

## Trust Agreement For Directed Traditional and SEP Individual Retirement Accounts

FUNDS INVESTED PURSUANT TO THIS AGREEMENT ARE NOT INSURED BY THE FDIC MERELY BECAUSE THE TRUSTEE IS A FEDERAL SAVINGS ASSOCIATION THE ACCOUNTS OF WHICH ARE COVERED BY SUCH INSURANCE. ONLY INVESTMENTS IN THE ACCOUNTS OF A FEDERAL SAVINGS ASSOCIATION ARE INSURED BY THE FDIC, SUBJECT TO ITS RULES AND REGULATIONS.

The following Articles I through VII of this Individual Retirement Trust Account Agreement are in the form promulgated by the Internal Revenue Service (“IRS”) in Form 5305 (Rev. April 2017), updated in Section VIII in accordance with the Setting Every Community Up for Retirement Enhancement (“SECURE”) Act of 2019. We reserve the right to amend Section VIII and, whether or not amended, administer this Agreement in accordance with applicable Treasury Regulations, revisions to Form 5305, and other IRS guidance on the SECURE Act.

The individual (“Grantor”) whose name appears on the TIAA Individual Retirement Account Agreement (the “Adoption Agreement”) is establishing a traditional individual retirement trust account or simplified employee pension trust account (“account”) under section 408(a) of the Internal Revenue Code of 1986, as amended (“Code”), to provide for his or her retirement and for the support of his or her beneficiaries after death.

The trustee of the account is TIAA, FSB or its successors and assigns (“Trustee”) with its principal place of business in Jacksonville, Florida. The Grantor has assigned to the trust account the property referred to in the Adoption Agreement. The respective signatures of the Grantor and the Trustee on the Adoption Agreement shall constitute the Grantor’s agreement to the following provisions.

### ARTICLE I

Except in the case of a rollover contribution described in sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension IRA as described in section 408(k) or a recharacterized contribution described in section 408A(d)(6), the Trustee will accept only cash contributions up to \$6,000 per year for tax year 2020. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$7,000 per year for tax year 2020. These amounts are in effect under 219(b)(1)(A). For tax years after 2020, the above limits will be increased to reflect a cost-of-living adjustment, if any.

### ARTICLE II

The Grantor’s interest in the balance in the trust account is nonforfeitable.

### ARTICLE III

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

1. Notwithstanding any provision of this agreement to the contrary, the distribution of the Grantor's interest in the trust 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.
2. The Grantor's entire interest in the trust account must be, or begin to be, distributed not later than the Grantor's required beginning date, April 1 following the calendar year in which the Grantor reaches age 72.

By that date, the Grantor may elect, in a manner acceptable to the Trustee, to have the balance in the trust account distributed in:

- a. a single sum or
  - b. payments over a period not longer than the Grantor's life or the joint lives of the Grantor and his or her designated beneficiary.
3. If the Grantor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
    - a. If the Grantor dies on or after the required beginning date and:
      - i. The designated beneficiary is the Grantor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
      - ii. The designated beneficiary is not the Grantor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the Grantor's death and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
      - iii. There is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Grantor as determined in the year of the Grantor's death and reduced by 1 for each subsequent year.
    - b. If the Grantor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
      - iv. The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a) (iii), even if longer), starting by the end of the calendar year following the year of the Grantor's death. If, however, the designated beneficiary is the Grantor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Grantor would have reached age 72.

But, in such case, if the Grantor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
      - v. The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Grantor's death.
  4. If the Grantor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Grantor's surviving spouse, no additional contributions may be accepted in the trust account.
  5. The minimum amount that must be distributed each year, beginning with the year containing the Grantor's required beginning date, is known as the "**required minimum distribution**" and is determined as follows.
    - a. The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Grantor reaches age 72, is the Grantor's trust 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 Grantor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Grantor's trust

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 Grantor's (or, if applicable, the Grantor and spouse's) attained age (or ages) in the year.

- b. The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Grantor's death (or the year the Grantor would have reached age 72, if applicable under paragraph 3(b)(i)) is the trust 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 3(a) and 3(b)(i).
  - c. The required minimum distribution for the year the Grantor reaches age 72 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.
6. The owner of two or more Traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

### ARTICLE V

1. The Grantor agrees to provide the Trustee with all information necessary to prepare any reports required under section 408(i) and Regulations sections 1.408-5 and 1.408-6.
2. The Trustee agrees to submit to the Internal Revenue Service (IRS) and the Grantor the reports prescribed by the IRS.

### ARTICLE VI

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

### ARTICLE VII

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

### ARTICLE VIII

All of the provisions set forth in this document entitled "*Additional Provisions Applicable to TIAA Trusteed IRAs*" shall also apply to this Agreement and are incorporated herein by this reference for all purposes, unless otherwise stated therein.

### ADDITIONAL PROVISIONS APPLICABLE TO TIAA TRUSTEED IRAS

#### 1. Definitions.

- a. "**Trust Account**," or "**IRA**" shall mean the Directed Traditional or SEP Individual Retirement Trust Account established hereunder for the benefit of the Grantor and/or his or her Beneficiary(ies).
- b. "**Adoption Agreement**," "**Account Application**," or "**Application**" shall mean the application by which this Trust Account is established by the agreement between the Grantor and the Trustee.
- c. "**Agreement**" shall mean (i) the TIAA Directed Traditional or SEP Individual Retirement Account Trust Agreement; (ii) the TIAA Directed Traditional or SEP Individual Retirement Account Disclosure Statement; (iii) the Terms and Conditions – TIAA Retirement Reserves and (iv) the information and provisions set forth in the Adoption Agreement for the IRA, as well as any effective Beneficiary Designation applicable to the Trust Account, as any of the same may be amended from time to time.
- d. "**Beneficiary**" shall mean the person(s) or entity(ies) (for instance, a trust), designated from time to time by a Grantor or a Grantor's surviving spouse to receive benefits by reason of the death of the Grantor or of such spouse, or the person(s) described in Section 7 below who would otherwise be entitled to receive such benefits.
- e. "**Code**" or "**Internal Revenue Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time.

- f. **“Grantor”** shall mean the Grantor and an individual who adopts the IRA and who makes contributions or on whose behalf contributions are made to his or her Trust Account pursuant to the IRA.
- g. **“Simplified Employee Pension Account”** shall mean a Trust Account established by a Grantor whose employer has adopted a simplified employee pension IRA pursuant to Code section 408(k).
- h. **“Sponsor”** shall mean Teachers Insurance and Annuity Association of America.
- i. **“Spouse”** shall mean a person who meets the definition of spouse under federal law. IRS guidance provides that civil unions and domestic partnerships that may be recognized under state law are not marriages unless denominated as such.
- j. **“Trustee”** shall mean TIAA, FSB, its successors and assigns, and any successor Trustee qualified to serve in such capacity with respect to IRA assets under applicable law and regulations, which has accepted to serve as trustee of the Trust Account.

**2. Grantor's Representations.** The Grantor acknowledges and represents to the Trustee as follows:

- a. The Grantor has been advised that the entirety of this Agreement has not been approved by the Internal Revenue Service (“IRS”).
- b. The Grantor has been advised that the Trustee does not make warranties or in any way represent that the Grantor will qualify for all or any portion of the retirement savings deductions under the Code with respect to Traditional IRAs, that earnings of the Trust Account will be exempt from taxation, that any rollover contribution will be excludable from gross income for tax purposes, or that the Grantor will be free of any penalty taxes which may be incurred as a result of his or her failure to comply with the laws and regulations applicable to Traditional IRAs.
- c. The Grantor is eligible for a Traditional IRA and the contributions to be made thereto will be made in accordance with applicable laws and regulations. The Grantor is responsible for all fines and assessments, and for any adverse tax consequences, which may be imposed on the Grantor by applicable law. The Trustee assumes no liability whatsoever for tax implications associated with this Agreement.
- d. Any information the Grantor has provided or will provide to the Trustee with respect to this Agreement is complete and accurate. The Grantor will inform the Trustee of any change in any such information that could affect the efficient administration of the Trust Account. Such information includes, but is not limited to, a change in mailing or residence address, a change in beneficiary, and a change in the Grantor's tax year for contributions. Any direction given by the Grantor to the Trustee, or any action taken by the Grantor, will be proper under this Agreement and applicable law. The Trustee shall have the right to rely upon any information furnished by the Grantor (or any Beneficiary following the Grantor's death). The Grantor hereby agrees that the Trustee will not be liable for any loss or expense resulting from any action taken or determination made in reliance on such information. The Trustee will not be responsible for the Grantor's actions or failures to act. Likewise, the Grantor will not be responsible for the Trustee's actions or failures to act; provided, however, that the Trustee's duties and responsibilities under this Agreement are limited to those specifically stated in the Agreement, and no other or further duties or responsibilities will be implied.

**3. Notices and Changes of Address.** Any notice required to be provided by the Trustee regarding this Trust Account will be considered effective when mailed by the Trustee to the last address of the intended recipient as reflected in the Trustee's records. The last address of the Grantor as reflected in the records of the Trustee will be the address used for any tax withholding, disbursement, and reporting required by taxing authorities. The Grantor will notify the Trustee of any change of address in writing. Any notice to be given to the Trustee will be effective following the Trustee's receipt thereof and its reasonable opportunity to act thereon.

**4. Contributions.**

- a. **Excess Contributions.** The Grantor is responsible for the determination of any excess contributions and the timely withdrawal thereof. If the IRS or the Grantor notifies the Trustee in writing that the contributions to the Trust Account have exceeded the contribution limitations described in Article I of the IRA, the Trustee shall distribute to the Grantor from the Trust Account the amount of such excess contribution and, as determined by the Grantor, any income attributable thereto. The Grantor may revoke such notice in writing if the IRS has not notified the Trustee of the IRS' determination that the excess

contribution was willfully made by the Grantor. The Trustee, at the request of the Grantor, may credit as a contribution for the current taxable year the amount shown in the notice of the Grantor revoking his or her prior notification.

- b. Regular IRA Contributions Deadlines.** The last day to make annual IRA contributions for a particular tax year is the deadline for filing the Grantor's federal income tax return, not including extensions, or such later date as may be determined by the Department of the Treasury or the IRS for the taxable year for which the contribution relates. The Grantor shall designate, in a form and manner acceptable to the Trustee, the taxable year for which such contribution is made.
- c. Contributions to a Traditional IRA for a spouse.** Contributions to a Traditional IRA for a spouse must be contributed to a separate Traditional IRA trust account, as applicable, established by such spouse, and such spouse shall thereafter be deemed to be the Grantor with respect to such separate trust account.

### 5. Investment of Contributions.

- a. Direction by Grantor.** Unless the Grantor appoints a representative to provide directions to the Trustee with respect to the investment of assets in the Trust Account, as provided in paragraph d, of this section, the Grantor shall direct the Trustee with respect to the investment of all contributions to his or her Trust Account and the earnings thereon. Such directed investments shall be limited to publicly traded securities, mutual funds, exchange-traded funds, money market instruments, bank products, other funding vehicles offered as part of this IRA at the discretion of the Sponsor and Trustee, and other investments to the extent that they may be subject to the custody of the Trustee in the Trustee's regular course of business and are otherwise acceptable by the Trustee based on the Trustee's policies and operational requirements. Accordingly, the Trustee reserves the right not to accept assets intended for deposit to the Trust Account (whether initially contributed or subsequently acquired), including assets not publicly traded and/or easily valued. The Trustee may at any time require liquidation or transfer of any asset held in the Trust Account if the Trustee determines that maintaining custody of any such asset is not in accordance with the Trustee's policies or operational requirements.

In its capacity as trustee, the Trustee shall have no investment authority over the Trust Account, including in the absence of investment directions by or on the Grantor's behalf. All transactions directed by the Grantor shall be subject to the rules, regulations, customs, and usages of the exchange, market, or clearing house where executed, to applicable federal and state laws and regulations, and to the Trustee's policies and operational requirements.

The Grantor understands that (i) the Trustee shall attribute earnings only to assets held in the Trust Account while in the custody of the Trustee; (ii) the income from, and gain or loss on, each investment the Grantor selects and directs for the Trust Account will affect the value thereof; and (iii) the growth in value of a Trust Account cannot be guaranteed or projected.

- b. Direction by Beneficiary.** Subject to the standard practices of the Trustee, if the Grantor dies before part or all of his or her interest in the Trust Account is distributed to him or her, the remaining assets in the Trust Account shall be invested as directed by the Grantor's Beneficiary(ies). In such event, the Beneficiary(ies) shall be treated as the Grantor for all purposes as though the Beneficiary(ies) had entered into this Agreement.
- c. No Duty to Review.** The Trustee shall not be under any duty to review or question any direction of the Grantor or the Grantor's representative with respect to investments, to review any securities or other property held in the Trust Account, or to make suggestions to the Grantor with respect to investments. The Trustee will not be liable for any loss that may result by reason of investments made by the Trustee in accordance with the directions of the Grantor or the Grantor's representative.
- d. Delegation of Investment Responsibility.** Regardless of any other provision of this Agreement to the contrary, the Grantor may appoint an investment professional or other person to act as the Grantor's representative with authority to direct the Trustee with respect to the investment of assets in the Trust Account. Such appointment will be effective only if (1) the Trustee has received an executed copy of an agreement between the Grantor and the representative in a form and manner acceptable to the Trustee that specifies the authority of the representative to act on behalf of the Grantor; and (2) the Trustee does not object to acting on the direction of such representative, which objection the Trustee may assert for any reason at any time. If the Grantor appoints a representative, as provided above, references to the Grantor in this Agreement (to the extent such references pertain to securities with respect to which such representative has investment authority) shall include references

to such representative. However, all references in this Agreement to the individual whose Trust Account is involved and to the making of contributions and the receipt of distributions are only to the Grantor. The Grantor may revoke the authority of any such representative at any time by notifying the Trustee in writing and otherwise in a manner acceptable to the Trustee. The Trustee shall not be liable in any way for transactions initiated prior to and up to the time of the Trustee's receipt of such notice and its reasonable opportunity to act thereon.

- e. Investment of Cash Balances.** Absent another instructions from you, assets received in cash shall be invested in the TIAA Retirement Reserves Account. You have the right to move funds to other available investments at any time. Any IRA funds in the TIAA Retirement Reserves Account are held at the Bank, which is a member of the FDIC. Cash balances in the Cash Deposit Account are FDIC-insured up to \$250,000 per account holder, combined with other insured deposits of the account holder at the Bank in the same ownership category.

The Grantor's Trust Account may include a sweep program feature which automatically transfers at the end of each business day available uninvested cash balances in the Grantor's Trust Account to certain funding vehicles (each, a "**Sweep Vehicle**"). The Grantor authorizes and directs the Trustee to deposit uninvested cash balances in demand deposits or similar accounts maintained in the commercial or savings department of any bank or savings association, the deposits of which are insured by the Federal Deposit Insurance Corporation ("**FDIC**"), including those of the Trustee or any bank or savings association that is an affiliate of the Trustee; provided that any such deposits bear a reasonable rate of interest. The Grantor directs and authorizes the Trustee to withdraw, transfer in-kind or liquidate out of any discontinued Sweep Vehicle Grantor's funds or shares and deposit or transfer such funds or shares into any other Sweep Vehicle then offered by the Trustee. The Grantor further directs the Trustee to automatically withdraw or redeem the cash held in such Sweep Vehicle to meet the Grantor's cash needs for the settlement of transactions, payment of distributions or as otherwise necessary. Additional terms and conditions applicable to a Sweep Vehicle are described in the disclosures and supplemental agreements associated with such Sweep Vehicle.

## 6. Withdrawals.

- a. Request and Distribution.** The Grantor (and the Beneficiaries after the Grantor's death) may withdraw all or part of his or her Trust Account balance at any time. All requests for withdrawal (i) shall be in a form and manner provided by or acceptable to the Trustee; (ii) shall be deemed to constitute a certification by the Grantor that the Grantor is permitted to receive the funds directed to be withdrawn; and (iii) shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties and withholding requirements. Notwithstanding any other provision of this Agreement to the contrary, the Trustee assumes (and shall have) no responsibility to make any distribution to the Grantor unless and until such instructions specify the occasion for such requested withdrawal. Prior to effectuating any such withdrawal from the Trust Account, the Trustee shall be furnished with any and all applications, certificates, tax waivers, signature guarantees, and other documents (including proof of any legal representative's authority) deemed necessary or advisable by the Trustee. The Trustee shall not be liable for complying with instructions which appear to be genuine, or for refusing to comply if the Trustee is not satisfied that such instructions are genuine, and assumes (and shall have) no duty of further inquiry. The Grantor shall provide such instructions within a reasonable period prior to the date the withdrawal is requested to be made. After receipt of proper instructions as required above and a reasonable opportunity to act thereon, the Trustee shall cause the assets of the Trust Account to be distributed in cash and/or in kind, as specified in such order. If payment is made outside of the United States, special federal income tax withholding rules may apply. Distributions to the Grantor from the IRA may be made in a single sum, periodic payment, or a combination of both.

- b. Required Distributions.** The Trustee shall, if requested by the Grantor, be responsible for computing the required minimum distribution amount in accordance with Article IV of this IRA Trust Agreement, and for notifying the Grantor accordingly. The Grantor shall be responsible for causing the required minimum distribution amount to be withdrawn from his or her Trust Account each year. Notwithstanding anything in Article IV to the contrary, the Trustee shall not, without the consent of the Grantor, distribute the value of the required minimum distribution where the Grantor fails to choose any method of distribution by April 1st of the year following the year the Grantor reaches age 72.

- 7. Designations of Beneficiaries.** At any time, the Grantor may designate a Beneficiary(ies) to receive Trust Account assets following the Grantor's death. Any such designation may be changed or revoked at any time by written designation executed by the Grantor in a form and manner prescribed by or acceptable to, and filed with, the Trustee. Such designation, change, or

revocation shall be effective only upon acceptance by the Trustee. The most recent such designation, change, or revocation shall control. If there is no accepted beneficiary designation on file with the Trustee, the Trustee shall distribute the assets in the Trust Account to the Grantor's estate. By accepting any beneficiary designation, the Trustee assumes (and shall have) no responsibility or liability with respect to the legal or tax consequences of the designation including, but not limited to, the impact of community property laws or laws governing inheritance of property on such designation.

Following the death of the Grantor, the balance of the Grantor's Trust Account shall be distributed to the Grantor's designated Beneficiary(ies), if any, in accordance with the provisions of Article IV of this IRA Trust Agreement and in accordance with this Agreement and the Trustee's policies and operational requirements.

- 8. Distributions to Beneficiaries.** The primary Beneficiary(ies) designated by the Grantor will receive the balance of the Trust Account following the Grantor's death in the percentage indicated by the Grantor. If any primary Beneficiary predeceased the Grantor, the deceased Beneficiary's share will instead be distributed to the remaining primary Beneficiary(ies) equally, or in the proportion the Grantor may have indicated. If all of the Grantor's primary Beneficiaries predecease the Grantor, or if the Grantor failed to name any primary Beneficiary, but named contingent Beneficiaries, the balance of the Trust Account will be distributed to the contingent Beneficiaries named by the Grantor, if any, in the percentage indicated by the Grantor. The foregoing rules applicable with respect to primary Beneficiaries are also applicable with respect to contingent Beneficiaries. If all of the designated Beneficiaries predecease the Grantor, the balance of the assets in the Trust Account will be distributed to the Grantor's estate.

At any time, any Beneficiary may designate his or her own Beneficiary(ies) ("**Successor Beneficiaries**") of the Beneficiary's interest in the Trust Account, and any such designation may be changed or revoked at any time by written designation executed by the Beneficiary in a form and manner prescribed by, or acceptable to, and filed with, the Trustee. If a Beneficiary does not predecease the Grantor but dies before receiving his or her entire interest in the Trust Account, his or her remaining interest in the Trust Account shall be paid to the successor Beneficiary(ies). If there is no accepted successor beneficiary designation on file with the Trustee, the Trustee shall distribute the deceased Beneficiary's Trust Account to the Beneficiary's estate if the Beneficiary survived the Grantor. The rules set forth above with respect to beneficiary designations made by the Grantor shall also apply to such successor beneficiary designations made by a Beneficiary, as the context may require.

If the Trustee is unable to make a distribution to a Grantor, a Beneficiary, or other distributee because the last known mailing address of such individual or entity reflected in the Trustee's records, if any, is no longer valid, the Trustee may hold the proceeds in a noninterest-bearing account until such funds escheat by operation of law, and shall incur no liability for so doing. Under no circumstances shall the Trustee be required to ascertain the whereabouts of any Beneficiary or other distributee. The Beneficiary(ies) are responsible to ensure that distributions are made in accordance with the provisions of Article IV of the IRA. The Trustee shall withhold federal income tax from any distribution from the Trust Account as required under applicable law.

If the Beneficiary to which a distribution must be made is a minor, such distribution shall be made to a custodian account established by the parent, guardian or conservator of such Beneficiary, or other person as permitted, under the Uniform Transfers to Minors or the Uniform Gifts to Minors Act in a state selected by such parent, guardian, conservator, or other person.

The Trustee shall not be responsible for the purpose, sufficiency, or propriety of any distribution. The Trustee is only authorized to make distributions in accordance with instructions of the Grantor, or after the Grantor's death, of his or her Beneficiary(ies), or as otherwise provided for in this Agreement. Such instructions must be given in a form and manner acceptable to the Trustee.

- 9. Separate Accounting.** If the Grantor has designated multiple primary Beneficiaries, the Grantor hereby directs the Trustee, to the extent administratively feasible, to separately account for the amount allocable to each Beneficiary in accordance with applicable law following the Grantor's death for purposes of determining each "**designated beneficiary**" under Code section 401(a)(9), all in accordance with any procedures the Trustee may establish from time to time.

**10. Transfer of Trust Account By Grantor.**

- a. Transfer.** If the Grantor terminates his or her Trust Account, the Trustee shall distribute or transfer the Trust Account balance in accordance with the Grantor's written directions and this Agreement. The Grantor authorizes the Trustee to retain such sums as the Trustee may deem necessary in payment of all of the Trustee's fees, compensation, costs, and any expenses

including, but not limited to, annual maintenance fees and account termination fees, or for payment of any other liabilities which might constitute a charge to either the Trust Account or the Trustee; provided, however, that notwithstanding the foregoing, any securities and other property held in the Grantor's Trust Account may only be used to satisfy the Grantor's indebtedness or other obligations to the Trustee related to the Trust Account. The balance of any such reserve remaining after the payment of the above items shall be paid, distributed, or transferred as directed by the Grantor upon satisfaction of any such charge. The Trustee shall have no duty to ascertain whether any payment, distribution, or transfer directed by the Grantor is proper under the provisions of the Code, this Agreement, or otherwise.

**b. Transfer upon Dissolution of Marriage.** A Grantor may transfer any portion or all of his or her interest in the Trust Account to a former spouse under a written instrument incident to the dissolution of the Grantor's marriage to such spouse or under a dissolution decree provided that either document contains transfer instructions acceptable to the Trustee and compliant with the Trustee's administrative or operational requirements and regular business practices. In such event, such Trust Account, or the transferred portion thereof, shall be held for the benefit of such former spouse subject to the terms and conditions of the IRA.

### 11. Powers, Duties, and Obligations of Trustee.

**a. No Investment Discretion.** The Trustee shall have no discretion to make, and shall not make, any investments or dispose of any investments held in a Trust Account, except upon the direction of the Grantor or in accordance with paragraph d of section 15 below. The Trustee is merely authorized to acquire and hold the particular investments specified by the Grantor or the Grantor's representative. In its capacity as trustee, the Trustee shall not act as investment advisor or manager to a Grantor and will not advise a Grantor or offer any opinion or judgment on any matter pertaining to the nature, value, potential value, or suitability of any investment or potential investment by a Grantor. The Trustee shall not question any such directions of the Grantor, review any securities or other property held in a Trust Account, or make suggestions to the Grantor with respect to the investment, retention, or disposition of any assets held in a Trust Account.

**b. Administrative Powers.** The Trustee will hold the IRA assets in its safekeeping facilities or delegate the custody of such assets to other entities. Securities, whether registered or unregistered, may be deposited (i) in any centralized securities depository or clearing system, domestic or foreign, selected by the Trustee or its delegee; (ii) with the issuer of securities issued in non-certificate form; or (iii) in book entry form at the Federal Reserve Bank. The Trustee is authorized to hold IRA assets in the account in its own name as trustee, in the name of a sub-custodian, in the name of a nominee, in book entry form, in a clearinghouse corporation or any central depository system. The Trustee will receive all interest, dividends and other distributions paid with respect to IRA assets in the account, and pay or reinvest such sums as Grantor will direct. Grantor authorizes the Trustee to issue receipts for, endorse, and collect all checks and other remittances payable to the IRA or the Trustee on behalf of the IRA. Grantor acknowledges that the Trustee will not have any obligation to enforce payment of such distributions through judicial process or otherwise.

Pursuant to the Grantor's direction, the Trustee shall have the following powers and authority with respect to the administration of the Trust Account:

- i. To invest and reinvest the assets of the Trust Account;
- ii. To exercise or sell options, conversion privileges, or rights to subscribe for additional securities and to make payments therefor;
- iii. To grant options to purchase securities held by the Trustee or to repurchase options previously granted with respect to securities held by the Trustee;
- iv. To make, execute, and deliver as Trustee any and all contracts, waivers, releases, or other instruments in writing necessary or proper for the exercise of any of the foregoing powers; and
- v. In general, to take such other actions and execute such other documents as may be necessary or desirable to exercise the powers conferred on the Trustee in this Agreement.

The Trustee may perform any of its administrative powers and other duties under this Agreement through such other persons or entities as may be designated by the Trustee from time to time. No such designation or change thereof shall be considered an amendment of this Agreement.



All of the foregoing notwithstanding, the Trustee's powers shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by the Trustee's own governing instruments; all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; the Trustee's policies and practices; and the terms of this Agreement.

- c. Proxies.** Except as otherwise directed by the Grantor, all proxy and solicitation materials, notices of shareholders' meetings, current prospectuses, and other annual or regular shareholder reports shall, to the extent furnished to the Trustee by the issuers of the securities in the Trust Account, be sent by the Trustee to the Grantor. The Trustee shall not be responsible for voting or taking any other action pursuant to any such materials.
- d. Records and Reports.** The Trustee shall keep accurate records of all contributions, receipts, investments, distributions, disbursements, and all other transactions of the Trust Account. Within one hundred twenty (120) days (or such other deadline imposed by applicable law) after the close of each calendar year (or after a distribution or transfer of a Grantor's Trust Account or upon the Trustee's resignation or removal), the Trustee shall provide to the Grantor a written report (which may consist of copies of the Trustee's regularly issued Trust Account statements) reflecting all transactions in the Trust Account for the period in question and including a statement of the assets in the Trust Account and their market values. Unless the Grantor provides a written statement of exceptions or objections to the report to the Trustee within sixty (60) days after the Grantor's receipt thereof, the Grantor shall be deemed to have approved such report and the Trustee shall be released from all liability to anyone (including any Grantor's spouse or Beneficiary) with respect to all matters set forth in the report. No person other than a Grantor, the spouse of a Grantor, or a Beneficiary may require an accounting.
- e. Legal Proceedings.** The Trustee shall have the right at any time to apply to a court of competent jurisdiction for a judicial settlement of the Trustee's accounts or for a determination of any questions of interpretation or construction of the terms of the IRA, including this Agreement, or for instructions. The only necessary party defendant to any such action shall be the Grantor, but the Trustee may join any other person(s) as a party defendant. The cost, including the Trustee's attorney's fees, of any such proceeding shall be charged as an administrative expense under section 14 below. The Trustee shall not be obligated or expected to commence or defend any legal action or proceeding in connection with this Agreement or such matters unless agreed upon by the Trustee and the Grantor (or the Grantor's legal representatives) (or Beneficiary) and unless fully indemnified for so doing to the Trustee's satisfaction.
- f. Scope of Trustee's Duties.** The Trustee shall only have the duties which are specifically set forth in this agreement.
- g. Scope of Trustee's Liability.** The Trustee shall not be liable for any loss of any kind that may result from any action taken by the Trustee in accordance with the directions of the Grantor or his or her designated representative or attorney in fact or from any failure to act in the absence of any such directions. The Trustee is entitled to act upon any instrument, certificate, or form the Trustee believes in good faith is genuine and is executed or presented by the proper person(s), and the Trustee need not investigate or inquire as to any statement contained in such document but may accept it as true and accurate. The Trustee shall not be liable for any taxes (or interest thereon), penalties or other consequences to the Grantor or to any other person in connection with any Trust Account, including in connection with any contribution to or distribution from the Trust Account. The Trustee shall not be liable for any damages, losses or expenses directly or indirectly caused by an act of God, unusually severe weather conditions, fire, flood, natural calamity, civil or labor disturbance, epidemic, pandemic, acts of war, acts of terrorism, catastrophic accident, exchange or market issues, including the suspension of trading, market volatility, trade volume, or act of any governmental authority, malfunction of equipment or software (except where such malfunction is primarily attributable to the Trustee's gross negligence or willful misconduct in selecting, operating or maintaining the equipment or software), failure of or the effect of rules or operations of any external funds transfer system, inability to obtain or interruption of external communications facilities, or any cause beyond the Trustee's reasonable control.

The Grantor, the Grantor's legal representatives, and the Beneficiaries following the Grantor's death shall release and fully indemnify and hold harmless the Trustee and its affiliates and their respective officers, directors, shareholders, employees and other agents from any liability which may arise hereunder, including any liability in connection with the establishment or maintenance of the Trust Account and the Trustee's obligations under this Agreement, except liability arising from the Trustee's own acts of gross negligence or willful misconduct. This indemnification will survive the termination of this Agreement and the Trust Account.

**12. Resignation or Removal of Trustee.**

- a. Resignation.** The Trustee may resign as Trustee hereunder as to any Trust Account by providing thirty (30) days' prior written notice thereof to the Grantor (or any Beneficiary following the Grantor's death). Upon the Trustee's resignation, the Trustee may, but shall not be required to, appoint a corporation or other organization which shall be a bank as defined in Code section 408(n) or another person found qualified to act as trustee of an IRA by the Secretary of the Treasury or his delegate, as the successor Trustee under this Agreement. The Grantor, following the receipt of such notice, shall have thirty (30) days to appoint an alternate qualifying successor Trustee. If no alternate qualifying successor Trustee is appointed within such time period, the Grantor will be deemed to have accepted the Trustee's appointed successor Trustee. Upon acceptance of an appointment by the successor Trustee, the Trustee shall assign, transfer, and deliver to the successor Trustee all assets held in the Trust Account to which such resignation relates. The Trustee is authorized, however, to reserve such amounts the Trustee deems advisable to provide for the payment of expenses and fees then due or to be incurred in connection with the settlement of the Trustee's account, and any balance remaining after the settlement of the Trustee's account shall be paid to the successor Trustee. If the Trustee does not choose to appoint a successor Trustee, the Grantor shall have thirty (30) days after receiving notification of the Trustee's resignation to appoint a qualifying successor Trustee and provide transfer instructions to the Trustee. If the Grantor fails to appoint a qualifying successor Trustee and provide transfer instructions within such time period, the Trustee shall have the right to terminate the Trust Account, liquidate all assets in the Trust Account and mail a check to the Grantor for any net proceeds. In such event, the Trustee shall be entitled to receive the full termination fee, if any, along with the full, non-prorated current year maintenance fees, if any, regardless of the date during the year on which the Trust Account is terminated. If the Trust Account is liquidated, the Grantor agrees to be liable for any resulting losses and expenses of liquidation incurred by the Trustee, which expenses the Trustee may deduct from the net proceeds. Upon transfer of the assets following the termination of the Trust Account and this Agreement, the Trustee will be discharged and released from any further liability hereunder.
- b. Removal.** The Grantor (or any Beneficiary following the Grantor's death) may at any time, upon thirty (30) days' prior written notice to the Trustee, remove the Trustee, provided that the Grantor (or Beneficiary) designates in such notice a successor Trustee, which successor Trustee shall be a bank as defined in Code section 408(n) or another person found qualified to act as a trustee of an IRA by the Secretary of the Treasury or his delegate. Upon expiration of the notice period set forth in the written notice and acceptance by the successor Trustee (in a form and substance reasonably acceptable by the Trustee) (1) the Trustee shall transfer the assets of the Trust Account to the successor Trustee subject to any amount reserved by the Trustee as provided in paragraph a of this section 12; (2) the Trustee shall thereafter have no further rights and responsibilities under this Agreement; (3) the successor Trustee shall have all the rights and responsibilities of the Trustee under this Agreement; and (4) the successor Trustee shall be subject to any agreement between the Grantor and the Trustee which may limit the payment of benefits to Beneficiaries.

The Trustee shall substitute another trustee in place of the Trustee upon notification by the IRS that such substitution is required because the Trustee has failed to comply with the requirement of Treasury Regulation Section 1.408-2(e) (or any successor regulation), or is not keeping such records, making such returns, or rendering such statements as are required by such regulation.

- c. Trustee Not Liable for Acts of Predecessor Trustee.** No Trustee shall be liable for the acts or omissions of any predecessor Trustee or shall have any obligation to review or audit the acts of any predecessor Trustee.

**13. Amendment and Termination of the IRA.**

- a. Amendment.** The Grantor hereby directs the Trustee to amend any provision of this Agreement at any time as the Trustee may deem necessary or desirable for administrative and other reasons, and the Grantor hereby consents to such amendments, provided they comply with all applicable provisions of the Code, the regulations thereunder and any other statute, regulation or ruling. Such amendment shall be communicated in writing to the Grantor or Beneficiary, and the Grantor or Beneficiary shall be deemed to have consented to such amendment unless, within thirty (30) days after the communication to the Grantor is mailed or delivered electronically, the Grantor gives the Trustee a written order for a complete distribution or transfer of the Trust Account. No amendment of the IRA, including this Agreement, however, shall deprive any Grantor, spouse of a Grantor, or Beneficiary of any benefit to which he or she was entitled under the IRA from contributions made prior to any such amendment unless the amendment is necessary to conform the IRA to

the current or future requirements of Code section 408, or other applicable law, regulation, or ruling; in such event, the Trustee is expressly authorized to make amendments that are necessary for such purposes retroactively to the later of the effective date of the IRA or the effective date of any such future legal requirements. A Grantor may change any election or designation made in the Adoption Agreement, provided such change is made in a form and manner prescribed by and acceptable to the Trustee.

- b. Termination.** The Trustee may terminate this IRA or this Trust Account at any time upon thirty (30) days' prior written notice to the Grantor (or the Beneficiary following the Grantor's death). If the Trustee terminates the Trust Account for any reason, the balance held in each Trust Account for the benefit of a Grantor or Beneficiary(ies) shall be distributed by the Trustee to a successor Trustee, in accordance with paragraph a of Section 12 above.

### 14. Fees, Expenses, and Indebtedness.

- a. Payment of Fees and Expenses.** The annual maintenance, termination, and other administration fees shall be charged by the Trustee in accordance with the Trustee's published fee schedule in effect at the time the Trustee's services are provided. The Grantor acknowledges that such fee schedule may be amended by the Trustee from time to time on notice to the Grantor. A portion of the fees collected by the Trustee may be shared with the financial institution that introduced the Grantor's Trust Account. Any administrative expenses, which are over and above the services set forth in the fee schedule, including fees for legal and/or accounting services incurred by the Trustee at the request of or necessitated by the actions of the Grantor or Beneficiary including, but not by way of limitation, directed investments of Trust Account assets that cause the Trust Account to realize unrelated business taxable income within the meaning of Code section 512, shall be paid by the Grantor. The Trustee's fees and expenses shall be automatically debited to the Trust Account unless the Grantor pays the fee in a timely manner before the Trust Account has been so charged. The Trustee reserves the right to liquidate any assets of the Trust Account to collect any charge for which payment may at any time be past due. Any reimbursement of fees charged against a Trust Account will be recorded as a contribution to the Trust Account and reported to taxing authorities accordingly.
- b. Taxes.** Any taxes of any kind whatsoever that may be levied or assessed upon any Trust Account, or that the Trustee may otherwise be responsible for collecting, may be paid by the Grantor (or the Beneficiary following the Grantor's death) but, unless so paid within such time period as the Trustee may establish, shall be paid from the assets of the Trust Account at issue.
- c. Deductible and Non-Deductible Contributions.** The Trustee shall have no duty to account for deductible contributions separately from non-deductible contributions.
- d. Commissions and other Transactional Fees.** The Trust Account will be charged commissions and other transactional fees each time securities transactions are effected in the Trust Account in accordance with the Trustee's usual practice.
- e. Indebtedness.** The Grantor shall pay any debit balance or other obligation owing to the Trustee with respect to the Trust Account on demand.

### 15. Miscellaneous.

- a. Prohibited Transactions.** No Grantor, spouse of a Grantor, or Beneficiary shall be entitled to use a Grantor's Trust Account, or any portion thereof, as security for a loan or borrow from the Trust Account. Neither the Trustee, the Grantor, nor any other person or organization shall engage in any prohibited transaction within the meaning of Code section 4975 with respect to any Trust Account.
- b. Trustee as Agent.** The Trustee shall be an agent for the Grantor (or any Beneficiary following the Grantor's death) to perform the duties conferred on the Trustee by the Grantor. The parties do not intend to confer any fiduciary duties on the Trustee, and none shall be implied. The Trustee shall not be liable (and does not assume any responsibility for) the collection of contributions, the deductibility of any contribution, determining whether any contribution or rollover contribution satisfies the requirements of the Code, the propriety of any contributions received by the Trustee under this Agreement, or the purpose or propriety of any distribution ordered, which matters are the sole responsibility of the Grantor (or the Beneficiary, as applicable).
- c. Prohibition Against Assignment of Benefits.** Except to the extent otherwise required by law or this agreement, none of

the benefits, payments, or proceeds held in a Trust Account on behalf of any Grantor, spouse of a Grantor, or Beneficiary shall be subject to the claims of any creditor of such Grantor, spouse, or Beneficiary, nor shall any such Grantor, spouse, or Beneficiary have any right to anticipate, sell, pledge, option, encumber, or assign any of the benefits, payments, or proceeds to which he or she is or may be entitled under the IRA.

- d. Liquidation of Assets.** If the Trustee must liquidate assets in order to make distributions, transfer assets, or pay fees, expenses, or taxes assessed against a Grantor's Trust Account, and the Grantor fails to timely instruct the Trustee as to the liquidation of such assets, assets will be liquidated pro-rata across all investments and funding vehicles available in the IRA. The Trustee shall not be liable for any losses arising out of or as a result of assets liquidated in accordance with the provisions of this Agreement.
- e. Purpose of Form.** Form 5305 (Articles I through VII) is a model Trust Account Agreement that meets the requirements of Code section 408(a) and has been approved by the IRA and further revised for the SECURE Act of 2019. An Individual Retirement Account is established after the Adoption Agreement is fully executed by the Grantor and entered in the records of the Trustee, and must be completed no later than the due date of the individual's federal income tax return for the tax year (without regard to extensions). This Trust Account must be created in the United States for the exclusive benefit of the Grantor or his or her Beneficiary(ies).
- f. Identifying Number.** The Grantor's Social Security number will serve as the identification number of his or her Trust Account. An employer identification number is required only for a Trust Account for which a return is filed to report unrelated business taxable income. An employer identification number is required for a common fund created for IRAs.
- g. Contributions to a Trust Account for a Spouse.** Contributions to a Trust Account for a spouse must be made to a separate Trust Account established by the spouse.
- h. Evidence of Agreement.** This Agreement, and any part hereof, may be proved either by an original copy or a reproduced copy thereof including, without limitation, a copy reproduced by photocopying, facsimile transmission, electronic imaging, or other means of electronic transmission.
- i. Applicable Law.** The IRA shall be construed, administered, and enforced according to the laws of the State of New York, except to the extent pre-empted by federal law, without regards to the laws of conflict. All contributions to the Trust Account shall be deemed to occur in the State of New York. The terms and conditions of the IRA shall be applicable without regard to the community property laws of any state.
- j. Conflicts.** Any conflicting provisions between this agreement and the Brokerage Customer Account Agreement are governed by the Trust Agreement.

**16. Arbitration.** This Agreement contains a pre-dispute arbitration clause, which will survive the termination of this Agreement and the Trust Account. By signing an arbitration agreement, the Grantor and the Trustee agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their awards.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, will be incorporated into this Agreement.
- The arbitrator shall have no authority to award punitive damages or any other kind of damages not measured by the prevailing party's actual damages.

IT IS AGREED THAT ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE BREACH THEREOF, OR THE TRUST ACCOUNT WILL BE SETTLED BY ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION (“AAA”). THE RULES OF THE ARBITRATION WILL BE THOSE IN GENERAL USE BY THE AAA, EXCEPT AS MODIFIED BY THIS SECTION OR OTHERWISE AGREED TO BY THE PARTIES. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. THE ARBITRATION WILL BE BEFORE A SINGLE ARBITRATOR AND WILL BE HELD IN THE CITY OF NEW YORK, NEW YORK. THE PREVAILING PARTY WILL BE ENTITLED TO RECOVER ITS REASONABLE ATTORNEYS’ FEES AND EXPENSES OF LITIGATION, INCLUDING EXPERT COSTS, IN ANY SUCH ARBITRATION.

**17. Administration of SECURE Act Provisions.** As required by Article VII, to comply with the SECURE Act, your IRA shall be administered by class of beneficiary. The Trustee expects the IRS to clarify the rules that apply to each class of beneficiary, in accordance with the following principles:

- a. Eligible Designated Beneficiary.** An “Eligible Designated Beneficiary” is any individual designated beneficiary who is, the surviving spouse, a child of the deceased Grantor under the age of majority, disabled or chronically ill, or any other person who is not more than 10 years younger than the deceased Grantor. Distributions by Eligible Designated Beneficiaries must be taken in a manner generally consistent with Article IV of the Agreement above.
- b. A Designated Beneficiary Other Than an Eligible Designated Beneficiary.** Distributions must generally be taken by the end of the 10th year following the Grantor’s death.
- c. No Designated Beneficiary.** Distributions must be taken in a manner generally consistent with Article IV of the Agreement above.

## Directed Traditional and SEP Individual Retirement Account Disclosure Statement

FUNDS INVESTED PURSUANT TO THIS AGREEMENT ARE NOT INSURED BY THE FDIC MERELY BECAUSE THE TRUSTEE IS A FEDERAL SAVINGS ASSOCIATION THE ACCOUNTS OF WHICH ARE COVERED BY SUCH INSURANCE. ONLY INVESTMENTS IN THE ACCOUNTS OF A FEDERAL SAVINGS ASSOCIATION ARE INSURED BY THE FDIC, SUBJECT TO ITS RULES AND REGULATIONS.

This Disclosure Statement provides the basic information regarding your TIAA Directed Traditional and/or SEP Individual Retirement Account (IRA), as well as certain features unique to the TIAA, FSB Directed Trusteed IRA. The Internal Revenue Service (IRS) requires us to send you this information. You should review it carefully, as well as your Trust Agreement and Adoption Agreement, to make sure you understand the legal requirements for IRAs. This Disclosure Statement also discusses the effect and requirements of federal tax laws, but not state income tax laws that may apply to you. TIAA, FSB (the “Bank”) and its affiliated organizations do not provide tax or legal advice – for this reason, you should consult a lawyer or personal tax advisor regarding your particular situation to avoid any unintended or adverse tax consequences. IRS Publication 590, “**Individual Retirement Arrangements (IRAs)**”, contains more information on IRAs generally. Additionally, information about IRAs can be obtained from any IRS district office.

### Right to Revoke

You can revoke your IRA any time within seven calendar days after it has been established by mailing or delivering a written notice of revocation to the following address:

TIAA  
C/O TIAA IRA Operations  
8500 Andrew Carnegie Blvd.  
Charlotte, NC 28262

Your written notice will be deemed mailed on the date of the postmark (or if sent by certified or registered mail, the date of certification or registration), if it is deposited in the mail in the United States in a properly addressed envelope, or other appropriate wrapper, first class postage prepaid. Upon revocation, you will receive a full refund of all monies paid. If you have questions, please call 1-800-842-2252, weekdays, 8 a.m. to 10 p.m. (ET).

### Establishing an IRA

Your IRA is a trust account established for the exclusive benefit of you and your beneficiaries, which is given favorable tax treatment by meeting specific requirements of the Internal Revenue Code of 1986, as amended (“Code”).

A “**Traditional**” IRA is an IRA to which you may contribute annually. Your contributions may be deductible in full or in part, depending upon your tax filing status, your income level, and whether you and/or your spouse actively participate in an employer-sponsored retirement plan.

Accumulations in your Traditional IRA will grow tax deferred until you withdraw assets. Distributions from your Traditional IRA will be taxable to the extent that you were not previously taxed on the IRA contributions and earnings.

An “**Inherited**” IRA is one you establish as the beneficiary of an eligible retirement plan (401(a), 401(k), 403(a), 403(b), or 457(b) governmental plans) or IRA, and eligible rollover distributions from these plans are paid over into your Inherited IRA

on a tax-free basis. You cannot make additional contributions to your Inherited IRA. It must be established in the name of the deceased owner, and you will receive required minimum distributions from the Inherited IRA on a yearly basis as required by the Code.

A “**SEP**” IRA is an IRA opened to receive contributions from your employer-sponsored Simplified Employee Pension Plan (“**SEP**”). All SEP contributions are tax deductible by your employer.

You also are eligible to establish an IRA by rolling over assets from another IRA. You are permitted to rollover pre-tax amounts from Traditional IRAs (including a SEP IRA) and qualified employer plans into a Traditional IRA (not including a SEP IRA), subject to certain limitations.

The IRS has approved various forms to be used in establishing IRAs. Form 5305 has been approved as a Traditional IRA trust agreement, which meets the requirements of Section 408(a) of the Code. Except as amended to conform to changes to the Internal Revenue Code enacted in the Setting Every Community Up for Retirement Enhancement (“**SECURE**”) Act of 2019, the TIAA Trust Agreement for Directed Traditional and SEP Individual Retirement Accounts (Agreement) incorporates the language from this form and relies on the IRS’ approval of this language in offering Traditional IRAs that meet the requirements of Code Section 408(a). The IRS approval goes to the form of the IRA and does not represent a determination on the qualification of the IRA in operation. As the IRS updates Form 5305 and Treasury Regulations and IRS guidance is issued on the SECURE Act provisions, the Bank will administer your IRA to conform to such developments.

An IRA will be established upon your execution of the TIAA Individual Retirement Account Adoption Agreement.

You will need to designate in the Adoption Agreement if you are establishing a Traditional IRA or a SEP IRA. The Bank reserves the right to amend the IRA Agreement as necessary to maintain the tax-qualified status of your IRA and as described in the Agreement.

Securities and mutual fund investments fluctuate in value and are not guaranteed. Therefore, your IRA earnings and values are not projected.

The assets in your IRA are nonforfeitable, although the value of your IRA will fluctuate depending on its investment performance. It is important to note that investments made in your IRA (i) do not constitute a deposit or represent an obligation of the Bank or its affiliates; (ii) are not insured by the Federal Deposit Insurance Corporation; (iii) are not guaranteed by the Bank or its affiliates and are not a condition to any banking service or activity; and (iv) are subject to investment risk, including the possible loss of principal.

Any IRA funds in the TIAA Retirement Reserves Account are held at the Bank, which is a member of the FDIC. Cash balances in the TIAA Retirement Reserves Account are FDIC-insured up to \$250,000 per account holder, combined with other insured deposits of the account holder at the Bank in the same ownership category.

### Contributions to Your Traditional IRA

**Annual Contributions.** Annual IRA contributions must be made in cash. For 2020, you are permitted to make Traditional IRA contributions in an amount up to \$6,000 or 100 percent of your compensation for the year, whichever is less. Cost of living adjustments in \$500 increments may be made to the contribution limit as announced by the IRS. Individuals who turn age 50 during a tax year may make an additional annual catch-up contribution of up to \$1,000 for that tax year and subsequent tax years. The limit applies to the total amount of contributions that you make to all of your IRAs for the tax year, not including rollover contributions. Generally, compensation includes amounts that you receive for the performance of services, and does not include investment income. You are not required to make IRA contributions for any tax year. Contributions in excess of the limit may be subject to an excise tax (see **Tax Issues** section, later).

Contributions that are made for a tax year must be made by the due date for your tax return for that year without regard to extensions—generally, April 15 of the following year. Whether your Traditional IRA contributions are tax deductible depends upon your tax filing status, your income level, and whether you and/or your spouse actively participate in an employer-sponsored retirement plans (see **Tax Issues** section, later).

**Rollover Contributions.** Rollover contributions to a Traditional IRA may be made at any time. A rollover contribution is a transfer of an eligible distribution from an employer-sponsored retirement plan or from another Traditional IRA.

## Traditional and SEP Directed Individual Retirement Account Disclosure Statement

Eligible distributions from a plan established under Code Sections 401(a), 403(b), or a deferred compensation plan of a state or local government (section 457 plans) may be rolled over into a Traditional IRA. Assets from another Traditional IRA may be rolled over or transferred.

The Bank reserves the right to determine whether to require a rollover contribution or transfer to be made in cash or to accept assets in-kind. Absent another instructions from you, assets received in cash shall be invested in the TIAA Retirement Reserves Account. You have the right to move funds to other available investments at any time.

Pre-tax contributions to a retirement plan and earnings on them are generally eligible to be rolled over into a Traditional IRA. Pre-tax contributions are contributions that were made to a retirement plan on your behalf and on which you have not yet paid taxes. After-tax contributions are contributions that you made, and on which you already have paid taxes. Most IRA assets may be rolled over, including both your pre-tax and after-tax contributions and earnings on them. Distributions sent to multiple destinations at the same time are treated as a single distribution for allocating pre-tax and after-tax amounts (IRS Notice 2014-54). This means you can rollover all your pre-tax amounts to a Traditional IRA or retirement plan and all your after-tax amounts to a different destination, such as a Roth IRA.

Assets must be either directly rolled over or rolled over within sixty days after you receive them from the previous plan or IRA. It is your responsibility to make sure that your rollover meets IRS guidelines. You may rollover assets from any IRA you own into another IRA only once a year. The once-a year limitation does not apply to rollovers of employer plan distributions to IRAs. Direct transfers from one IRA to another IRA are not restricted to once a year.

Spouses receiving distributions from a deceased Grantor's employer retirement plan or IRA are eligible to take advantage of the same rollover rules as grantors. Also, if you are receiving an eligible distribution of your spouse's benefit from an employer retirement plan pursuant to a "qualified domestic relations order," you may roll over all or a portion of the distribution into a Traditional IRA.

The amount you roll over or transfer to a Traditional IRA will not be taxed until you take it out of the IRA. If the taxable portion of a distribution from an employer retirement plan is eligible to be rolled over and is not directly rolled over to your Traditional IRA, it will be subject to a mandatory 20 percent federal income tax withholding when it is distributed to you. You will receive only 80 percent of the amount you request as a distribution. The other 20 percent will be sent to the IRS as tax withholdings on your behalf. Even if you receive only 80 percent of your requested distribution from the plan, you are eligible to make a rollover contribution to a Traditional IRA in an amount equal to the full distribution. You must do so within 60 days after you receive the distribution. Unless you make a rollover contribution which includes the 20 percent withheld, the IRS will consider the 20 percent withheld to be taxable income. If you are under age 59½ that taxable amount will be considered a premature distribution subject to a 10 percent penalty tax. Military death benefits may only be rolled over to Roth IRA or Coverdell ESA.

**SEP IRA Contributions.** Your employer may make contributions to your SEP IRA up to the maximum amount under current law. Your SEP IRA can only receive employer contributions. If you want to make additional contributions, you must open a separate IRA account.

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

### A Traditional IRA for Your Spouse

If you and your spouse work, you may each establish your own Traditional IRA. The permissible amount of your contributions will depend on your combined annual income. For 2020, you may each contribute up to \$6,000 (\$12,000 total), \$7,000 if you are age 50 or older (\$14,000 total), or 100 percent of your combined compensation, if less, provided you file a joint tax return. If you file separate tax returns, each of you would be limited to a contribution of \$6,000 or 100 percent of your respective compensation for the year, if less.

If your spouse is not employed, or does not have enough compensation to support a full contribution, your spouse may establish



## Traditional and SEP Directed Individual Retirement Account Disclosure Statement

an IRA and contribute up to \$6,000 for 2020 (\$7,000 if he or she is age 50 or older) or 100 percent of your joint compensation (reduced by your own IRA contributions for the same year), whichever is less, provided you and your spouse file a joint tax return.

Whether a contribution to your spouse's Traditional IRA is deductible will depend on your tax filing status, income level, and whether you and/or your spouse actively participate in an employer-sponsored retirement plan (see **Tax Issues** section, later).

### Distribution Requirements

You can withdraw all or a portion of your Traditional or SEP IRA assets at any time. However, benefits from your Traditional or SEP IRA generally should begin no earlier than when you reach age 59½ because there may be a ten percent (10%) early withdrawal penalty.

Minimum distributions must begin for the year in which you turn 72 and must be made for each subsequent year. The first required minimum distribution must be made for the year in which you attain age 72 by April 1 of the following year. The distribution for each year after the year in which you attain age 72 must be made by December 31 of that year. This could result in two payments being made in the year after the year you reach age 72 (unless you were to take your first distribution during the year you reach age 72).

If you have an Inherited IRA, minimum distribution payments will generally be distributed every year after the year in which the IRA is established. Based on its internal policies and operational requirements, the Bank may make available to you certain distribution elections for distributions to be made to one or more of your designated beneficiaries after your death. If so, and if you elect any such distribution elections with respect to any one or more of your designated beneficiaries, distributions to your beneficiaries will be limited. These distribution elections are only permissible with respect to any beneficiary who is not, or was not your spouse at your death. If the Bank does not make available such distribution elections to you based on your account type, generally your beneficiary can receive death benefits as periodic payments or as a single cash payment. Death benefits are subject to federal income taxation when paid. Death benefits also are subject to minimum distribution requirements which vary by designated beneficiary, as stated in your IRA and explained below.

Effective January 1, 2020, in accordance with the SECURE Act, in most cases, for individuals who turn age 70½ after December 31, 2019, payments from Traditional IRAs must begin by April 1 of the year after you reach age 72. The SECURE Act fundamentally changed the ability of certain non-spouse beneficiaries of interests in IRAs to receive payments over their life expectancy. This change applies with respect to IRA owner deaths after December 31, 2019. It also applies to beneficiaries of beneficiaries dying after 2019. In particular, the SECURE Act provides that under Traditional IRAs, SEP IRAs and Roth IRAs, most non-spouse beneficiaries will no longer be able to satisfy these rules by "stretching" payouts over life. Instead, those beneficiaries will have to take their post-death distributions within ten years. Certain exceptions apply to "eligible designated beneficiaries" which include spouses, disabled and chronically ill individuals, individuals who are ten or less years younger than the deceased individual, and children who have not reached the age of majority. This change applies to distributions to designated beneficiaries of individuals who die on and after January 1, 2020. After the first beneficiary dies, the 10 year distribution period would generally apply to the beneficiary of the first deceased beneficiary. If you do not name an individual beneficiary (or a "look-through" trust treated as an individual), the ten year rule is shortened to a 5 year rule.

Adults who are eligible designated beneficiaries can receive payments over life or life expectancy, while children can receive such payments only until the age of majority, when the ten year rule would then apply, as if you had died at that time. Payments taken over life expectancy must begin by the end of the year of your death, except for your surviving spouse. If your spouse is your beneficiary, payments must begin no later than the year you would have attained age 72, or if you die after age 72, by the end of the year following the year in which your death occurs.

If, however, your spouse is your beneficiary, then he or she may roll over the decedent's benefit to his or her own Traditional IRA, and be subject to the RMD rules applicable to your spouse. A 50 percent excise tax applies to any amount that should have been withdrawn as an RMD, but was not withdrawn.

### Future Rollovers or Transfers

You can withdraw all or a portion of the assets in your Traditional IRA and deposit them in another Traditional IRA or an employer

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retirement plan provided the plan allows rollovers. You may rollover IRA assets from any IRA you own only once every 12 months, beginning on the date of receipt. Assets rolled over to another Traditional IRA or employer plan will be subject to the provisions of that IRA or plan. The once-a-year limitation does not apply in the case of a conversion from a Traditional IRA to a Roth IRA. Also, the once-a-year limitation applies only when you take a withdrawal and redeposit the assets yourself within 60 days, not when assets are transferred directly from one IRA to another. You may transfer assets directly between IRAs at any time without limitation.

### Tax Issues

**Deduction of Contributions.** The amount of Traditional IRA contributions that you are eligible to make is described above. However, whether you are able to deduct all or a portion of your contributions depends on your income level, your tax filing status, and whether you or your spouse actively participates in an employer-sponsored retirement plan. These rules are described below. Regardless of the amount of contributions that you are allowed to deduct in a tax year, you may elect not to deduct your Traditional IRA contributions for that tax year. Contributions that are not deducted for a tax year must be reported to the IRS by filing Form 8606 with your federal income tax return for that year.

A single individual who does not participate in an employer-sponsored retirement plan may deduct the full amount of his or her allowable Traditional IRA contribution. Single individuals who actively participate in an employer-sponsored retirement plan can deduct the full amount of their allowable Traditional IRA contribution as long as their adjusted gross income (“AGI”) does not exceed the applicable statutory limit. The deduction is phased out for AGI above that limit.

Currently, the Traditional IRA AGI limits are as follows for single or head of household (these limits may be indexed for inflation in future years).

Tax Year	Phase Out Begins	Phase Out At
2020	\$65,000	\$75,000

You can contribute to a Traditional or Roth IRA whether or not you participate in another retirement plan through your employer or business. However you might not be able to deduct all of your Traditional IRA contributions if you or your spouse participates in another retirement plan at work. Roth IRA contributions might also be limited if your income exceeds a certain level.

If you work and are covered by an employer-sponsored retirement plan, and your spouse is not covered by an employer-sponsored plan, and you file a joint tax return, you may deduct the full amount of your contribution as long as your AGI does not exceed the applicable statutory limit.

Currently, the Traditional IRA AGI limits for married filing jointly are as follows (these limits are to be indexed for inflation in future years).

Tax Year	Phase Out Begins	Phase Out At
2020	\$104,000	\$124,000

If a married individual files a separate tax return, the Traditional IRA deduction is phased out for AGI between \$0 and \$10,000, at which level it is completely eliminated. Special rules apply to married taxpayers who file separately and live apart at all times during the tax year; they are treated as single.

**SEP IRA Contributions.** For participants in a SEP plan offered by your employer, your employer may make annual SEP contributions on your behalf up to the lesser of 25% of compensation, or \$57,000 in 2020, or the current limit published and in effect by the IRS. The maximum compensation that can be considered for SEP contributions by your employer is \$285,000 for 2020, or the current limit published and in effect by the IRS.

**Tax on Excess Contributions.** If you make a contribution in excess of the allowable amount for a tax year and you fail to withdraw the excess and the earnings on the excess contribution by the date your tax return for the year is due (including extensions), you are subject to a 6 percent tax per year on the excess amount until it is withdrawn or applied to a subsequent year’s allowable contribution.

**Deferred Taxation of Accumulations.** Your Traditional IRA will accumulate on a tax-deferred basis and you will not be subject to income taxation on the earnings until you withdraw assets.

**Taxation of Distributions.** Distributions from your Traditional IRA, which are attributable to contributions you deducted, pre-tax amounts that have been rolled over from an employer retirement plan and all Traditional IRA earnings, are taxable when received. All taxable amounts that are withdrawn are subject to ordinary income taxation and are not eligible for more favorable capital gains, lump sum distribution, income averaging or other tax treatment.

An early distribution (before age 59½), including any amount deemed distributed as a result of a prohibited investment or transaction, is subject to a 10 percent income tax penalty on the taxable portion of the distribution, unless it is:

1. rolled over into another Traditional IRA,
2. made on account of your death or disability,
3. one of a series of substantially equal annual (or more frequent) payments over your lifetime or joint lifetime with your beneficiary (or based on your life expectancy or the joint life expectancy of you and your beneficiary),
4. made to pay medical expenses that are deductible for the tax year (i.e., in excess of 10% percent of adjusted gross income),
5. made to pay health insurance premiums after your separation from employment if you have received unemployment compensation for 12 consecutive weeks,
6. made for qualified first time home buyers to pay for qualified acquisition costs of up to \$10,000,
7. made to pay for qualified education costs for you, your spouse, or any child or grandchild of you or your spouse,
8. made on account of an IRS levy, or
9. the distribution is a qualified reservist distribution.

Other exceptions may be applicable under certain circumstances and special rules may be applicable in connection with the exceptions enumerated above. Taxable distributions are subject to withholding, generally at a rate of 10 percent, unless you specifically ask the Bank not to withhold taxes from your payment.

**Rollovers, Conversions and IRA-to-IRA Transfers.** Traditional IRA distributions may be rolled over to another Traditional IRA or to a qualified employer plan that accepts rollovers, including amounts that previously came from another qualified employer plan.

The amount of any distribution that is rolled over into another Traditional IRA or qualified employer plan is not subject to federal income tax, to the extent it otherwise would not be taxable, until distributions are made from that Traditional IRA or plan. Also, direct IRA-to-IRA transfers are not distributions and are not taxable until distributions are made from the Traditional IRA to which assets are transferred.

You also may be able to convert your Traditional IRA to a Roth IRA by rolling over your Traditional IRA assets to your Roth IRA. Distributions from a 401(a), 403(a), 403(b) or 401(k) plan, or a deferred compensation plan of a state or local government (section 457(b) plan) may also be converted and rolled over to a Roth IRA. If you convert a pre-tax amount to a Roth IRA, you will owe taxes for the tax year of the conversion.

**Recharacterizations.** If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contributions to a Roth IRA along with net income attributable, you may elect to treat the original contributions as having been made to the Roth IRA. The same method applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. However, if you have converted from a Traditional IRA to a Roth IRA you may not recharacterize the conversion along with net income attributable back to a Traditional IRA. Roth IRA conversions are irreversible.

**Saver's Credit for IRA Contributions.** You may be able to receive a tax credit for your IRA contribution. You're eligible for the credit if you're: age 18 or older; not a full-time student; and not claimed as a dependent on another person's tax return. The maximum annual credit is \$1,000 per year (\$2,000 if married filing jointly). Eligibility for the credit, which is a percentage of the contribution amount, is determined by your AGI as indicated in the chart below, as well as other requirements. To determine your credit amount, multiply the applicable percentage below by the amount of your contributions that do not exceed \$2,000 (\$4,000 if married filing jointly).

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### 2020 Saver's Credit (Based on a \$2,000 contribution)

Married Joint Filers (AGI)	Heads of Households (AGI)	All Other Filers (AGI)	Credit Rate	Maximum (AGI) Credit
\$0-\$39,000	\$0-\$29,250	\$0-\$19,500	50%	\$1,000
\$39,001-\$42,500	\$29,251-\$31,875	\$19,501-\$21,250	20%	\$400
\$42,501-\$65,000	\$31,876-\$48,750	\$21,251-\$32,500	10%	\$200
Over \$65,000	Over \$48,750	Over \$32,500	0%	\$0

The Saver's Credit can be taken for your contributions to a Traditional or Roth IRA; your 401(k), SIMPLE IRA, SARSEP, 403(b), 501(c)(18) or governmental 457(b) plan; and your voluntary after-tax employee contributions to your qualified retirement and 403(b) plans.

Rollover contributions (money that you moved from another retirement plan or IRA) aren't eligible for the Saver's Credit. Also, your eligible contributions may be reduced by any recent distributions you received from a retirement plan or IRA.

**Qualified Charitable Distributions ("QCD").** A QCD is a direct transfer of funds from your IRA custodian, the Bank, payable to a qualified charity. QCDs can be counted toward satisfying your RMD for the year, as long as certain rules are met. In addition to the benefits of giving to charity, a QCD excludes the amount donated from taxable income, which is unlike regular withdrawals from an IRA. However, the exclusion is offset by any IRA contributions you have deducted after age 70½. Keeping your taxable income lower may reduce the impact to certain tax credits and deductions, including Social Security and Medicare. While many IRAs are eligible for QCDs—Traditional, Rollover, Inherited, SEP (inactive plans only), and SIMPLE (inactive plans only)—there are requirements:

- You must be 70½ or older to be eligible to make a QCD. The increase in the RMD age to 72 for individuals reaching age 70½ after 2019 does not change this requirement.
- QCDs are limited to the amount that would otherwise be taxed as ordinary income. This excludes non-deductible contributions.
- The maximum annual amount that can qualify for a QCD is \$100,000. This applies to the sum of QCDs made to one or more charities in a calendar year. (If, however, you file taxes jointly, your spouse can also make a QCD from his or her own IRA within the same tax year for up to \$100,000.)
- For a QCD to count towards your current year's RMD, the funds must come out of your IRA by your RMD deadline, generally December 31.

Any amount donated above your RMD does not count toward satisfying a future year's RMD. Funds distributed directly to you, the IRA owner, and which you then give to charity do not qualify as a QCD. Consult a tax advisor to determine if making a QCD is appropriate for your situation.

**Qualified HSA Funding Distribution.** A one-time "qualified Health Savings Account ("HSA") funding distribution" may be made from an IRA (other than a SEP IRA) and contributed to the HSA of an individual in a direct transfer. If eligible, the amount of the distribution will not be includable in income and is limited to the statutory maximum contribution allowed for such has, reduced by any other contributions made to the HSA for that year. The distribution is not subject to the 10% early withdrawal penalty if taken prior to age 59½.

**Prohibited Investments.** You cannot invest your IRA assets in life insurance contracts. Nor can your IRA assets be commingled with other property except in a common trust fund or common investment fund which satisfies the requirements of Code section 408(a)(5). The Code also prohibits IRA investments in collectibles (as defined in Code Section 408(m)), except as is otherwise permitted by Code Section 408(m)), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion. Any such investment will be treated as a distribution to you in the year of the investment, taxable and generally subject to additional taxes and penalties.

**Prohibited Transactions.** If you or a beneficiary engage in a prohibited transaction with your IRA as described in Code section 4975 (such as borrowing against or pledging your IRA), your IRA will lose its tax-deferred or tax-exempt status, and you generally must include the value of the earnings in your account in your gross income for that taxable year.

### Beneficiaries of Your IRA

**Omitted Children.** Unless your IRA beneficiary designation provides otherwise, a beneficiary designation designating your “children,” or the “children” of any other person as a class and not by name, will include all of your children or all of the children of such other person, as the case may be, whether born or legally adopted before or after the beneficiary designation is made. Unless your beneficiary designation provides otherwise, if you designate an individual who is your child, and if you have a child born or legally adopted after the date on which the Trustee accepts your IRA beneficiary designation, your after-born or after adopted child will be entitled to receive a share of your IRA otherwise transferable to any of your children who is(are) named in the beneficiary designation, computed in the manner prescribed by applicable law. In such event, your IRA assets otherwise transferable to your children named in the beneficiary designation will be reduced in the proportion that their shares bear to each other. If you did not designate any of your children in the beneficiary designation as your beneficiaries, then any child of yours, who is born or legally adopted after the date on which the Bank accepts your beneficiary designation, will not receive any share of your IRA. The Bank, however, has no obligation to transfer IRA assets in the manner and as provided in this Section. The fact that the Bank is not so obligated does not affect the ownership interest of any after-born or after-adopted child in IRA assets.

**Documents Required upon Request for Transfer of IRA Assets.** Except to the extent you may have made certain distribution elections, if such elections are made available by the Bank based on its administrative and operational rules and practices, to transfer your IRA assets to the beneficiaries you have named in your approved beneficiary designation in your IRA Adoption Agreement, the Bank must timely receive (a) the appropriate form(s) requesting a transfer of IRA property; (b) any certificate or instrument evidencing ownership of the IRA; (c) a certified or authenticated copy of your death certificate issued by an official or agency of the place where the death occurred showing the fact, place, date, time of death, and the identity of the decedent; (d) a certified or authenticated copy of the death certificate of each deceased named beneficiary, issued in the manner set forth above in paragraph (c); (e) a certified copy of the court order appointing the legal representative of your estate or of the estate of a deceased beneficiary when such legal representative made the request for transfer of IRA assets; (f) a certified copy of the trust instrument which designates a trustee as a beneficiary of the IRA, if applicable; (g) a certified copy of relevant birth certificates; (h) an inheritance tax waiver from relevant states that require it; and (i) such other documents as the Bank may require, in its sole discretion. Further, prior to distributing any IRA assets to or for the benefit of any beneficiary, the Bank may, in its sole discretion, require any and all beneficiaries or any such beneficiary's legal representative to sign any document it may deem necessary or appropriate to effect the transfer of IRA assets including, but not limited to, an indemnification agreement in favor of the Bank to the extent of the value of the IRA assets received by each such beneficiary.

The Bank may rely on, and has no duty to independently verify (a) any representation of facts made under oath or affirmation regarding the identity and personal information of named and unnamed beneficiaries received from any beneficiary, or beneficiary's attorney in fact, or the legal representative of your estate or of the estate of a deceased beneficiary; and (b) copies of death certificates received from any of the foregoing persons. A certified or authenticated copy of any report or record of a governmental agency, domestic or foreign, certifying that you or a beneficiary is missing, detained, dead or alive, and the dates, circumstances, and places disclosed by the record or report, in a form acceptable to the Bank in its sole discretion, may be substituted for the death certificate referenced above.

**No Obligation on Bank's Part.** Notwithstanding any provisions in your IRA Adoption Agreement or any other document governing the terms of your IRA, the Bank has no duty to determine any fact or law that would (a) cause your beneficiary designation to be revoked, in whole or in part, as to any person because of a change in marital status or other reason; (b) qualify or disqualify any person to receive a share of your IRA; or (c) vary the distribution of your IRA. Further, the Bank has no obligation (a) to attempt to locate any beneficiary or the lineal descendants of any deceased beneficiary, or to determine whether a deceased beneficiary had lineal descendants who survived you; (b) to locate a trustee or custodian, obtain the appointment of a successor trustee or custodian, or discover the existence of a trust instrument or a will that creates an express trust; (c) to notify any person of the date, manner and persons to whom a transfer of IRA assets will be made under the beneficiary designation, except as may otherwise be provided in the IRA Adoption Agreement, any other document governing the terms of your IRA, or applicable law; (d) to question or investigate the circumstances of your death; or (e) to determine the age or any other facts concerning any beneficiary. The possibility that a beneficiary may disclaim, in whole or in part, the transfer of any interest in your IRA will not require the Bank to withhold making the transfer to such beneficiary in the normal course of its business.

**Change or Revocation of Beneficiary Designations.** You may change or revoke your beneficiary designation with respect to your IRA at any time during your lifetime, by fully completing and submitting to the Bank a form acceptable to the Bank in its discretion. Any subsequently submitted beneficiary designation that the Bank accepts automatically revokes your prior beneficiary designation. This revocation takes effect when your subsequently submitted designation becomes effective, unless you have expressly provided otherwise in your subsequent designation. The effective date of any change to or revocation of a beneficiary designation is the date on which the Bank accepts your beneficiary designation. A beneficiary designation may not be changed or revoked by, and the Bank will not give effect to any proposed change or revocation made in, a verbal request or in your estate planning documents, including your pre-nuptial agreement, post-nuptial agreement, Last Will and Testament, a trust of which you are a grantor, or any other document you may have signed, except a properly submitted Form. The Bank will honor a beneficiary designation or change or revocation of a beneficiary designation, which a conservator, an attorney-in-fact, or other legal representative duly appointed to represent your interests may make on your behalf, if the instrument, including court order, which gives the authority to such person to represent your interests specifically authorizes such person to take such action for you. Prior to implementing such action, the Bank may require assurances from such conservator, attorney-in-fact or other legal representative in such form as the Bank deems appropriate in its sole discretion.

**Legal Recourse.** If the Bank needs assurances regarding any matter related to the proposed transfer of your IRA assets following your death based on your beneficiary designation, the Bank may, in its sole discretion, seek judicial determination as to its proper course of conduct, which determination will be binding on all parties claiming an interest in your IRA. All expenses, which the Bank incurs in such respect, including reasonable attorneys' fees and courts costs, will be borne by the IRA assets in such manner as the Bank determines, in its sole discretion. If any claimant files a lawsuit against the Bank with respect to any proposed or completed transfer of IRA assets to beneficiaries following your death, the Bank will be entitled to recover its reasonable attorneys' fees and court costs incurred in such lawsuit from such claimant and out of the property in the IRA, in such manner as the Bank determines, in its sole discretion.

**Notification of Claim Adverse to Proposed Transfer.** Following your death, the Bank will have no duty to withhold making a proposed transfer of your IRA assets to your named beneficiary(ies) based on its knowledge of any fact or claim which is or may be adverse to its proposed transfer unless, before such transfer, the Bank receives a written notice from a claimant which sets forth: (a) the assertion of a claim of beneficial interest in the transfer which is adverse to the proposed transfer; (b) the name of the claimant and an address for communications directed to the claimant; (c) your name and the property to which the claim applies; and (d) a statement of the amount and nature of the claim as it affects the proposed transfer. The Bank must receive such notice at a place and time and in a manner which affords it a reasonable opportunity to act on it before the proposed transfer is made. The Bank will not be liable to any person for any damages resulting from its transfer of IRA assets before it receives such notice, or after it received such notice but before it has had a reasonable opportunity to act on it. Following its receipt of any such notice by a claimant, the Bank will nevertheless have the right to make its proposed transfer of IRA assets unless it is restrained by a court order. Any such court order must be obtained no later than thirty days after the date the Bank sends a notice to the claimant by certified mail or personal delivery at the address provided by the claimant in the claimant's notice, notifying the claimant that it may make the proposed transfer unless it is restrained by court order within thirty days after the date of such notice.

**Miscellaneous.** Your beneficiary designations and the transfer of your IRA assets after your death are governed by the terms of the IRA Adoption Agreement and all other documents governing your IRA, including these additional provisions, and by the laws of the State of New York in effect on the date of your death, without regard to the laws of conflict.

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

**Tax Reporting.** Each year, the Bank will send you a Form 5498, *Individual Retirement Arrangement Information*, to report the

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contributions you have made to your IRA during the preceding year. It is your responsibility to file Form 8606 with your federal income tax return to report contributions to your Traditional IRA that are non-deductible or which you elect to be non-deductible for the tax year. It is your responsibility to file Form 8606 with your federal income tax return to report a conversion of a Traditional IRA to a Roth IRA, or distributions from a Roth IRA. The Bank will report distributions from your IRA on Form 1099-R or other appropriate tax form.

It is your responsibility and, after your death, your beneficiary's responsibility, to file Form 5329, *Return for Individual Retirement Arrangement Taxes*, with the IRS to report additional taxes due on (i) excess contributions, (ii) premature distributions, (iii) insufficient distributions, and (iv) prohibited investments or transactions.

