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# Individual Retirement Arrangement (IRA) Application

Roth Application

PTC IRA Account Number

Where did you hear about Preferred Trust Company?

## SECTION 1 | Type of Account and Title

Roth  Inherited IRA

Vesting (Ownership Title)

**Example:** ROTH: Preferred Trust Company, LLC FBO (For the Benefit Of) Jane Doe, Roth IRA or INHERITED: Preferred Trust Company, LLC FBO Jane Doe, Inherited Roth IRA John Doe

## SECTION 2 | IRA Account Owner Information

To help the government fight the funding of terrorism and money laundering activities, Federal law (Section 326 of the USA PATRIOT Act of 2001) requires all financial institutions to obtain, verify and record information that identifies each individual or institution who opens an account with Preferred Trust Company. When you open an account, we are required to obtain your name, address, date of birth, social security number or tax identification number and other information that will allow us to identify you. As appropriate, we may also ask to see your driver's license or other identifying documents. This information will be verified to ensure the identity of all persons opening an account. The information may be compared to information obtained through third party sources, as permitted by law. If we cannot verify this information, your account may not be opened, or it may be restricted and/or closed. Preferred Trust Company is not responsible for any losses or damages including, but not limited to, lost opportunities you may incur.

First Name  Initial  Last Name

SSN  DOB (MM/DD/YY)  Email

Phone Number  Cell Phone Number

Street Address  City  State  Zip Code

Approved documents include any unexpired, government issued photo ID including a driver's license, U.S. Passport, state issued photo ID card and military ID.

Identification Type  Identification Number  State Issued  Issue Date   
 Expiration Date

## SECTION 3 | Automatic Contribution (not applicable to Inherited IRAs)

Preferred Trust Company accepts automatic cash contributions to an IRA account. There is no fee associated with automatic contribution transactions. Funds are deducted from a checking or savings account. The financial institution must be a member of the Automated Clearing House (ACH). Deductions will be processed on or about the 5th and/or the 20th of each month. The minimum automatic contribution is \$25.00 and the maximum is dependent on the allowable maximum amount in accordance with IRS rules and regulations of Publication 590 for the current year. Preferred Trust Company reserves the right to cancel an automatic contribution should the ACH deduction be rejected due to insufficient funds or incorrect account information.

**FREQUENCY**  Monthly on **5th**  Monthly on **20th**  Twice Monthly on 5th **and** 20th  Annual Contribution

**DEDUCTION** Deduction Amount (minimum \$25.00)

**BANK INFORMATION** | Preferred Trust Company recommends a copy of a **VOIDED** check for Automatic Contributions to be setup. Notify Preferred Trust Company if the bank information changes. An ACH that is rejected will be assessed a **\$30.00** ACH Automatic Contribution Rejection Fee.

Name of Financial Institution  Account Type  Checking  Savings

Bank Account Number  Routing Number

## SECTION 4 | Beneficiary Designation Information

At the time of my death, the primary beneficiaries named below will receive my IRA assets. If all of my primary beneficiaries die before me, the contingent beneficiaries named below will receive my IRA assets. In the event a beneficiary dies before me, such beneficiaries share will be reallocated on a pro-rata basis to the other beneficiaries that share the deceased beneficiaries classification as a primary or contingent beneficiary. If all of the beneficiaries die before me, my IRA assets will be paid to my estate. If no percentages are assigned to beneficiaries, the beneficiaries will share equally. If the percentage total for each beneficiary classification does not equal 100%, any remaining percentage will be divided equally among the beneficiaries within such class. This designation revokes and supersedes all earlier beneficiary designations which may apply to this IRA.

### BENEFICIARY TYPE

Primary  Contingent

Share %  Name of Beneficiary

Beneficiary DOB (MM/DD/YY)  SSN or Taxpayer ID  Relationship to IRA Owner

Street Address  City  State  Zip Code

Phone Number  Email

### BENEFICIARY TYPE

Primary  Contingent

Share %  Name of Beneficiary

Beneficiary DOB (MM/DD/YY)  SSN or Taxpayer ID  Relationship to IRA Owner

Street Address  City  State  Zip Code

Phone Number  Email

### BENEFICIARY TYPE

Primary  Contingent

Share %  Name of Beneficiary

Beneficiary DOB (MM/DD/YY)  SSN or Taxpayer ID  Relationship to IRA Owner

Street Address  City  State  Zip Code

Phone Number  Email

### BENEFICIARY TYPE

Primary  Contingent

Share %  Name of Beneficiary

Beneficiary DOB (MM/DD/YY)  SSN or Taxpayer ID  Relationship to IRA Owner

Street Address  City  State  Zip Code

Phone Number  Email

### BENEFICIARY TYPE

Primary  Contingent

Share %  Name of Beneficiary

Beneficiary DOB (MM/DD/YY)  SSN or Taxpayer ID  Relationship to IRA Owner

Street Address  City  State  Zip Code

Phone Number  Email

## SECTION 5 | Spousal Consent

(IRA Owner Initials)

**I am Married.** I understand that if I designate a primary beneficiary other than my spouse, my spouse must consent by signing below.

(IRA Owner Initials)

**I am Not Married.** I understand that if I marry in the future, I must complete a new Designation of Beneficiary form, which includes the spousal consent documentation.

This section should be reviewed if either the trust or the residence of the account owner is located in a community or marital property state and the account owner is married. Due to the important tax consequences of giving up one's community property interest, the individual signing this section should consult with a tax or legal professional. I am the spouse of the above-named account 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 account, I have been advised to see a tax or legal professional. I hereby give the account owner any interest I have in the funds or property deposited in this account and consent to the beneficiary designations(s) indicated above. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by Preferred Trust Company.

Signature of IRA Owner **Spouse** (if applicable)

Date

## SECTION 6 | Interested Party Designation

Complete the information below only if you wish to authorize an individual to receive information on your account.

I hereby designate the below-mentioned Interested Party Designee subject to all applicable terms and provisions stated in the Custodial Agreement. I authorize this Interested Party Designee to receive statements and other account information from Preferred Trust Company as Custodian via written, telephonic or electronic communications. I agree that Preferred Trust Company as Custodian is under no duty to investigate or inquire about the Interested Party Designee. I understand that this individual is not authorized to execute transactions on my behalf. I understand that I may revise this information at any time by giving written notice to Preferred Trust Company. If an IRA Account Owner would like to grant an Interested Party Agent authorization to execute transactions on their behalf, Preferred Trust Company as Custodian requires a Limited Power of Attorney on file.

Individual/Financial Representative  
Name

Company/Broker Dealer Affiliation (if applicable)

Mailing Address

Location

Zip Code

Phone Number

Email

## SECTION 7 | Privacy Policy

Preferred Trust Company, LLC ("PTC") is committed to safeguarding the non-public personal information that you provide us. This Privacy Policy describes how we handle and protect non-public personal information we collect about individuals such as you, who apply for or receive our products and services.

### Why and How We Collect Personal Information

When you open an account with PTC, we collect non-public personal information about you for business purposes, such as evaluating your financial needs, processing your requests and transactions, informing you about services that may be of interest to you, and providing customer service. Some of the information we collect may include any of the following:

- Information you provide to us on applications and other forms, such as your name, address, date of birth, social security number, occupation, assets, and income;
- Information about your transactions with us; and
- Information you provide to us to verify your identity, such as a passport, or received from other entities not affiliated with PTC.

### How We Protect Information

We limit access to your non-public personal information to those employees who need to know in order to conduct our business, service your account, and help you achieve your financial objectives. Our employees are required to maintain and protect the confidentiality of your non-public personal information and must follow established procedures to do so. We maintain physical, electronic, and procedural safeguards to protect your non-public personal information. We do not rent or sell your name or non-public personal information to anyone. PTC does not disclose any non-public personal information about our customers or former customers to anyone.

### Disclosure to Non-Affiliated Third Parties

In order to support the financial products and services we provide to you, we may share the information described above with third-party service providers and joint marketers not affiliated with us, including, but not limited to:

- Companies under contract to perform services for us or on our behalf, such as vendors that prepare and mail statements and transaction confirmations or provide data processing, computer software maintenance and development, transaction processing and marketing services.

These companies acting on our behalf are required to keep your non-public personal information confidential.

In addition, we may disclose information to cooperate with regulatory authorities and law enforcement agencies to comply with subpoenas or other official requests, and as necessary to protect our rights or property.

### Accessing and Revisiting Your Personal Information

We strive to keep our customer files complete and accurate and in doing so, provide you reasonable access to any and all information we collect. Most of this information is contained in the account statements that you receive from us. We encourage you to review this information and notify us if you believe any information should be corrected or updated. If you have a question or concern about your non-public personal information or this privacy notice, please contact a PTC representative.

## SECTION 8 | Preferred Trust Company Disclosure Statement

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 amounts returned to you will not be inclusive of any adjustments for commissions, administrative fees, or any change in market value. You may make this revocation only by mailing or delivering a written notice to Preferred Trust Company LLC ("Preferred Trust") at the address listed on the Application or by other electronic means mutually agreed upon and allowed by law. If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date. If notice is received by fax or other electronic means, your revocation will be deemed delivered as of the date submitted. If you have any questions about the procedure for revoking your IRA, please call Preferred Trust at the telephone number listed on the Application.

### REQUIREMENTS OF A ROTH IRA

A. CASH CONTRIBUTIONS - Your contribution must be in cash unless it is a rollover contribution.

B. MAXIMUM CONTRIBUTION - The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$6,000 for year 2022, \$6,000 for year 2021, with possible cost-of-living adjustments thereafter. If you also maintain a Traditional IRA, (i.e., an IRA subject to the limits of Internal Revenue Code Section (IRC Sec.) 408 (a) or 408 (b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or your taxable compensation for the year.

Your Roth IRA contribution is further limited by your modified adjusted gross income (MAGI).

For 2022, your Roth IRA contribution limit is reduced (phase out) in the following circumstances:

- Your filing status is married filing jointly or qualifying widow(er) and your modified AGI is at least \$204,000. You cannot make a Roth IRA contribution if your modified AGI is \$214,000 or more.
- Your filing status is single, head of household, or married filing separately and you did not live with your spouse at any time in 2022 and your modified AGI is at least \$129,000. You cannot make a Roth IRA contribution if your modified AGI is \$144,000 or more.
- Your filing status is married filing separately, you lived with your spouse at any time during the year, and your modified AGI is more than -0-. You cannot make a Roth IRA contribution if your modified AGI is \$10,000 or more.

For 2021, your Roth IRA contribution limit is reduced (phase out) in the following circumstances:

- Your filing status is married filing jointly or qualifying widow(er) and your modified AGI is at least \$198,000. You cannot make a Roth IRA contribution if your modified AGI is \$208,000 or more.
- Your filing status is single, head of household, or married filing separately and you did not live with your spouse at any time in 2021 and your modified AGI is at least \$125,000. You cannot make a Roth IRA contribution if your modified AGI is \$140,000 or more.
- Your filing status is married filing separately, you lived with your spouse at any time during the year, and your modified AGI is more than -0-. You cannot make a Roth IRA contribution if your modified AGI is \$10,000 or more.

Refer to IRS Publication 590 for further detailed information on the calculation of your Roth Contribution amount.

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C. CONTRIBUTION ELIGIBILITY - You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth contribution is not limited by your participation in a retirement plan, other than a Traditional IRA.

D. CATCH-UP CONTRIBUTIONS - If you are age 50 or older by the close of the taxable year, you can make catch-up contributions to your traditional or Roth IRA up to \$1,000 in 2022 and 2021.

E. NONFORFEITABILITY - Your interest in your Roth IRA is non-forfeitable.

F. ELIGIBLE CUSTODIANS - The Custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

G. COMMINGLING ASSETS - The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

H. LIFE INSURANCE - No portion of your Roth IRA may be invested in life insurance contracts.

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

J. BENEFICIARY PAYOUTS - Your designated beneficiary is determined based on the beneficiaries designated as of the date of your death. The entire amount remaining in your account will, at the election of your beneficiary(s), either:

- Be distributed by December 31 of the year containing the fifth anniversary of your death, or
- Be distributed over the remaining life expectancy of your designated beneficiary(s).

If your spouse is your sole designated beneficiary, he or she must elect either option (1) or (2) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(s), other than a spouse who is the sole designated beneficiary, must elect either option (1) or (2) 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 (2). In the case of distributions under option (2), distributions must commence by December 31 of the year following the year of your death. Generally, if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(s) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(s) of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

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

## INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

A. CONTRIBUTIONS NOT DEDUCTED - No deduction is allowed for Roth IRA contributions, including transfers, rollovers, and conversion contributions.

B. CONTRIBUTION DEADLINE - You can make contributions to a Roth IRA for a year at any time during the year or by the due date of your return for that year (not including extensions).

C. TAX CREDIT FOR CONTRIBUTIONS - An individual who makes eligible contributions to either a traditional or a Roth IRA may be eligible for the saver's tax credit. The amount of the credit is based on income and filing status. For qualifying individuals, the credit rate can be as low as 10 percent and as high as 50 percent, depending on the individual's AGI. The lower the individual's income, the higher the credit rate. See IRS Publication 590 for additional information.

D. TAX-DEFERRED EARNINGS - The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA. In addition, distributions of your Roth IRA earnings will be free from federal income tax if you take a qualified distribution.

E. TAXATION OF DISTRIBUTIONS - The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a non-qualified distribution.

1. **Qualified Distribution.** A qualified distribution is any payment or distribution from your Roth IRA that meets the following requirements:
  - a. It is made after the 5-year period beginning with the first taxable year for which a contribution was made to a Roth IRA set up for your benefit, and
  - b. The payment or distribution is made on or after the date you reach age 59 ½, made because you are disabled, made to a beneficiary or to your estate after your death, or the purchase of a first home.
2. **Non-Qualified Distribution.** If you receive a distribution that is not a qualified distribution, you may have to pay the 10 percent additional tax on early distributions. There is a set order in which contributions (including conversion contributions and rollover contributions from qualified retirement plans) and earnings are considered distributed from your Roth IRA. For these purposes, disregard the withdrawal of excess contributions and the earnings on them. Or the distributions as follows:
  - a. Regular contributions
  - b. Conversion and rollover contributions, on a first-in, first-out basis (generally, total conversions and rollovers from the earliest first year). Take these conversion and rollover contributions into account as follows:
    - Taxable portion (the amount required to be included in gross income because of the conversion or rollover) first, and then the
    - Nontaxable portion
  - c. Earnings on contributions

Disregard rollover contributions from other Roth IRAs for this purpose. See IRS Publication 590 for more detailed information.

F. **REQUIRED MINIMUM DISTRIBUTIONS** - You are not required to take distributions from your Roth IRA at any age. The minimum distribution rules that apply to traditional IRAs do not apply to the Roth IRAs while the owner is alive. However, after the death of a Roth IRA owner, certain of the minimum distribution rules that apply to traditional IRAs also apply to Roth IRAs. You cannot use your Roth IRA to satisfy minimum distribution requirements for your traditional IRA. Nor can you use distributions from traditional IRAs for required distributions from Roth IRAs.

G. **ROLLOVERS AND CONVERSIONS** - You may be able to convert amounts from either a traditional, SEP, or SIMPLE IRA into a Roth IRA. You may be able to roll over amounts from a qualified retirement plan to a Roth IRA. You may be able to re-characterize contributions made to one IRA as having been made directly to a different IRA. You can roll amounts over from a designated Roth account or from one Roth IRA to another Roth IRA.

1. **Roth IRA to Roth IRA Rollovers.** You can withdraw, tax free, all or part of the assets from one Roth IRA if you contribute them within 60 days to another Roth IRA. Rollovers from retirement plans other than Roth IRAs are disregarded for purposes of the 1-year waiting period between rollovers. A rollover from a Roth IRA to an employer retirement plan is not allowed. A rollover from a designated Roth account can only be made to another designated Roth account or to a Roth IRA. If you roll over an amount from one Roth IRA to another Roth IRA, the 5-year period used to determine qualified distributions does not change. The 5-year period begins with the first taxable year for which the contribution was made to the initial Roth IRA.
2. **Traditional to Roth IRA Conversions.** You can convert a traditional IRA to a Roth IRA. The conversion is treated as a rollover, regardless of the conversion method used. You can convert amounts from a traditional IRA to a Roth IRA in any of the following three ways:
  - Rollover. You can receive a distribution from a traditional IRA and roll it over (contribute it) to a Roth IRA within 60 days after the distribution.
  - Trustee-to-trustee transfer. You can direct the trustee of the traditional IRA to transfer an amount from the traditional IRA to the trustee of the Roth IRA.
  - Same trustee transfer. If the trustee of the traditional IRA also maintains the Roth IRA, you can direct the trustee to transfer an amount from the traditional IRA to the Roth IRA. Conversion made with the same trustee can be made by redesigning the traditional IRA as a Roth IRA, rather than opening a new account or issuing a new contract. You must include in your gross income distributions made from a traditional IRA that you would have had to include in income if you had not converted them into a Roth IRA. These amounts are normally included in income on your return for the year that you converted them from a traditional IRA to a Roth IRA.
3. **SIMPLE IRA to Roth IRA Conversions.** You are eligible to convert all or any portion of your existing savings incentive match plan for employees of small employers (SIMPLE) IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. If you are age 70½ or older you must remove your required minimum distribution prior to converting your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
4. **Rollover from Employer's Plan into a Roth IRA.** You can rollover into a Roth IRA all or part of an eligible rollover distribution you receive from your (or your deceased spouse's), Employer's qualified pension, profit-sharing, or stock bonus plan (including a 401(k) plan); annuity plan; tax-sheltered annuity plan (IRC Sec. 403(b) plan); or governmental deferred compensation plan (IRC Sec. 457 plan). Any amount rolled over is subject to the same rules for converting a traditional IRA into a Roth IRA. The rollover contribution must meet the rollover requirements that apply to the specific type of retirement plan.
5. **Rollover by non-spouse beneficiary.** If you are a designated beneficiary (other than a surviving spouse) of a deceased employee, you can roll over all or part of an eligible rollover distribution. You must make the rollover by a direct trustee-to-trustee transfer into an inherited Roth IRA. You will determine your required minimum distributions in years after you make the rollover based on whether the employee died before his or her required beginning date for taking distributions from the plan. For more information see Distributions after the employee's death under Tax on Excess Accumulation in IRS Publication 575.
6. **Rollover of Military Death Benefits.** If you received a military death gratuity or Service-members' Group Life Insurance (SGLI) payment with respect to a death from injury that occurred after October 6, 2001, you can contribute (roll over) all or part of the amount received to your Roth IRA. The contribution is treated as a qualified rollover contribution. The amount you can roll over to your Roth IRA cannot exceed the total amount that you received reduced by any part of that amount that was contributed to a Coverdell ESA or another Roth IRA. Any military death gratuity or SGLI payment contributed to a Roth IRA is disregarded for purposes of the 1-year waiting period between rollovers. The rollover must be completed before the end of the 1-year period beginning on the date you received the payment. The amount contributed to your Roth IRA is treated as part of your cost basis (investment in the contract) in the Roth IRA that is not taxable when distributed.
7. **Rollover of Airline Payments.** If you are a qualified airline employee, you may contribute any portion of an airline payment you receive to a Roth IRA. The contribution must be made within 180 days from the date you received the payment. The contribution will be treated as a qualified rollover contribution. The rollover contribution is included in income to the extent it would be included in income if it were not part of the rollover contribution. Also, any reduction in the airline payment amount on account of employment taxes shall be disregarded when figuring the amount, you can contribute to your Roth IRA. A Qualified airline employee is a current or former employee of a commercial airline carrier who was a participant in a qualified defined benefit plan maintained by the carrier which was terminated or became subject to restrictions under IRC Sec. 402(b) of the Pension Protection Act of 2006. These provisions also apply to surviving spouses of qualified airline employees. An airline payment is any payment of money or other payment that is paid to a qualified airline employee from a commercial airline carrier. The payment also must be made both:
  - Under the approval of an order of federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, and
  - In respect of the qualified airline employee's interest in a bankruptcy claim against the airline carrier, any note of the carrier (or amount paid in lieu of a note being issued), or any other fixed obligation of the carrier to pay a lump sum amount.

Any reduction in the airline payment amount on account of employment taxes shall be disregarded when figuring the amount, you can roll over to your traditional IRA. Also, an airline payment shall not include any amount payable based on the airline carrier's future earnings or profits.

8. **Rollover of Exxon Valdez Settlement Income.** If you are a qualified taxpayer and you received qualified settlement income, you can contribute all, or part of the amount received to an eligible retirement plan which includes a Roth IRA. The rules for contributing qualified settlement income to a Roth IRA are the same as the rules for contributing qualified settlement income to a traditional IRA with the following exception. Qualified settlement income that is contributed to a Roth IRA, or to a designated Roth account, will be:
  - Included in your taxable income for the year the qualified settlement income was received, and
  - Treated as part of your cost basis (investment in the contract) in the Roth IRA that is not taxable when distributed.
9. **Transfer Due to Divorce.** If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceedings, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another Roth IRA of your spouse) and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.

- 10. Re-characterizations.** A re-characterization allows you to “undo” or “reverse” a rollover or conversion to a Roth IRA. If you do this by the due for your tax return (including extensions), you can treat the contribution as made to the traditional IRA for that year. You can only re-characterize amounts rolled into a Roth IRA from an employer-sponsored retirement plan by transferring them to a new or existing traditional IRA, and not back into the plan from which they were distributed. You generally can re-characterize your rollover or conversion by October 15 of the following year, regardless of whether you requested an extension to file your tax return. If you re-characterize all or part of a rollover or conversion to a Roth IRA, you cannot reconvert the amount re-characterized to the same or another Roth IRA until the later of:
- 30 days after the re-characterization, or
  - The year following the year of the rollover conversion.

#### LIMITATIONS AND RESTRICTIONS

- A. **SPOUSAL IRA** - You can contribute to a Roth IRA for your spouse provided the contributions satisfy the Kay Bailey Hutchinson Spousal IRA limit. For 2021 and 2022, if you file a joint return and your taxable compensation is less than that of your spouse, the most that can be contributed for the year to your IRA is the smaller of the following amounts:
1. \$6,000 (\$7,000 if you are age 50 or older), or
  2. The total compensation includible in the gross income of both you and your spouse for the year, reduced by the following two amounts:
    - a. Your spouse's IRA contribution for the year to a traditional IRA, and
    - b. Any contributions for the year to a Roth IRA on behalf of your spouse.
- This means that the total combined contributions that can be made for the year to your IRA and your spouse's IRA can be as much as \$12,000 (\$13,000 if only one of you is age 50 or older, or \$14,000 if both of you are age 50 and older).
- B. **GIFT TAX** - Transfers of your Roth IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under IRC Sec. 2501.
- C. **SPECIAL TAX TREATMENT** - Capital gains treatment and 10-year forward income averaging authorized by IRC Sec. 402 do not apply to IRA distributions.
- D. **INCOME TAX TREATMENT** - Any nonqualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, it must not be less than 10 percent of the amount withdrawn.
- E. **PROHIBITED TRANSACTIONS** - If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in IRC Sec. 4975, your Roth IRA will lose its tax deferred or tax-exempt status, and you generally include the value of the earnings in your account in your gross income for the taxable year you engage in the prohibited transaction. A prohibited transaction is any improper use of your IRA account or annuity by you, your beneficiary, or any disqualified person. Disqualified persons include your fiduciary and members of your family (spouse, ancestor, lineal descendant, and any spouse of a lineal descendant). Examples of prohibited transactions with an IRA include, borrowing money from it, selling property to it, using it as security for a loan, buying property for personal use (present or future).
- F. **PLEDGING** - If you use a part of your Roth IRA account as security for a loan, that part is treated as a distribution and is included in your gross income.

#### FEDERAL TAX PENALTIES

- A. **EARLY DISTRIBUTIONS** - If you receive a distribution from your Roth IRA that is not a qualified distribution, you may have to pay the 10 percent additional tax on early distributions. If, within the 5-year period starting with the first day of your tax year in which you convert an amount from a traditional IRA or rollover an amount from a qualified retirement plan to a Roth IRA, you take a distribution from a Roth IRA, you may have to pay the 10 percent additional tax on early distributions. You generally must pay the 10 percent additional tax on any amount attributable to the part of the amount converted or rolled over that you had to include in income. Unless one of the exceptions listed below applies, you must pay the 10 percent additional tax on the taxable part of any distributions that are not qualified distributions:
- You have reached age 59 ½.
  - You are totally and permanently disabled.
  - You are the beneficiary of a deceased IRA owner.
  - You use the distribution to buy, build, or rebuild a first home.
  - The distributions are part of a series of substantially equal payments.
  - You have unreimbursed medical expenses that are more than 10 percent (or 7.5 percent if you or your spouse was born before January 2, 1949) of your AGI for the year.
  - You are paying medical insurance premiums during a period of unemployment.
  - The distributions are not more than your qualified higher education expenses.
  - The distribution is due to an IRS levy of the qualified plan.
  - The distribution is a qualified reservist distribution.
- B. **EXCESS CONTRIBUTION PENALTY** - A six (6) percent tax applies to any excess contribution to a Roth IRA.
- C. **EXCESS ACCUMULATION PENALTY** - Your beneficiary is generally required to take certain required minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.
- D. **REPORTING ADDITIONAL TAX** - Use Form 5329 to report any additional taxes.

## OTHER

- A. IRS PLAN APPROVAL - The Agreement used to establish this Roth IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.
- B. ADDITIONAL INFORMATION - For additional information related to Roth Individual Retirement Arrangements, please contact your local IRS Office, call 1-800-TAX-FORM, or visit the IRS website at [www.irs.gov](http://www.irs.gov). Additional information can be found in IRS Publication 590 and IRS Publication 560 - Retirement Plans for Small Business.
- C. PROCEDURES FOR OPENING A NEW ACCOUNT - To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When you open an account, you are required to provide your name, residential address, date of birth, and social security number or appropriate tax identification number. We may require additional information that will allow us to identify you.
- D. QUALIFIED RESERVIST DISTRIBUTIONS - A qualified reservist distribution is not subject to the additional tax on early distributions. Please refer to IRS Publication 590 for further detailed information.
- E. CHARITABLE DISTRIBUTIONS - A qualified charitable distribution (QCD) is generally a nontaxable distribution made directly by the trustee of your Roth IRA to an organization eligible to receive tax-deductible contributions. Special tax rules may apply. You must be at least age 70 ½ when the distribution was made. The maximum annual exclusion for QCDs is \$100,000. Any QCD in excess of the \$100,000 exclusion limit is included in income as any other distribution. For further information you may wish to obtain IRS Publication 590.
- F. HEARTLAND DISASTER RELATED TAX RELIEF - If you are an individual who has sustained an economic loss due to, or are otherwise considered affected by, the severe storms, tornadoes, and flooding that occurred in the Midwestern disaster area, you may be eligible for favorable tax treatment on distributions and rollovers from your Roth IRA. Qualified disaster recovery assistance distributions include Roth IRA distributions made on or after specified dates for each disaster, and before January 1, 2010 to a qualified individual. For additional information on this tax relief, refer to IRS Publication 4492-B, Information for Affected Taxpayers in the Midwestern Disaster Area.

## SECTION 9 | Preferred Trust Company Custodial Agreement

IRS Form 5305-RA (Rev. April 2017) Roth Individual Retirement Custodial Account under section 408(a) of the Internal Revenue Code.

You (hereinafter "Depositor") are establishing a Roth individual retirement account (Roth IRA) under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death.

Preferred Trust Company, LLC (hereinafter "Custodian") has provided the depositor the disclosures statement required by Regulations section 1.408-6.

The Depositor has assigned the custodial account with the sum indicated on the Application.

The Depositor and the Custodian make the following agreement:

### Article I

Except in the case of a rollover contribution described in section 408A(e), a re-characterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the custodian will accept only cash contributions up to \$5,500 per year for 2013 through 2017. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$6,500 per year for 2013 through 2017. For tax years after 2017, the above limits will be increased to reflect a cost-of-living adjustment, if any.

### Article II

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

### Article III

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

### Article IV

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

### Article V

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



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

#### Article VI

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

#### Article VII

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

#### Article VIII

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

#### Article IX

Article IX may be used for any additional provisions. If provisions are added, they must comply with applicable requirements of state law and the Internal Revenue Code and may not imply that they have been reviewed or pre-approved by the IRS.

1. *Definitions.* In this part of the agreement (Article IX), the words "you" and "your" mean the Depositor. The words "we," "us," and "our" mean the custodian. The word "code" means the Internal Revenue Code, and "regulations" mean the Treasury Regulations.
2. *Notices, Correspondence, and Change of Contact Information.* Any required notice regarding your Roth IRA will be considered effective when we send it to the intended recipient at the Email address which we have on file, provided by you, in your Roth IRA application. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of contact information including email address and mailing address.
3. *Representations and Responsibilities.*

- a. **General.** You represent and warrant to us that any information you have provided or will provide us, with respect to this agreement, is complete and accurate. You acknowledge and agree that any representations, warranties, and agreements you have made as a part of or in connection with your application are hereby incorporated herein and made a part of this Account agreement. You agree that any direction you provide us, or action you take will be in compliance with applicable federal and state laws and proper under this agreement. You agree that we are entitled to rely upon such information or directions. If we fail to receive direction from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification that is acceptable to us is received from you or the appropriate government or judicial authority. We will not be responsible for losses of any kind that may result from your direction to us or your actions or failures to act. We will not be responsible for losses of any kind that may result from our exercising our right to take no action until we have received further clarification acceptable to us, and you agree to reimburse and indemnify us for any loss we may incur as a result of such direction, actions or failure to act. We will not be responsible for any penalties, taxes, judgments, and/or expenses you incur in connection with your Roth IRA.

We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings, or this agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this agreement; however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We will not be responsible for losses of any kind that may result from directions, actions, or failures to act by your authorized agent. You agree to reimburse and indemnify us for any loss we may incur as a result of such direction, actions, or failures to act by your authorized agent. You will have thirty (30) days after you receive any documents, statements, or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements, or other information. If you do not notify us within thirty (30) days, the documents, statements, or other information will be deemed correct and accurate, and we will have no further liability or obligation for such documents, statements, or other information or the transactions described herein.

By performing services under this agreement, we are acting as your agent. We will not be required to perform any additional services unless specifically agreed to under the terms and conditions of this agreement and as directed by you, or as required under the Code and the Regulations promulgated hereunder with respect to Roth IRAs. We may employ agents and organizations, including but not limited to Preferred Trust Company, LLC, for the purpose of performing administrative or other custodial-related services with respect to your Roth IRA for which we otherwise have responsibility under this agreement. The limitations on our duties to you under this agreement or otherwise shall also apply with respect to each agent or organization so employed. You agree to release and indemnify, hold harmless and defend us from any and all claims, damages, liability, actions, costs, expenses (including, without limitation, attorneys' fees) and responsibility for any loss, resulting to the Roth IRA, to you or to any beneficiary or incurred by or asserted against us, in connection with or by reason of any sale or investment made or other action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by you or your investment advisor or resulting from serving as the custodian, including, without limitation, claims, damages, liability, actions and losses asserted by you. You agree to reimburse or advance to us, on demand, all legal fees, expenses, costs, fines, penalties and obligations incurred or to be incurred in connection with the defense, contest, prosecution or satisfaction of any claim made, threatened or asserted pertaining to any investment or action you or your investment advisor directed through the custodian, including, without limitation, claims asserted by you, any state or federal regulatory authority self-regulatory organization. To the extent written instructions or notices are required under this agreement; we may accept or provide such information in any other form permitted by the Code or applicable regulations.

Under no circumstances shall custodian, or its officers, directors, employees, members, agents, licensors, or representatives be subject to or liable for any consequential, incidental, indirect, special exemplary, or similar damages, including without limitation, damages or costs incurred as a result of loss of time, loss of savings, loss of data, loss of revenues, and/or profits, whether foreseeable or unforeseeable, that may arise out of or in connection with this agreement or custodian or administrator complying with your directions, regardless if such damages are based in contract, tort, warranty, negligence, strict liability, products liability or otherwise.

- b. **Prohibited Transactions.** You understand that certain transactions are prohibited in Roth IRA plans under IRC Sec. 4975. You further understand that the determination of a prohibited transaction depends on the facts and the circumstances that surround the particular transaction. You understand that should your Roth IRA engage in a prohibited transaction, you will incur a taxable distribution as well as possible penalties. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure that your directions or instructions or Roth IRA investments will not constitute a prohibited transaction and that your Roth IRA investments will comply with all applicable state and federal laws, regulations, and requirement.
- c. **Unrelated Business Income Tax (UBIT).** Since your Roth IRA is a tax-exempt organization under IRC, if your Roth IRA earns income from an investment which utilizes debt-financing, or which is derived from a business regarded as not related to the exempt purpose of your Roth IRA, it may be subject to "Unrelated Business Income Tax" if it is in excess of permitted deductions. In the event that your investment results in taxable income (unrelated or debt-financed) pursuant to IRC Section 511-514 in excess of the \$1,000 exclusion (that amount may be adjusted) for any taxable year, you agree to prepare or have prepared the applicable IRS form, and any other documents that may be required, and to submit them to us, for filing with the Internal Revenue Service. You agree to provide the appropriate payment directive authorizing the Custodian to execute the forms on behalf of your Roth IRA and to pay the applicable unrelated business income tax from your Roth IRA.
- d. **Listed Transactions and Reportable Transactions.** You understand that certain transactions are or may be identified by the Internal Revenue Service as abusive tax shelter schemes or transactions. You further understand that the determination of a listed or reportable transaction may depend upon the facts and circumstances that surround the particular transaction. We will not determine as to whether or not any Roth IRA investment constitutes a listed or reportable transaction. You represent to us that you have consulted or will consult with your own tax or legal professional to ensure that any listed or reportable transactions engaged in by your Roth IRA are identified. You further represent and acknowledge to us that with respect to any listed or reportable transaction, you are considered the entity manager who approved or caused your Roth IRA to be a party to the transaction and that you are responsible for: reporting each such transaction to the Internal Revenue Service, using the applicable Roth IRA form, paying any applicable excise taxes, disclosing to the Roth IRA custodian that such transaction was a prohibited tax shelter transaction; and directing us as to any necessary corrective action to be taken by your Roth IRA.
- e. **Custodian Provides No Investment Advice.** You acknowledge and agree that we are strictly a passive Custodian and as such, do not provide legal or tax services or advice with respect to your Roth IRA investments. You release and indemnify and agree to hold harmless and defend us in the event that any investment or sale of your Roth IRA assets pursuant to an Investment Authorization and Direction form violates any federal or state law or regulation or otherwise results in a disqualification, penalty, fine, or tax imposed upon you, your Roth IRA, or the Custodian.
- f. **Investments and Applicable Securities Laws.** You represent to us that if any investment by your Roth IRA is a security under applicable federal or state securities laws, said investment has been registered or is exempt from registration under federal and state securities laws; and you release and waive all claims against us for our role in processing your instructions with respect to said investment. You acknowledge that the foregoing representation is being relied upon by us in accepting your investment directions and you agree to indemnify us with respect to all costs, expenses (including attorneys' fees), fines, penalties, liabilities, damages, actions, judgments, and claims arising out of such investment and/or breach of the foregoing representation, including, without limitation, claims asserted by you.
- g. **Investment Insurance and Other Expenses.** Custodian will not assume any responsibility to notify you, secure or maintain fire, casualty, liability, or other insurance coverage on any real property held by your Roth IRA or which serves as collateral under any mortgage or other security instrument held by your Roth IRA with respect to any promissory note or other evidence of indebtedness. It is incumbent upon you as the Roth IRA owner to arrange for such insurance as you determine necessary or appropriate to protect your Roth IRA assets and to direct us in writing as to the payment of any premiums. It is your responsibility to determine that payment has been made upon your written request by verifying the payment with your Roth IRA statements. We will not be responsible for notification or payments of any insurance premiums, real estate taxes, utilities, or other charges with respect to any investment held in your Roth IRA, unless you specifically direct us to pay the same in writing and sufficient funds are available to pay from your Roth IRA. It is your responsibility to determine that payment has been made from the custodial account. You must utilize an appropriate payment directive form available from us within a sufficient period of time for such direction to be accomplished in accordance with the Custodian's normal business practices.
- h. **Service Fees.** We have the right to charge an annual fee or other designated fees for maintaining your Roth IRA. We have the right to collect or otherwise receive as an additional fee, any interest or other earnings generated from the pooled trust account and any un-invested cash funds. We have the right to be reimbursed for all expenses, including legal, we incur in connection with the administration of your Roth IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your Roth IRA at our discretion. We reserve the right to charge any additional fees upon thirty (30) days written notice to you that the fee will be effective.
- i. **Invoices.** All invoices are due and payable upon receipt. If such charge cannot be consummated, we will submit an invoice to you for all outstanding fees and expenses plus any applicable invoice costs and late fees. To collect such fees and/or expenses, we may, and you expressly authorize us to bill any credit card we have in our records related to your account.

Fees are generally based upon the fair market value of the assets held in the Roth IRA; provided that where such assets are non-marketable investments or do not have a readily available market value, the fees shall be based upon cost or the estimated fair market value of such assets, whichever is greater. Publicly traded securities shall be valued at their fair market value. If cost is not reflective of fair market value with respect to the assets held in your Roth IRA, you may provide us with a qualified independent valuation of such assets for purposes of determining an appropriate fee; and we will give consideration to such independent valuation. Our determination shall be binding and conclusive for purposes of Roth IRA fees based upon value.

- j. **Earned Interest.** Depositor hereby specifically acknowledges that cash in the Depositor's Roth IRA, which the Depositor has not yet directed to be invested, will be placed temporarily in an interest-bearing account of Custodian's choosing. Depositor further acknowledges that, until such time as Depositor provides instruction as to how funds are to be invested, Depositor funds not yet invested will earn interest at the market interest rate currently offered by the Custodian. Depositor acknowledges that such rate is not fixed and may be subject to fluctuation. Depositor's cash account will be credited at the end of each month for interest earned during the month at the current rate in effect. Interest earned on invested cash that exceeds the rate currently offered by the Custodian will be retained by Preferred Trust Company, LLC as income. The Custodian shall be entitled to retain this income net of related service fees.

4. *Investment of Funds in the Roth IRA.*

- a. **General.** You have exclusive responsibility for and control over the investment of assets in your Roth IRA. All transactions shall be subject to any and all restrictions and/or limitations, direct or indirect, which are imposed by our Articles of Organization; any and all applicable state and federal laws and regulations; the rules, regulations, customs, and usages of any exchange, market, or clearing house where the transaction is executed; our internal policies, standards and practices; and this agreement. After your death, your beneficiary(ies) will have the right to direct the investment of your Roth IRA assets, subject to the same conditions that applied to you during your lifetime under this agreement (including, without limitation, Section 3 of this article). We will not exercise the voting rights and other shareholder rights with respect to investments in your Roth IRA unless you provide timely written directions acceptable to us according to our then current policies and procedures. You will select the type of investment for your Roth IRA assets, provided that your selection of investments shall be limited to those types of investments that are permitted by federal and state law and approved by the Internal Revenue Service and comply with our internal policies, practices, and standards and are deemed administratively feasible by us. We may, or one or more of our affiliates may, in our, or our affiliates, sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are obtainable by us, or our affiliates, and that we, or our affiliates, are capable of holding in the ordinary course of business.
- b. **Custodian Acting in a Passive Capacity Only.** We act solely as a passive custodian to hold Roth IRA assets and we have no discretion to direct any investment in your Roth IRA. Accordingly, we are not a fiduciary (as said term is defined in the Internal Revenue Code, ERISA, or any other applicable federal, state, or local laws) with respect to your Roth IRA account. You acknowledge and agree that we are not a fiduciary with respect to your Roth IRA account. It is not our responsibility to review the prudence, merits, viability, or suitability of any investment directed by you or your investment advisors or to determine whether the investment is acceptable under ERISA, the Code, or any other applicable law. We do not offer investment advice, nor do we endorse any investment, investment product, or investment strategy; and we do not endorse any investment advisor, representative, broker, or other party selected by you. We have no responsibility to question or otherwise evaluate any investment directions provided by you or by an investment advisor or representative appointed by you. It is your responsibility to perform proper due diligence with regard to any such representative, investment advisor, broker, or other party. We will follow the directions of any such investment advisor, representative, broker, or other party selected by you provided that you furnish us with written authorization and documentation acceptable to us. We will be entitled to all the same protections and indemnities in our reliance upon and execution of the directives of such investment advisor or other party as if such directives were given by you. We are not under obligation or duty to investigate, analyze, monitor, verify title to, or otherwise evaluate or perform due diligence for any investment directed by you or your investment advisor, representative, or agent. We are not responsible to notify you or take any action should there be any default or other obligation with regard to any investment. Any review performed by us with respect to an investment will be solely for our own purposes of determining compliance with our internal policies, practices and standards, and the administrative feasibility of the investment and neither such review nor its acceptance should be construed in any way as an endorsement of any investment, investment company, or investment strategy. We also have the right not to affect any transaction/investment which we deem to be beyond the scope of our administrative responsibilities, capabilities or expertise or that we determine in our sole discretion does not comply with our internal policies, practices, or standards. We have no duty or obligation to notify you with respect to any information, knowledge, irregularities or our concerns relating to your investment or your investment advisor, broker, agent, promoter or representative, except as to civil pleadings or court orders received by us. We will use reasonable efforts to acquire or sell investments in accordance with your directions within a reasonable period of time after we have received an investment direction and we will make reasonable efforts to notify you if we are unable or unwilling to comply with an investment direction. Subject to the foregoing, we shall remit funds as directed, but have no responsibility to verify or assure that such funds have been invested to purchase or acquire the asset selected by you.
- c. **Investment Documentation.** In directing us with respect to investments, you must utilize our Investment Authorization and Direction form or such other form acceptable to us. We shall be fully protected in acting upon any instrument, certificate, paper, or transmission believed to be genuine and to be signed or presented by the proper person(s) whether or not by facsimile, email, or other form acceptable to the Custodian, and the Custodian shall be under no obligation to make any investigation or inquiry as to any statement contained in any such communication, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained. You authorize and direct us to execute and deliver, on behalf of your Roth IRA, any and all documents delivered to us in connection with your Roth IRA investments; and we shall have no responsibility to verify or determine that any such documents are complete, accurate, or constitute the documents necessary to comply with your investment direction. You authorize and direct us to correct errors in investment titling without notice to you and to correct other minor clerical errors with email consent from you upon verification of your identity.
- d. **Un-Invested Cash Funds.** From time to time you may deposit funds with us, have available free credit balances or otherwise direct us to hold funds for you not subject to a current Direction of Investment, or otherwise awaiting your direction for investment or deposit. You acknowledge and agree that un-invested cash funds from your account may be pooled with un-invested cash funds from other accounts.

You direct us to sweep or deposit all un-invested cash funds automatically into an FDIC insured bank account (which may be pooled with un-invested cash funds from other accounts) until such time as further direction is received from you or your designated representative(s). You authorize us to transfer any un-invested cash funds to a different FDIC insured bank account without any further approval from you. FDIC insured bank accounts used to hold un-invested cash funds may include, without limitation, certificates of deposit, money market accounts or similar FDIC or government insured accounts at state or national banks or credit unions. Any FDIC insurance, which may be applicable to your account, will be subject to all applicable laws and regulations, including those laws and regulations related to FDIC insurance limitations. We will be entitled to retain and have paid to us as a fee any interest or other income earned or otherwise generated from the un-invested cash funds deposited in such accounts. You acknowledge and agree that this fee may be retained by us as additional compensation for the services provided by Custodian under this agreement. In the event un-invested cash funds are deposited in an account that is subject to any breakage fee, early withdrawal fee or similar fee or penalty, we will be responsible for and pay any such account fee without deduction to or offset from the amount of any un-invested cash funds. You understand and agree that we may pay such account fee either from our general operating funds or by drawing on a line of credit or other credit facility from the relevant account institution. You further understand and agree that such a credit facility may be subject to general or specific collateral pledge from us to the bank that may include a pledge of any of our deposit accounts at such institution.

5. *Beneficiary(ies).*

You may designate one or more persons or entities as beneficiary of your Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your Roth IRA. If you do not designate a beneficiary, or if all your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary. A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your Roth IRA as his or her own. We may allow, if permitted by state law, an original Roth IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distributions from an inherited Roth IRA at the time of your death) to name a successor beneficiary(ies) for the inherited Roth IRA.

6. *Required Minimum Distributions.*

Roth IRAs do not require withdrawals until after the death of the account owner. You can leave amounts in your Roth IRA as long as you live.

7. *Termination of agreement, Resignation, or Removal of Custodian.*

Either party may terminate this agreement at any time by providing written notice to the other. We can resign as Custodian at any time effective thirty (30) days after we send written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your Roth IRA to another financial institution or complete an account closure request. If you do not complete a transfer or closure of your Roth IRA within thirty (30) days from the date we send the notice to you, we have the right to pay or distribute your Roth IRA assets to you in a single sum or assignment. We will not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section. If this agreement is terminated, we may charge to your Roth IRA, a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

- Any fees, expenses or taxes chargeable against your Roth IRA;
- Any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your Roth IRA after you Roth IRA account with us is closed. If there are additional assets remaining in or subsequently credited to your Roth IRA account, we will endeavor to distribute or transfer such assets in accordance with your prior direction, but after offsetting any applicable administrative expenses and custodial fees (per our then current fee schedule). If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another custodian or trustee.
- We may establish a policy requiring distribution of the entire balance of your Roth IRA to you in cash or property if the balance of your Roth IRA drops below the minimum balance required under the applicable investment or policy established.

8. *Successor Custodian.*

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

9. *Amendments.*

We have the right to amend this agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within thirty (30) days from the date we send the amendment, you notify us in writing that you do not consent.

10. *Withdrawals or Transfers.*

All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals/Distributions will be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements.

11. *Transfers from other Plans.*

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

12. *Liquidation of Assets.*

- a. We have the right to liquidate assets in your Roth IRA if necessary to make distributions or to pay fees, expenses, indemnities, taxes, federal tax levies, penalties, or surrender charges properly chargeable against your Roth IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.
- b. In the event you fail to pay any fees, costs, indemnities, penalties, expenses or payments due to Custodian required by this Agreement or otherwise, and such amounts remain unpaid 10 days after notice from Custodian, immediately upon the expiration of such 10 day cure period you shall be deemed to, as collateral security for the prompt and complete payment of such unpaid fees or other amounts, pledge, assign and grant to Custodian to the maximum extent permitted by law and the Regulations, a lien on and security interest in all of your rights, title and interests in such portion of the custodial account, the Un-Invested Cash Funds and any other deposit, monies, accounts and other assets in such accounts or otherwise deposited with Custodian at such time in an amount equal to the amounts necessary to pay in full such amounts then due to Custodian. Upon the grant of such security interest as described in this Section 9.12(b), you hereby authorize Custodian to file all financing statements and other documents and take such other actions as may from time to time be necessary or desirable in the Custodian's sole discretion to perfect and to maintain the perfection and priority of such security interest. You understand and agree that pursuant to Section 408(e) of the Code, the portion of any Roth IRA funds pledged as collateral may be treated as distributed to that individual and subject to taxes, interest and penalties which you will be responsible for and agree to indemnify and hold Custodian harmless therefrom.

13. *Restrictions.*

Neither you nor any beneficiary may sell, transfer, or pledge any interest in your Roth IRA in any manner whatsoever, except as provided by law or this agreement. The assets in your Roth IRA shall not be responsible for the debts, contracts, or torts of any person entitled to distributions under this agreement.

14. *Applying Laws.*

This Agreement is subject to all applicable federal laws and regulations and shall be governed by and construed under the applicable laws of the State of Nevada. If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision. Any suit filed against Custodian arising out of or in connection with this Agreement shall only be instituted in the county courts of Clark County, Nevada where Custodian maintains its principal office and you agree to submit to such jurisdiction both in connection with any such suit you may file and in connection with any suit which we may file against you.

15. *Asset Valuation Policy.*

In valuing the assets of the custodial account for record-keeping and reporting purposes, we will use reasonable, good faith efforts to ascertain the fair market value of each asset through utilization of various outside sources available to us and consideration of various relevant factors generally recognized as appropriate to the application of customary valuation techniques. However, where assets are illiquid or their value is not readily ascertainable on either an established exchange or generally recognized market, the valuation is by necessity, not a true market value and is merely an estimate of value in a broad range of values, and its accuracy should not be relied upon by you for any other purposes. The precision with which a value is assigned is a factor of the nature of the asset and the cost effectiveness of pursuing a more comprehensive appraisal. In certain cases where fair market value is not readily ascertainable and we do not have a recent qualified, independent appraisal, we may follow an internal protocol for assigning value based on the cost of the asset or we may rely upon a current independent appraisal obtained by you. We neither provide a guarantee of value nor the appropriateness of the appraisal techniques applied in developing an estimate of value and we assume no responsibility for the accuracy of the valuations presented with respect to assets whose value is not readily ascertainable on either an established exchange or a generally recognized market.

16. *Affiliated Business Disclosure.*

This is to give you notice that Preferred Trust Company, LLC has an affiliated business relationship with Ignite Funding, LLC and I Management Group, LLC. The controlling principals of Preferred Trust Company maintain an ownership interest in Ignite Funding and I Management Group. Ignite Funding provides mortgage broker services and investment opportunities. I Management Group provides real estate management and operational oversight services. I understand that as an IRA account owner at Preferred Trust Company, I may be introduced to products and services, including those offered by our affiliates. Due to the affiliation with Preferred Trust Company, Ignite Funding and I Management Group may receive a financial or other benefit.

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

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

**Do not** file Form 5305-RA with the IRS. Keep in with your records.

Unlike contributions to traditional individual retirement arrangements, contributions to a Roth IRA are not deductible from the depositor's gross income; and distributions after 5 years that are made when the depositor is 59 ½ years of age or older or on account of death, disability, or the purchase of a home by a first-time homebuyer (limited to \$10,000), are not includible in gross income. For more information on Roth IRAs, including the required disclosures the custodian must give the depositor, see Publication **590-A**, Contributions to Individual Retirement Arrangements (IRAs), and Publication **590-B**, Distributions from Individual Retirement Arrangements (IRAs).

**Definitions**

**IRA Conversion Contributions.** IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a non-Roth IRA to a Roth IRA. A non-Roth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA.

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

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

**Specific Instructions.**

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

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

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

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

## SECTION 10 | Preferred Trust Company Fee Schedule

### IRA Account Establishment Fee

**\$50**

The IRA Account Establishment Fee is a one time fee to establish the IRA Account. This fee can be paid by check, credit card, or authorized by the IRA Account Owner from the initial transfer of funds to the IRA Account.

### IRA ACCOUNT ADMINISTRATION FEE

#### Annual IRA Account Administration Fee

The annual IRA Account Administration Fee is assessed based on the total account value of assets and cash combined. The annual IRA Account Administration Fee is due upon the establishment of the IRA and every year thereafter. The fee will be deducted from the IRA or charged to the authorized credit card on file. The annual IRA Account Administration Fee includes the following services; unlimited contributions and distribution processing, fair market adjustments upon request, annual statements, state and federal tax reporting, 24/7 online account access, and IRA education throughout the year.

IRA Account Value	Annual IRA Account Administration Fee
\$0 - \$50,000	\$300
\$50,001 - \$100,000	\$400
\$100,001 - \$200,000	\$500
\$200,001 - \$300,000	\$600
\$300,001 - \$400,000	\$700
\$400,001 - \$500,000	\$800
\$500,001 - \$600,000	\$900
\$600,001 and up	\$1,000

### CONTRIBUTION ONLY ACCOUNTS | Exclusive Account Fees\*

#### Contribution Only IRA Account Administration Fee

**\$100**

To qualify as a Contribution Only Account, the IRA Account must make a **minimum annual contribution of \$500.00** and **maintain only cash holdings** in the account.

### OTHER SERVICE RELATED ACCOUNT FEES

#### Expedited Processing Fee

**\$200**

All documents must be **remitted by 10:00 am (PST)** for same day service.

Proof of Funds Letter	<b>FREE</b>
Notary Service	<b>FREE</b>
Contributions	<b>FREE</b>
Distribution (ACH only)	<b>FREE</b>
Demand for Payoff	<b>FREE</b>

Partial Transfer Out Fee	<b>\$100</b>
Full Transfer Out or Account Termination Fee	<b>\$300</b>
Incoming / Outgoing Wire Fee	<b>\$30</b>
Overnight Delivery Fee	<b>\$40</b>
Stop Payment / Return Check Fee	<b>\$30</b>
Cashier's Check Fee	<b>\$50</b>
IRA Account Conversion Fee	<b>\$50</b>
Corrected Form 1099-R or Form 5498	<b>\$30</b>
ACH/Wire Rejection Fee	<b>\$30</b>
IRA Service/Research Fee	<b>\$100 per hour</b>

### REAL ESTATE INVESTMENTS\*

#### Real Estate Asset Transaction Fee

**\$300**

The Real Estate Asset Transaction Fee is charged for the purchase and the sale of each property.

#### Real Estate Asset Administration Fee

**\$300**

The Real Estate Asset Administration Fee is charged annually for each property in the IRA. The Real Estate Asset Administration Fee will be assessed in the anniversary month of purchase each year. The Real Estate Asset Administration Fee includes; confirmation and remittance of property taxes, insurance, receipt of rents and/or other proceeds from investment, processing of property related expenses, handling of correspondence related to conditions of property, municipal issues, insurance matters, HOA matters (if applicable), property management inquires, and any compliance matters to ensure identity as an IRA investment.

### TRUST DEED INVESTMENTS

#### Trust Deed Investment Transaction Fee

**\$20**

The Trust Deed Investment Transaction Fee will be assessed upon the initial funding of the Trust Deed Investment. This fee includes the initial purchase transaction, obtaining applicable post-funding investment documentation, processing monthly/quarterly/annual interest earned, processing pay downs (if applicable) and processing the pay off of the Trust Deed Investment.

### DIGITAL CURRENCY INVESTMENTS

#### Digital Currency Account Set-up Fee

**\$500**

The Digital Currency Account Set-up Fee will be due prior to the initial digital currency purchase. This fee includes the purchase and set-up of the cold storage device.

#### Digital Currency Transaction Fee

**\$200**

Each Digital Currency purchase or sale transaction will be assessed per transaction fee.

#### Digital Currency Annual Depository Fee

**\$300**

The Digital Currency Depository Fee will be assessed annually during the anniversary month of the initial purchase of digital currency.

### PRECIOUS METAL INVESTMENTS | Exclusive Account Fees\*\*

#### Precious Metal IRA Account Administration Fee (Annual Fee)

**\$100**

#### Precious Metal Transaction Fee

**\$50**

#### Shipping / Storage Fee

**Varies\*\*\***

### IRS ALLOWED ALTERNATIVE INVESTMENTS

#### Alternative Investment Transaction Fee

**\$200**

If the investment type is not listed above in the Fee Schedule an Alternative Investment Transaction Fee will apply upon the initial funding, subsequent purchases and final payoff of the transaction from the IRA. Investments **not allowed** are life insurance and collectibles.

A fee is charged to the IRA upon the completion of the requested service as defined in the Preferred Trust Company, LLC Fee Schedule. An IRA must maintain a minimum cash balance of \$500.00. If fees remain outstanding past 30 days and the IRA has no assets in the IRA, Preferred Trust Company, LLC reserves the right to close the IRA without prior notice to the Account Owner. In the event of the account closure, Preferred Trust Company, LLC reserves the right to assess (from the cash value of the IRA) the Account Termination Fee. Preferred Trust Company, LLC reserves the right to increase the initial annual IRA Account Administration Fee to the appropriate account value tier if, within thirty (30) days after the date in which said fee was paid, the account value exceeds the estimated fee level assessed, due to an account transfer, rollover, conversion, or re-characterization. In the event of an increase as, Preferred Trust Company, LLC additionally reserves the right to obtain the excess amount owed. Preferred Trust Company, LLC reserves the right to effect changes to the Fee Schedule upon thirty (30) days written notice to the IRA Account Owner at the address/email shown on record. \*It is the policy of Preferred Trust Company that each real estate investment (i.e. property) held within an IRA must maintain a 5% cash balance to pay applicable property expenses (taxes, insurance, HOA dues, mortgage/debt payments, property management fees, utilities, repairs, etc.). \*\*A Precious Metal and Contribution Only exclusive IRA Account must solely be used for the intent of precious metal investing or cash holdings. If IRA Owner elects to add other asset holdings, the IRA Account will be automatically converted to the standard fee schedule and assessed an additional Annual Account Administration Fee based on the current account value, minus the exclusive IRA Account Administration Fee paid in the current year. \*\*\*Precious metal investments may incur shipping fees and/or storage fees. Storage fees may vary based on depository selected and type of segregation.

## SECTION 11 | Acknowledgement Signature

### Important Information About Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law (Section 326 of the USA PATRIOT Act of 2001) requires all financial institutions to obtain, verify and record information that identifies each individual or institution who opens an account with Preferred Trust Company. When you open an account, we are required to obtain your name, address, date of birth, social security number or tax identification number and other information that will allow us to identify you. As appropriate, we may also ask to see your driver's license or other identifying documents. This information will be verified to ensure the identity of all persons opening an account. The information may be compared to information obtained through third party sources, as permitted by law. If we cannot verify this information, your account may not be opened, or it may be restricted and/or closed. Preferred Trust Company is not responsible for any losses or damages including, but not limited to, lost opportunities you may incur.

### Application and signatures are valid for 120 days from the date of original signature.

I certify that the information provided by me on this Application is accurate, and that I have received a copy and agree to be bound by the terms and amendment thereto of the Privacy Policy, Disclosure Agreement, Custodial Agreement, Fee Schedule, and Form 5305 (*Individual Retirement Trust Account*). I assume sole responsibility for all consequences relating to my actions concerning this IRA. I understand that I may revoke this IRA on or before seven (7) days after the date of establishment. I have not received any financial, tax or legal advice from Preferred Trust Company, LLC, and will seek the advice of my own tax or legal professional to ensure my compliance with related laws. I release and agree to hold Preferred Trust Company, LLC harmless against any and all claims or losses arising from my actions.

### Electronic Signature

The parties agree that the electronic signature of a party to this Agreement shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act or any similar state law based on the Uniform Electronic Transactions Act, and the parties hereby waive any objection to the contrary. This electronic signature shall be effective to bind this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents based on the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Signature of IRA Account Owner

Date

Signature of Custodian

Date



**Client Services** | 888.990.7892  
 E. info@ptcemail.com  
 F. 702.946.0136  
 W. www.preferredtrustcompany.com  
 2140 E. Pebble Road, Suite 140  
 Las Vegas, NV 89123

# Credit Card Authorization Form

Traditional | Roth | SEP | SIMPLE

PTC IRA Account Number

**WE ONLY ACCEPT VISA AND MASTERCARD.**

You can elect (not required) to keep a credit card on file with Preferred Trust Company. If a credit card is on file, Preferred Trust Company will only charge the credit card when the cash balance in your IRA is not sufficient to pay outstanding fees while maintaining the required minimum cash balance **or** you request a fee to be paid with the credit card on file by sending an email request to info@ptcemail.com.

## SECTION 1 | IRA Account Owner Information

First Name  Last Name  Last 4 Digits of SSN  DOB (MM/DD/YY)

Daytime Phone Number  Email Address

## SECTION 2 | Credit Card Information and Authorization Amount

**WE ONLY ACCEPT VISA AND MASTERCARD.**

Name of Cardholder

Billing Address  City  State  Zip Code

Credit Card Number  Expiration Date (MM/YY)  Verification Code

## SECTION 3 | Acknowledgement Signature

**IMPORTANT:** I acknowledge that I am authorizing Preferred Trust Company at my direction to charge my credit card with the following understanding; Preferred Trust Company will only charge the credit card when the cash balance in my IRA is not sufficient to pay outstanding fees while maintaining the required minimum cash balance as defined in the Preferred Trust Company Fee Schedule. Preferred Trust Company may pay a fee at my written direction to be charged to the credit card on file, if I notify Preferred Trust Company prior to the fee being due. I acknowledge that expenses associated with an investment and contributions cannot be paid with the credit card on file. I also acknowledge that it is my responsibility to update the credit card on file if any information changes.

Signature of Credit Cardholder  Date

**INTERNAL USE ONLY**

**Verified**  
(Initials and Date)

of





This page has intentionally been left blank.

The execute **Application** above can be sent to Preferred Trust Company as a scanned copy. The **Transfer or Conversion Form** below must be sent to Preferred Trust Company as an original.



Client Services | 888.990.7892

E. info@ptcemail.com

F. 702.946.0136

W. www.preferredtrustcompany.com

2140 E. Pebble Road, Suite 140

Las Vegas, NV 89123

# Transfer or Conversion Form

Traditional | Roth | SEP | SIMPLE

PTC IRA Account Number

**TRANSFER DELIVERY FEE** (if applicable): Preferred Trust Company will apply a \$40.00 delivery fee, if the outgoing custodian requires the original documents to be sent.

## SECTION 1 | IRA Account Owner Information

First Name  Initial  Last Name

SSN  DOB (MM/DD/YY)  Email

Phone Number  Cell Phone Number

Street Address  City  State  Zip Code

## SECTION 2 | Account Type

Traditional IRA  Roth IRA  SEP IRA  SIMPLE IRA  Inherited IRA

## SECTION 3 | Transfer From Information

Preferred Trust Company requires a photocopy of a **current statement** from the Custodian the funds are being transferred from.

Custodian Name  Client Account Number

Street Address

City  State  Zip Code

Phone Number

## SECTION 4 | Type of Transaction (See Additional Information included with this form.)

A. **Transfer:** (check one)

**[SIMPLE IRA cannot be transferred to a Traditional IRA or converted to a Roth IRA for 2 years following the date of the initial SIMPLE contribution.]**

Traditional IRA to a Traditional IRA

Traditional IRA to a SEP IRA

Roth IRA to a Roth IRA

SEP IRA to a SEP IRA

SEP IRA to a Traditional IRA

SIMPLE IRA to a SEP IRA

SIMPLE IRA to a Traditional IRA

SIMPLE IRA to a SIMPLE IRA

Other

B. **Conversion:** (check one)

**[Required Minimum Distributions (RMD) cannot be converted to a Roth IRA.]**

SIMPLE IRA to a Roth IRA

Traditional IRA to a Roth IRA

SEP IRA to a Roth IRA

If applicable, the required minimum distribution  has or  has not been satisfied for this distribution year prior to this transfer. If not, the transferee custodian/trustee may require additional documentation.

## SECTION 5 | Transfer or Conversion Instructions

**THIS SECTION MUST BE COMPLETED ACCURATELY OR THE TRANSFERRING CUSTODIAN WILL NOT PROCESS THE TRANSFER.** It is highly recommended that you login to the client portal where the cash and/or investments are being transferred from to confirm the information below is accurate as of the date this form is completed.

- Transfer the entire cash balance in the account **only**.
- Transfer a portion of cash balance **only** totaling:
- Immediately liquidate **all** investments and send cash proceeds.
- Transfer the entire cash balance in the account and in-kind investments as indicated below.
- Send all investments in-kind.
- Send only the identified investment(s) below in-kind.

**NOTE:** I acknowledge the account is in a cash position and no liquidation of investments are required.

**NOTE:** I acknowledge that the portion of cash requested is in a cash position and no liquidation of investments are required.

**NOTE:** Penalties and market fluctuation may affect the distribution amount of investments held by your IRA.

**NOTE:** If this option is selected there must be a cash balance in the account you are transferring from and the information below must be completed.

**IN-KIND DEFINITION:** This is the transfer of an alternative asset(s) other than cash or marketable securities to another custodian of record.

Investment Name 1

Investment Name 2

Investment Name 3

Investment Name 4

Investment Name 5

### DELIVERY INSTRUCTIONS

Select from the following options:

- CHECK** (Fees may apply with **outgoing** custodian to complete the transfer or conversion.)

- WIRE** (Fees may apply with **outgoing** custodian to complete the transfer or conversion. If the option of wire is selected, Preferred Trust Company will charge an incoming wire fee of \$30.00 to your IRA account.)

### CHECK INSTRUCTIONS

Make checks or certificate registration payable to:

**Preferred Trust Company, LLC FBO** (Client Name), (IRA Type)

Checks and certificate registrations should be mailed to:

**Preferred Trust Company**  
2140 E. Pebble Road, Suite 140  
Las Vegas, NV 89123

### WIRE INSTRUCTIONS

**ABA (Routing) Number:** 026009593

**Bank:** Bank of America  
222 Broadway  
New York, NY 10038

**Account Number:** 501014778432  
**Account Name:** Preferred Trust Company, LLC  
2140 E. Pebble Road, Suite 140  
Las Vegas, NV 89123

**Message/Reference:** FBO: (Client Name) and/or (Account Number)

## SECTION 6 | Withholding Election

### THIS SECTION IS FOR CONVERSIONS ONLY.

Instructions for Form W-4P (Withholding Certificate) are included in the Additional Information section of this form.

I elect **not** to have Federal income tax withheld from my IRA distribution.

I elect to have 10% Federal income tax withheld from my IRA distribution.

I want the following **additional** dollar amount \$  or additional percentage  % withheld from each IRA distribution.

I elect to have \$  or  % state income tax withheld from my IRA distribution (if applicable).

## SECTION 7 | Acknowledgement Signatures

I certify that the information contained on this form is true and correct. I direct the transferor Preferred Trust Company as Custodian to transfer or convert my IRA assets as set forth in this form. I understand I should seek the guidance of a tax or legal professional with regard to this decision. I understand that if I establish a separate conduit account, it is my responsibility to keep my conduit account separate from my other accounts. I understand that Preferred Trust Company as Custodian cannot provide legal advice. I indemnify and agree to hold Preferred Trust Company as Custodian harmless against any liabilities. I assume full responsibility for the consequences of this transfer or conversion decision. Preferred Trust Company agrees to accept these funds as a transfer or conversion.

Signature of IRA Account Owner

Date

**BROKERAGE:** In the case of a transfer from a brokerage account, the transferring firm may require signature authorization including but not limited to, signature guarantee, medallion guarantee or some other form of necessary stamp. These guarantees help protect against fraud. Most banks and brokerage firms can provide one. Please contact the transferring firm for clarification.

For Bank Use: Medallion Signature Guarantee Stamp (For Securities or Non-FDIC Instructions Only)

Signature of Custodian

Date

For Bank Use: Medallion Signature Guarantee Stamp (For Securities or Non-FDIC Instructions Only)