



Self-Directed IRA Application

For SIMPLE Accounts

New Direction Trust Company

www.NDTCO.com
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Louisville, CO 80027

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Phone: 303-546-7930
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New Direction
TRUST COMPANY

TAKE YOUR RETIREMENT IN A NEW DIRECTION

POSSIBLE INVESTMENT OPTIONS

A self-directed IRA is a retirement plan that allows you to choose where to invest your IRA money, as permitted under IRS guidelines. With the great tax advantages provided by a self-directed IRA, you can potentially build wealth and secure your future more effectively.

Entity Investments

- Private Stock
- Limited Partnership
- Business Start Ups
- Venture Capital
- LLCs
- Privately-Held Enterprises
- International Investments

Real Estate

- Residential
- Rentals
- Commercial
- Rehabs
- Lease Options
- Land
- Foreclosures
- Mobile Homes

Precious Metals

- Gold
- Silver
- Platinum
- Palladium

Loans

- Mortgage Loans
- Deeds of Trust
- Promissory Notes
- Business Loans

Other

- Brokerage Account
- Crops
- Oil and Gas
- Timber
- And Much More!

INFORMATION WE MAY SHARE

We do not sell or disclose any non-public information about you to anyone, except as permitted by law or as specifically authorized by you. We do not share non-public personal information with our affiliates or other providers without prior approval by you. Federal law allows us to share information with providers that process and service your accounts. All providers of services in connection with the custodian have agreed to the custodian's confidentiality and security policies. If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

CONFIDENTIALITY AND SECURITY

We restrict access to non-public personal information to those employees who need to know that information to provide products and services to you. We maintain physical, electronic, and procedural guidelines that comply with federal standards to guard your non-public personal information. The custodian reserves the right to revise this notice and will notify you of any changes in advance. If you have any questions regarding this policy, please contact us at the address and or telephone number listed in these documents.

APPLICATION

Apply online by clicking on the "Open Account Online" button on the upper right corner or our homepage:
www.ndtco.com

- OR -

Fill out the attached application and fee schedule.

Please include payment for the \$50 account opening fee:

Check Payable to: "New Direction Trust Company"

Amount: \$50.00

-OR-

Credit Card: VISA / MasterCard / Discover

WHERE TO SEND YOUR FORMS AND PAYMENT

Once you've completed these forms, please send them to:

Mail or Delivery:

New Direction Trust Company
1070 W. Century Drive
Louisville, CO 80027

Fax: (303)-665-5962

Scan & Email: emaildocs@ndtco.com

COMPLETING YOUR APPLICATION

Application Checklist

- Have you included a 5305 and/or a 5304 with your application? **(Please select appropriate form(s), needed to open account)**
- Have you included your account set up fee? **(needed to open account)**
- Have you indicated the type of account that you'd like to open?
- Have you indicated how you would like to fund your account?
- Have you indicated your beneficiaries, including their social security numbers? (Section 5)
- If you're married, have you reviewed section 6? If so, has your spouse signed this section?
- Have you signed the application?
- Have you indicated which fee option you would prefer?
- Have you signed the fee option page? **(needed to open account)**

Application Checklist

Once you've completed these forms, please send them to:

Mail or Delivery: New Direction Trust Company
1070 W. Century Drive
Louisville, CO 80027

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Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) Not for Use With a Designated Financial Institution

The Employer establishes the following SIMPLE IRA plan under section 408(p) of the Internal Revenue Code and pursuant to the instructions contained in this form.

Article I—Employee Eligibility Requirements

- 1.01 **General Eligibility Requirements.** The Employer agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE IRA established by each employee who meets the requirements selected in the Adoption Agreement.
- 1.02 **Excludable Employees.** If elected in the Adoption Agreement, the Employer shall exclude employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. If the Employer maintains a qualified plan covering only such employees, the Employer is deemed to select this provision.

Article II—Salary Reduction Agreements

- 2.01 **Salary Reduction Election.** An eligible employee may make an election to have his or her compensation for each pay period reduced. The total amount of the reduction in the employee's compensation for a calendar year cannot exceed the applicable amount for that year.
- 2.02 **Timing of Salary Reduction Elections.**
- (a) For a calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.
 - (b) No salary reduction election may apply to compensation that an employee received, or had a right to immediately receive, before execution of the salary reduction election.
 - (c) An employee may terminate a salary reduction election at any time during the calendar year.

Article III—Contributions

- 3.01 **Salary Reduction Contributions.** The amount by which the employee agrees to reduce his or her compensation will be contributed by the Employer to the employee's SIMPLE IRA.
- 3.02 (a) **Matching Contributions.**
- (i) For each calendar year, the Employer will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year.
 - (ii) The Employer may reduce the 3% limit for the calendar year in (i) only if:
 - (1) The limit is not reduced below 1%;
 - (2) The limit is not reduced for more than 2 calendar years during the 5-year period ending with the calendar year the reduction is effective; and
 - (3) Each employee is notified of the reduced limit within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, section 2.02(a)).
- (b) **Nonelective Contributions**
- (i) For any calendar year, instead of making matching contributions, the Employer may make nonelective contributions equal to 2% of compensation for the calendar year to the SIMPLE IRA of each eligible employee who has at least the amount of compensation indicated in the Adoption Agreement, but not more than \$5,000, in compensation for the calendar year. No more than \$210,000* in compensation can be taken into account in determining the nonelective contribution for each eligible employee.
 - (ii) For any calendar year, the Employer may make 2% nonelective contributions instead of matching contributions only if:
 - (1) Each eligible employee is notified that a 2% nonelective contribution will be made instead of a matching contribution; and
 - (2) This notification is provided within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, section 2.02(a)).
- 3.03 **Time and Manner of Contributions.**
- (a) The Employer will make the salary reduction contributions (described in section 2.02(a) above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than 30 days after the end of the month in which the money is withheld from the employee's pay. See SIMPLE IRA Plan Disclosure.
 - (b) The Employer will make the matching or nonelective contributions (described in sections 3.02(a) and 3.02(b) above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than the due date for filing the Employer's tax return, including extensions, for the taxable year that includes the last day of the calendar year for which the contributions are made.

* This is the amount for 2005. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS's internet website at www.irs.gov.

Article IV—Other Requirements and Provisions

- 4.01 **Contributions in General.** The Employer will make no contributions to the SIMPLE IRAs other than salary reduction contributions (described in Article III, section 3.01) and matching or nonelective contributions (described in Article III, sections 3.02(a) and 3.02(b)).
- 4.02 **Vesting Requirements.** All contributions made under this SIMPLE IRA plan are fully vested and nonforfeitable.
- 4.03 **No Withdrawal Restrictions.** The Employer may not require the employee to retain any portion of the contributions in his or her SIMPLE IRA or otherwise impose any withdrawal restrictions.
- 4.04 **Selection of IRA Trustee.** The employer must permit each eligible employee to select the financial institution that will serve as the trustee, custodian, or issuer of the SIMPLE IRA to which the employer will make all contributions on behalf of that employee.
- 4.05 **Amendments To This SIMPLE IRA Plan.** This SIMPLE IRA plan may not be amended except to modify the entries inserted in the blanks or boxes provided in the Adoption Agreement.
- 4.06 **Effects Of Withdrawals and Rollovers.**
- (a) An amount withdrawn from the SIMPLE IRA is generally includible in gross income. However, a SIMPLE IRA balance may be rolled over or transferred on a tax-free basis to another IRA designed solely to hold funds under a SIMPLE IRA plan. In addition, an individual may roll over or transfer his or her SIMPLE IRA balance to any IRA after a 2-year period has expired since the individual first participated in any SIMPLE IRA plan of the Employer. Any rollover or transfer must comply with the requirements under section 408.
 - (b) If an individual withdraws an amount from a SIMPLE IRA during the 2-year period beginning when the individual first participated in any SIMPLE IRA plan of the Employer and the amount is subject to the additional tax on early distributions under section 72(t), this additional tax is increased from 10% to 25%.

Article V—Definitions

- 5.01 **Compensation.**
- (a) **General Definition of Compensation.** Compensation means the sum of the wages, tips, and other compensation from the Employer subject to federal income tax withholding (as described in section 6051(a)(3)) the amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, and the employee's salary reduction contributions made under this Plan, and, if applicable, elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract and compensation deferred under a section 457 plan required to be reported by the Employer on Form W-2 (as described in section 6051(a)(8)).
 - (b) **Compensation for Self-Employed Individuals.** For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this plan on behalf of the individual.
- 5.02 **Employee.** Employee means a common-law employee of the Employer. The term employee also includes a self-employed individual and a leased employee described in section 414(n) but does not include a nonresident alien who received no earned income from the Employer that constitutes income from sources within the United States.
- 5.03 **Eligible Employee.** An eligible employee means an employee who satisfies the conditions in the Adoption Agreement and is not excluded under section 1.02.
- 5.04 **SIMPLE IRA.** A SIMPLE IRA is an individual retirement account described in section 408(a), or an individual retirement annuity described in section 408(b), to which the only contributions that can be made are contributions under a SIMPLE IRA plan and rollovers or transfers from another SIMPLE IRA.

Article VI—Procedures for Withdrawal

- 6.01 The Employer will provide each Employee with the procedures for withdrawals of contributions received by the financial institution selected by that Employee, and that financial institution's name and address by attaching that information to this Plan unless: (1) that financial institution's procedures are unavailable, or (2) that financial institution provides the procedures directly to the employee.

General Instructions

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

Purpose of Form

Form 5304-SIMPLE is a model Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) plan document that an employer may use to establish a SIMPLE IRA plan described in section 408(p), under which each eligible employee is permitted to select the financial institution for his or her SIMPLE IRA.

These instructions are designed to assist in the establishment and administration of the SIMPLE IRA plan. They are **not** intended to supersede any provision in the SIMPLE IRA plan.

Do not file Form 5304-SIMPLE with the IRS. Instead, keep it with your records.

For more information, see **Pub. 560**, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and **Pub. 590**, Individual Retirement Arrangements (IRAs).

SIMPLE IRA PLAN DISCLOSURE

IN GENERAL

Which Employers May Establish and Maintain a SIMPLE IRA Plan?

To establish and maintain a SIMPLE IRA plan, you must meet **both** of the following requirements:

1. Last calendar year, you had no more than 100 employees (including self-employed individuals) who earned \$5,000 or more in compensation from you during the year. If you have a SIMPLE IRA plan but later exceed this 100-employee limit, you will be treated as meeting the limit for the 2 years following the calendar year in which you last satisfied the limit.
2. You do not maintain during any part of the calendar year another qualified plan with respect to which contributions are made, or benefits are accrued, for service in the calendar year. For this purpose, a qualified plan (defined in section 219(g)(5)) includes a qualified pension plan, a profit-sharing plan, a stock bonus plan, a qualified annuity plan, a tax-sheltered annuity plan, and a simplified employee pension (SEP) plan.

A qualified plan that only covers employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining is disregarded if these employees are excluded from participating in the SIMPLE IRA plan.

If the failure to continue to satisfy the 100-employee limit or the one-plan rule described in 1 and 2 above is due to an acquisition or similar transaction involving your business, special rules apply. Consult your tax advisor to find out if you can still maintain the plan after the transaction.

Certain related employers (trades or businesses under common control) must be treated as a single employer for purposes of the SIMPLE IRA requirements. These are:

- (1) a controlled group of corporations under section 414(b);
- (2) a partnership or sole proprietorship under common control under section 414(c); or
- (3) an affiliated service group under section 414(m). In addition, if you have leased employees required to be treated as your own employees under the rules of section 414(n), then you must count all such leased employees for the requirements listed above.

What is a SIMPLE IRA Plan?

A SIMPLE IRA plan is a written arrangement that provides you and your employees with an easy way to make contributions to provide retirement income for your employees. Under a SIMPLE IRA plan, employees may choose whether to make salary reduction contributions to the SIMPLE IRA plan rather than receiving these amounts as part of their regular compensation. In addition, you will contribute matching or nonelective contributions on behalf of eligible employees (see **Employee Eligibility Requirements** and **Contributions** below). All contributions under this plan will be deposited into a SIMPLE individual retirement account or annuity established for each eligible employee with the financial institution selected by him or her.

When To Use Form 5304-SIMPLE

A SIMPLE IRA plan may be established by using this Model Form or any other document that satisfies the statutory requirements.

Do not use Form 5304-SIMPLE if:

1. You want to require that all SIMPLE IRA plan contributions initially go to a financial institution designated by you. That is, you do not want to permit each of your eligible employees to choose a financial institution that will initially receive contributions. Instead, use Form 5305-SIMPLE, Savings Incentive Match Plan for Employees of Small Employers (SIMPLE)—for Use With a Designated Financial Institution.
2. You want employees who are nonresident aliens receiving no earned income from you that constitutes income from sources within the United States to be eligible under this plan; or
3. You want to establish a SIMPLE 401(k) plan.

Completing Form 5304-SIMPLE

The Form 5304-SIMPLE along with the Adoption Agreement contain the operative provisions of your SIMPLE IRA plan. This SIMPLE IRA plan is considered adopted when you have completed all applicable boxes and blanks in the Adoption Agreement and it has been executed by you.

The SIMPLE IRA plan is a legal document with important tax consequences for you and your employees. You may want to consult with your attorney or tax advisor before adopting this Plan.

ANALYSIS OF PLAN ARTICLES

Employee Eligibility Requirements (Article I)

Each year, for which this SIMPLE IRA plan is effective, you must permit salary reduction contributions to be made by all of your employees who are reasonably expected to receive at least \$5,000 in compensation from you during the year, and who received at least \$5,000 in compensation from you in any 2 preceding years. However, you can expand the group of employees who are eligible to participate in the SIMPLE IRA plan by completing the options provided in Item 5 of the Adoption Agreement. To choose full eligibility, check the box 5(a) in the Adoption Agreement. Alternatively, to choose limited eligibility, check the box 5(b) in the Adoption Agreement, and then complete the blank boxes in Item 5(b)(i) and (ii) as instructed on the Adoption Agreement.

In addition, you can exclude from participation those employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. You may do this by checking the box in Item 6 of the Adoption Agreement. Under certain circumstances, these employees must be excluded. See "Which Employers May Establish and Maintain a SIMPLE IRA Plan?" above.

Salary Reduction Agreements (Article II)

As indicated in Article II, section 2.01, a salary reduction agreement permits an eligible employee to make a salary reduction election to have his or her compensation for each pay period reduced by a percentage (expressed as a percentage or dollar amount). The total amount of the reduction in the employee's compensation cannot exceed the applicable amount for any calendar year. The applicable amount since 2002 is:

Applicable Annual Dollar Limitations

<u>Tax Year</u>	<u>Contribution Limit</u>
2002	\$7,000
2003	\$8,000
2004	\$9,000
2005	\$10,000
2006	\$10,000
2007 - 2008	\$10,500
2009 - 2012	\$11,500

In the case of an eligible employee who will be 50 or older before the end of the calendar year, the above limitation is increased by the following:

<u>Tax Year</u>	<u>Catch-Up Limit</u>
2002	\$500
2003	\$1,000
2004	\$1,500
2005	\$2,000
2006	\$2,500
2007- 2012	\$2,500

Timing of Salary Reduction Elections

For any calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.

You can extend the 60-day election periods to provide additional opportunities for eligible employees to make or modify salary reduction elections using the blank in Item 7 of the Adoption Agreement. For example, you can provide that eligible employees may make new salary reduction elections or modify prior elections for any calendar quarter during the 30 days before that quarter.

You may use the **Model Salary Reduction Agreement** to enable eligible employees to make or modify salary reduction elections.

Employees must be permitted to terminate their salary reduction elections at any time. They may resume salary reduction contributions for the year if permitted under the Adoption Agreement. However, by checking the box in Item 8 of the Adoption Agreement, you may prohibit an employee who terminates a salary reduction election outside the normal election cycle from resuming salary reduction contributions during the remainder of the calendar year.

Contributions (Article III)

Only contributions described below may be made to this SIMPLE IRA plan. No additional contributions may be made.

Salary Reduction Contributions

As indicated in Article III, section 3.01, salary reduction contributions consist of the amount by which the employee agrees to reduce his or her compensation. You must contribute the salary reduction contributions to the financial institution selected by each eligible employee.

Matching Contributions

In general, you must contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions. This matching contribution cannot exceed 3% of the employee's compensation. See **Definition of Compensation**, below.

You may reduce this 3% limit to a lower percentage, but not lower than 1%. You cannot lower the 3% limit for more than 2 calendar years out of the 5-year period ending with the calendar year the reduction is effective.

Note: *If any year in the 5-year period described above is a year before you first established any SIMPLE IRA plan, you will be treated as making a 3% matching contribution for that year for purposes of determining when you may reduce the employer matching contribution.*

To elect this option, you must notify the employees of the reduced limit within a reasonable period of time before the applicable 60-day election periods for the year. See **Timing of Salary Reduction Elections** above.

Nonelective Contributions

Instead of making a matching contribution, you may, for any year, make a nonelective contribution equal to 2% of compensation for each eligible employee who has at least \$5,000 in compensation for the year. Nonelective contributions may not be based on more than \$245,000 (2010 limit) of compensation. To elect to make nonelective contributions, you must notify employees within a reasonable period of time before the applicable 60-day election periods for such year. See **Timing of Salary Reduction Elections**, above.

Note: *Insert "\$5,000" in Item 10 of the Adoption Agreement to impose the \$5,000 compensation requirement. You may expand the group of employees who are eligible for nonelective contributions by inserting a compensation amount lower than \$5,000.*

Effective Date (Article VII)

Insert in Item 11 of the Adoption Agreement, the date you want the provisions of the SIMPLE IRA plan to become effective. You must insert January 1 of the applicable year unless this is the first year for which you are adopting any SIMPLE IRA plan. If this is the first year for which you are adopting a SIMPLE IRA plan, you may insert any date between January 1 and October 1, inclusive of the applicable year.

ADDITIONAL INFORMATION

Timing of Salary Reduction Contributions

The employer must make the salary reduction contributions to the financial institution selected by each eligible employee for his or her SIMPLE IRA no later than the 30th day of the month following the month in which the amounts would otherwise have been payable to the employee in cash.

The Department of Labor has indicated that most SIMPLE IRA plans are also subject to Title I of the Employee Retirement Income Security Act of 1974 (ERISA). Under Department of Labor regulations at 29 CFR 2510.3-102, salary reduction contributions must be made to each participant's SIMPLE IRA as of the earliest date on which those contributions can reasonably be segregated from the employer's general assets, but in no event later than the 30-day deadline described above. These rules also apply in the case of self-employed individuals. Thus, the latest day for the deposit of salary reduction contributions made on behalf of a self-employed individual for a calendar year is 30 days after the end of such year, which is January 30th. In order to meet the "as soon as you can reasonably segregate" standard, the DOL regulations provide for a 7-business day deadline for depositing the employee's salary deferral into their account.

Definition of Compensation

"Compensation" means the amount described in section 6051(a)(3) (wages, tips, and other compensation from the employer subject to federal income tax withholding under section 3401(a), and, amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority. Usually, this is the amount shown in box 1 of **Form W-2**, Wage and Tax Statement. For further information, see **Pub. 15**, Circular E, Employer's Tax Guide. Compensation also includes the salary reduction contributions made under this plan, and, if applicable, compensation deferred under a section 457 plan. In determining an employee's compensation for prior years, the employee's elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract are also included in the employee's compensation.

For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this SIMPLE IRA plan on behalf of the individual.

Employee Notification

You must notify each eligible employee prior to the employee's 60-day election period described above that he or she can make or change salary reduction elections and select the financial institution that will serve as the trustee, custodian, or issuer of the employee's SIMPLE IRA. In this notification, you must indicate whether you will provide:

1. A matching contribution equal to your employees' salary reduction contributions up to a limit of 3% of their compensation;
2. A matching contribution equal to your employees' salary reduction contributions subject to a percentage limit that is between 1 and 3% of their compensation; or
3. A nonelective contribution equal to 2% of your employees' compensation.

You can use the **Model Notification to Eligible Employees** to satisfy these employee notification requirements for this SIMPLE IRA plan.

A **Summary Description** must also be provided to eligible employees at this time. This summary description requirement may be satisfied by providing a completed copy of Form 5304-SIMPLE (including the information described in Article VI - Procedures for Withdrawal) and the executed Adoption Agreement.

If you fail to provide the employee notification (including the summary description) described above, you will be liable for a penalty of \$50 per day until the notification is provided. If you can show that the failure was due to reasonable cause, the penalty will not be imposed.

If the financial institution's name, address, or withdrawal procedures are not available at the time the employee must be given the summary description, you must provide the summary description without this information. In that case, you will have reasonable cause for not including this information in the summary description, but only if you ensure that it is provided to the employee as soon as administratively feasible.

Reporting Requirements

You are not required to file any annual information returns for your SIMPLE IRA plan, such as Forms 5500 or 5500-EZ. However, you must report to the IRS which eligible employees are active participants in the SIMPLE IRA plan and the amount of your employees' salary reduction contributions to the SIMPLE IRA plan on Form W-2. These contributions are subject to social security, medicare, railroad retirement, and federal unemployment tax.

Deducting Contributions

Contributions to this SIMPLE IRA plan are deductible in your tax year containing the end of the calendar year for which the contributions are made. Contributions will be treated as made for a particular tax year if they are made for that year and are made by the due date (including extensions) of your income tax return for that year.

Summary Description

Each year the SIMPLE IRA plan is in effect, the financial institution for the SIMPLE IRA of each eligible employee must provide the employer the information described in section 408(l)(2)(B). This requirement may be satisfied by providing the employer a current copy of Form 5304-SIMPLE (including instructions) together with the financial institution's procedures for withdrawals from SIMPLE IRAs established at that financial institution, including the financial institution's name and address. The summary description must be received by the employer in sufficient time to comply with the **Employee Notification** requirements above.

There is a penalty of \$50 per day imposed on the financial institution for each failure to provide the summary description described above. However, if the failure was due to reasonable cause, the penalty will not be imposed.

SUMMARY DESCRIPTION

PLAN INFORMATION

1. Name of Employer: _____
Address of Employer: _____
2. Name of Trustee/Custodian: _____
Address of Trustee/Custodian: _____

ELIGIBILITY REQUIREMENTS

3. All Employees of the Employer shall be eligible to participate under the Plan except:
- a. Employees included in a unit of employees covered under a collective bargaining agreement described in Section 2.02(a) of the Plan.
 - b. Non-resident alien employees who did not receive US source income described in Section 2.02(b) of the Plan.
 - c. Employees who are not reasonably expected to earn \$_____ (not to exceed \$5,000) during the Plan Year for which the contribution is being made.
 - d. There are no eligibility requirements. All Employees are eligible to participate upon the later of the plan's effective date or the employee's date of hire.
4. Each Eligible Employee will be eligible to become a Participant after having worked for the Employer during any _____ prior years (not to exceed 2) and received at least \$ _____ in compensation (not to exceed \$5,000), during each of such prior years.

WRITTEN ALLOCATION FORMULA

5. The Employer has agreed to provide contributions for the _____ Plan Year as follows (complete only one choice):
- a). Matching Contribution - The amount of the Participant's Elective Deferral not in excess of 3% of such Participant's Compensation.
 - b). Matching Contribution - The amount of the Participant's Elective Deferral not in excess of _____% (not less than 1% nor more than 3%) of each Participant's Compensation.
 - c). Nonelective Employer Contribution - 2% of each Eligible Employee's Compensation, who receives at least \$5,000, or _____, if lesser, in Compensation from the Employer for the Plan Year.

ADDITIONAL INFORMATION

The Employer has designated _____ (insert Name & title) to provide additional information to participants about the Employer's SIMPLE Plan.

GENERAL DISCLOSURE INFORMATION

The following information explains what a Savings Incentive Match Plan for Employees ("SIMPLE") is how contributions are made, and how to treat these contributions for tax purposes. For more specific information, refer to the SIMPLE Retirement Plan document itself, the completed Adoption Agreement and the accompanying "Employer Disclosure".

For a calendar year, you may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which you first become eligible to make salary reduction contributions, the period during which you may make or modify the election is a 60 day period that includes either the date you become eligible or the day before. If indicated on the Adoption Agreement, you may have additional opportunities during a calendar year to make or modify your salary reduction election.

I. SIMPLE Retirement Plan and SIMPLE IRA Defined

A SIMPLE Retirement Plan is a retirement income arrangement established by your employer. Under this SIMPLE Plan, you may choose to defer compensation to your own SIMPLE Individual Retirement Account or Annuity ("SIMPLE IRA"). You may base these "elective deferrals" on a salary reduction basis that, at your election, may be contributed to a SIMPLE IRA or received in cash. This type of plan is available only to an employer with 100 or fewer employees who earned at least \$5,000 during the prior calendar year.

A SIMPLE IRA is a separate IRA plan that you establish with an eligible financial institution for the purpose of receiving contributions under this SIMPLE Retirement Plan. Your employer must provide you with a copy of the SIMPLE agreement containing eligibility requirements and a description of the basis upon which contributions may be made. All amounts contributed to your SIMPLE IRA belong to you, even after you quit working for your employer.

II. Elective Deferrals - Not Required

You are not required to make elective deferrals under this SIMPLE Retirement Plan. However, if the Employer is matching your elective deferrals, no Employer contribution will be made on your behalf unless you elect to defer under the plan.

III. Elective Deferrals - Annual Limitation

The maximum amount that you may defer under this SIMPLE Plan for any calendar year is limited to the lesser of the percentage of your compensation indicated in the Deferral Form or "the applicable annual dollar limitation" described below:

Applicable Annual Dollar Limitations	
<u>Tax Year</u>	<u>Contribution Limit</u>
2002	\$7,000
2003	\$8,000
2004	\$9,000
2005	\$10,000
2006	\$10,000
2007 - 2008	\$10,500
2009 - 2012	\$11,500

The maximum amount will be adjusted for cost-of-living increases in multiples of \$500.

If you attain age 50 or over by the end of a calendar year, you can elect to have your compensation reduced by an additional "catch-up" amount listed below. The maximum additional amount will be adjusted for cost-of-living increases in multiples of \$500.

<u>Tax Year</u>	<u>Catch-Up Limit</u>
2002	\$500
2003	\$1,000
2004	\$1,500
2005	\$2,000
2006 - 2012	\$2,500

If you work for other employers (unrelated to this Employer) who also maintain a salary deferral plan, there is an overall limit on the maximum amount that you may defer in each calendar year to all elective SEPs, cash or deferred arrangements under section 401(k) of the Code, other SIMPLE plans and 403(b) plans regardless of how many employers you may have worked for during the year. This limitation is referred to as the section 402(g) limit. The section 402(g) limit on elective deferrals is listed below and is indexed according to the cost of living.

\$11,000 for 2002
\$12,000 for 2003
\$13,000 for 2004
\$14,000 for 2005
\$15,000 for 2006
\$15,500 for 2007 - 2008
\$16,500 for 2009 - 2011
\$17,000 for 2012

IV. Elective Deferrals - Tax Treatment

The amount that you may elect to contribute to your SIMPLE IRA is excludible from gross income, subject to the limitations discussed above, and is not includible as taxable wages on Form W-2. However, these amounts are subject to FICA taxes.

V. Elective Deferrals - Excess Amounts Contributed

When "excess elective deferrals" (i.e., amounts in excess of the SIMPLE elective deferral limit ("the applicable annual dollar limitation" described in Section III above) or the section 402(g) limit) are made, you are responsible for calculating whether you have

exceeded these limits in the calendar year. The section 402(g) limit for contributions made to all elective deferral plans is listed in Section III above.

VI. Excess Elective Deferrals - How to Avoid Adverse Tax Consequences

Excess elective deferrals are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE IRA.

VII. Income Allocable To Excess Amounts

The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE IRA will inform you of the income allocable to such excess amounts.

VIII. Availability of Regular IRA Contribution Deduction

In addition to any SIMPLE contribution, if you are under age 70 1/2 you may contribute to a separate Traditional IRA the lesser of 100% of compensation or the regular IRA contribution dollar limit to a Traditional IRA as a regular IRA contribution. However, the amount that you may deduct is subject to various limitations since you will be considered an "active participant" in an employer-sponsored plan. Instead of a Traditional IRA, you may be eligible to make a regular contribution to a Roth IRA. See Pub. 590, "Individual Retirement Arrangement", for more specific information.

IX. SIMPLE IRA Amounts - Rollover or Transfer to another IRA

You may not roll over or transfer from your SIMPLE IRA any SIMPLE contributions (or income on these contributions) made during the plan year to another IRA (other than a SIMPLE IRA) or to an employer plan until the 2 years following the date you first participated in the SIMPLE plan. Also, any distribution made before this time will be includible in your gross income and may also be subject to a 25% additional income tax for early withdrawal. You may, however, remove excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA before this time, but you may not roll over or transfer these amounts to another IRA.

If the Adoption Agreement indicates that all initial SIMPLE contributions will be made to a single designated Trustee or Custodian, you may transfer your SIMPLE IRA without cost or penalty to another SIMPLE IRA (if within the 2 year period) or thereafter to any other IRA.

After the 2-year restriction described above no longer applies, you may withdraw, or receive, funds from your SIMPLE IRA, and no more than 60 days later, place such funds in another IRA, SIMPLE IRA, qualified plan, 403(b) plan, or 457 plan. This is called a "rollover" and may not be done without penalty more frequently than at one-year intervals, if you are rolling to another SIMPLE IRA or IRA. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have such funds transferred between the trustees/custodians so that you never have possession of the funds. You may not, however, roll over or transfer excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA to another IRA. These excess amounts may be reduced only by a distribution to you.

X. Filing Requirements

You do not need to file any additional forms with the IRS because of your participation in your employer's SIMPLE Plan.

XI. Employer to Provide Information on SIMPLE IRAs and the SIMPLE Agreement

Your employer must provide you with a copy of the executed SIMPLE agreement, this Summary Description, the form you should use to elect to defer amounts to the SIMPLE, and a statement for each taxable year showing any contribution to your SIMPLE IRA.

XII. Financial Institution Where IRA is Established to Provide Information

The financial institution must provide you with a disclosure statement that contains the following items of information in plain nontechnical language.

1. The statutory requirements that relate to the SIMPLE IRA;
2. The tax consequences that follow the exercise of various options and what those options are;
3. Participation eligibility rules and rules on the deductibility and nondeductibility of retirement savings;

4. The circumstances and procedures under which you may revoke the SIMPLE IRA, including the name, address, and telephone number of the person designated to receive notice of revocation (this explanation must be prominently displayed at the beginning of the disclosure statement);
5. Explanations of when penalties may be assessed against you because of specified prohibited or penalized activities concerning the SIMPLE IRA; and
6. Financial disclosure information which:
 - a) Either projects value, growth, rates of the SIMPLE IRA under various contribution and retirement schedules, or describes the method of computing and allocating annual earnings and charges which may be assessed;
 - b) Describes whether, and for what period, the growth projections for the plan are guaranteed or a statement of earnings rate and terms on which these projections are based, and;
 - c) States the sales commission to be charged in each year expressed as a percentage of \$1,000.

See Publication 590, "Individual Retirement Arrangements", which is available at most IRS offices, for a more complete explanation of the disclosure requirements. IRS Publication 560 also contains more information regarding SIMPLE IRA Plans.

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

**MODEL SIMPLE IRA PLAN
EMPLOYER'S ADOPTION AGREEMENT**

EMPLOYER INFORMATION

1. Name of Employer: _____
2. Address: _____
3. EIN #: _____ 4. Phone: _____

ELIGIBILITY REQUIREMENTS

5. The Employer agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE IRA established by each employee who meets the following requirements (select either (a) or (b)):
- (a) **Full Eligibility.** All employees are eligible.
- (b) **Limited Eligibility.** Eligibility is limited to employees who are described in both (i) and (ii) below:
- (i) **Current compensation.** Employees who are reasonably expected to receive at least \$ _____ in compensation (not to exceed \$5,000) for the calendar year.
- (ii) **Prior compensation.** Employees who have received at least \$ _____ in compensation (not to exceed \$5,000) during any _____ calendar year(s) (insert 0, 1, or 2) preceding the calendar year.
6. The Employer shall shall not include employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. (Note: "shall not" applies if the Employer maintains a qualified plan covering only such employees).

SALARY REDUCTION AGREEMENTS

7. In addition to the election periods in 2.02(a) of the Plan, eligible employees may make salary reduction elections or modify prior elections: _____. If the Employer chooses this option, insert a period or periods (e.g. semi-annually, quarterly, monthly, or daily) that will apply uniformly to all eligible employees.
8. An employee who terminates a salary reduction election in accordance with 2.02 of the Plan may may not resume salary reduction contributions during the calendar year.

EMPLOYER CONTRIBUTIONS (Select one)

9. Matching Contributions: The Employer will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to _____% of the employee's compensation for the calendar year.
10. Nonelective Contributions: The Employer will make Nonelective Contributions equal to 2% of the employee's compensation for the calendar year to the SIMPLE IRA of each eligible employee who has at least _____ (not more than \$5,000) in compensation for the calendar year.

EFFECTIVE DATE

11. This SIMPLE IRA plan is effective _____. See SIMPLE IRA Plan Disclosure.

SIGNATURES

Employer Signature: _____ Date: _____

Print name of Signer: _____ Title: _____

MODEL NOTIFICATION TO ELIGIBLE EMPLOYEES

SIMPLE IRA Plan Information

Name of Employer: _____

Address of Employer: _____

Phone: _____ Plan Year: _____

Opportunity to Participate in the SIMPLE IRA Plan

You are eligible to make salary reduction contributions to the above referenced Employer's SIMPLE IRA plan. This notice and the attached summary description provide you with information that you should consider before you decide whether to start, continue, or change your salary reduction agreement.

Employer Contribution Election

For the calendar year, the employer elects to contribute to your SIMPLE IRA (*employer must select either (1), (2), or (3)*):

- (1) A matching contribution equal to your salary reduction contributions up to a limit of 3% of your compensation for the year;
- (2) A matching contribution equal to your salary reduction contributions up to a limit of _____% (*employer must insert a number from 1 to 3 and is subject to certain restrictions*) of your compensation for the year; or
- (3) A nonelective contribution equal to 2% of your compensation for the year (limited to \$250,000*) if you are an employee who makes at least \$_____ (*employer must insert an amount that is \$5,000 or less*) in compensation for the year.

Administrative Procedures

To start or change your salary reduction contributions, you must complete the salary reduction agreement and return it to _____ (*employer should designate a place or individual*) by _____ (*employer should insert a date that is not less than 60 days after notice is given*).

Employee Selection of Financial Institution

You must select the financial institution that will serve as the trustee, custodian, or issuer of your SIMPLE IRA and notify your employer of your selection. You may indicate the financial institution on your Salary Reduction Agreement.

* This is the amount for 2012. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS web site at www.irs.gov.

MODEL SALARY REDUCTION AGREEMENT

SIMPLE IRA Plan Information

Name of Employer: _____

Plan Year: _____

Salary Reduction Election

Name of Employee: _____

Subject to the requirements of the SIMPLE IRA plan of the above named Employer.

- I authorize _____% or \$_____ (which equals _____% of my current rate of pay) to be withheld from my pay for each pay period and contributed to my SIMPLE IRA as a salary reduction contribution.
- I elect to terminate my salary reduction contributions.
- I elect not to participate in my Employer's SIMPLE Plan with respect to salary reduction contributions.

Maximum Salary Reduction

I understand that the total amount of my salary reduction contributions in any calendar year cannot exceed the applicable amount for that year. (See SIMPLE IRA Plan Disclosure)

Date Salary Reduction Begins

I understand that my salary reduction contributions will start as soon as permitted under the SIMPLE IRA plan and as soon as administratively feasible or, if later, _____. (Fill in the date you want the salary reduction contributions to begin. The date must be after you sign this agreement.)

Employee Selection of Financial Institution

I select the following financial institution to serve as the trustee, custodian, or issuer of my SIMPLE IRA.

Name of financial institution: _____

Address of financial institution: _____

SIMPLE IRA account name and number: _____ Phone: _____

I understand that I must establish a SIMPLE IRA to receive any contributions made on my behalf under this SIMPLE IRA plan. If the information regarding my SIMPLE IRA is incomplete when I first submit my salary reduction agreement, I realize that it must be completed by the date contributions must be made under the SIMPLE IRA plan. If I fail to update my agreement to provide this information by that date, I understand that my employer may select a financial institution for my SIMPLE IRA.

Duration of Election

This salary reduction agreement replaces any earlier agreement and will remain in effect as long as I remain an eligible employee under the SIMPLE IRA plan or until I provide my employer with a request to end my salary reduction contributions or provide a new salary reduction agreement as permitted under this SIMPLE IRA plan.

Signature of Employee: _____ Date: _____

SIMPLE Individual Retirement Custodial Account

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

Article I

- 1.01 The custodian will accept cash contributions made on behalf of the participant by the participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the custodian will accept transfers or rollovers from other SIMPLE IRAs of the participant. No other contributions will be accepted by the custodian.

Article II

- 2.01 The participant's interest in the balance in the custodial account is nonforfeitable.

Article III

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

Article IV

- 4.01 Notwithstanding any provision of this agreement to the contrary, the distribution of the participant's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
- 4.02 The participant's entire interest in the custodial account must be, or begin to be, distributed not later than the participant's required beginning date, April 1 following the calendar year in which the participant reaches age 70 1/2. By that date, the participant may elect, in a manner acceptable to the custodian, to have the balance in the custodial account distributed in:
- A single sum or
 - Payments over a period not longer than the life of the participant or the joint lives of the participant and his or her designated beneficiary.
- 4.03 If the participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
- If the participant dies on or after the required beginning date and:
 - the designated beneficiary is the participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
 - the designated beneficiary is not the participant's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
 - there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the participant as determined in the year of the participant's death and reduced by 1 for each subsequent year.
 - If the participant dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with 4.03(b)(ii) below:
 - The remaining interest will be distributed in accordance with paragraphs 4.03(a)(i) and 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), starting by the end of the calendar year following the year of the participant's death. If, however, the designated beneficiary is the participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the participant would have reached age 70 1/2. But, in such case, if the participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with 4.03(b)(ii) below if there is no such designated beneficiary.
 - The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the participant's death.
- 4.04 If the participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the participant's surviving spouse, no additional contributions may be accepted in the account.
- 4.05 The minimum amount that must be distributed each year, beginning with the year containing the participant's required beginning date, is known as the "required minimum distribution" and is determined as follows:
- The required minimum distribution under paragraph 4.02(b) for any year, beginning with the year the participant reaches age 70 1/2, is the participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the participant's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the participant's (or, if applicable, the participant and spouse's) attained age (or ages) in the year.
 - The required minimum distribution under paragraphs 4.03(a) and 4.03(b)(i) for a year, beginning with the year following the year of the participant's death (or the year the participant would have reached age 70 1/2, if applicable under paragraph 4.03(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 4.03(a) and 4.03(b)(i).
 - The required minimum distribution for the year the participant reaches age 70 1/2 can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
- 4.06 The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

Article V

- 5.01 The participant agrees to provide the custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.
- 5.02 The custodian agrees to submit to the Internal Revenue Service (IRS) and participant the reports prescribed by the IRS.
- 5.03 The custodian also agrees to provide the participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

Article VI

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

Article VII

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

Article VIII

- 8.01 **Applicable Law:** This Custodial 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 Kansas, where the Custodian is organized. The term Depositor also includes the Depositor's Beneficiary(ies), where appropriate throughout this Agreement. Any lawsuit filed against or by Custodian or Administrator shall only be instituted in the district or county courts of Johnson County, Kansas, where Custodian maintains its principal office, and Depositor agrees to submit to such jurisdiction both in connection with any such lawsuit which Depositor may file and in connection with any lawsuit which Custodian or Administrator may file against Depositor.

8.02 **Custodian and Administrator:**

- (a) The Custodian for the Custodial Account is **First Trust Company of Onaga**.
(b) The Administrator for the Custodial Account is New Direction IRA, Inc., a Colorado corporation.

- 8.03 **Agent for the Custodian:** The Custodian has appointed the Administrator to act as agent for the Custodian for the purpose of performing administrative or other custodial-related services with respect to the Custodial Account for which the Custodian otherwise has responsibility under this Agreement. All limitations of duties to the Depositor, and releases or indemnifications of the Custodian by the Depositor in this Agreement shall apply equally to the Administrator. The Administrator shall perform duties on behalf of the Custodian which include, but are not limited to, executing applications or adoption agreements, transfers, stock powers, escrow accounts, purchase agreements, notes, deeds, conveyances, liens, placing assets or liabilities in the Administrator's name for the benefit of the Depositor to provide administrative feasibility for such transactions, depositing contributions, and income, paying liabilities and distributions and government reporting for Depositors who have established a Custodial Account with the Custodian.

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

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

8.06 **Resignation and Removal of Custodian:**

- (a) The Custodian may resign and appoint a successor trustee or custodian to serve under this agreement or under another governing agreement selected by the successor trustee or custodian by giving the Depositor written notice at least 30 days prior to the effective date of such resignation and appointment, which notice shall also include or be provided under separate cover a copy of such other governing instrument, if applicable, and the related disclosure statement. The Depositor shall then have 30 days from the date of such notice to either request a distribution of the entire account balance or designate a different successor trustee or custodian and notify the Custodian of such designation. If the Depositor does not request distribution of the account balance or notify the Custodian of the designation of a different successor trustee or custodian within such 30 day period, the Depositor shall be deemed to have consented to the appointment of the successor trustee or custodian and the terms of any new governing instrument, and neither the Depositor nor the successor shall be required to execute any written document to complete the transfer of the account to the successor trustee or custodian. The successor trustee or custodian may rely on any information, including beneficiary designations, previously provided by the Depositor to the Custodian.
- (b) The Depositor may at any time remove the Custodian and replace the Custodian with a successor trustee or custodian of the Depositor's choice by giving 30 days notice of such removal and replacement. The Custodian shall then deliver the assets of the account as directed by the Depositor. However, the Custodian may retain a portion of the assets of the Custodial Account as a reserve for payment of any anticipated remaining fees and expenses, and shall pay over any remainder of this reserve to the successor trustee or custodian upon satisfaction of such fees and expenses.
- (c) The Custodian may resign and demand that the Depositor appoint a successor trustee or custodian of this Custodial Account by giving the Depositor written notice at least 30 days prior to the effective date of such resignation. The Depositor shall then have 30 days from the date of such notice to designate a successor trustee or custodian, notify the Custodian of the name and address of the successor trustee or custodian, and provide the Custodian with appropriate evidence that such successor has accepted the appointment and is qualified to serve as trustee or custodian of an individual retirement account.
- (1) If the Depositor designates a successor trustee or custodian and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor trustee or custodian.
- (2) If the Depositor does not notify the Custodian of the appointment of a successor trustee or custodian within such 30 day period, then the Custodian may distribute all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the Depositor, outright and free of trust, and the Depositor shall be wholly responsible for the tax consequences of such distribution.

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

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

8.07 **Custodian's and Administrator's Fees and Expenses:**

- (a) This Section 8.05 of the Custodial Agreement shall be governed by the requirements of Section 408(p)(7) and IRS Notice 98-4, Section J, and is further explained in the accompanying SIMPLE IRA Disclosure Statement.
- (b) The Depositor agrees to pay the Custodian any and all fees specified in the Custodian's current published fee schedule for establishing and maintaining this Custodial Account, including any fees for distributions from, transfers from, and terminations of this Custodial Account. The Custodian may change its fee schedule at any time by giving the Depositor 30 days prior written notice.
- (c) The Depositor agrees to pay any expenses incurred by the Custodian or the Administrator in the performance of its duties in connection with the account. Such expenses include, but are not limited to, administrative expenses, legal fees, accounting fees, regulatory fees and any taxes or assessments of any kind whatsoever that may be levied with respect to such account.

- (d) All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the Depositor, but the Depositor shall be responsible for any deficiency.
- (e) In the event that for any reason the Custodian is not certain as to who is entitled to receive all or part of the assets in the Custodial Account, the Custodian reserves the right to withhold any payment from the Custodial Account, to request a court ruling to determine the disposition of the Custodial assets, and to charge the Custodial Account for any expenses incurred in obtaining such legal determination.
- (f) The Custodian shall be entitled to receive, from the assets held in the Custodial Account, a fee equal in amount to all income that is generated from any Undirected Cash (defined as any cash in the Custodial Account not invested pursuant to a specific investment direction by Depositor) which has been deposited by Custodian into FDIC or other United States government insured financial institutions, United States government securities, or securities that are insured or guaranteed by the United States government, as provided in Section 9.01(b) below. Custodian's fees from the Undirected Cash in the Custodial Account are associated with cash management activities, including, but not limited to, account maintenance, depository bank selection, transaction processing, sub-accounting, record keeping, and other services performed under the terms of this Agreement. Custodian retains the right, but does not have the obligation, to reduce this fee by rebating a portion of the fee into the Custodial Account. The Depositor agrees that this fee may be retained by the Custodian as compensation for the services provided by Custodian under this Agreement. The Custodian may pay all or an agreed portion of this fee to the Administrator as agreed between the Custodian and the Administrator. The Custodian reserves the right to change all or part of the Custodial Fee Schedule at its discretion with 30 days advance written notice to Depositor.
- (g) In addition to any portion of the Custodian's fee that the Administrator receives from the Custodian as provided in Section 8.07(f), the Administrator shall be entitled to fees for account opening, asset purchases and sales, distributions, transfers, terminations, and annual administration of the Custodial Account, along with other miscellaneous fees, as disclosed in a fee schedule provided by the Administrator to the Depositor. The Administrator may change its fee schedule at any time by giving the Depositor 30 days prior written notice. If payment is not received within thirty (30) days from the due date reflected on an invoice, a past due notice will be mailed to Depositor and a late fee equal to the lower of (a) 1.5% of the outstanding invoice for every month or partial month that the invoice is outstanding or (b) the maximum late penalty permitted under the state law where the Administrator is organized, shall be assessed to the Custodial Account. Additionally, assets may be liquidated from the account, without notice, for any outstanding fee which has not been paid. If fees are not paid within thirty (30) days after Administrator has mailed the past due notice, Administrator will begin the process of closing the Custodial Account. Any asset distributed directly to Depositor as part of closing the Custodial Account will be reported to the IRS on Form 1099-R and may subject the Depositor to possible taxes and penalties. Accounts with past due fees, unfunded accounts, and accounts with zero value will continue to incur administration fees until such time as Depositor notifies Administrator (on a form prescribed by Custodian) of Depositor's intent to close the account or until Custodian resigns.
- 8.08 **Withdrawal Requests:** All requests for withdrawal shall be in writing on the form provided by the Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested.
- 8.09 **Age 70 1/2 Default Provisions:** If the Depositor does not choose any of the distribution methods under Article IV of this Trust Agreement by the April 1st following the calendar year in which the Depositor reaches age 70 1/2, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Regulation section 1.401(a)(9)-9. However, no payment will be made until the Depositor provides the Custodian with a proper distribution request acceptable to the Custodian. Upon receipt of such distribution request, the Depositor may switch to a joint life expectancy in determining the required minimum distribution if the Depositor's spouse was the sole beneficiary as of the January 1st of the distribution calendar year and such spouse is more than 10 years younger than the Depositor.
- 8.10 **Death Benefit Default Provisions:**
- (a) If the Depositor dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the Designated Beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
- (b) If the Depositor dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03(a). However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Custodial Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
- 8.11 **Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002:** Unless the Custodian provides otherwise, if a Depositor (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.
- 8.12 **Responsibilities:** Participant agrees that all information and instructions given to the Custodian by the Participant is complete and accurate and that the Custodian shall not be responsible for any incomplete or inaccurate information provided by the Participant or Participant's beneficiary(ies). Participant agrees to be responsible for all tax consequences arising from contributions to and distributions from this Custodial Account and acknowledges that no tax advice has been provided by the Custodian.
- 8.13 **Designation of Beneficiary:**
- (a) Except as may be otherwise required by State law, in the event of the Participant's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Participant on a beneficiary designation form acceptable to and filed with the Custodian. The Participant may change the Participant's beneficiary or beneficiaries at any time by filing a new beneficiary designation with the Custodian. If no beneficiary designation is in effect, if none of the named beneficiaries survive the Participant, or if the Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Participant's estate.
- (b) If the Custodian permits, in the event of the Depositor's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies) if any, designated by the original spouse beneficiary where the Depositor dies before his or her required beginning date. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

ARTICLE IX SELF-DIRECTED SIMPLE IRA PROVISIONS

9.01 **Investment of Contributions:**

- (a) At the direction of the Depositor (or the direction of the beneficiary upon the Depositor's death), the Custodian shall invest all contributions to the Custodial Account and earnings thereon in investments that are acceptable to the Custodian, and that are considered administratively feasible by the Custodian, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian), certificates of deposit, real estate, deeds of trust, mortgages, unsecured notes, limited partnerships, limited liability companies, private stock, other private placement offerings, and other investments to which the Custodian consents, in such amounts as are

specifically selected and specified by the Depositor in orders to the Custodian in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment. The Custodian shall be responsible for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received as required, or, if received, are unclear in the opinion of the Custodian, or if there is insufficient Undirected Cash in the Custodial Account to comply with such orders, all or a portion of the contribution may be held uninvested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification, or the contribution may be returned. The Custodian and the Administrator shall have no duty other than to follow the written investment directions of the Depositor, and shall be under no duty to question said instructions and shall not be liable for any investment losses sustained by the Depositor under any circumstances.

- (b) Depositor hereby acknowledges and agrees that Custodian will deposit all Undirected Cash in the Custodial Account into pooled deposit accounts at one or more FDIC or other United States government insured institutions or in United States government securities or in securities that are insured or guaranteed by the United States government pending further investment direction by Depositor. All income generated by Undirected Cash in Custodian's pooled deposit accounts shall be retained by Custodian as fees, as described in paragraph 8.07(f) above. Depositor authorizes Custodian to transfer any Undirected Cash in the Custodial Account into any FDIC insured financial institution or in United States government securities or in securities that are insured or guaranteed by the United States government without any further approval or direction by the Depositor.
- 9.02 **Indemnification:** The Custodian and Administrator shall have no duty other than to follow the written instructions of the Depositor, and shall be under no duty to question said instructions and shall not be liable for any investment losses sustained by the Depositor under any circumstances. By performing services under this Agreement, the Custodian and the Administrator are acting as the agent of Depositor, and nothing in this Agreement shall be construed as conferring fiduciary status on the Custodian or the Administrator. Depositor agrees to indemnify and hold harmless the Custodian and the Administrator from any and all claims, damages, liability, actions, costs, expenses (including reasonable attorneys' fees) and any loss to the Custodial Account, to the Depositor or to Depositor's beneficiary(ies) as a result of any action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by Depositor or Depositor's investment advisor or resulting from serving as the Custodian or the Administrator, including, without limitation, claims, damages, liability, actions and losses asserted by the Depositor or the Depositor's beneficiary(ies).
- 9.03 **Registration:** All assets of the Custodial Account shall be registered in the name of the Custodian, or in the name of the Administrator, who shall be the nominee of the Custodian for purposes of holding assets of the Custodial Account. The same Administrator may be the nominee of the Custodian with respect to the holding of assets of other investors whether or not held under agreements similar to this one or in any capacity whatsoever; and the Custodian may commingle the assets so held to the extent permitted by law. However, the Custodial Account and each other account or asset so held shall each be separate and distinct; a separate account therefore shall be maintained by the Custodian (or by the Administrator on behalf of the Custodian). The assets of the Custodial Account may be held by the Custodian in individual or bulk segregation either in the Custodian's vaults or vaults of the Custodian's agent or through brokerage accounts of entities permitted to hold assets of the applicable type under the Securities Exchange Act of 1934 or the Commodities Exchange Act.
- 9.04 **Investment Advisor:** The Depositor may appoint an Investment Advisor, qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of the Custodial Account or any specified portion of the Custodial Account. The Depositor shall notify the Custodian in writing of any such appointment by providing the Custodian a copy of the instruments appointing the Investment Advisor and evidencing the Investment Advisor's acceptance of such appointment, an acknowledgment by the Investment Advisor that it is a fiduciary of the account, and a certificate evidencing the Investment Advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to it by the Investment Advisor, unless and until it receives written notification from the Depositor that the Investment Advisor's appointment has been terminated. The Custodian and the Administrator shall have no duty other than to follow the written investment directions of such Investment Advisor and shall be under no duty to question said instructions, and the Custodian and Administrator shall not be liable for any investment losses sustained by the Depositor as a result of following the written investment directions of the Depositor's Investment Advisor.
- 9.05 **No Investment Advice:** The Depositor acknowledges and agrees that the Custodian and the Administrator do not provide or assume responsibility for any tax, legal or investment advice with respect to the investments and assets in the Custodial Account and shall not be liable for any loss which results from the Depositor's exercise of control over the Custodial Account. The Depositor and the Depositor's beneficiary(ies) release, indemnify and agree to hold the Custodian and the Administrator harmless in the event that any investment or sale of the assets in the Custodial Account pursuant to a direction by the Depositor or the Depositor's Investment Advisor violates any federal or state law or regulation or otherwise results in a disqualification, penalty, tax or fine imposed upon the Custodian, the Administrator, the Depositor or the Custodial Account.
- 9.06 **Prohibited Transactions:** The Depositor acknowledges and agrees that the Custodial Account is subject to the provisions of section 4975, which defines certain prohibited transactions. Depositor acknowledges and agrees that the Custodian and the Administrator shall make no determination as to whether any transaction or investment in the Custodial Account is prohibited under sections 4975, 408(e) or 408A, or under any other state or federal law. The Depositor understands that should the Custodial Account engage in a prohibited transaction and depending on the type of prohibited transaction, certain assets of the Custodial Account will be deemed to have been distributed and will be subject to taxes as well as possible penalties. The Depositor agrees that he or she will consult with a tax or legal professional of the Depositor's choice to ensure that none of the investments in the Custodial Account will constitute a prohibited transaction and that the investments in the Custodial Account comply with all applicable federal and state laws, regulations and requirements.
- 9.07 **Unrelated Business Income Tax:** The Depositor acknowledges and agrees that the Custodial Account is subject to the provisions of Internal Revenue Code Sections 511-514 relating to Unrelated Business Taxable Income (UBTI) of tax-exempt organizations. If the Depositor directs the Custodian to make an investment in the Custodial Account which generates UBTI, the Depositor agrees to prepare or have prepared the required IRS Form 990-T tax return, an application for an Employer Identification Number (EIN) for the Custodial Account (if not previously obtained), and any other documents that may be required, and to submit them to the Custodian for filing with the Internal Revenue Service at least ten (10) days prior to the date on which the return is due, along with an appropriate directive authorizing the Custodian to execute the forms on behalf of the Custodial Account and to pay the applicable tax from the assets in the Custodial Account. Depositor understands and acknowledges that the Custodian and the Administrator do not make any determination of whether or not investments in the Custodial Account generate UBTI; have no duty to and do not monitor whether or not the Custodial Account has incurred UBTI; and do not prepare Form 990-T on behalf of the Custodial Account.
- 9.08 **Disclosures and Voting:** The Custodian shall deliver, or cause to be executed and delivered, to Participant all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of adequate written instructions from Participant.
- 9.09 **Miscellaneous Expenses:** In addition to those expenses set out in section 8.05 of this plan, the Participant agrees to pay any and all expenses incurred by the Custodian in connection with the investment of the account, including expenses of preparation and filing any returns and reports with regard to unrelated business income, including taxes and estimated taxes, as well as any transfer taxes incurred in connection with the investment or reinvestment of the assets of the account.
- 9.10 **Valuations:** The assets in the Custodial Account shall be valued annually at the end of each calendar year in accordance with section 408(i) and other guidance provided by the IRS, but Custodian retains the right to value the assets in the Custodial Account more frequently. In valuing the assets of the Custodial Account for record keeping and government reporting purposes, Custodian will ascertain the fair market value of each investment through utilizing various third-party pricing sources and designated valuation agents. However, Custodian does not guarantee the accuracy of prices obtained from these sources. 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, and Depositor agrees not to rely on any such valuation for any other purposes. Depositor agrees to provide the year end value of any illiquid and/or non-publicly traded investments, which may include without limitation limited partnerships, limited liability companies, privately held stock, real estate investment trusts, hedge funds, real estate, secured and unsecured promissory notes, and any other investments as Custodian shall designate, by no later than the following January 10th. If Custodian does not receive a current year end fair market value by the following January 10th for any such investment, the Custodian shall take appropriate actions to receive the fair market value

from an independent third party that specializes in valuations, paying the cost of such valuation from the liquid assets held in the Custodial Account, or in the alternative after having first received the cost of the valuation from Depositor or Depositor's beneficiary(ies) if liquid investments in the Custodial Account are otherwise insufficient. Unless Custodian has received a written fair market valuation to the contrary, promissory notes and privately offered corporate debt will have valuations reflected at the face value shown on the original note or debt instrument, or if the note is subject to an amortization schedule and the amortization schedule has been provided to Custodian by Depositor, valuation may be shown at the principal amount shown on the amortization schedule as of the end of the previous year. Depositor, and upon Depositor's death Depositor's beneficiary(ies), agree to indemnify and hold harmless Custodian from any and all losses, expenses, settlements, or claims with regard to investment decisions, distribution values, tax reporting or any other financial impact or consequence relating to or arising from the valuation of assets in the Custodial Account.

- 9.11 **Insurance, Tax and Other Payments:** Custodian and Administrator shall not bear or assume any responsibility to notify Depositor or to secure or maintain any fire, casualty, liability or other insurance coverage, including but not limited to title insurance coverage, on any real or personal property owned in the Custodial Account or on any property which serves as collateral under any mortgage, deed of trust, or other security instrument with respect to any promissory note or other evidence of indebtedness in the Custodial Account. Depositor acknowledges and agrees that it is the responsibility of Depositor to decide what insurance is necessary or appropriate for any investment in the Custodial Account, and to direct Custodian in writing (on a form prescribed by Custodian) to pay the premiums for any such insurance. Custodian and Administrator shall not be responsible for notification or payments of any real estate taxes, homeowners association dues, utilities or other charges with respect to any investment held in the Custodial Account unless Depositor specifically directs the Custodian to pay the same in writing (on a form prescribed by Custodian), and sufficient funds are available to pay the same from the Custodial Account. Depositor acknowledges and agrees that it shall be Depositor's responsibility to provide to Custodian or to ensure that Custodian has received any and all bills for insurance, taxes, homeowners dues, utilities or other amounts due for assets held in the Custodial Account. Furthermore, Depositor agrees that it shall be Depositor's responsibility to determine that payments have been made by verifying the payments via Depositor's Custodial Account statements.

Article X Miscellaneous Provisions

- 10.01 **Electronic Communications, Signatures, and Records:** Subject to any limitations contained in Treasury Regulation section 1.401(a)-21 and any other applicable federal or state law or regulation, Depositor acknowledges and agrees that the Custodial Account shall be subject to the provisions of the Uniform Electronic Transactions Act, as passed in the state where the Custodian is organized (Kansas Statutes Annotated (KSA) Sections 16-601 et seq.), and the federal Electronic Signature in Global and National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001), as those laws pertain to electronic communication, electronic signatures, and electronic storage of Custodial Account records. Pursuant to KSA section 9-1130(f), in lieu of the retention of the original records, Custodian may cause any, or all, of its records, and records at any time in its custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.
- 10.02 **Severability:** If any provision of this Custodial Account Agreement is found to be illegal, invalid, void or unenforceable, such provision shall be severed and such illegality or invalidity shall not affect the remaining provisions which shall remain in full force and effect. Neither Depositor's or Custodian's failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or Depositor's right or Custodian's right to enforce each and every such provision.

General Instructions

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

Purpose of Form

Form 5305-SA is a model custodial account agreement that meets the requirements of sections 408(a) and 408(p) and has been pre-approved by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the participant and his or her beneficiaries. Do not file Form 5305-SA with the IRS. Instead, keep it with your records.

For more information on SIMPLE IRAs, including the required disclosures the Custodian must give the participant, see Pub. 590, Individual Retirement Arrangements (IRAs).

Definitions

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

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

Transfer SIMPLE IRA

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

Specific Instructions

Article IV.--Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the participant reaches age 70 1/2 to ensure that the requirements of section 408(a)(6) have been met.

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

FINANCIAL DISCLOSURE

In General

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

Growth in the Value of Your SIMPLE IRA

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

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

Custodian/Administrator Fees

The Custodian or Administrator may charge reasonable fees or compensation for its services and it may deduct all reasonable expenses incurred by it in the administration of your SIMPLE IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the Custodian or Administrator will be separately disclosed in the Administrator's Fee Disclosure attached hereto. Such fees may be charged to you or directly to your

custodial account. In addition, depending on your choice of investment vehicles, you may incur brokerage commissions attributable to the purchase or sale of assets.

SIMPLE IRA DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR SIMPLE IRA ACCOUNT: You may revoke your SIMPLE IRA within 7 days after you sign the SIMPLE IRA Adoption Agreement by hand-delivering or mailing a written notice to the name and address indicated below:

IRA Administrator
_____[insert name and address of company]

If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the Adoption Agreement. If you revoke your SIMPLE IRA within the 7 day period you will receive a refund of the entire amount of your contributions to the SIMPLE IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report certain information to the IRS.

GENERAL REQUIREMENTS OF A SIMPLE IRA:

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

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

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

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

ELIGIBLE EMPLOYERS: SIMPLE plans may be established by employers (including tax-exempt employers and governmental entities) that had no more than 100 employees who earned \$5,000 or more in compensation during the preceding calendar year. For purposes of the 100-employee limitation, all employees employed at any time during the calendar year are taken into account, regardless of whether they are eligible to participate in the SIMPLE plan. This means that otherwise excludible employees (i.e. certain union employees, nonresident aliens with no U.S. source income, and those employees who have not met the plan's minimum eligibility requirements) must be taken into account.

SIMPLE PLAN CONTRIBUTIONS:

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

Applicable Annual Dollar Limitation

<u>Tax Year</u>	<u>Contribution Limit</u>	<u>Tax Year</u>	<u>Contribution Limit</u>
2001	\$ 6,500	2006	\$10,000
2002	\$ 7,000	2007	\$10,500
2003	\$ 8,000	2008	\$10,500
2004	\$ 9,000	2009	\$11,500
2005	\$10,000	2010-2012	\$11,500

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

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

<u>Tax Year</u>	<u>Normal Limit</u>	<u>Additional Catch-up</u>	<u>Total Contribution</u>
2002	\$7,000	\$ 500	\$ 7,500
2003	\$8,000	\$1,000	\$ 9,000
2004	\$9,000	\$1,500	\$10,500
2005	\$10,000	\$2,000	\$12,000
2006	\$10,000	\$2,500	\$12,500
2007	\$10,500	\$2,500	\$13,000
2008	\$10,500	\$2,500	\$13,000
2009	\$11,500	\$2,500	\$14,000
2010-2012	\$11,500	\$2,500	\$14,000

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

EMPLOYER CONTRIBUTIONS - 2 OPTIONS:

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

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

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

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

\$220,000 for 2006
 \$225,000 for 2007
 \$230,000 for 2008
 \$245,000 for 2009
 \$245,000 for 2010-2011
 \$250,000 for 2012

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

EMPLOYEE ELECTIONS: During the 60-day period immediately preceding January 1st of a calendar (i.e. November 2 to December 31 of the preceding calendar year), an eligible employee must be given the right to enter into a salary reduction agreement for the calendar year, or to modify a prior agreement (including reducing the amount subject to this agreement to \$0). However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may enter into a salary reduction agreement or modify a prior agreement is a 60-day period that includes either the date the employee becomes eligible or the day before that date. For example, if an employer establishes a SIMPLE plan effective as of July 1, 2010, each eligible employee becomes eligible to make salary reduction contributions on that date and the 60-day period must begin no later than July 1 and cannot end before June 30, 2010.

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

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

EMPLOYER ADMINISTRATIVE AND NOTIFICATION REQUIREMENTS: An employer must notify each employee, immediately before the employee's 60-day election period, of the employee's opportunity to enter into a salary reduction agreement or to modify a prior agreement. If applicable, this notification must

disclose an employee's ability to select the financial institution that will serve as the trustee or custodian of the employee's SIMPLE IRA. Such notification must also include the Summary Description required under section 408(l)(2)(B). Such notification must also include whether the employer will be making either matching contributions (including the employer's election to reduce the matching contribution below 3%) or nonelective contributions as previously described.

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

The employer must deliver the salary reduction contributions to the financial institution maintaining the SIMPLE IRA as of the earliest date on which the contributions can reasonably be segregated from the employer's general assets, but no later than the close of the 30-day period following the last day of the month in which such amounts would otherwise have been payable to the employee in cash. In order to meet the earliest date standard, the DOL regulations provide for a 7-business day deadline for depositing the employee's salary deferral into their account.

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

ROLLOVERS

ROLLOVER CONTRIBUTIONS FROM ANOTHER SIMPLE IRA: A rollover contribution to this SIMPLE IRA is only permitted from another SIMPLE IRA. A rollover contribution from another SIMPLE IRA is any amount the participant receives from one SIMPLE IRA and redeposits some or all of it into this SIMPLE IRA no later than 60 days following the date of receipt. The participant is not required to roll over the entire amount received from the first SIMPLE IRA. However, any amount you do not roll over will be taxed at ordinary income tax rates for federal income tax purposes and may also be subject to an additional tax if the distribution is a premature distribution described below.

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

SPECIAL RULES THAT APPLY TO ROLLOVERS:

- The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- You may have only one IRA to IRA rollover during a 12 consecutive month period measured from the date you received a distribution of an IRA which was rolled over to another IRA. (See IRS Publication 590 for more information).
- The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be rolled over into the second IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- If you are age 70 1/2 or older and wish to roll over to another IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.
- Rollover contributions to a SIMPLE IRA may not be made from a qualified plan, 403(b) plan, 457(b), or any other IRA that is not a SIMPLE IRA.

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

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

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

AGE 70 1/2 REQUIRED MINIMUM DISTRIBUTIONS: You are required to begin receiving minimum distributions from your SIMPLE IRA by your required beginning date (the April 1 of the year following the year you attain age 70 1/2). The year you attain age 70 1/2 is referred to as your "first distribution calendar year". The required minimum for your first distribution calendar year must be withdrawn no later than your required beginning date. The required minimum for your second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year.

Your minimum distribution for each year beginning with the calendar year you attain the age of 70 1/2 is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st.

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

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

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

DEATH DISTRIBUTIONS: If you die before your required beginning date and you have a designated beneficiary, the balance in your SIMPLE IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70 1/2, if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your SIMPLE IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

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

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

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

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

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

USE OF A DESIGNATED FINANCIAL INSTITUTION "DFI" - If an employer requires that all SIMPLE contributions initially be made to a DFI, the following requirements must be met:

1. The employer and the financial institution must agree that the financial institution will be a DFI for the employer's SIMPLE plan;
2. The DFI must agree that, if a participant elects before the expiration of the employee's 60-day election period, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies, to any IRA) to a financial institution selected by the participant; and
3. Each participant is given written notification describing the procedures under which, if a participant so elects, the participant's balance will be transferred without cost or penalty to another SIMPLE IRA (or after the 2-year period no longer applies, to any IRA) to a financial institution selected by the participant.

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

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

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

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

USE OF A NON DESIGNATED FINANCIAL INSTITUTION "NON-DFI": If the employer's SIMPLE plan permits the participants to select their own financial institution to serve as trustee or custodian of the SIMPLE IRA, the rules explained above do not apply and the Custodian may charge any and all fees described in Section 8.05 of the SIMPLE IRA plan agreement.

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

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

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

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

PENALTIES: If you are under age 59 1/2 and receive a premature distribution from your SIMPLE IRA, an additional 10% (or 25% for certain SIMPLE IRA distributions) income tax will apply on the taxable amount of the distribution. If you are age 70 1/2 or over or if you should die, and the appropriate required minimum distributions are not made from your SIMPLE IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

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

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

SUMMARY DESCRIPTION FOR NON-DESIGNATED FINANCIAL INSTITUTION

Employer must complete the following:

ELIGIBILITY REQUIREMENTS

All Employees of the Employer shall be eligible to participate under the Plan except:

- a. Employees included in a unit of employees covered under a collective bargaining agreement.
- b. Non-resident alien employees who did not receive US source income.
- c. Employees who are not reasonably expected to earn \$ _____ (not to exceed \$5,000) during the Plan Year for which the contribution is being made.
- d. There are no eligibility requirements. All Employees are eligible to participate upon the later of the plan's effective date or the employee's date of hire.

Each Eligible Employee will be eligible to become a Participant after having worked for the Employer during any _____ prior years (not to exceed 2) and received at least \$ _____ in compensation (not to exceed \$5,000), during each of such prior years.

WRITTEN ALLOCATION FORMULA

The Employer has agreed to provide contributions for the _____ Plan Year as follows (complete only one choice):

- a. Matching Contribution - The amount of the Participant's Elective Deferral not in excess of 3% of such Participant's Compensation.
- b. Matching Contribution - The amount of the Participant's Elective Deferral not in excess of _____% (not less than 1% nor more than 3%) of each Participant's Compensation
- c. Nonelective Employer Contribution - 2% of each Participant's Compensation.

The Employer has designated _____ (insert Name & Title) to provide additional information to participants about the Employer's SIMPLE Plan.

GENERAL DISCLOSURE INFORMATION

The following information explains what a Savings Incentive Match Plan for Employees ("SIMPLE") is, how contributions are made, and how to treat these contributions for tax purposes. For more specific information, refer to the employer's SIMPLE Retirement Plan document itself. For a calendar year, you may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which you first become eligible to make salary reduction contributions, the period during which you may make or modify the election is a 60 day period that includes either the date you become eligible or the day before. If indicated in your employer's SIMPLE plan, you may have additional opportunities during a calendar year to make or modify your salary reduction election.

I. SIMPLE Retirement Plan and SIMPLE IRA Defined

A SIMPLE Retirement Plan is a retirement income arrangement established by your employer. Under this SIMPLE Plan, you may choose to defer compensation to your own SIMPLE Individual Retirement Account or Annuity ("IRA"). You may base these "elective deferrals" on a salary reduction basis that, at your election, may be contributed to a SIMPLE IRA or received in cash. This type of plan is available only to an employer with 100 or fewer employees who earned at least \$5,000 during the prior calendar year. A SIMPLE IRA is a separate IRA plan that you establish with an eligible financial institution for the purpose of receiving contributions under this SIMPLE Retirement Plan. Your employer must provide you with a copy of the SIMPLE agreement containing eligibility requirements and a description of the basis upon which contributions may be made. All amounts contributed to your IRA belong to you, even after you quit working for your employer.

II. Elective Deferrals - Not Required

You are not required to make elective deferrals under this SIMPLE Retirement Plan. However, if the Employer is matching your elective deferrals, no Employer contribution will be made on your behalf unless you elect to defer under the plan.

III. Elective Deferrals - Annual Limitation

The maximum amount that you may defer under this SIMPLE Plan for any calendar year is limited to the lesser of the percentage of your compensation that you select or the following dollar limit, subject to cost-of-living increases.

Applicable Annual Dollar Limitations

Tax Year	Contribution Limit
2006	\$10,000
2007	\$10,500
2008	\$10,500
2009	\$11,500
2010-2012	\$11,500

If you work for other employers (unrelated to this Employer) who also maintain a salary deferral plan, there is an overall limit on the maximum amount that you may defer in each calendar year to all elective SEPs, cash or deferred arrangements under section 401(k) of the Code, other SIMPLE plans and 403(b) plans regardless of how many employers you may have worked for during the year. This limitation is referred to as the section 402(g) limit. The section 402(g) limit on elective deferrals is currently \$16,500 for 2010 and is indexed according to the cost of living. If you attain age 50 or over by the end of a calendar year, you can elect to have your compensation reduced by an additional "catch-up" amount of \$2,500 (limit for 2011 and 2012, subject to cost-of-living adjustments).

IV. Elective Deferrals - Tax Treatment

The amount that you may elect to contribute to your SIMPLE IRA is excludible from gross income, subject to the limitations discussed above, and is not includable as taxable wages on Form W-2. However, these amounts are subject to FICA taxes.

V. Elective Deferrals - Excess Amounts Contributed

When "excess elective deferrals" (i.e., amounts in excess of the SIMPLE elective deferral limit or the section 402(g) limit) are made, you are responsible for calculating whether you have exceeded these limits in the calendar year. Excess elective deferrals are calculated on the basis of the calendar year.

VI. Excess Elective Deferrals - How to Avoid Adverse Tax Consequences

Excess elective deferrals are includable in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includable in your income in

the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective

deferrals and any allocable income, from your SIMPLE IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE IRA. Income on excess elective deferrals is includable in your gross income in the year you withdraw it from your SIMPLE IRA and must be withdrawn by April 15 following the calendar year to which the deferrals relate. Income withdrawn from the SIMPLE IRA after that date may be subject to a 10% tax (or 25% if withdrawn within the first 2 years of participation) on early distributions.

VII. Income Allocable To Excess Amounts

The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE IRA will inform you of the income allocable to such excess amounts.

VIII. Availability of Regular IRA Contribution Deduction

In addition to any SIMPLE contribution, you may contribute to a separate IRA the lesser of 100% of compensation or the regular IRA contribution dollar limit to an IRA as a regular IRA contribution. However, the amount that you may deduct is subject to various limitations since you will be considered an "active participant" in an employer-sponsored plan. See Pub. 590, "Individual Retirement Arrangement", for more specific information.

IX. SIMPLE IRA Amounts - Rollover or Transfer to another IRA

You may not roll over or transfer from your SIMPLE IRA any SIMPLE contributions (or income on these contributions) made during the plan year to another IRA (other than a SIMPLE IRA), convert to a Roth IRA or rollover to an employer plan until the 2 years following the date you first participated in the SIMPLE plan. Also, any distribution made before this time will be includable in your gross income and may also be subject to a 25% percent additional income tax for early withdrawal. You may, however, remove excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA before this time, but you may not roll over or transfer these amounts to another IRA.

After the 2-year restriction no longer applies, you may withdraw, or receive, funds from your SIMPLE IRA, and no more than 60 days later, place such funds in another IRA or SIMPLE IRA. This is called a "rollover" and may not be done without penalty more frequently than at one-year intervals. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have such funds transferred between the Custodians so that you never have possession of the funds.

You may not, however, roll over or transfer excess elective deferrals, and income allocable to such excess amounts from your SIMPLE IRA to another IRA. These excess amounts may be reduced only by a distribution to you.

X. Filing Requirements

You do not need to file any additional forms with the IRS because of your participation in your employer's SIMPLE Plan.

XI. Employer to Provide Information

Your employer must provide you with a copy of the executed SIMPLE agreement, a Summary Description, the form you should use to elect to defer amounts to your SIMPLE IRA, and a statement for each taxable year showing any contribution to your SIMPLE IRA.

XII. Financial Institution Where IRA is Established to Provide Information

The financial institution must provide you with a disclosure statement that contains information described in section 1.408-6 of the regulations. The Disclosure Statement that is a part of this SIMPLE IRA account documentation must be read in conjunction with this Summary Description for Non-Designated Financial Institutions.

The Disclosure Statement contains important information about the SIMPLE plan rules and the contents of such Disclosure Statement are incorporated herein by reference. See Publication 590, "Individual Retirement Arrangements", which is available at most IRS offices, for a more complete explanation of the disclosure requirements. In addition to the disclosure statement, the financial institution is required to provide you with a financial statement each year. It may be necessary to retain and refer to statements for more than one year in order to evaluate the investment performance of your IRA and in order that you will know how to report IRA distributions for tax purposes.

Account Number: _____
(An account number will be assigned by the custodian and will be mailed to you.)

1. WHAT TYPE OF ACCOUNT WOULD YOU LIKE TO OPEN?

- Traditional IRA
 Roth IRA
 SEP IRA (Employer Name: _____)
- SIMPLE IRA (Employer Name: _____)
- Inherited IRA (Name of Deceased: _____)
 (Date of Birth of Deceased: _____ Date of Death of Deceased: _____)
- Health Savings Account (HSA) (Please only check one)
 Individual
 Family

2. HOW WOULD YOU LIKE TO FUND THE ACCOUNT?

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Personal Contribution
Contribution Year: _____ | <input type="checkbox"/> Transfer
Move funds from IRA to IRA. | <input type="checkbox"/> Rollover
Take receipt of funds for up to 60 days before reinvesting them in a new IRA. | <input type="checkbox"/> Direct Rollover
Directly move funds from 401k to IRA. |
|--|--|--|---|

3. YOUR PERSONAL INFORMATION

Legal Name: (First, Middle, Last)
 Mr. Ms. Mrs. Dr. _____

Social Security Number:	Date of Birth: (MM/DD/YYYY)	<input type="checkbox"/> Married <input type="checkbox"/> Not Married
Physical Address:	City:	State: Zip:
Mailing Address: (If different from Physical Address)	City:	State: Zip:

Primary Phone Number:	Secondary Phone Number:	Fax Number:
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eNotifications of Account Activity and Statements <small>(Fees may apply for paper delivery; please refer to your fee schedule for details.)</small> <input type="checkbox"/> Yes <input type="checkbox"/> No	Email Address:
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How did you hear about us? <input type="checkbox"/> Internet <input type="checkbox"/> Advertisement <input type="checkbox"/> Article <input type="checkbox"/> Referred by _____	Coupon Code:
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4. HOW WOULD YOU LIKE TO PAY THE ACCOUNT SET-UP FEE? (\$50 fee is due at time of account opening.)

Choose One: <input type="checkbox"/> Credit Card (Visa, MasterCard & Discover accepted) <input type="checkbox"/> Check Enclosed (make checks payable to: New Direction Trust Company)	Credit Card Type: _____ Card Number: _____ Exp Date: _____ Exact Name on Card: _____ 3 Digit Security Code: _____ Signature: _____
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Account Number: _____

5. WHO ARE YOUR BENEFICIARIES?

If the Primary or Contingent box is not checked for a beneficiary, the beneficiary will be deemed to be a Primary Beneficiary. In the event of my death, the balance in the account shall be paid to the Primary Beneficiaries who survive me in equal shares (or in the specified shares, as indicated). If none of the Primary Beneficiaries survive me, the balance in the account shall be paid to the Contingent Beneficiaries who survive me in equal shares (or in the specified shares, as indicated). If any Primary or Contingent Beneficiary does not survive me, such beneficiary's interest and the interest of such beneficiary's heirs shall terminate completely, and the share for any remaining Primary or Contingent Beneficiary shall be increased on a pro rata basis. If no Primary or Contingent Beneficiary survives me, the remaining balance in the account shall be distributed in accordance with the plan provisions to my estate. I hereby revoke any prior beneficiary designation made by me and designate the below as my Primary and Contingent Beneficiary of this IRA.

<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Name:	Relationship:		
Address:		City:	State:	Zip:
Social Security Number:		Date of Birth: (MM/DD/YYYY)	Share:	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Name:	Relationship:		
Address:		City:	State:	Zip:
Social Security Number:		Date of Birth: (MM/DD/YYYY)	Share:	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Name:	Relationship:		
Address:		City:	State:	Zip:
Social Security Number:		Date of Birth: (MM/DD/YYYY)	Share:	

6. SPOUSAL CONSENT (Only required if your spouse is not the primary beneficiary.)

The consent of spouse must be signed only if **all** of the following conditions are present; your spouse is living, your spouse is not the sole Primary Beneficiary named and you and your spouse are residents of a community property state (AZ, CA, ID, LA, NM, NV, TX, WA or WI).

I am the spouse of the account holder listed above. I hereby certify that I have reviewed the Designation of Beneficiary Form and I understand that I have a property interest in the account. I hereby acknowledge and consent to the above designation of beneficiary other than, or in addition to, myself as primary beneficiary. I further acknowledge that I am waiving part or all of my rights to receive benefits under this plan when my spouse dies.

I, _____ hereby consent to the above Beneficiary designation.

Spouse Signature _____ Date _____

Note: Consent of the Participant's Spouse may be required in a community property or marital property state to effectively designate a beneficiary other than or in addition to the Participant's Spouse. Disclaimer For Community and Marital Property States: The Participant's Spouse may have a property interest in the account and the right to dispose of the interest by will. Therefore, the Custodian disclaims any warranty as to the effectiveness of the Participant's beneficiary designation or as to the ownership of the account after the death of the Participant's Spouse. For additional information, please consult your legal advisor.

7. YOUR SIGNATURE

I understand that I may change or add beneficiaries at any time by completing and delivering this form to New Direction Trust Company.

Printed Name: _____

Signature: _____ Date: _____

Account Number: _____

8. ACKNOWLEDGEMENTS & AGREEMENT TO TERMS

Your signature is required. Please read before signing.

The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following:

Custodian

The Custodian of my account is New Direction Trust Company "NDTCO". I understand that the Custodian may resign by giving me written notice at least 30 days prior to the effective date of such resignation. I understand that if I fail to notify the Custodian of the appointment of a successor trustee or custodian within such 30-day period, then the assets held by the Custodian in my account (whether cash or personal or real property, wherever located, and regardless of value) will be distributed to me, outright and free of trust, and I will be wholly responsible for the tax consequences of such distribution.

Inactive Accounts:

Accounts that maintain a zero balance for 90 days or more may be deemed inactive and closed at our discretion. We will attempt to notify you in advance, but we are not obliged to do so.

No Tax, Legal, or Investment Advice:

I acknowledge that the Custodian is not a fiduciary for my account and does not provide or assume responsibility for any tax, legal, or investment advice with respect to the investments and assets in my account, and will not be held liable for any loss which results from my exercise of control over my account. I understand that my account is self-directed, and I take complete responsibility for any investments I choose for my account. I further understand that the Custodian does not sell or endorse any investment products. If the services of the Custodian are marketed, suggested, or otherwise recommended by any person or entity, such as a financial representative or investment promoter, I understand that such persons are not in any way agents, employees, representatives, affiliates, partners, independent contractors, consultants, or subsidiaries of the Custodian, and that the Custodian is not responsible for any statements, representations, warranties, or agreements made by any such person or entity. I will consult independently, as I determine is necessary, with my own CPA, attorney, financial planner, or other professional prior to directing the Custodian to make any investment in my account.

Prohibited Transactions:

I understand that my account is subject to the provisions of the Internal Revenue Code (IRC) Section 4975 which defines certain prohibited transactions. I acknowledge and agree that the Custodian will not make any determination as to whether any transaction or investment in my account is prohibited under sections 4975, 408(e), or 408A, or under any other state or federal law. I accept full responsibility to ensure that none of the investments in my account will constitute a prohibited transaction and that the investments in my account comply with all applicable federal and state laws, regulations, and requirements.

Unrelated Business Income Tax:

I understand that my account may be subject to the provisions of IRC Sections 511-514 relating to Unrelated Business Income Tax (UBIT) of tax-exempt organizations. I agree that if I direct the Custodian to make an investment in my account which generates income that is subject to UBIT, I will be responsible for preparing or having prepared the required IRS form 990-T tax return, an application for an Employer Identification Number (EIN) for my account, and any other documents that may be required, and to submit them to the Custodian for filing with the Internal Revenue Service at least ten (10) days prior to the date on which the return is due, along with an appropriate directive authorizing the Custodian to execute the forms on behalf of my account and to pay the applicable tax from the assets in my account. I understand that the Custodian does not make any determination of whether or not investments in my account generate income that is subject to UBIT, has no duty to and does not monitor whether my account has incurred UBIT, and does not prepare Form 990-T on behalf of my account.

Valuation:

I understand that the assets in my account are required to be valued annually at the end of each calendar year in accordance with IRC Section 408(i) and other guidance provided by the IRS, and that the total value of my account will be reported to the IRS on Form 5498 each year. I agree to provide the year-end value of any illiquid and/or non-publicly traded investments, which may include without limitation limited partnerships, limited liability companies, privately held stock, real estate investment trusts, hedge funds, real estate, secured and unsecured promissory notes, and any other investments as the Custodian shall designate, by no later than the last business day of February of each year, with substantiation attached to support the value provided. I agree to indemnify and hold harmless the Custodian from any and all losses, expenses, settlements, or claims with regard to investment decisions, distribution values, tax reporting, or any other financial impact or consequence relating to or arising from the valuation of assets in my account.

Minimum Required Distributions:

I understand that with some types of accounts there are rules for Required Minimum Distributions (RMDs) from the account. If I am now subject to the RMD rules in my account, or if I will become subject to those rules during the term of any investment, I represent

that I have verified either that the investment will provide income or distributions sufficient to cover each RMD, or that there are other assets in my account or in other accounts that are sufficiently liquid (including cash) or, in the absence of such liquidity may distribute the investment in-kind in order that I will be able to withdraw my RMDs. I understand that failure to take RMDs may result in a tax penalty of 50% of the amount I should have withdrawn.

Responsibility for Tax Consequences:

I assume all responsibility for any tax consequences and penalties that may result from making contributions to, transactions with and distributions from my account. I assume all responsibility for: 1) determining that I am eligible for an account transaction that I direct the Custodian to make on my behalf; 2) ensuring that all contributions I make are within the limits set forth by the Internal Revenue Code; 3) the tax consequences of any contributions (including rollover contributions) and distributions.

Indemnification:

I agree that the Custodian is not a fiduciary for my account and has no duty other than to follow my written instructions and will be under no duty to question my instructions and will not be liable for any investment losses sustained by me or my account under any circumstances although Custodian does have the right to refuse to fund investments that are not administratively feasible and/or would place an undue financial or administrative burden on the Custodian. I understand that the Custodian is acting only as my agent, and nothing will be construed as conferring fiduciary status or responsibility on the Custodian. I understand that obtaining any information or communication related to the investment is my responsibility regardless of whether or not it was sent initially to the Custodian or some other party. The Custodian will attempt to forward communications received, but is not responsible for my timely receipt of any such communication. I agree to indemnify and hold harmless the Custodian from any and all claims, damages, liability, actions, costs, expenses (including reasonable attorney's fees) and any loss to my account as a result of any action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by me or my investment advisor or resulting from serving as the Custodian, including, without limitation, claims, damages, liability, actions, and losses asserted by me.

Electronic Communications, Signatures, and Records:

I acknowledge and agree that my account will be subject to the provisions of the Uniform Electronic Transactions Act, as passed in the state where the Custodian is organized (Kansas Statutes Annotated [KSA] Sections 16-601 et seq.) and the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001) as those laws pertain to electronic communication, electronic signatures, and electronic storage of Custodial Account records. I understand that, in lieu of retention of the original records, the Custodian may cause any or all records, and records at any time in their custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.

No FDIC Insurance for Investments:

I recognize that investments purchased and/or held within my account: 1) are not insured by the Federal Deposit Insurance Corporation (FDIC); 2) are not a deposit or other obligation of, or guaranteed by the Custodian; and 3) are subject to investment risks, including possible loss of the principal amount invested.

Our Privacy Policy:

You have chosen to do business with the Custodian, NDTCO. As our client, the privacy of your personal, non-public information is very important to us. We value our client relationships and we want you to understand the protections we provide in regard to your accounts with us.

Information We May Collect:

We collect non-public, personal information about you from the following sources to conduct business with you: 1) information we receive from you on applications or other forms, 2) information about your transactions with us or others, 3) Non-public, personal information that we may obtain in connection with providing services to you. This could include information you give us from account applications, account balances, and account history.

Information We May Share:

We do not sell or disclose any non-public information about you to anyone except as required by law or other regulatory authority, or as specifically authorized by you in writing. We do not share non-public, personal information with our affiliates or other providers without prior approval by you. Federal law allows us to share information with providers that process and service your accounts. All providers of services in connection with the Custodian have agreed to the Custodian's confidentiality and security policies. If you decide to close your account or become an inactive customer, we will adhere to the privacy policies and practices described in this notice.

Account Number: _____

8. ACKNOWLEDGEMENTS & AGREEMENT TO TERMS CONT'D

Confidentiality and Security:

We restrict access to non-public, personal information to those employees who need to know that information to provide services to you. We maintain physical, electronic, and procedural guidelines that comply with federal standards to guard your non-public, personal information. The Custodian reserves the right to revise this notice and will notify you of any changes in advance. If you have any questions regarding this policy, please contact us at the address and/or telephone number listed on this application:

New Direction Trust Company
1070 W. Century Drive
Louisville, CO 80027
p: 303-546-7930 | f: 303-665-5962

Signature Acknowledgements

Your signature is required. Please read before signing. The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following: I acknowledge that I have received the Fee Schedule and I understand that failure to submit a signed Fee Schedule will result in fees "based on the number of assets" (see Fee Schedule).

I acknowledge that I have read and understand the Custodial Agreement and Disclosure Statement, IRS Form 5305 for the type of account established by this application: for Traditional IRA (Form 5305-A), Roth IRA (form 5305-RA), SEP IRA (Form 5305-SEP), HSA (Form 5305-C) or SIMPLE IRA (Form 5305-SA). I agree to abide by its terms as currently in effect or as they may be occasionally amended. These Account Disclosures are to be found online at <https://ndtco.com/ira-info/forms>

Under penalties of perjury, I certify that the information I have provided above (including my Social Security Number) is correct. I hereby agree to participate in the Custodial Account offered by the Custodian. In the event that my account is to be funded by a rollover contribution, I hereby irrevocably elect, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat such contribution as a rollover contribution. I direct that all benefits upon my death be paid as indicated in this application or by my subsequent beneficiary designation. If I have named or name a beneficiary which is a trust, I understand that I must provide certain information concerning such trust to the Custodian.

Account Owner's Signature: _____ Date: _____

New Direction Trust Company, Office Use:

New Direction Trust Company has entered into an Individual Retirement Custodial Agreement as Custodian with the account holder on this form. New Direction Trust Company, by its authorized representative, agrees to act as Custodian.

By: _____ Date: _____

1. ANNUAL ADMINISTRATION FEE Please check one box. (Annual Administration fees are due when your IRA purchases an asset.)

Option 1: Quantity Based - Assessed and billed annually*
\$295 Annual Fee Per Asset plus \$195/yr. per leveraged asset
\$95/yr. for publicly traded securities/mutual funds

Example 1:	Annual Fee Per Asset
Real Estate Asset:	\$295
Total Annual Administration Fee:	\$295
Example 2:	Annual Fee Per Asset
Real Estate Asset:	\$295
Asset with Leverage:	\$195
Total Annual Administration Fee:	\$490

*Annual fee is charged when you purchase an asset and annually on the anniversary month of the first asset purchased in your account thereafter. Mortgages used to purchase real estate are considered a separate asset and billed at the \$195 rate.

OR

Option 2: Value Based - Assessed on the total market value of the assets in the account. Billed semi-annually (i.e. twice per year). *
An additional \$95/yr. will be assessed for publicly traded securities/mutual funds (the value of such assets will not count toward your Invested Market Value)

Invested Market Value	Semi-Annual Administration Fee:
\$0 - \$14,999.99	\$97.50
\$15,000 - \$29,999.99	\$125.00
\$30,000 - \$44,999.99	\$162.50
\$45,000 - \$59,999.99	\$187.50
\$60,000 - \$89,999.99	\$225.00
\$90,000 - \$124,999.99	\$262.50
\$125,000 - \$249,999.99	\$325.00
\$250,000 - \$499,999.99	\$387.50
\$500,000 - \$749,999.99	\$750.00
\$750,000 and up	\$925.00

*Semi-Annual fee is charged when you purchase an asset and semi-annually thereafter. For properties that hold mortgages, the value is calculated based on the full property value.

2. PROCESSING FEES

IRA Setup Fee:

\$50 - One-Time IRA Setup Fee (charged at the time of account establishment)
* New accounts with no activity after 90 days will be closed.

Transaction Fees: Due when your IRA purchases an asset.

\$95 - Purchase, Sale, Exchange of any Asset (Except Real Estate)
\$250 - Purchase, Sale, Exchange of Real Estate
\$345 - Leveraged Real Estate
\$50 - Capital Calls, Note Modifications or Conversions, Additional Fundings, Re-Registration, Partial Sale of Non-Real Estate
\$40 - Purchase, Sale, Exchange, or Re-Registration of any Precious Metals
\$10 - Transaction fee for publicly traded securities and mutual funds (Additional brokerage fees apply)

Movement of Funds Fees: Due when money moves from your IRA.

\$5 - ACH Transfer, Trust Check
\$25 - Cashier's or Other Official Bank Check
\$30 - Overnight Mail
\$30 - Wire Transfer \$40 - Foreign Wire Transfers
\$10 - Void Check Fee \$30 - Returned Item or Stop Payment Request

Other Fees: Due when services are rendered.

\$10 - Annual statements received by mail (electronic statements provided for free)
\$0 - Real Estate Bill Pay via myDirection.com portal
\$10 - Real Estate Bill Pay via paper PAL Form Submission
\$500 - Express Real Estate Processing (1 business day rush fee)
\$250 - Express Non-Real Estate Processing (1 business day rush fee)
\$75 - ROTH Conversion or Recharacterization
\$50 - Late Fair Market Valuation (\$50 per notification)
\$25/month - Late Fee (assessed 30 days after fee due date)
\$150/hr. - Special services (such as research of closed accounts, legal research, expedited investment review or additional processing required for certain complex transactions, out of office real estate closings)

Transfers Out, Partial Distribution or Full Distribution:

0.5% of the value

- Minimum of \$75 (Full Distribution/ Transfer Out)
- Maximum fee of \$250 (Partial and Full Distribution/Transfer Out)
Plus Movement of Funds Fees and/or Transaction Fees as they may apply.
Required Minimum Distributions are only subject to Movement of Funds Fees and/or Transaction Fees.

3. HOW WOULD YOU LIKE TO PAY FEES?

Pay fees by:

Credit Card (Visa, MasterCard, Discover)

Fund from Account

Credit Card Type: _____ Card Number: _____ Exp. Date: _____

Exact Name on Card: _____ 3 Digit Security Code: _____

Signature: _____

• Credit card information must be kept current. Unpaid fees will be deducted from the account if invoiced amount is not paid within 30 days of the invoice date.

4. SIGNATURE

Annual record keeping fees are not prorated and are withdrawn from your undirected funds (defined as any cash in the Custodial Account not invested pursuant to a specific investment direction by you), unless you submit payment to us directly prior to the due date by check, credit card, or debit card. Transaction fees are due prior to funding the transaction. Fees paid from your account will be reflected on your statement. If there are insufficient undirected funds in your account, we may liquidate other assets in your account to pay for such fees after a 30 day notification in accordance with your Plan Agreement and Disclosure. In accordance with your Account Application, this Fee Disclosure is part of your Plan Agreement with the Custodian and must accompany your Application. If a signed Fee Disclosure is not received with your Application, fees will be based on "Option 2—Value Based."

In accordance with your Plan Agreement and Disclosure, which is available on our website, custodial fees, described below is part of the Plan Agreement. The Custodian shall be entitled to receive, from the assets held in the Custodial Account, a fee equal in amount to all income that is generated from any undirected cash which is held by the Custodian in a deposit or product of an FDIC - or other United States government-insured financial institution, United States government securities, or securities that are insured or guaranteed by the United States government, as provided in the Plan Agreement and Disclosure. The Custodian's fees from the undirected funds in the Custodial Account are associated with cash management activities, including, but not limited to, account maintenance, depository bank selection, transaction processing, sub-accounting, record keeping, and other services performed under the terms of this Agreement. The Custodian retains the right, but does not have the obligation, to reduce this fee by rebating a portion of the fee into the Custodial Account. The Depositor agrees that this fee may be retained by the Custodian as compensation for the services provided by Custodian under this Agreement. The Custodian reserves the right to change all or part of the Custodial Fee Schedule at its discretion with 30 days advance written notice to Depositor.

I understand that if fees are not paid within thirty (30) days after New Direction Trust Company (NDTCO) has mailed the past due notice, NDTCO may begin the process of closing the account. I understand that any asset distributed directly to me as part of closing my account will be reported to the IRS on Form 1099 and may subject me to possible taxes and penalties. I agree that accounts with past due fees, unfunded accounts, and accounts with zero value will continue to incur administrative fees until such time as I notify NDTCO of my intent to close the account or until NDTCO resigns.

Printed Name: _____

Signature: _____ Date: _____

SECTION 1: Requires your personal information and New Direction Trust Company account information.

SECTION 2: Requires information in regards to the custodian that currently holds the funds/assets.

SECTION 3: Determining whether the movement of funds is a transfer or a rollover

Use the transfer option when transferring cash/in-kind assets from one IRA to another IRA.

Traditional IRA → Traditional IRA

Roth IRA → Roth IRA

A Transfer is:

- Initiated by New Direction Trust Company
- Client completes New Direction Trust Company's Transfer/Rollover Form and returns to New Direction
- New Direction processes and sends to current/sending custodian
- Requires NO IRS reporting
- Funds are sent directly from sending custodian to New Direction Trust Company

Use the Rollover option when transferring cash/in-kind assets from a 401(k) or other Qualified Plan or IRA distribution.

401(k)/Qualified Plan → IRA

A Rollover:

- Re-deposits retirement funds that have been distributed
- Initiated by the client (you)
- Client completes current/sending custodians Distribution Form or Withdrawal Form from qualified plan and returns to them
- Client completes New Direction Trust Company's Transfer/Rollover Form and returns to New Direction
- Funds may be sent to client OR directly to client's account at New Direction
- Sending custodian will file a 1099R for client to report the distribution
- If funds are deposited into client's IRA account at New Direction within 60 days of distribution, there will be no IRS tax or penalty consequences

A Standard Rollover is when the administrator sends the check for the rollover directly to your residence. You will then forward along the check to New Direction Trust Company within 60 calendar days in order to avoid a taxable movement.

A Direct Rollover is when the resigning administrator sends the funds/assets directly to New Direction Trust Company.

A Direct Rollover of Other IRA, Roth or transferable account is when you have initiated the movement with the

SECTION 4: Determine what exactly is being moved over to New Direction Trust Company

Complete section A if you are moving cash or a money market account.

- Indicate if you wish to move all cash in the account to New Direction. If you wish to only move a partial amount, please indicate partial and what dollar amount you wish to move to your New Direction account

Complete section B if you are moving publicly traded stocks, bonds or mutual funds, or in the case that you are moving an entire brokerage account.

- If you wish to bring the entirety of the account over, please indicate entire account and enter your account
- If you wish to bring only a partial amount, please indicate "Only the assets below" and enter the account number.

If you have any funds sitting in strictly cash, please write in the cash amount. If you are looking to transfer any stocks, bonds, or mutual funds, please write in the symbol of each asset, as well as it's name, fund number, account number, number of shares, and if you wish for the current/sending custodian to sell those assets and liquidate them to strictly cash upon receiving the request. Please indicate the estimated total value being moved over to your New Direction Trust Company account.

IMPORTANT NOTE

If you are performing an in-kind rollover of stocks and/or mutual funds, NDTCO must receive a Transfer/Rollover Form, indicating the publicly-traded securities that are being rolled over. Once NDTCO receives the form, you will be sent account information that the resigning custodian/trustee will need to complete the in-kind rollover.

Complete section C if you are moving previously purchased alternative investments such as real estate, notes, private equity, etc.

- If you are wishing to move all of your cash and previously existing alternative assets, please indicate so by choosing "Complete movement of Cash and/or Assets", along with the cash and In-Kind assets box below.
- If you are wishing to only move a partial cash amount or certain assets, please indicate so by checking the "Move Partial Cash and/or Assets" box. If you want to move any cash, please check the cash box and indicate the dollar amount. If you want to move over any assets, please check the In-Kind assets box, and fill out the table below with what type of asset it is, the name or description of the asset, and its current recorded value.
- Indicate at the bottom the total estimated values being moved into your New Direction account.

SECTION 5: Determine how you would like the current/sending custodian to send the funds or assets to New Direction Trust Company

- You can select to have any case or assets sent to New Direction Trust Company via cash or wire.
- New Direction Trust Company has the capability to send the Transfer/Rollover to the current/sending custodian via mail, fax, or overnight Express Mail via FedEx.
- If you choose overnight Express Mail via FedEx, we will need a check at the time of delivery or a credit card number in order to pay the \$30 express fee.

SECTION 6: Read the Letter of Authorization

SECTION 7: Requires your date and signature!

Transfer Checklist:

1. Is a medallion signature guarantee* required on the form? (ask sending administrator)
 YES NO
If yes, whose signature?
 RECEIVING CUSTODIAN (New Direction Trust Company)
 IRA/401(k) HOLDER (you)
2. Will sending administrator accept a faxed transfer form?
 YES NO
Fax Number Attention: Mailing address:
3. If you are under a time constraint, can they wire the funds? (fees may apply for this service)
*A medallion signature guarantee is similar to a notary, but stronger. It is a guarantee that your signature is genuine. You can obtain a guarantee from selected banks or other financial institutions.

Rollover Checklist:

1. If this is an employer plan (401(k)) does the employer allow funds to be rolled out?
 YES NO
2. Does the plan administrator require completion of its own withdrawal paperwork?
 YES NO
3. If you are under a time constraint, can they wire the funds? (fees may apply for this service)
 YES NO (fees may apply for this service)

Tips to Help the Process:

1. If you are in a rush, consider checking the 'via wire' option in section 5 of the form. Check with your sending administrator about possible wire fees.
2. We mail transfer forms to sending administrators via USPS. For \$30 we can expedite this by using overnight mail. If you would like us to do this, please indicate this on the form.
3. Contact your sending administrator a week after mailing the original form to our office. Follow up with them to make sure they received the form from us and to make sure they have everything they need for a speedy turnaround.
4. Your participation is the key to a quick and problem-free transfer. Other administrators are not required to give us any information on pending transfers, so you will need to call them yourself for updates. The only responses we get are successful transfers and rejection letters.

NOTE: If you are planning on funding the account through an annual contribution, please use the Deposit Coupon included at the end of the packet.

Transfer/Rollover Form

1. YOUR INFORMATION

Your Name:		New Direction Account Number:	
Social Security Number:	Email Address:		Phone Number:
Legal Address:	City:	State:	Zip:

2. WHERE ARE THESE ASSETS CURRENTLY?

Name of Custodian/Trustee:		Account Number:	
Office Address:	City:	State:	Zip:
Contact Name:	Phone Number:	Fax Number:	<input type="checkbox"/> I have enclosed a copy of my statement (required)

3. TRANSFER/ROLLOVER OPTIONS

- Transfer** (Choose one listed below, and New Direction Trust Company will initiate the movement of assets.)
- Traditional IRA to Traditional IRA
 SEP IRA to SEP IRA
 SIMPLE IRA to SIMPLE IRA
 Roth IRA to Roth IRA
 Traditional IRA to Simple IRA
 SEP IRA to Traditional IRA
 SIMPLE IRA to SEP IRA
 HSA to HSA
 Traditional IRA to SEP IRA
 SEP IRA to SIMPLE IRA
 SIMPLE IRA to Traditional IRA
 Inherited IRA to Inherited IRA (Subject to additional documentation and review)
- Rollover** (To trigger a rollover, fill out this form for NDTCO and contact the existing custodian/trustee for their required rollover actions.)
- Standard Rollover (This is a return on an Eligible Distribution done within 60 days.) (This Rollover is the only Rollover that has been executed from any IRA that I have within the prior 12 months.)
 Direct Rollover: Rollover of Eligible Retirement Plan Assets to Traditional IRA (401k Plan and other employer plans)
 Direct Rollover of OTHER IRA, Roth or other transferable account
 (This Rollover is the only Rollover that has been executed from any IRA that I have within the prior 12 months.)

4. ASSETS TO BE MOVED TO NDTCO - CHOOSE OPTION(S) THAT APPLY TO THIS MOVEMENT OF ASSETS

A. Cash/Money Market Assets - from any type of account. All positions must be liquidated and available in either a cash or money market account before submitting this request. Note: some brokerage accounts keep cash in a money market account only. New Direction Trust Company requires 5 business days for checks to be available. Bank wires and money orders clear the next business day.

Please provide a detailed statement showing assets and values.

- Entire Account in Cash, close account** **Approximate Cash: \$** _____
- Partial Account in Cash: \$** _____

B. Brokerage Account Assets (Publicly traded stocks, mutual funds, etc.)

- Entire account. Account # _____, list the brokerage assets below.
- OR**
- Only the assets below. Account # _____ (If you do not have room to describe all assets, please attach description with this form):
Cash Amount (If any): \$ _____

Symbol	Name	Fund #	Account #	# of Shares	Liquidate on Receipt
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

Estimated total value of assets being moved to NDTCO: \$ _____

Notice: all dividends from mutual funds moved over to NDTCO in-kind will be reinvested

4. ASSETS TO BE MOVED TO NDTCO CONT'D

C. Alternative Assets (Real estate, notes, private equity, etc.)

Complete Movement of Cash and/or Assets

Cash* - to **New Direction Trust Company FBO (My Name) IRA**

In-kind assets to **New Direction Trust Company FBO (My Name) IRA**

Move Partial Cash and/or Asset

Cash* - Send \$ _____ in cash to **New Direction Trust Company FBO (My Name) IRA**

In-kind assets to **New Direction Trust Company FBO (My Name) IRA**

Move the following assets in-kind (Please list every in-kind asset to be moved to NDTCO. If you do not have room, please attach description with this form.):

Asset Type	Name of Asset/Description	Current Recorded Value

Estimated total value of cash and assets to NDTCO: \$ _____

*New Direction Trust Company requires 5 business days for checks to clear. Bank wires and money orders clear the business day after deposit.

5. HOW CASH IS TO BE SENT TO NDTCO

I would like my **Cash/Assets** sent to New Direction Trust Company via: (check is the default if no option is marked)

Check/Mail (Checks clear within 5 business days) Wire (available next business day)

Please send this **Transfer/Rollover Form** to custodian currently holding these assets via:

Mail

Fax Number: _____ (You must ask your current custodian if they accept a faxed copy of the form. Please provide fax number.)

Express Mail via FedEx (\$30 Fee) (complete section below with check or credit card information)

Expedited Delivery (the information below is to pay for FEDEX charges, not wire fees) I would like to pay my expedited delivery charges via:

For FedEx fee choose one:

Credit Card

Check enclosed (make checks payable to: New Direction Trust Company)

Credit Card Type: (the following are accepted): Visa Mastercard Discover

Card Number: _____ 3-digit security code: _____ Expiration date: _____

Exact name on card: _____

Signature: _____

6. LETTER OF AUTHORIZATION

To the delivering firm: I understand that by signing section 7 below, I am authorizing New Direction Trust Company "NDTCO" to instruct you to transfer/rollover the assets identified in Section 4 of this form to my New Direction Trust Company Account. I represent that I have opened a retirement plan with New Direction Trust Company as the successor Custodian for the account. I understand that upon receipt of these transfer/rollover instructions, you will cancel all open orders in my account and will contact me regarding any account assets that are "not transferable." I understand that I am responsible for returning or destroying credit/debit cards and any unused checks issued in connection with my current securities account. I understand that to the extent that any assets in my account are not readily "transferable," with or without penalties, such assets may not be "transferred" within the time frames as set by FINRA Rule 11870, New York Stock Exchange Rule 412 or similar rule of the National Association of Securities Dealers or other designated examining authority.

I authorize you to liquidate any "nontransferable" proprietary money market fund assets in my account and move the credit balance to NDTCO. I authorize you to deduct any outstanding fees due from my credit balance; if the credit balance is insufficient to cover any outstanding fees, I authorize you to liquidate assets in my account to satisfy the obligation. I authorize you to deliver physical certificates or other instruments in my account in good deliverable form (including affixing any necessary tax waivers) to allow NDTCO to register them in street name for the purpose of sale when and as directed by me. I understand that any fractional shares of stock are "nontransferable" and will be liquidated; any liquidation of such shares may constitute a taxable event.

7. SIGNATURE AND ACKNOWLEDGEMENT

- I hereby agree to the terms and conditions set forth in this account asset transfer/rollover authorization and acknowledge having established a self-directed IRA through execution of the account application.
- I understand the rules and conditions applicable to an account transfer/rollover.
- I understand that any of the investments in my account that I would like moved are the responsibility of my current Custodian, meaning they are responsible for handling any of the re-registration of my investments currently being held by them.
- I qualify for the account transfer/rollover of assets listed in the asset liquidation above and authorize such transactions.
- I understand that no one at New Direction Trust Company has authority to agree to anything different than my foregoing understandings of New Direction Trust Company policy.
- I understand that if this transfer is occurring during or after the calendar year during which I attain the age of 70½, the required minimum amount determined under this IRA is still required to be distributed.
- I further understand that the current Trustee/Custodian is not responsible for making this distribution prior to the movement of assets. I accept full responsibility for satisfying the required minimum distribution applicable to this IRA by withdrawing sufficient amounts from another IRA prior to the deadline for receiving minimum distributions for the calendar year of the movement of assets to New Direction Trust Company.
- If this movement of assets is a Transfer and leaves the "transferor" IRA in one year but does not reach the "transferee" IRA until the following year, I understand that this will be an "outstanding transfer" as of December 31st. The new IRA must "deem" that the "transfer" was received as of the prior December 31st for determining any required minimum distribution from the "transferee" IRA for the year that the "transfer" was received. I will inform the "transferee" IRA Trustee/Custodian of any such outstanding "transfer."
- If this is a direct or indirect rollover 1) I understand the important tax consequences of this election 2) I assume full responsibility for this rollover 3) I will not hold the Custodian, New Direction Trust Company or issuer of either the distributing or receiving plan liable for any adverse consequences that may result and 4) I irrevocably designate this contribution of assets as a rollover contribution.

Your Printed Name: _____

Your Signature: _____

Date: _____

Signature Guarantee if required by Custodian

8. ACCEPTANCE OF RECEIVING CUSTODIAN (office use only)

New Direction Trust Company agrees to serve as Custodian for the account of the above-named individual, and as Custodian, New Direction Trust Company agrees to accept the assets of the account being transferred. New Direction Trust Company assumes no trust or fiduciary obligations to you as it has no investment control over your funds and acts only as the Custodian of your funds.

New Direction Trust Company

By _____ Date _____

Signature Guarantee if required by Custodian

1. YOUR INFORMATION

Client Name:	New Direction Account Number:
Deposit Amount: (5 business days are required for checks to clear.) \$	

2. REASON FOR DEPOSIT

<input type="checkbox"/> Contribution	Tax Year: (If a tax year is not indicated, funds will be treated as a current year contribution) Year: _____ Personal \$ _____ Employee \$ _____ Employer \$ _____		
Make check payable to: <u>New Direction Trust Company FBO (Client Name) IRA</u>			
<input type="checkbox"/> Rent Check	Physical Address: (If left blank, there will be a delay in deposit.)	City:	State: Zip:
Make check payable to: <u>New Direction Trust Company FBO (Client Name) IRA</u>			
<input type="checkbox"/> Note Payment	Loan Name/Number: (If left blank, there will be a delay in deposit.)	Principal Amount: \$	Interest Amount: \$
Make check payable to: <u>New Direction Trust Company FBO (Client Name) IRA</u>			
<input type="checkbox"/> Dividend	Investment Name: (If left blank, there will be a delay in deposit.)		
Make check payable to: <u>New Direction Trust Company FBO (Client Name) IRA</u>			
<input type="checkbox"/> Interest Payment	Investment Name: (If left blank, there will be a delay in deposit.)		
Make check payable to: <u>New Direction Trust Company FBO (Client Name) IRA</u>			
<input type="checkbox"/> New Direction Fees Payment			
Make check payable to: <u>New Direction Trust Company (All Fee Payments must be paid with separate check.)</u>			
Reason for Deposit Details:			