000 or less	Between $150,000 and $160,000	$160,000 or more
Married–Separate Return	$0	Between $0 and $10,000	$10,000 or more

A Roth IRA Owner's modified adjusted gross income (MAGI) for a taxable year is defined in Code Section 408A(c)(3) and does not include any amount included in adjusted gross income as a result of a qualified rollover contribution. If the Roth IRA Owner's MAGI for a taxable year is in the phase-out range, the maximum regular contribution determined under this table for that taxable year is rounded up to the next multiple of $10 and is not reduced below $200. After 2006, the MAGI limits above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 408A(c)(3). Such adjustments will be in multiples of $1,000.

2. If the Roth IRA Owner makes regular contributions to both Roth and Traditional IRAs for a taxable year, the maximum regular contribution that can be made to all the Roth IRA Owner's Roth IRAs for that taxable year is reduced by the regular contributions made to the Roth IRA Owner's Traditional IRAs for the taxable year.

D. **SIMPLE IRA Limits.** No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two-year period beginning on the date the employee first participated in that employer's SIMPLE IRA plan.

E. **Inherited IRA.** If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C), no contributions will be accepted.

F. **Recharacterization.** A regular contribution to a Traditional IRA may be recharacterized pursuant to the rules in Regulations Section 1.408A-5 as a regular contribution to this Roth IRA, subject to the limits in Section 4.01(C) of this Agreement.

G. **Qualified Rollover Contribution.** A qualified rollover contribution is a rollover contribution of a distribution from an eligible retirement plan described in Code Section 402(c)(8)(B). If the distribution is from an IRA, the rollover must meet the requirements of Code Section 408(d)(3), except the one-rollover-per-year rule of Code Section 408(d)(3)(B) does not apply if the rollover contribution is from an IRA other than a Roth IRA. If the distribution is from an eligible retirement plan other than an IRA, the rollover must meet the requirements of Code Section 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), or 457(e)(16), as applicable. A qualified rollover contribution also includes Section 4.01(G)(1) and (2) of this Agreement.

1. All of part of a military death gratuity or servicemembers' group life insurance (SGLI) payment may be contributed if the contribution is made within one year of receiving the gratuity or payment. Such contributions are disregarded for purposes of the one-rollover-per-year rule under Code Section 408(d)(3)(B).

2. All of part of an airline payment (as defined in Section 125 of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), Pub. L. 110-458) received by certain airline employees may be contributed if the contribution is made within 180 days of receiving the payment.

4.02 **Roth IRA Owner Distributions –** No amount is required to be distributed prior to the death of the Roth IRA Owner for whose benefit the account was originally established. If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C), this Section does not apply.

4.03 **Beneficiary Rights –** If the Roth IRA Owner dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows.

A. Notwithstanding any provision of this Roth IRA to the contrary, the distribution of the Roth IRA Owner's interest in the account shall be made in accordance with the requirements of Code Section 408(a)(6), as modified by Code Section 408A(c)(5), and the Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the requirements of Regulations Section 1.401(a)(9)-6 (taking into account Code Section 408A(c)(5)), rather than the distribution rules in Section 4.03(B), (C), and (D) of this Agreement.

B. Upon the death of the Roth IRA Owner, his or her entire interest will be distributed at least as rapidly as follows.

1. If the Designated Beneficiary is someone other than the Roth IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Roth IRA Owner's death, over the

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remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Roth IRA Owner's death, or, if elected, in accordance with Section 4.03(B)(3) of this Agreement. If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a nonspouse Designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the nonspouse Designated Beneficiary may elect to have distributions made under Section 4.03(B)(1) of this Agreement if the transfer is made no later than the end of the year following the year of death.

2. If the Roth IRA Owner's sole Designated Beneficiary is his or her surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Roth IRA Owner's death (or by the end of the calendar year in which the Roth IRA Owner would have attained age 70½, if later), over such spouse's life expectancy, or, if elected, in accordance with Section 4.03(B)(3) of this Agreement. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with Section 4.03(B)(3) of this Agreement. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

3. If there is no Designated Beneficiary, or if applicable by operation of Section 4.03(B)(1) or (B)(2) of this Agreement, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Roth IRA Owner's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Section 4.03(B)(2) of this Agreement).

4. The amount to be distributed each year under Section 4.03(B)(1) or (2) of this Agreement is the quotient obtained by dividing the value of the Roth IRA as of the end of the preceding year by the remaining life expectancy specified in Section 4.03 of this Agreement. Life expectancy is determined using the Single Life Table in Q&A-1 of Regulations Section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in Section 4.03(B)(1) or (B)(2) of this Agreement and reduced by one for each subsequent year.

C. The value of the Roth IRA for purposes of this Section is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers and recharacterizations under Q&As-7 and -8 of Regulations Section 1.408-8.

D. If the Designated Beneficiary is the Roth IRA Owner's surviving spouse, the spouse may elect to treat the IRA as his or her own Roth IRA. This election will be deemed to have been made if such surviving spouse, who is the sole Beneficiary of the Roth IRA, makes a contribution to the Roth IRA or fails to take required distributions as a Beneficiary.

E. The required minimum distributions payable to a Designated Beneficiary from this Roth IRA may be withdrawn from another IRA the Beneficiary holds from the same decedent in accordance with Q&A-9 of Regulations Section 1.408-8.

F. If the Beneficiary fails to request a distribution by December 31 of the year following the year the Roth IRA Owner dies, the Custodian reserves the right to elect, in its complete and sole discretion, to do any one of the following:

- make no distribution until the Beneficiary(ies) provides the Custodian a proper withdrawal request;
- distribute the entire Roth IRA to the Beneficiary(ies) in a single sum payment; or
- distribute the entire remaining interest to the Beneficiary(ies) pursuant to the applicable option in Section 4.03(B) of this Agreement.

The Custodian will not be liable for any penalties or taxes related to the Beneficiary's (ies') failure to take a required minimum distribution.

4.04 **Transfers and Rollovers –** The Custodian can receive amounts transferred or rolled over to this Roth IRA from the trustee or custodian of another Roth IRA as permitted by Code or applicable Regulations. The Custodian reserves the right not to accept any transfer or rollover.

ARTICLE V – PROVISIONS GOVERNING BOTH TRADITIONAL AND ROTH IRAS

5.01 **Notices and Change of Address –** Any required notice regarding this IRA will be considered effective when sent by the Custodian to the intended recipient at the last address which the Custodian has in its records. Any notice to be given to the Custodian will be considered effective when actually received. The IRA Owner, or the intended recipient, must notify the Custodian of any change of address.

5.02 **Representations and Responsibilities –** The IRA Owner represents and warrants to the Custodian that any information he or she has given or will give to the Custodian with respect to this Agreement is complete and accurate. Further, the IRA Owner agrees that any directions the IRA Owner gives, or action the IRA Owner takes will be proper under this Agreement, and that the Custodian is entitled to rely upon any such information or directions. If the Custodian fails to receive directions from the IRA Owner regarding any transaction, or if the Custodian receives ambiguous directions regarding any transaction, or the Custodian, in good faith, believes that any transaction requested is in dispute, the Custodian reserves the right to take no action until further clarification acceptable to the Custodian is received from the IRA Owner or the appropriate government or judicial authority. The Custodian shall not be responsible for losses of any kind that may result from the IRA Owner's directions to the Custodian, or the IRA Owner's actions or failures to act, and the IRA Owner agrees to reimburse the Custodian for any loss the Custodian may incur as a result of such directions, actions, or failures to act. The Custodian shall not be responsible for any penalties, taxes, judgments or expenses the IRA Owner incurs in connection with the IRA. The Custodian has no duty to determine whether the IRA Owner's contributions or distributions comply with the Code, Regulations, rulings, or this Agreement. The Custodian may permit the IRA Owner to appoint, through written notice

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acceptable to the Custodian, an authorized agent to act on the IRA Owner's behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, the Custodian has no duty to determine the validity of such appointment or any instrument appointing such authorized agent. The Custodian shall not be responsible for losses of any kind that may result from directions, actions or failures to act by the IRA Owner's authorized agent, and the IRA Owner agrees to reimburse the Custodian for any loss the Custodian may incur as a result of such directions, actions or failures to act by the IRA Owner's authorized agent. The IRA Owner will have sixty (60) days after receiving any documents, statements, or other information from the Custodian to notify the Custodian in writing of any errors or inaccuracies reflected in these documents, statements, or other information. If the IRA Owner does not notify the Custodian within 60 days, the documents, statements, or other information shall be deemed correct and accurate, and the Custodian shall have no further liability or obligation for such documents, statements, other information, or the transactions described therein.

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

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

5.03 **Service Fees –** The Custodian has the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover, or termination fee) for maintaining this IRA. In addition, the Custodian has the right to be reimbursed for all reasonable expenses, including legal expenses, incurred in connection with the administration of this IRA. The Custodian may charge the IRA Owner separately for any fees or expenses, or may deduct the amount of the fees or expenses from the assets in the IRA at its discretion. The Custodian reserves the right to charge any additional fee upon 30 days notice to the IRA Owner that the fee will be effective.

Any brokerage commissions attributable to the assets in the IRA will be charged to the IRA. The IRA Owner cannot reimburse the IRA for those commissions.

5.04 **Investment of Amounts in the IRA –** The IRA Owner has exclusive responsibility for and control over the investment of the assets of his or her IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by the Custodian's charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs, and usages of any exchange, market, or clearing house where the transaction is executed; the Custodian's policies and practices; and this Agreement. After the IRA Owner's death, his or her Beneficiary(ies) shall have the right to direct the investment of the IRA assets, subject to the same conditions that applied to the IRA Owner during his or her lifetime under this Agreement (including, without limitation, Section 5.02 of this Agreement). The Custodian shall have no discretion to direct any investment in the IRA. The Custodian assumes no responsibility for rendering investment advice with respect to the IRA, nor will the Custodian offer any opinion or judgment to the IRA Owner on matters concerning the value or suitability of any investment or proposed investment for the IRA. In the absence of instructions from the IRA Owner or if the instructions are not in an acceptable form, the Custodian shall have the right to hold any uninvested amounts in cash, and shall have no responsibility to invest uninvested cash unless and until directed by the IRA Owner. The Custodian will not exercise the voting rights and other shareholder rights with respect to investments in the IRA unless the IRA Owner provides timely written directions acceptable to the Custodian.

The IRA Owner will select the type of investment for his or her IRA assets, provided, however, that the selection of investments shall be limited to those types of investments that the Custodian is authorized by its charter, articles of incorporation, or bylaws to offer and do in fact offer for investment in IRAs.

5.05 **Beneficiary Designations –** If the IRA Owner dies before he or she receives all of the amounts in the IRA, payments from the IRA will be made to the Beneficiary(ies) of the IRA. The IRA Owner may designate one or more person(s) or entity(ies) as Beneficiary of the IRA. This designation can only be made on a form provided by or acceptable to the Custodian and it will only be effective when it is filed with the Custodian during the IRA Owner's lifetime. Unless otherwise specified, each Beneficiary designation the IRA Owner files with the Custodian will cancel all previous ones. The consent of a Beneficiary(ies) shall not be required for the IRA Owner to revoke a Beneficiary designation. If the IRA Owner has designated both primary and contingent Beneficiaries and no primary Beneficiary(ies) survives the IRA Owner, the contingent Beneficiary(ies) shall acquire the designated share of the IRA Owner's IRA. If the IRA Owner does not designate a Beneficiary, or if all of the IRA Owner's primary and contingent Beneficiary(ies) predecease the IRA Owner, the IRA Owner's estate will be the Beneficiary.

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

5.06 **Termination of Agreement, Resignation, or Removal of Custodian –** Either party may terminate this Agreement at any time by giving written notice to the other. The Custodian can resign at any time effective 30 days after mailing written notice of its resignation to the IRA Owner. Upon receipt of that notice, the IRA Owner must make arrangements to transfer the IRA to another financial organization. If the IRA Owner does not complete a transfer of the IRA within 30 days from the date the Custodian mails the notice to the IRA Owner, the Custodian has the right to transfer the assets of this IRA to a successor IRA custodian or trustee that the Custodian chooses in its sole discretion, or the Custodian may pay the assets of this IRA to the IRA Owner in a single sum. The Custodian shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences the IRA Owner may incur that result from the transfer or distribution of IRA assets pursuant to this section.

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

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

The non-bank Custodian shall substitute another trustee or custodian if the non-bank Custodian receives notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Regulations Section 1.408-2(e).

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

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

5.08 **Amendments –** By adopting this Agreement the IRA Owner delegates to the Prototype Sponsor the power to amend or replace this Agreement to conform it to the provisions of the Code, applicable Regulations or administrative rulings pertaining to IRAs, and to make such other changes to this Agreement, which, in the judgment of the Prototype Sponsor, are necessary or appropriate. The IRA Owner shall be deemed to have consented to all such amendments unless, within 30 days from the date the amendment is mailed, the IRA Owner notifies the Custodian in writing that the IRA Owner does not consent.

The Prototype Sponsor shall notify the IRA Owner should it discontinue sponsorship of this Agreement. The Prototype Sponsor's duties are limited to those expressly assigned to it under the terms of this Agreement together with any requirements of prototype IRA plans that may be set forth from time to time by the IRS under its rules and procedures.

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

5.10 **Liquidation of Assets –** The Custodian has the right to liquidate assets in this IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties, or surrender charges properly chargeable against this IRA. If the IRA Owner fails, after notice, to direct the Custodian as to which assets to liquidate, the Custodian will decide in its complete and sole discretion, and the IRA Owner agrees not to hold the Custodian liable for any adverse consequences that result from its decision.

5.11 **Restrictions on the Fund –** The IRA Owner's interest in the balance in this IRA is nonforfeitable at all times. Neither the IRA Owner nor any Beneficiary(ies) may sell, transfer, or pledge any interest in this IRA in any manner whatsoever, except as provided by law or this Agreement.

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

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

5.12 **Reporting Responsibilities –** The IRA Owner agrees to provide the Custodian with information necessary for the Custodian to prepare any reports required under Code Sections 408(i), 408A(d)(3)(D), and Regulations Sections 1.408-5 and 1.408-6. The Custodian agrees to submit reports to the IRS and the IRA Owner (or Beneficiary(ies) upon the IRA Owner's death) as prescribed by the IRS and such additional reports as the Custodian may choose to deliver. The Custodian shall furnish annual calendar-year reports concerning the status of the IRA and such information concerning required minimum distributions as is prescribed by the Commissioner of the IRS.

5.13 **What Law Applies –** This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the law of the Custodian's domicile shall govern.

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

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DISCLOSURE STATEMENT

This Disclosure Statement explains the rules governing the type of IRA you designated on the Adoption Agreement. The term IRA will be used in this Disclosure Statement to refer to a Traditional IRA (under Internal Revenue Code Section (IRC Sec.) 408(a)) or a Roth IRA (under IRC Sec. 408A) unless specified otherwise.

RIGHT TO REVOKE YOUR IRA

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

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

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

REQUIREMENTS OF AN IRA

A. **Cash Contributions –** Your contribution must be in cash, unless it is a rollover contribution or a conversion contribution to a Roth IRA.

B. **Maximum Traditional IRA Contribution –** The total amount you may contribute to a Traditional IRA for any taxable year cannot exceed the lesser of 100 percent of your Compensation or $6,000 for 2019 and 2020, with possible cost-of-living adjustments each year thereafter. If you also maintain a Roth IRA (i.e., an IRA subject to the limits of IRC Sec. 408A), the maximum contribution to your Traditional IRAs is reduced by any contributions you make to your Roth IRAs. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your Compensation.

C. **Maximum Roth IRA Contribution –** The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your Compensation or $6,000 for 2019 and 2020, with possible cost-of-living adjustments each year thereafter. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of IRC Secs. 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRAs. Your total annual contribution to all Roth IRAs and Traditional IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your Compensation.

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

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

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

D. **Traditional IRA Contribution Eligibility –** For tax years beginning before 2020, you are eligible to make a regular contribution to your Traditional IRA if you have Compensation and have not attained age 70½ by the end of the taxable year for which the contribution is made. For 2020 and later tax years, you may make a regular contribution to your IRA at any age if you have Compensation.

E. **Roth IRA Contribution Eligibility –** You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have Compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in an employer-sponsored retirement plan, other than a Traditional IRA.

F. **Catch-Up Contributions –** If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your IRA. The maximum additional contribution is $1,000 per year.

G. **Nonforfeitability –** Your interest in your IRA is nonforfeitable.

H. **Eligible Custodians –** The Custodian of your IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

I. **Commingling Assets –** The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.

J. **Life Insurance –** No portion of your IRA may be invested in life insurance contracts.

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

L. **Required Minimum Distributions For Traditional IRAs –** You are required to take minimum distributions from your Traditional IRA at certain times in accordance with Treasury Regulation 1.408-8. Below is a summary of the IRA distribution rules.

   1. If you were born before July 1, 1949, you are required to take a minimum distribution from your Traditional IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. If you were born on or after July 1, 1949, you are required to take a minimum distribution from your IRA for the year in which you reach age 72 and for each year thereafter. You must take your first distribution by

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your required beginning date, which is April 1 of the year following the year you attain age 72. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.

2. The applicable divisor is generally determined using the Uniform Lifetime Table provided by the IRS. The table assumes a Beneficiary exactly 10 years younger than you, regardless of who is named as your Beneficiary, if any. If your spouse is your sole Beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined each year using the actual joint life expectancy of you and your spouse obtained from the Joint Life Expectancy Table provided by the IRS, rather than the life expectancy divisor from the Uniform Lifetime Table.

   We reserve the right to do any one of the following by your required beginning date.

   (a) Make no distribution until you give us a proper withdrawal request
   (b) Distribute your entire IRA to you in a single sum payment, or
   (c) Determine your required minimum distribution each year based on your life expectancy, calculated using the Uniform Lifetime Table, and pay those distributions to you until you direct otherwise.

   If you fail to remove a required minimum distribution, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

M. **Beneficiary Distributions for Traditional IRAs –** Upon your death, your Beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulation 1.408-8. These requirements are described below.

1. **Death of IRA Owner Before January 1, 2020 –** Your Designated Beneficiary is determined based on the Beneficiaries designated as of the date of your death, who remains your Beneficiaries as of September 30 of the year following the year of your death.

   If you die on or after your required beginning date, distributions must be made to your Beneficiaries over the longer of the single life expectancy of your Designated Beneficiaries, or your remaining life expectancy. If a Beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no Designated Beneficiary of your Traditional IRA for purposes of determining the distribution period. If there is no Designated Beneficiary of your Traditional IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

   If you die before your required beginning date, the entire amount remaining in your account will, at the election of your Designated Beneficiaries, either

   (a) be distributed by December 31 of the year containing the fifth anniversary of your death, or
   (b) be distributed over the remaining life expectancy of your Designated Beneficiaries.

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

2. **Death of IRA Owner On or After January 1, 2020 –** The entire amount remaining in your account will generally be distributed by December 31 of the year containing the tenth anniversary of your death unless you have an eligible Designated Beneficiary or you have no Designated Beneficiary for purposes of determining a distribution period. This requirement applies to Beneficiaries regardless of whether you die before, on, or after your required beginning date.

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

   An eligible Designated Beneficiary is any Designated Beneficiary who is

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

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

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

   If a Beneficiary other than a person (e.g., your estate, a charity, or a certain type of trust) is named, you will be treated as having no Designated Beneficiary of your IRA for purposes of determining the distribution period. If you die before your required beginning date and there is no Designated Beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death. If you die on or after your required beginning date and there is no Designated Beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

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

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

If your Beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. Your Beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

N. **Required Minimum Distributions for Roth IRAs –** You are not required to take distributions from your Roth IRA during your lifetime (as required for Traditional IRAs). However, your Beneficiaries are generally required to take distributions from your Roth IRA after your death. See the section titled *Beneficiary Options for Roth IRAs* in this Disclosure Statement regarding Beneficiaries' required minimum distributions.

O. **Qualifying Longevity Annuity Contracts and RMDs –** A qualifying longevity annuity contract (QLAC) is a deferred annuity contract that, among other requirements, must guarantee lifetime income starting no later than age 85. The total premiums paid to QLACs in your Traditional and SIMPLE IRAs must not exceed 25 percent (up to $125,000) of the combined value of your IRAs (excluding Roth IRAs). The $125,000 limit is subject to cost-of-living adjustments each year.

When calculating your RMD, you may reduce the prior year end account value by the value of QLACs that your Traditional IRA holds as investments.

For more information on QLACs, you may wish to refer to the IRS website at www.irs.gov.

P. **Beneficiary Distributions for Roth IRAs –** Upon your death, your Beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulation 1.408-8. These requirements are described below.

1. **Death of Roth IRA Owner Before January 1, 2020 –** Your Designated Beneficiary is determined based on the Beneficiaries designated as of the date of your death, who remain your Beneficiaries as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your Designated Beneficiaries, either

   (a) be distributed by December 31 of the year containing the fifth anniversary of your death, or
   (b) be distributed over the remaining life expectancy of your Designated Beneficiaries.

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

2. **Death of Roth IRA Owner On or After January 1, 2020 –** The entire amount remaining in your account will generally be distributed by December 31 of the year containing the tenth anniversary of your death unless you have an eligible Designated Beneficiary or you have no Designated Beneficiary for purposes of determining a distribution period.

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

   An eligible Designated Beneficiary is any Designated Beneficiary who is

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

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

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

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

A spouse who is the sole Designated Beneficiary of your entire Roth IRA will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA.

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Regardless of whether or not the spouse is the sole Designated Beneficiary of your Roth IRA, a spouse Beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

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

If your Beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. Your Beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

Q. **Waiver of 2020 RMD –** In spite of the general rules described above, if you are a Traditional IRA owner age 70½ or older, you are not required to remove an RMD for calendar year 2020. This RMD waiver also applies to Traditional IRA owners who attained age 70½ in 2019 but did not take their first RMD before January 1, 2020. In addition, no Traditional or Roth IRA beneficiary life expectancy payments are required for calendar year 2020. If the five-year rule applies to an IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2020. For example, if an IRA owner died in 2017, the beneficiary's five-year period ends in 2023 instead of 2022.

INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

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

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

1. Qualified pension, profit sharing, 401(k), or stock bonus plan
2. Qualified annuity plan of an employer
3. Simplified employee pension (SEP) plan
4. Retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under IRC Sec. 457)
5. Tax-sheltered annuity for employees of certain tax-exempt organizations or public schools
6. Plan meeting the requirements of IRC Sec. 501(c)(18), and
7. Savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan

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

If you are an active participant, are single, and have MAGI within the applicable phase-out range listed below, the deductible amount of your contribution is determined as follows. (1) Begin with the appropriate phase-out range maximum for the applicable year (specified below) and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of $66,000 in 2020, your maximum deductible contribution is $5,400 (the 2020 phase-out range maximum of $75,000 minus your MAGI of $66,000, divided by the difference between the maximum and minimum phase-out range limits of $10,000, and multiplied by the contribution limit of $6,000).

If you are an active participant, are married to an active participant and you file a joint income tax return, and have MAGI within the applicable phase-out range listed below, the deductible amount of your contribution is determined as follows. (1) Begin with the appropriate phase-out maximum for the applicable year (specified below) and subtract your MAGI range; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of $107,000 in 2020, your maximum deductible contribution is $5,100 (the 2020 phase-out maximum of $124,000 minus your MAGI of $107,000, divided by the difference between the maximum and minimum phase-out limits of $20,000, and multiplied by the contribution limit of $6,000).

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

Tax Year	Joint Filers Phase-Out Range*	Single Taxpayers Phase-Out Range*
	(minimum)(maximum)	*(minimum)(maximum)*
2013	$95,000–115,000	$59,000–69,000
2014	$96,000–116,000	$60,000–70,000
2015	$98,000–118,000	$61,000–71,000
2016	$98,000–118,000	$61,000–71,000
2017	$99,000–119,000	$62,000–72,000
2018	$101,000–121,000	$63,000–73,000
2019	$103,000–123,000	$64,000–74,000
2020	$104,000–124,000	$65,000–75,000

*MAGI limits are subject to cost-of-living adjustments each year.

The MAGI phase-out range for an individual that is not an active participant, but is married to an active participant, is $193,000–$203,000 (for 2019) and $196,000–$206,000 (for 2020). This limit is also subject to cost-of-living increases for tax years after 2020. If you are not an active participant in an employer-sponsored retirement plan, are married to someone who is an active participant, and you file a joint income tax return with MAGI between the applicable phase-out range for the year, your maximum deductible contribution is determined as follows. (1) Begin with the appropriate MAGI phase-out maximum for the year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum Traditional IRA deduction you may take.

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

B. **Contributions Not Deducted for Roth IRAs –** No deduction is allowed for Roth IRA contributions, including transfers, rollovers, and conversion contributions.

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C. **Contribution Deadline –** The deadline for making an IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.

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

D. **Tax Credit for Contributions –** You may be eligible to receive a tax credit for your IRA contributions. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed $1,000 in a given year. You may be eligible for this tax credit if you are

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

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

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

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

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

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

1. **Removal Before Your Tax Filing Deadline.** An excess contribution may be corrected by withdrawing the excess amount, along with the earnings attributable to the excess, before your tax filing deadline, including extensions, for the year for which the excess contribution was made. An excess withdrawn under this method is not taxable to you, but you must include the earnings attributable to the excess in your taxable income in the year in which the contribution was made. The six percent excess contribution penalty tax will be avoided.
2. **Removal After Your Tax Filing Deadline.** If you are correcting an excess contribution after your tax filing deadline, including extensions, remove only the amount of the excess contribution. The six percent excess contribution penalty tax will be imposed on the excess contribution for each year it remains in the IRA. An excess withdrawal under this method will only be taxable to you if the total contributions made in the year of the excess exceed the annual applicable contribution limit.
3. **Carry Forward to a Subsequent Year.** If you do not withdraw the excess contribution, you may carry forward the contribution for a subsequent tax year. To do so, you under-contribute for that tax year and carry the excess contribution amount forward to that year on your tax return. The six percent excess contribution penalty tax will be imposed on the excess amount for each year that it remains as an excess contribution at the end of the year.

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

F. **Tax-Deferred Earnings –** The investment earnings of your IRA are not subject to federal income tax as they accumulate in your IRA. Investment earnings distributed from your Traditional IRA will be taxed when the distribution is made. Distributions of your Roth IRA investment earnings will be free from federal income tax if you take a qualified distribution, as defined in the *Taxation of Roth IRA Distributions* section of this Disclosure Statement.

G. **Nondeductible Contributions –** You may make nondeductible contributions to your Traditional IRA to the extent that deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the allowable contribution limit described previously, or 100 percent of Compensation). You may elect to treat deductible Traditional IRA contributions as nondeductible contributions.

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

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

H. **Taxation of Traditional IRA Distributions –** The taxation of Traditional IRA distributions depends on whether or not you have ever made nondeductible Traditional IRA contributions. If you have only made deductible contributions, all Traditional IRA distribution amounts will be included in income.

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

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

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

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

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

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

   For example, if you made a contribution to your Roth IRA for 2007, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2012.

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

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

K. **Early Distribution Penalty Tax –** If you receive a Traditional IRA distribution or a nonqualified Roth IRA distribution before you attain age 59½, an additional early distribution penalty tax of 10 percent generally will apply to the taxable amount of the distribution unless one of the following exceptions apply. **1) Death.** After your death, payments made to your beneficiary are not subject to the 10 percent early distribution penalty tax. **2) Disability.** If you are disabled at the time of distribution, you are not subject to the additional 10 percent early distribution penalty tax. In order to be disabled, a physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration. **3) Substantially equal periodic payments.** You are not subject to the additional 10 percent early distribution penalty tax if you are taking a series of substantially equal periodic payments (at least annual payments) over your life expectancy or the joint life expectancy of you and your beneficiary. You must continue these payments for the longer of five years or until you reach age 59½. **4) Unreimbursed medical expenses.** If you take payments to pay for unreimbursed medical expenses that exceed a specified percentage of your adjusted gross income, you will not be subject to the 10 percent early distribution penalty tax. For further detailed information and effective dates you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS. The medical expenses may be for you, your spouse, or any dependent listed on your tax return. **5) Health insurance premiums.** If you are unemployed and have received unemployment compensation for 12 consecutive weeks under a federal or state program, you may take payments from your IRA to pay for health insurance premiums without incurring the 10 percent early distribution penalty tax. **6) Higher education expenses.** Payments taken for certain qualified higher education expenses for you, your spouse, or the children or grandchildren of you or your spouse, will not be subject to the 10 percent early distribution penalty tax. **7) First-time homebuyer.** You may take payments from your IRA to use toward qualified acquisition costs of buying or building a principal residence. The amount you may take for this reason may not exceed a lifetime maximum of $10,000. The payment must be used for qualified acquisition costs within 120 days of receiving the distribution. **8) IRS levy.** Payments from your IRA made to the U.S. government in response to a federal tax levy are not subject to the 10 percent early distribution penalty tax. **9) Qualified reservist distributions.** If you are a qualified reservist member called to active duty for more than 179 days or an indefinite period, the payments you take from your IRA during the active duty period are not subject to the 10 percent early distribution penalty tax. **10) Qualified birth or adoption.** Payments from your IRA for the birth of your child or the adoption of an eligible adoptee will not be subject to the 10 percent early distribution penalty tax if the distribution is taken during the one-year period beginning on the date of birth of your child or the date on which your legal adoption of an eligible adoptee is finalized. An eligible adoptee means any individual (other than your spouse's child) who has not attained age 18 or is physically or mentally incapable of self-support. The aggregate amount you may take for this reason may not exceed $5,000 for each birth or adoption.

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

L. **Rollovers and Conversions –** Your IRA may be rolled over to another IRA of yours, or may receive rollover contributions. Your Traditional IRA or SIMPLE IRA may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a movement of cash or other property to your IRA from another IRA, or from your employer's qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan to your IRA. Conversion is a term used to describe the movement of Traditional or SIMPLE IRA assets to a Roth IRA. A conversion and employer-sponsored retirement plan rollover to a Roth IRA is generally a taxable event. The general rollover and conversion rules are summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

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

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

2. **SIMPLE IRA-to-Traditional IRA Rollovers.** Assets distributed from your SIMPLE IRA may be rolled over to your Traditional IRA without IRS penalty tax provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with Traditional IRA to Traditional IRA rollovers, the requirements of IRC Sec. 408(d)(3) must be met. A proper SIMPLE IRA to Traditional IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received.

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

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

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

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

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

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

5. **Traditional IRA-to-SIMPLE IRA Rollovers.** Assets distributed from your Traditional IRA may be rolled over to a SIMPLE IRA if the requirements of IRC Sec. 408(d)(3) are met and two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. A proper Traditional IRA-to-SIMPLE IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days.

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

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

7. **Rollovers of Roth Elective Deferrals.** Roth elective deferrals distributed from a 401(k) cash or deferred arrangement, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan, may only be rolled into your Roth IRA.

8. **Traditional IRA-to-Roth IRA Conversions.** If you convert to a Roth IRA, the amount of the conversion from your Traditional IRA to your Roth IRA will be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty tax. If you are required to take a required minimum distribution for the year, you must remove your required minimum distribution before converting your Traditional IRA.

9. **SIMPLE IRA-to-Roth IRA Conversions.** You are eligible to convert all or any portion of your existing SIMPLE IRA into your Roth IRA, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. The amount of the

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conversion from your SIMPLE IRA to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax. If you are required to take a required minimum distribution for the year, you must remove your required minimum distribution before converting your SIMPLE IRA.

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

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

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

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

11. **Beneficiary Rollovers from Employer-Sponsored Retirement Plans.** If you are a spouse Beneficiary, nonspouse Beneficiary, or the trustee of an eligible type of trust named as Beneficiary of a deceased employer plan participant, you may directly roll over inherited assets from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan to an inherited IRA. The IRA must be maintained as an inherited IRA, subject to the beneficiary distribution requirements.

12. **Beneficiary Rollovers From 401(k), 403(b), or 457(b) Eligible Governmental Plans Containing Roth Elective Deferrals.** If you are a spouse beneficiary, nonspouse beneficiary, or the trustee of an eligible type of trust named as beneficiary of a deceased 401(k), 403(b), or 457(b) eligible governmental deferred compensation plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals and their earnings to an inherited Roth IRA. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements.

13. **Rollover of Military Death Benefits.** If you receive or have received a military death gratuity or a payment from the Servicemembers' Group Life Insurance (SGLI) program, you may be able to roll over the proceeds to your Roth IRA. The rollover contribution amount is limited to the sum of the death benefits or SGLI payment received, less any such amount that was rolled over to a Coverdell education savings account. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in your Roth IRA.

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

15. **Rollovers of Settlement Payments From Bankrupt Airlines.** If you are a qualified airline employee who has received a qualified airline settlement payment from a commercial airline carrier under the approval of an order of a federal bankruptcy court, you are allowed to roll over up to 90 percent of the proceeds to your Traditional IRA, within 180 days after receipt of such amount, or by a later date if extended by federal law. If you make such a rollover contribution, you may exclude the amount rolled over from your gross income in the taxable year in which the airline settlement payment was paid to you.

    If you are a qualified airline employee who has received a qualified airline settlement payment from a commercial airline carrier under the approval of an order of a federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, you are allowed to roll over any portion of the proceeds into your Roth IRA within 180 days after receipt of such amount, or by a later date if extended by federal law.

    For further detailed information and effective dates you may obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

16. **Rollover of Exxon Valdez Settlement Payments.** If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the settlement, up to $100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to an IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including tax extensions) for the year in which the qualified settlement income is received to make the rollover contribution. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

17. **Rollover of IRS Levy.** If you receive a refund of eligible retirement plan assets that had been wrongfully levied, you may roll over the amount returned up until your tax return due date (not including extensions) for the year in which the money was returned.

18. **Repayment of Qualified Birth or Adoption Distribution.** If you have taken a qualified birth or adoption distribution, you may generally repay all or a portion of the aggregate amount of such distribution to an IRA, as permitted by the IRS. For further information, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, by visiting www.irs.gov on the Internet.

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

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

N. **Recharacterizations –** If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made. You may not recharacterize a Roth IRA conversion or an employer-sponsored retirement plan rollover.

LIMITATIONS AND RESTRICTIONS

A. **SEP Plans –** Under a simplified employee pension (SEP) plan that meets the requirements of IRC Sec. 408(k), your employer may make contributions to your Traditional IRA. Your employer is required to provide you with information which describes the terms of your employer's SEP Plan. No SEP plan contributions may be made to a Roth IRA.

B. **Spousal IRA –** For contributions made for tax years beginning before 2020, if you are married and have Compensation, you may contribute to a Traditional IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has Compensation. For contributions made for 2020 and later tax years, you may contribute to an IRA established for the benefit of your spouse regardless of your spouse's age, if you are married and have Compensation. You may make these spousal contributions even if you are age 70½ or older. You must file a joint income tax return for the year for which the contribution is made.

   You may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has Compensation, and regardless of your spouse's age. The Roth IRA contribution may be further limited if your MAGI falls within the minimum and maximum thresholds for contribution eligibility. You must file a joint income tax return for the year for which the contribution is made.

   The amount you may contribute to your IRA and your spouse's IRA is the lesser of 100 percent of your combined Compensation or $12,000 for 2019 and 2020. This amount may be increased with cost-of-living adjustments each year. However, you may not contribute more than the individual contribution limit to each IRA.

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

C. **Deduction of Rollovers, Transfers, and Conversions –** A deduction is not allowed for rollover, transfer, or conversion Premiums to your IRA.

D. **Gift Tax –** Transfers of your IRA assets to a named Beneficiary made during your life and at your request, may be subject to federal gift tax under IRC Sec. 2501.

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

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

G. **Pledging –** If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for the taxable year in which you pledge the assets. If you designated your IRA as a Roth IRA, the amount pledged may be included in income if it represents a taxable portion of the account (i.e., earnings).

OTHER

A. **IRS Plan Approval –** The prototype plan agreement used to establish this IRA has been approved by the IRS and has been issued a favorable opinion letter. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. **Additional Information –** For further information on IRAs, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, or Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.

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

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

E. **Qualified Charitable Distributions –** If you are age 70½ or older, you may be eligible to take tax-free IRA distributions of up to $100,000 per year and have these distributions paid directly to certain charitable organizations. Special tax rules may apply. For further detailed information and effective dates you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

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

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

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

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

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FIRST TRUST RETIREMENT

FINANCIAL DISCLOSURE

GROWTH IN THE VALUE OF YOUR IRA

The assets in your IRA account will be invested only in accordance with your (or your duly authorized agent's) direction. First Trust Retirement does not offer investment advice or recommend or evaluate the merits or suitability of any investment. The assets in the IRA account at any given time may contain one or more assets depending upon which investments you have selected. It is therefore impossible to estimate the value of the IRA assets in the account at any given future point in time. Growth in the value of the IRA account is neither guaranteed nor projected. The value will be computed by totaling the fair market value of the assets in your account.

CUSTODIAN FEES

First Trust Retirement, as Custodian, may charge reasonable fees or compensation for its services and may deduct all reasonable expenses incurred by it in the administration of your IRA account, including any legal, accounting, distribution, transfer, termination or other designated fees. The fee for existing account holders will be due to be prepaid and/or collected in the first quarter of every year. If a new account that is applicable to our Custodian Admin fee is opened after the first quarter of the year, that account's fee will be collected in the last quarter for that year only. The following year it will be treated as an existing account and will be collected in the first quarter.

Annual Fee	$35
Purchase, Sales, Corporate Actions*	$0*

*In a listing event, a fee may be taken on liquidations to pay various out of pocket expenses.

UNDIRECTED CASH

The Custodian will have the additional options of holding Undirected Cash (defined as cash in an account that lacks specific accountholder investment instruction) in an account or product of an FDIC or other United States government insured financial institution(including but not limited to Fidelity Bank, N.A.), or a United States Government security, or security that is insured or guaranteed by the United States government and to retain a portion of the income attributable to Undirected Cash (if any) as a custodial fee.

FIRST TRUST RETIREMENT

NOTICE OF FINANCIAL PRIVACY

You have chosen to do business with First Trust Retirement, trade name of Mainstar Trust, and we are obligated to honor that relationship with great care, beginning with the information you have chosen to share with us. We believe that your privacy should not be compromised. At the same time, we want to offer you the services you need to accomplish your financial goals. We believe we can do both through the privacy policy outlined below.

At First Trust Retirement, we believe the confidentiality and protection of customer information is one of our fundamental responsibilities. And while information is critical to providing quality service, we recognize that one of our most important assets is our customers' trust. Thus, the safekeeping of customer information is a priority for First Trust Retirement.

INFORMATION THAT WE COLLECT

Information about consumers is accumulated from a variety of sources. Some information is provided to First Trust Retirement directly by customers themselves. First Trust Retirement develops other data as a function of providing a product or service to a customer. Still other information is obtained from outside sources. We will limit the use and collection of information about our customers to that which is necessary to administer our business and provide superior service. This means that we will use information to help us identify and mitigate potential risks or loss to First Trust Retirement only in accordance with the principles set out in this policy.

HOW WE PROTECT YOUR INFORMATION

First Trust Retirement has established procedures to ensure that your financial information is accurate, current, and complete, in keeping with reasonable commercial standards. We also pledge to respond to requests to correct inaccurate information in a timely manner. Each First Trust Retirement employee is required to follow our Company's Code of Conduct, which states that all customer information is considered private and privileged and is to be used solely for the purpose of providing the finest service available. We restrict access to customer information to our employees who need access to provide services to our customers. First Trust Retirement is committed to the security of your financial and personal information. All of our operational and data processing systems are in a secure environment that protects your account information from being accessed by third parties. We maintain and grant access to customer information only in accordance with our internal security standards.

WHAT INFORMATION WE DISCLOSE

We may disclose certain customer information to third parties that work for us or assist us in providing services to our customers (for example: Proxy Mailing Service). We do not reveal specific information about your accounts or other personally identifiable data to parties outside our affiliated companies for their independent use unless: 1) you request or authorize it; 2) the information is provided to help complete a transaction initiated by you; 3) the information is provided to a reputable credit bureau or similar information reporting agency; or 4) the disclosure otherwise is lawfully permitted or required. We do not provide account or personal information to non-First Trust Retirement companies for the purpose of independent telemarketing or direct mail marketing of any non-financial products or services.

HOW TO CONTACT US

At First Trust Retirement, we value our customer relationships. We want you to understand how we use the information you provide and our commitment to ensuring your personal privacy. If you have any questions about how First Trust Retirement protects your confidential information, please call us at 855-FTRETIRE or (855) 387-3847.

FIRST TRUST RETIREMENT

IRA APPLICATION FORM

Bluerock

Please Print or Type

Forward To: First Trust Retirement, c/o SS&C

Regular Mail	*Overnight Delivery*
PO Box 219445	Mail Stop: Bluerock TI+
Kansas City, MO 64121-9445	801 Pennsylvania Ave., Suite 219445
855-387-3847	Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name

Address | City / State / Zip | Email

Phone Number | Social Security Number | Date of Birth

Step 2: IRA CONTRIBUTION INFORMATION

Select the type of IRA to be established and the contribution type. ***First Trust Retirement does not currently offer SIMPLE IRA accounts.***

Traditional IRA

- ☐ Regular/Annual Contribution _____ Year
- ☐ Transfer **(also complete transfer/rollover form)**
- ☐ Rollover (from eligible retirement plan) **(also complete transfer/rollover form)**
  - ☐ Rollover initiated by investor **(Transfer/Rollover Form not required)**
- ☐ Recharacterization
- ☐ SEP IRA
  - ☐ Employer Contribution _____ Year

OR

Roth IRA

- ☐ Regular/Annual Contribution _____ Year
- ☐ Transfer (from Roth IRA) **(also complete transfer/rollover form)**
- ☐ Rollover (from eligible retirement plan) **(also complete transfer/rollover form)**
  - ☐ Rollover initiated by investor **(Transfer/Rollover Form not required)**
- ☐ Conversion
- ☐ Recharacterization

Beneficiary IRA: *Must Complete Designated Beneficiary Election Form*

- ☐ Traditional IRA
- ☐ Roth IRA
- ☐ SEP IRA
- ☐ Transfer (from an existing Beneficiary Traditional/Roth IRA) **(also complete Transfer/Rollover Form)**

Step 3: INVESTMENT INSTRUCTIONS

I direct First Trust Retirement, Custodian, to invest my contributions as follows:

☐	Bluerock Total Income + Real Estate	*$* _____	*Or*	_____	*%*
☐	Bluerock High Income Instl Cdt Fn	*$* _____	*Or*	_____	*%*
☐	Undirected Cash*	*$* _____	*Or*	_____	*%*
☐	Annual Custodian Admin Fee	*$* _____			
	Total	*$* _____	*Or*	*100*	*%*

**Any uninvested or undirected cash in your IRA will be deposited in an interest bearing Account (Undirected Cash). The interest rate and annual percentage yield may change at any time. Interest will be compounded and credited on the last day of each calendar month. The daily balance method is used to calculate the interest on cash in the account. The bank deposit is insured up to applicable FDIC limits.*

Step 4: DESIGNATION OF BENEFICIARIES

The following individual(s) or entity(ies) shall be my primary and/or secondary beneficiary(ies). If neither primary nor secondary is indicated, the individual/entity will be deemed to be a primary beneficiary. If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages. Multiple secondary beneficiaries with no share percentage indicated will also be deemed to share equally. If any primary or secondary beneficiary dies before I do, his/her interest and the interest of his/her heirs shall terminate completely and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survive me, the secondary beneficiary(ies) shall acquire the designated share. ***If you wish to have more than 6 beneficiary designations, please include a signed letter of instruction with additional beneficiary designations.***

No.	Beneficiary's Name If a Minor, Custodian's Full Name (non-IRA holder) and Relationship to the Minor Information	Date of Birth*	Social Security Number	Relationship (i.e., Spouse, Non-Spouse, Trust, Estate, etc.)	Primary or Secondary	Share %**
1					☐ Primary ☐ Secondary	
2					☐ Primary ☐ Secondary	
3					☐ Primary ☐ Secondary	
4					☐ Primary ☐ Secondary	
5					☐ Primary ☐ Secondary	
6					☐ Primary ☐ Secondary	

**Date of birth is required for a Spousal beneficiary.*

***Primary and Secondary beneficiary designations must each total 100%.*

Step 5: SPOUSAL CONSENT

Current Marital Status

☐ **I Am Not Married** – I understand that if I become married in the future, I must complete a new IRA Designation of Beneficiary form.

☐ **I Am Married and my Spouse is my primary beneficiary**

☐ **I Am Married and my Spouse is NOT my primary beneficiary** – I understand that if I choose to designate a primary beneficiary other than my spouse, my spouse must sign below if I reside in a community property or marital property state (*Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington or Wisconsin*).

Consent of Spouse: I am the spouse of the above-named IRA Owner. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional.

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

Signature of Spouse Date

Step 6: FEE INFORMATION

Annual Custodian Admin Fee: Starting at $35

The initial fee should be included at the time of account establishment if you do not currently have any additional open First Trust Retirement accounts.

The Custodian Admin Fee may be paid by you directly; or the Custodian may deduct them from your IRA or from your monthly distributions. Annual fees will be charged for any calendar year during which the IRA is open. This fee is not prorated for periods of less than one year.
After a listing event, a fee will be taken on liquidations to cover the cost of selling your shares on the market. Please see the Financial Disclosure for additional information. This does not apply to any transactions while the investment is non-listed.

Step 7: INCOME DISTRIBUTION OPTIONS

☐ I wish to participate in the Distribution Reinvestment Program (DRP). * **(*Must indicate this on the product Subscription Agreement or send in an applicable product sponsor form for the appropriate product.*)**

☐ Distribute my income distributions to pay cash to the Undirected Cash account within my IRA. ** **(*Not a taxable event.*)**

☐ Distribute my income distributions as a taxable distribution. ** **(*Must include a completed FTR Income Distribution Request Form.*)**

☐ Pay my income distributions to another IRA custodian as a trustee-to-trustee transfer. **(*Must include a completed FTR Income Distributions Request Form and the accepting custodian's acceptance verbiage or sign off. A Medallion Signature Guarantee is required if a letter of acceptance is not included.)***

***To participate in the Distribution Reinvestment Plan (DRP), it must be indicated on the applicable product Subscription Agreement. If the Income Distribution option is left blank on the Subscription Document, the distributions will default to cash to the undirected cash account within your IRA.**
****If income distributions are set to cash and we do not receive a completed FTR Income Distribution Request Form, your income distributions will default to pay cash to the undirected cash account within your IRA.**

Step 8: BROKER DEALER/FINANCIAL ADVISOR INFORMATION

First Trust Retirement utilizes the product sponsor forms in order to add or update a broker dealer or financial advisor. If you wish to add or update the broker dealer or financial advisor, please reach out to the product sponsor to complete their required form.

Step 9: IMPORTANT INFORMATION

First Trust Retirement is a trade name of Mainstar Trust.

Service Fees: The Custodian may pay all or an agreed portion of the fees to a service provider as agreed between the Custodian and such service provider.

Investment Affirmation: The IRA Owner affirms that the IRA Owner has had the opportunity to review this transaction with tax, legal, financial and/or other advisors of the IRA Owner's choice and is satisfied that all suitability requirements imposed by the product company(ies) as indicated in Step 6 ("product") have been met and the investment is suitable for the IRA Owner and the IRA. IRA Owner understands that if the product is not publicly traded, redemptions may be limited and these factors and IRA requirements, such as required minimum distributions, were considered when determining the suitability of this investment. IRA Owner certifies that no tax advice was received from First Trust Retirement and that all decisions regarding this investment instruction are the IRA Owner's.

Indemnification: To the extent not prohibited by federal or state law, the IRA Owner agrees to indemnify, defend and hold the Custodian, its subsidiaries and affiliates (including officers, agents and employees) harmless against and from any and all claims, demands, liabilities, costs and expenses (including reasonable attorney's fees and expenses), arising in connection with this Application or the IRA Account, with respect to (A) any negligence or alleged negligence, whether passive or active, by the Custodian; (B) any breach or alleged breach, whether passive or active, by the Custodian of any responsibilities under this Agreement; (C) any breach or alleged breach, whether passive or active, by a third party of responsibilities under this Agreement; (D) any claim arising out of the purchase, holding or sale of any assets in the IRA, whether directed by the IRA Owner or agent appointed by the IRA Owner; or (E) any losses, expenses, settlements or claims with regard to investment decisions, distribution values, tax reporting or any other financial impact or consequences relating to or arising from the valuation of assets in the Account. The IRA Owner further agrees to pay for the defense of the Custodian, its subsidiaries and affiliates by independent counsel of Custodian's choice against any such claims, demands, liabilities or costs.

***What Law Applies*:** The IRA Owner agrees that where state law applies, Kansas law shall govern this Agreement, any other instrument executed in connection with the Account, and the parties' respective rights and obligations hereunder or otherwise with respect to the Account and assets.

Arbitration: **PLEASE READ THIS ARBITRATION PROVISION CAREFULLY. IT PROVIDES THAT ANY CONTROVERSY OR DISPUTE BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION SUIT OR SIMILAR PROCEEDING.** The IRA Owner and the Custodian agree that either the IRA Owner or the Custodian may, without the other's consent, require that any Claims between the IRA Owner and the Custodian be submitted to mandatory, binding arbitration except for certain matters excluded below. This arbitration provision is made pursuant to a transaction involving interstate commerce, and shall be governed by, and enforceable under, the Federal Arbitration Act (the "FAA"), 9 U.S.C. § 1 et seq., and the governing state law (to the extent state law is applicable). **Claims subject to Arbitration include, but are not limited to:** Any controversy arising out of or relating to this Agreement, or the breach thereof, to the IRA, or to any transactions authorized by the IRA Owner and/or his or her agent. Arbitration shall occur in Johnson County, Kansas according to the rules of The American Arbitration Association. Arbitration is final and binding on the parties. The parties are waiving their right to seek remedies in court, including the right to a jury trial. Claims made as part of a class action suit or other representative action, and the arbitration of such claims must proceed on an individual (non-class, non-representative) basis. If the IRA Owner or the Custodian requires arbitration of a particular claim, neither the IRA Owner, the Custodian, nor any other person may pursue the claim in any litigation, whether as a class action suit, private attorney general action, other representative action or otherwise. Pre-arbitration discovery is generally more limited than and different from court proceedings. The invalidity or unenforceability of any portion of this arbitration provision shall not affect the validity or enforceability of any other portion of this arbitration provision, which shall remain in full force and effect.

UBTI: The IRA Owner acknowledges that the IRA is subject to the provisions of Internal Revenue Code Sections 511-514 relating to Unrelated Business Taxable Income (UBTI) of tax-exempt organizations. IRA Owner agrees that if he/she directs the Custodian to make an investment in the IRA which generates UBTI, the IRA Owner will be responsible for preparing or having prepared the required IRS Form 990-T tax return, an application for an Employer Identification Number (EIN) for the IRA, and any other documents that may be required, and to submit them to the Custodian for filing with the Internal Revenue Service at least ten (10) days prior to the date on which the return is due, along with an appropriate directive authorizing the Custodian to execute the forms on behalf of the IRA and to pay the applicable tax from the assets in the IRA. The IRA Owner understands that the Custodian does not make any determination of whether or not investments in the IRA generate UBTI; has no duty to and does not monitor whether or not the IRA has incurred UBTI; and does not prepare Form 990-T on behalf of the IRA.

Electronic Communications, Signatures and Records: The IRA Owner acknowledges and agrees that this IRA will be subject to the provisions of the Uniform Electronic Transactions Act as passed in the state of Kansas, and the federal Electronic Signature in Global and National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001), as those laws pertain to electronic communication, electronic signatures and electronic storage of custodial account records. The IRA Owner understands that, in lieu of the retention of the original records, the Custodian or its service provider may cause any, or all, of the records to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.

Acknowledgement: I hereby acknowledge that this Agreement is between the IRA Owner named in Step 1 and the Custodian and that product company and its affiliates (i) shall have no obligations or liability under this Agreement or for any transactions executed in connection herewith; (ii) shall have no responsibility, discretion or involvement in evaluating or selecting assets or investments; and (iii) shall not be deemed to be a "fiduciary" as defined in the Employee Retirement Income Security Act of 1974, as amended, and/or Section 4975 of the Internal Revenue Code of 1986, as amended, with respect to any assets or property of the IRA Account.

Step 10: SUBSTITUTE W-9

I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on the IRA Application is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

Step 11: SIGNATURE REQUIRED

I recognize that my IRA Account is not insured by the FDIC, is not a deposit or other obligation of, or guaranteed by First Trust Retirement, and is subject to investment risks, including possible loss of the principal amount invested. I assume complete responsibility for determining whether I am eligible to contribute to an IRA each year, ensuring that all contributions I make are within the limits set forth by the tax laws, and the tax consequences of any contributions and distributions. Within seven (7) days from the date I open this IRA, I may revoke it without penalty by mailing or delivering a written notice to First Trust Retirement. I have received a copy of the application, the Account Agreement and the Disclosures and agree to be bound by the terms and conditions found therein.

IRA Owner Signature Date

FIRST TRUST RETIREMENT

TRANSFER/ROLLOVER REQUEST FORM

Bluerock

Please Print or Type

IMPORTANT INFORMATION:
Please check with your current custodian for their Transfer/Rollover Requirements.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail
PO Box 219445
Kansas City, MO 64121-9445
855-387-3847

Overnight Delivery
Mail Stop: Bluerock TI+
801 Pennsylvania Ave., Suite 219445
Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name | Social Security Number | Existing FTR Account Number (*If applicable*)

Address | City / State / Zip | Phone Number

Step 2: CURRENT CUSTODIAN NAME & ADDRESS

☐ **Funds are staying with First Trust Retirement as Custodian, changing investments only. (Please provide investment name & account number.)**

Current Custodian Name | Current Custodian Phone Number | Current Investment Name/Fund Number

Current Custodian Address- *Physical Address Required for Overnight Delivery* | City / State / Zip

Fax Number

☐ Transfer/Rollover Request Form is acceptable to fax to resigning custodian.

Current Custodian Account Number to be transferred

Please include a copy of your current statement.

Step 3: TYPE OF TRANSFER/ROLLOVER

☐ Transfer from Traditional IRA
☐ Transfer from SEP IRA
☐ Transfer from Roth IRA

Are any of these funds/assets from an Inherited Account?
☐ Yes ☐ No

☐ Rollover from a Qualified Plan, SIMPLE IRA, 401(k), 403(b) or Profit Sharing Plan*
*Your employer may require additional forms to process your request.

☐ Custodian specific form included. FTR will include with the Letter of Acceptance sent to resigning custodian. (*This alerts FTR to include required additional documentation.*)

Step 4: TRANSFER INSTRUCTIONS TO CURRENT CUSTODIAN (check all that apply)

If a check needs to be issued, please issue the check payable to First Trust Retirement.

Transfer of Assets

Select this option for a transfer of the assets and/or cash listed in Step 2, by moving assets out of the current investment and deliver them either to First Trust Retirement (FTR) as a new custodian *OR* staying with FTR and changing investments.

Amount to Liquidate: ☐ All ☐ Partial liquidation of $ _____

Transfer in Kind

Select this option for a Transfer in Kind from the account listed in Step 2 that will change the custodian to FTR only, and leave the IRA assets within the current investment.

Amount to Transfer: ☐ All ☐ Partial transfer of _____ shares

Cash proceeds to liquidate* (*If applicable*) ☐ All ☐ Partial transfer of $ _____

**Only select the cash proceeds option, if you wish the resigning custodian to liquidate additional cash, as well as honor the Transfer in Kind.*

Existing FTR Undirected Cash Account

Select this option to transfer cash funds from the existing FTR Undirected Cash Account and deposit into a new investment remaining with FTR.

Amount to Liquidate: ☐ All ☐ Partial transfer of $ _____

Step 5: SIGNATURE REQUIRED

IRA Owner Signature | Date

BELOW FOR INTERNAL USE ONLY

Acceptance of Rollover/Transfer/Conversion by First Trust Retirement:

By: _____
First Trust Retirement Authorized Signature

Medallion Signature Guarantee Below*

FTR cannot MSG without witnessing Investor's signature execution. Only obtain if required by Current Custodian Listed in Step 2.

Specific details and guides for all FTR forms, and how to complete them, can be located in Guides & Forms at www.firsttrustretirement.com

FIRST TRUST RETIREMENT

INCOME DISTRIBUTION REQUEST FORM

Bluerock

Please Print or Type

IMPORTANT INFORMATION

Each alternative investment has specific rules around income distributions, please review the terms and conditions outlined within the specific product prospectus for details.

This form is not for withdrawal requests.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail
PO Box 219445
Kansas City, MO 64121-9445
855-387-3847

Overnight Delivery
Mail Stop: Bluerock TI+
801 Pennsylvania Ave., Suite 219445
Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name | Social Security Number | Date of Birth | FTR Account Number (If Applicable)

Address | City/State/Zip | Email | Phone Number

Step 2: PRODUCT SELECTION

☐ Bluerock Total Income + Real Estate* ☐ Bluerock High Income Instl Cdt Fd*

**Income distributions for Bluerock Total Income + Real Estate are processed in accordance with their respective distribution programs and are subject to availability. Please review their prospectuses for frequency and availability details or call Bluerock Total Income + Real Estate at 844-819-8287.*

By submitting this form I am requesting First Trust Retirement to pay out my income distributions. Please select distribution type in step 3 and payment method in Step 4.

To participate in the Distribution Reinvestment Plan (DRP), it must be indicated on the applicable Subscription Agreement or product sponsor update form.

Step 3: INCOME DISTRIBUTION INSTRUCTIONS

☐ **Traditional IRA** ☐ **Roth IRA** ☐ **SEP IRA** ☐ **Beneficiary IRA**

☐ Premature Distribution (Account holder must be under age 59 ½ - IRS penalty applies unless rollover occurs within 60 days)

☐ Premature Exempt Distribution (Including Permanent Disability, SEPP, and other identified 72 (t) qualified exceptions. (Documentary evidence required)

☐ Normal Distribution (Account holder age 59 ½ or over)

☐ Death Distribution (If not already in a Beneficiary IRA; Must provide a certified copy of the account holder's Death Certificate)

☐ IRA Trustee to Trustee Transfer ***Please note that if requesting an IRA Trustee transfer you need to contact the accepting custodian and complete their transfer (TOA) paperwork. A Medallion Signature Guarantee stamp may be required on their transfer form.***

Step 4: PAYMENT METHOD

Taxable Options:

☐ Mail check to the address currently on file *(Signature Guarantee required if address changed within 30 days.)*

☐ Electronically transfer funds by ACH to my bank *(Voided check is required for new instructions. Signature Guarantee required if adding bank within 30 days)*

☐ Mail check to a third party listed below.

Non-Taxable Options:

☐ Deposit cash into my Undirected Cash Account

☐ Transfer my income distributions to the custodian listed below as a Trustee to Trustee Transfer

For a Trustee to Trustee transfer, this form must be signed and Signature Guaranteed by accepting custodian OR must include the custodian's signed Letter of Acceptance. This custodial sign off is only required at time of distribution establishment. Please note that this form cannot be notarized.

Payee or Account Name

Account Number

Street Address

City, State & ZIP

Signature Guarantee

Step 5: INCOME TAX WITHHOLDING (THIS SECTION MUST BE COMPLETED*) (Form W-4/OMB No. 1545-0415)

* Except for a distribution from a Roth IRA or for a return of excess contribution.

In compliance with the "Tax Equity and Fiscal Responsibility Act," First Trust Retirement, as custodian, is required to withhold Federal Income Tax from all IRA distributions. You may exercise your right to elect not to have funds withheld. This election will be in effect until you change it. You may change or revoke this election at any time and as often as you wish. You may elect out of this withholding by checking the appropriate box below. Please note that penalties may be incurred under the estimated tax rules if your withholding and/or estimated tax payments are not sufficient.

If no election is made, First Trust Retirement is required to withhold 10% Federal Income Tax. State Income Taxes cannot be withheld from your distribution.

☐ Do not withhold taxes.

☐ Withhold _____ % from the amount withdrawn (must be at least 10%).

Step 6: SIGNATURE REQUIRED

By signing below, I certify that the information I have provided is true and correct, and I authorize the Custodian to distribute my IRA as instructed above.

IRA Owner Signature(or other authorized person*) Date

** If signing as Power of Attorney, valid POA documents must be included.*

FIRST TRUST RETIREMENT

DESIGNATED BENEFICIARY ELECTION FORM

Bluerock

Please Print or Type
This form should be used by the IRA owner whenever establishing an Beneficiary IRA or submitting a withdrawal from a Beneficiary IRA.

This form should be reviewed and completed with the assistance of a financial or tax advisor.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail
PO Box 219445
Kansas City, MO 64121-9445
855-387-3847

Overnight Delivery
Mail Stop: Bluerock TI+
801 Pennsylvania Ave., Suite 219445
Kansas City, MO 64105-1307

Step 1: ORIGINAL IRA OWNER INFORMATION

Original IRA Owner Name	Date of Birth	Date of Death	FTR Account Number
Address	City/State/Zip		Phone Number

Step 2: BENEFICIARY IRA OWNER INFORMATION

Beneficiary IRA Owner Name	Date of Birth	Relationship to Original IRA Owner	FTR Account Number
Address	City/State/Zip		Phone Number

Step 3: BENEFICIARY ELECTION – DEATH PRIOR TO 1/1/2020

Original IRA Owner Died Before April 1 (RBD) of the Year Following the Owner becoming 70 ½.

Defaults to Life Expectancy Payments if no option is selected on multiple elections.

Applicable to Traditional & Roth IRA

NON-SPOUSE
- ☐ Payments Over 5 Years
- ☐ Life Expectancy Payments

SPOUSE
- ☐ Payments Over 5 Years
- ☐ Life Expectancy Payments
- ☐ Treat as My Own

NON-INDIVIDUAL
- ☐ Payments Over 5 Years

Original IRA Owner Died After April 1 of the Year Following the Owner becoming 70 ½

Applicable to Traditional IRA only

NON-SPOUSE
- ☐ Life Expectancy Payments

SPOUSE
- ☐ Life Expectancy Payments
- ☐ Treat as My Own

NON-INDIVIDUAL
- ☐ Life Expectancy Payments

Step 4: BENEFICIARY ELECTION – DEATH ON OR AFTER 1/1/2020

Original IRA Owner Died Before or After April 1 (RBD) of the Year following the Owner becoming 72, does not apply for spouse, eligible/non-eligible options.

Defaults to Life Expectancy Payments if no option is selected on multiple elections.

Applicable to Traditional & Roth IRA

OPTIONS FOR ALL ELIGIBLE
- ☐ Payments Over 10 Years
- ☐ Life Expectancy Payments

Eligible designated beneficiary includes spouse, minor child of the IRA owner, disabled individual, chronically ill individual, or an individual who is not more than 10 years younger than the IRA owner.

OPTIONS FOR SPOUSE ONLY
- ☐ Payments Over 10 Years
- ☐ Life Expectancy Payments
- ☐ Treat as My Own

NON-ELIGIBLE DESIGNATED BENEFICIARY
- ☐ Close account by the end of 10th year

NON-INDIVIDUAL DESIGNATED BENEFICIARY
- ☐ Traditional IRA before RBD & Roth Payments over 5 Years
- ☐ Traditional IRA after RBD: Life Expectancy Payments

Step 5: SIGNATURE REQUIRED

By signing below, I certify that the information I have provided is true and correct, and I authorize the Custodian to distribute my IRA as instructed above.

IRA Owner Signature _____ Date _____

** If signing as Power of Attorney, valid POA documents must be included.*

FIRST TRUST RETIREMENT

ADDITIONAL INVESTMENT INSTRUCTIONS FORM
Bluerock

Please Print or Type

This form should be used for investments made subsequent to the initial IRA opening. Each alternative investment has specific rules around additional investments; please review the terms and conditions outlined within the specific product prospectus for details.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail
PO Box 219445
Kansas City, MO 64121-9445
855-387-3847

Overnight Delivery
Mail Stop: Bluerock TI+
801 Pennsylvania Ave., Suite 219445
Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name | Social Security Number | Account Number

Address | City / State / Zip | Phone Number

Step 2: IRA CONTRIBUTION INFORMATION

Select the IRA contribution type.

Traditional IRA

- ☐ Regular/Annual Contribution _____ Year
- ☐ Transfer **(also complete transfer/rollover form)**
- ☐ Rollover (from eligible retirement plan) **(also complete transfer/rollover form)**
  - ☐ Rollover initiated by investor **(Transfer/Rollover Form not required)**
- ☐ Recharacterization
- ☐ SEP IRA
  - ☐ Employer Contribution _____ Year

OR

Roth IRA

- ☐ Regular/Annual Contribution _____ Year
- ☐ Transfer (from Roth IRA) **(also complete transfer/rollover form)**
- ☐ Rollover (from eligible retirement plan) **(also complete transfer/rollover form)**
  - ☐ Rollover initiated by investor **(Transfer/Rollover Form not required)**
- ☐ Conversion
- ☐ Recharacterization

**An IRA Application is required if the plan type does not already exist within the product sponsor.*

Step 3: INVESTMENT INSTRUCTIONS

I direct First Trust Retirement, Custodian, to invest any cash contributions as follows:

Bluerock Total Income + Real Estate	$ _____	*or*	_____	%
Bluerock High Income Instl Cdt Fd	$ _____	*or*	_____	%
Undirected Cash*	$ _____	*or*	_____	%
Annual Custodian Admin Fee**	$ _____	*or*		
Total	$ _____	*or*	*100*	%

**Any uninvested or undirected cash in your IRA will be deposited in an interest bearing Account (Undirected Cash). The interest rate and annual percentage yield may change at any time. Interest will be compounded and credited on the last day of each calendar month. The daily balance method is used to calculate the interest on cash in the account. The bank deposit is insured up to applicable FDIC limits.*

***\$35 Annually. The Annual Custodian Admin Fee may be paid by you directly; or the Custodian may deduct them from your IRA or from your monthly distributions. Annual fees will be charged for any calendar year during which the IRA is open. This fee is not prorated for periods of less than one year. See Financial Disclosure for more information.*

Step 4: IRA OWNER INSTRUCTIONS

I direct First Trust Retirement (the "Custodian"), trade name of Mainstar Trust, to execute, as Custodian, the purchase of the above-named asset for the benefit of my self-directed IRA account. By signing this form, I acknowledge that the IRA account is self-directed and that I am solely responsible for the investment outcomes within the account, and further acknowledge the following:

I have had the opportunity to review this transaction with tax, legal, financial and/or other advisors of my choice and am satisfied that I meet all suitability requirements imposed by the investment entity and the investment is suitable for the IRA account;

I understand that if the assets are not publicly traded, redemptions may be limited and I have considered these factors along with other IRA requirements, such as required minimum distributions, when determining the suitability of this investment for my IRA account;

I understand that First Trust Retirement does not make any determination with respect to suitability nor does it have a duty to conduct any suitability analysis on my behalf;

I acknowledge that it is my sole responsibility to direct the investment of my account and that First Trust Retirement, acting as Custodian, will not have responsibility, discretion, or involvement in evaluating or selecting any assets or investments, and shall have no liability for any loss, damage, and/or tax (including a prohibited transaction tax) that may result from or be associated with the transaction requested herein;

I certify that no tax advice has been given to me by First Trust Retirement and that all decisions regarding these Additional Investment Instructions are my own;

I agree to indemnify and hold First Trust Retirement harmless from and against any and all claims, liabilities, causes of action, losses and expenses (including, without limitation to, any court costs, attorney's fees and other expenses) asserted against or incurred by First Trust Retirement as a result of, or in any way relating to, any actions requested or directed by me or by my authorized representative, whether in these Additional Investment Instructions or otherwise;

I agree that First Trust Retirement shall have no obligation, other than maintaining custody of the assets, to take any action with respect to the assets acquired for this IRA account pursuant to these Additional Investment Instructions or otherwise;

I understand that First Trust Retirement may condition any action or any further action it may agree to undertake, upon its receipt from me, in form satisfactory to it, of written instruction to undertake such action, together with such further agreement or undertaking of indemnification as First Trust Retirement may reasonably request; and

I understand that the purchase of assets described above or any action requested or directed by me (whether in these Additional Investment Instructions or otherwise) is subject to all terms and conditions of the Account Agreement as amended from time to time.

Step 5: SIGNATURE REQUIRED

I hereby acknowledge that this agreement is between the IRA Owner named in Step 1 and the Custodian and that Product and its affiliates (i) shall have no obligations or liability under this agreement or for any transactions executed in connection herewith; (ii) shall have no responsibility, discretion or involvement in evaluating or selecting assets or investments; and (iii) shall not be deemed to be a "fiduciary" as defined in the Employee Retirement Income Security Act of 1974, as amended, and/or Section 4975 of the Internal Revenue Code of 1986, as amended, with respect to any assets or property of the IRA account.

IRA Owner Signature | Date

Specific details and guides for all FTR forms, and how to complete them, can be located in Guides & Forms at www.firsttrustretirement.com

FIRST TRUST RETIREMENT

SYSTEMATIC PURCHASE REQUEST FORM
Bluerock

Please Print or Type
This form should be used to establish and modify Systematic Purchases for contributions via the Automated Clearing House (ACH) Network.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail
PO Box 219445
Kansas City, MO 64121-9445
855-387-3847

Overnight Delivery
Mail Stop: Bluerock TI+
801 Pennsylvania Ave., Suite 219445
Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name | Social Security Number | Account Number

Address | City / State / Zip | Phone Number

Step 2: SYSTEMATIC PURCHASE INSTRUCTIONS

☐ Establish New Systematic Purchase Plan ☐ Modify Existing Systematic Purchase Plan ☐ Delete Existing Systematic Purchase Plan

Step 3: IRA CONTRIBUTION INFORMATION

☐ Traditional IRA ☐ Roth IRA ☐ SEP IRA

☐ Annual Contribution _____ Year* ☐ Annual Contribution _____ Year* ☐ Employer Contribution_____ Year*

**Prior year contributions can only be selected for the months of January – March; April – December contributions will reflect as current year.*

Step 4: INVESTMENT INSTRUCTIONS

I direct First Trust Retirement, Custodian, to set up my Systematic Purchase Plan as follows:

Investment Option	*Amount*	*Start Month*	*Frequency*	*Contribution Date(s)*
☐ Bluerock Total Income + Real Estate*	$		☐ M ☐ Q ☐ SA ☐ A	
☐ Bluerock High Income Instl Cdt Fd*	$		☐ M ☐ Q ☐ SA ☐ A	
☐ Undirected Cash**	$		☐ M ☐ Q ☐ SA ☐ A	

Start Month – Month in which Systematic Purchase Plan will begin (Must be at least one month past date form is delivered)
Frequency – Monthly (Jan, Feb, Mar, etc.), Quarterly (Mar, Jun, Sept, Dec), Semi –Annually (Jun, Dec), Annually (Once per year)
Contribution Date(s) – Select a date between 1-28. (If 29, 30, or 31 are chosen, 28 will be used.) Any purchases that occur over a weekend or non-business day will be processed the following business day. **If Contribution Date is not provided, it will default to the 15th of designated frequency.**

*Please contact product sponsor for potential product sponsor specific requirements or minimums. All systematic investments will follow the admittance guidelines outlined in the prospectus of the investment.
**Undirected Cash minimum $25.00. Any undirected cash in your IRA will be deposited in an interest bearing Account (Undirected Cash). The interest rate and annual percentage yield may change at any time. Interest will be compounded and credited on the last day of each calendar month. The daily balance method is used to calculate the interest on cash in the account. The bank deposit is insured up to applicable FDIC limits.

Step 5: BANK ACCOUNT INFORMATION (Required if setting up new Systematic Purchase or modifying existing bank instructions)

Account Type: ☐ Checking (Voided Check Required) ☐ Savings (Letter on Bank Letterhead Required)

Bank Name | Routing ABA Number (9-digits) | Bank Account Number

Bank Account Registration (Include all registration names)

- *Only one bank account may be on file.*
- *Signature of bank account owner must be same as IRA holder.*
- *Temporary and Starter checks are not acceptable.*
- *If voided check is not available, a letter on bank letterhead signed by a branch manager outlining all above information.*

Step 6: IRA OWNER AFFIRMATION

I direct First Trust Retirement (the "Custodian"), trade name of Mainstar Trust, to execute, as Custodian, the purchase of the above-named asset for the benefit of my self-directed IRA account. By signing this form, I acknowledge that the IRA account is self-directed and that I am solely responsible for the investment outcomes within the account, and further acknowledge the following:

- I have had the opportunity to review this transaction with tax, legal, financial and/or other advisors of my choice and am satisfied that I meet all suitability requirements imposed by the investment entity and the investment is suitable for the IRA account;
- I understand that if the assets are not publicly traded, redemptions may be limited and I have considered these factors along with other IRA requirements, such as required minimum distributions, when determining the suitability of this investment for my IRA account;
- I understand that First Trust Retirement does not make any determination with respect to suitability nor does it have a duty to conduct any suitability analysis on my behalf;
- I acknowledge that it is my sole responsibility to direct the investment of my account and that First Trust Retirement, acting as Custodian, will not have responsibility, discretion, or involvement in evaluating or selecting any assets or investments, and shall have no liability for any loss, damage, and/or tax (including a prohibited transaction tax) that may result from or be associated with the transaction requested herein;
- I certify that no tax advice has been given to me by First Trust Retirement and that all decisions regarding these Additional Investment Instructions are my own;
- I agree to indemnify and hold First Trust Retirement harmless from and against any and all claims, liabilities, causes of action, losses and expenses (including, without limitation to, any court costs, attorney's fees and other expenses) asserted against or incurred by First Trust Retirement as a result of, or in any way relating to, any actions requested or directed by me or by my authorized representative, whether in these Additional Investment Instructions or otherwise;
- I agree that First Trust Retirement shall have no obligation, other than maintaining custody of the assets, to take any action with respect to the assets acquired for this IRA account pursuant to these Additional Investment Instructions or otherwise;
- I understand that First Trust Retirement may condition any action or any further action it may agree to undertake, upon its receipt from me, in form satisfactory to it, of written instruction to undertake such action, together with such further agreement or undertaking of indemnification as First Trust Retirement may reasonably request; and
- I understand that the purchase of assets described above or any action requested or directed by me (whether in these Additional Investment Instructions or otherwise) is subject to all terms and conditions of the Account Agreement as amended from time to time.

Step 7: SIGNATURE REQUIRED

I hereby acknowledge that this agreement is between the IRA Owner named in Step 1 and the Custodian and that Product and its affiliates (i) shall have no obligations or liability under this agreement or for any transactions executed in connection herewith; (ii) shall have no responsibility, discretion or involvement in evaluating or selecting assets or investments; and (iii) shall not be deemed to be a "fiduciary" as defined in the Employee Retirement Income Security Act of 1974, as amended, and/or Section 4975 of the Internal Revenue Code of 1986, as amended, with respect to any assets or property of the IRA account.

IRA Owner Signature | Date

FIRST TRUST RETIREMENT

BENEFICIARY CHANGE FORM

Bluerock

Please Print or Type

Forward To: First Trust Retirement, c/o SS&C

Regular Mail	*Overnight Delivery*
PO Box 219445	Mail Stop: Bluerock TI+
Kansas City, MO 64121-9445	801 Pennsylvania Ave., Suite 219445
855-387-3847	Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name	Fund Number	Account Number
Phone Number	Social Security Number	Date of Birth
Address	City / State / Zip	Email

Step 2: DESIGNATION OF BENEFICIARIES

The following individual(s) or entity(ies) shall be my primary and/or secondary beneficiary(ies). If neither primary nor secondary is indicated, the individual/entity will be deemed to be a primary beneficiary. If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages. Multiple secondary beneficiaries with no share percentage indicated will also be deemed to share equally. If any primary or secondary beneficiary dies before I do, his/her interest and the interest of his/her heirs shall terminate completely and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survive me, the secondary beneficiary(ies) shall acquire the designated share. ***If you wish to have more than 6 beneficiary designations, please include a signed letter of instruction with additional beneficiary designations.***

No.	Beneficiary's Name If a Minor, Custodian's Full Name (non-IRA holder) and Relationship to the Minor Information	Date of Birth*	Social Security Number	Relationship (i.e., Spouse, Non-Spouse, Trust, Estate, etc.)	Primary or Secondary	Share %**
1					☐ Primary ☐ Secondary	
2					☐ Primary ☐ Secondary	
3					☐ Primary ☐ Secondary	
4					☐ Primary ☐ Secondary	
5					☐ Primary ☐ Secondary	
6					☐ Primary ☐ Secondary	

**Date of birth is required for a Spousal beneficiary.*

***Primary and Secondary beneficiary designations must each total 100%.*

Step 3: SPOUSAL CONSENT

Current Marital Status

- ☐ **I Am Not Married** – I understand that if I become married in the future, I must complete a new IRA Designation of Beneficiary form.
- ☐ **I Am Married and my Spouse is my primary beneficiary**
- ☐ **I Am Married and my Spouse is NOT my primary beneficiary** – I understand that if I choose to designate a primary beneficiary other than my spouse, my spouse must sign below if I reside in a community property or marital property state (*Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington or Wisconsin*).

Consent of Spouse: I am the spouse of the above–named IRA Owner. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional.

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

Signature of Spouse Date

Step 4: SIGNATURES REQUIRED

IRA Owner Signature Date

FIRST TRUST RETIREMENT

IRA WITHDRAWAL/RMD FORM

Bluerock

Please Print or Type
This form should be used by the IRA owner or owner of a Beneficiary IRA to request distributions from the account.
This form should be reviewed and completed with the assistance of a financial or tax advisor.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail	*Overnight Delivery*
PO Box 219445	Mail Stop: Bluerock TI+
Kansas City, MO 64121-9445	801 Pennsylvania Ave., Suite 219445
855-387-3847	Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name/Beneficiary Name* | Social Security Number* | Date of Birth* | FTR Account Number (If Applicable)

Address* | City/State/Zip* | Email | Phone Number*

If completing for a death distribution, please provide the beneficiary information in this section. A Certified Copy of the Death Certificate is required.

Step 2: PRODUCT SELECTION

☐ Bluerock Total Income + Real Estate* ☐ Bluerock High Income Instl Cdt Fd* ☐ Undirected Cash Account**

**Redemptions for Bluerock Total Income + Real Estate are processed in accordance with their respective Share Redemption Programs and are subject the availability. Please review the prospectuses for details or call Bluerock Total Income + Real Estate at 844-819-8287.*

***The interest rate and annual percentage yield may change at any time. Interest will be compounded and credited on the last day of each calendar month. The daily balance method is used to calculate the interest on cash in the account. The bank deposit is insured up to applicable FDIC limits.*

Step 3: ONE TIME WITHDRAWAL INSTRUCTIONS

☐ **Traditional IRA** ☐ **Roth IRA** ☐ **SEP IRA** ☐ **Beneficiary IRA**
(Must Complete Designated Beneficiary Election Form)

☐ Redeem ENTIRE account

☐ Redeem PARTIAL amount of $ _____ or _____ shares from account

Step 4: ONE TIME WITHDRAWAL DISTRIBUTION REASON

☐ Premature Distribution (Account holder must be under age 59 ½ - IRS penalty applies unless rollover occurs within 60 days)

☐ Premature Exempt Distribution (Including Permanent Disability, SEPP, and other identified 72 (t) qualified exceptions.)

☐ Normal Distribution (Account holder age 59 ½ or over)

☐ Death Distribution (If not already in a Beneficiary IRA; Must provide a certified copy of the account holder's Death Certificate)

☐ Return of Excess Contribution Amount $ _____ *
☐ Current Year ☐ Prior Year

☐ Recharacterization Amount $ _____ *
☐ Current Year ☐ Prior Year

☐ Direct Roth IRA Conversion Amount $ _____

☐ IRA Trustee to Trustee Transfer Liquidate and move proceeds to Undirected Cash account (Proceeds will be deposited in Undirected Cash account until the TOA paperwork is received) ***Please note that if requesting an IRA Trustee transfer you need to contact the accepting custodian and complete their transfer (TOA) paperwork. A Medallion Signature Guarantee stamp may be required on their transfer form.***

*Deadline to recharacterize a contribution or remove an excess contribution is the IRA Owner's tax filing deadline (for the tax year of the contribution), plus any extensions including an automatic 6-month extension for those who file by the tax deadline.

Step 5: RMD INSTRUCTIONS

☐ **Traditional IRA** ☐ **SEP IRA** ☐ **Beneficiary IRA**
(Must Complete Designated Beneficiary Election Form)

☐ One-time _____ (year) RMD for $ _____

☐ Custodian Calculated _____ (year) RMD *(Not available for Beneficiary IRA)*

Step 6: PAYMENT METHOD

Non-Taxable Options:

☐ Deposit cash into my Undirected Cash Account

☐ Transfer in Kind my IRA; Existing Account Number _____
☐ Create New Account *(Must complete an IRA Application to create a new account for Recharacterization or Roth Conversions)*

Taxable Options:

☐ Transfer in Kind my shares to my non-qualified account; Existing Account Number _____

☐ Create New Account *(Submit new subscription document if non-qualified account does not exist. See product prospectus for requirements.)*

☐ Mail check to the address currently on file *(Signature Guarantee required if address changed within 30 days.)*

☐ Electronically transfer funds by ACH to my bank *(Voided check is required for new instructions. Signature Guarantee required if adding bank within 30 days)*

☐ Mail check to a third party listed below. **Form must be signed and Signature Guaranteed for this payment method. Please note that this form cannot be notarized.**

Payee or Account Name

Account Number

Street Address

City, State & ZIP

Signature Guarantee

Step 7: INCOME TAX WITHHOLDING (THIS SECTION MUST BE COMPLETED*) (Form W-4/OMB No. 1545-0415)

* Except for a distribution from a Roth IRA or for a return of excess contribution.

In compliance with the "Tax Equity and Fiscal Responsibility Act," First Trust Retirement, as custodian, is required to withhold Federal Income Tax from all IRA distributions. You may exercise your right to elect not to have funds withheld. This election will be in effect until you change it. You may change or revoke this election at any time and as often as you wish. You may elect out of this withholding by checking the appropriate box below. Please note that penalties may be incurred under the estimated tax rules if your withholding and/or estimated tax payments are not sufficient.

Please note that withholding cannot be done for Transfers-in-Kind or Transfers to Non-Qualified accounts.

If no election is made, First Trust Retirement is required to withhold 10% Federal Income Tax. State Income Taxes cannot be withheld from your distribution.

☐ Do not withhold taxes.

☐ Withhold _____ % from the amount withdrawn (must be at least 10%).

Step 8: SUBSTITUTE W-9

I HEREBY CERTIFY under penalty of perjury (i) that the taxpayer identification number shown on the Transfer Agreement is true, correct and complete, (ii) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, and (iii) I am a U.S. person.

Step 9: SIGNATURE REQUIRED

By signing below, I certify that the information I have provided is true and correct, and I authorize the Custodian to distribute my IRA as instructed above.

IRA Owner Signature Date

** If signing as Power of Attorney, valid POA documents must be included.*

FIRST TRUST RETIREMENT

SYSTEMATIC WITHDRAWAL REQUEST FORM

Bluerock

Please Print or Type

This form should be used to establish and modify Systematic Withdrawals.

This form should be reviewed and completed with the assistance of a financial or tax advisor.

Forward To: First Trust Retirement, c/o SS&C

Regular Mail	*Overnight Delivery*
PO Box 219445	Mail Stop: Bluerock TI+
Kansas City, MO 64121-9445	801 Pennsylvania Ave., Suite 219445
855-387-3847	Kansas City, MO 64105-1307

Step 1: IRA OWNER INFORMATION

IRA Owner Name | Social Security Number | Account Number

Address | City / State / Zip | Phone Number

Step 2: SYSTEMATIC WITHDRAWAL INSTRUCTIONS

☐ Establish New Systematic Withdrawal ☐ Modify Existing Systematic Withdrawal ☐ Discontinue Existing Systematic Withdrawal

I direct First Trust Retirement, Custodian, to set up my Systematic Withdrawal as follows:

Withdrawal Option	*Amount*	*Start Month*	*Frequency*	*Withdrawal Date(s)*
☐ Undirected Cash*	$ _____ **OR**	_____	☐ **M** ☐ **Q** ☐ **SA** ☐ **A**	_____
	☐ *Custodian Calculated RMD*			

Amount – Specify a designated amount or request custodian to calculate RMD amount
Start Month – Month in which Systematic Withdrawal will begin (Must be at least one month past date form is delivered)
Frequency – Monthly (Jan, Feb, Mar, etc.), Quarterly (Mar, Jun, Sept, Dec), Semi –Annually (Jun, Dec), Annually (Once per year)
Withdrawal Date(s) – Select a date between 1-28. (If 29, 30, or 31 are chosen, 28 will be used.) Any withdrawals that occur over a weekend or non-business day will be processed the following business day. **If Withdrawal Date is not provided, it will default to the 15th of designated frequency.**
**The interest rate and annual percentage yield may change at any time. Interest will be compounded and credited on the last day of each calendar month. The daily balance method is used to calculate the interest on cash in the account. The bank deposit is insured up to applicable FDIC limits.*

Step 3: REASON FOR WITHDRAWAL INSTRUCTIONS

☐ **Traditional IRA** ☐ **Roth IRA** ☐ **SEP IRA** ☐ **Beneficiary IRA** *(Must complete Designated Beneficiary Election Form)*

☐ Premature Distribution (Account holder must be under age 59 ½ - IRS penalty applies unless rollover occurs within 60 days)

☐ Premature Exempt Distribution (Including Permanent Disability, SEPP, and other identified 72 (t) qualified exceptions. Documentary evidence required)

☐ Normal Distribution (Account holder age 59 ½ or over)

☐ Death Distribution (If not already in a Beneficiary IRA; Must provide a certified copy of the account holder's Death Certificate)

Step 4: RMD INSTRUCTIONS

☐ **Traditional IRA** ☐ **SEP IRA** ☐ **Beneficiary IRA**
(Must complete Designated Beneficiary Election Form)

Step 5: PAYMENT METHOD

☐ Mail check to the address currently on file.

Electronically transfer funds by ACH: ☐ Current Banking Instructions on file ☐ New bank instructions. *(Complete below section)*

New Bank Instructions ☐ Checking (Voided Check Required) ☐ Savings (Letter on Bank Letterhead Required)

Bank Name | Routing ABA Number (9-digits) | Bank Account Number

Bank Account Registration (Include all registration names)

- *Only one bank account may be on file.*
- *Signature of bank account owner must be same as IRA holder.*
- *Temporary and Starter checks are not acceptable.*
- *If voided check is not available, a letter on bank letterhead signed by a branch manager outlining all above information.*

Step 6: INCOME TAX WITHHOLDING (THIS SECTION MUST BE COMPLETED) (Form W-4P/OMB No. 1545-0415)

In compliance with the "Tax Equity and Fiscal Responsibility Act," First Trust Retirement, as custodian, is required to withhold Federal Income Tax from all IRA distributions. You may exercise your right to elect not to have funds withheld. This election will be in effect until you change it. You may change or revoke this election at any time and as often as you wish. You may elect out of this withholding by checking the appropriate box below. Please note that penalties may be incurred under the estimated tax rules if your withholding and/or estimated tax payments are not sufficient.

If no election is made, First Trust Retirement is required to withhold 10% Federal Income Tax. State Income Taxes cannot be withheld from your distribution.

☐ Do not withhold taxes.

☐ Withhold _____ % from the amount withdrawn (must be at least 10%).

Step 7: SIGNATURE REQUIRED

I hereby acknowledge that this agreement is between the IRA Owner named in Step 1 and the Custodian and that Product and its affiliates (i) shall have no obligations or liability under this agreement or for any transactions executed in connection herewith; (ii) shall have no responsibility, discretion or involvement in evaluating or selecting assets or investments; and (iii) shall not be deemed to be a "fiduciary" as defined in the Employee Retirement Income Security Act of 1974, as amended, and/or Section 4975 of the Internal Revenue Code of 1986, as amended, with respect to any assets or property of the IRA account.

IRA Owner Signature | Date